

OUR BASIS FOR PROJECT AGREEMENTS AND COMPENSATION

Following are some parameters related to project scope, startups, agreements and compensation we usually follow. They are based in part on Manual 45 of the American Society of Civil Engineers for the Engagement of Consulting Engineers, revised edition.

PROJECT SCOPE DEFINITION:

Most projects and assignments undertaken for our clients have several aspects which cannot be well defined in advance of the work. Some of these unknowns are ...

- The scope of project conditions and organization's situation,
- The familiarity of the client management team with the work processes used,
- The effectiveness of the management team in working together as a **team**,
- The degree of detail desired or required in the final work product.

PROJECT START-UPS:

We find our **initial** discussions with most clients immediately contribute to project/problem definition and clarity. Consequently, we normally charge for work from the very first working meeting.

For this same reason, we also normally charge for specific proposals prepared at client request, unless they are informal and brief.

AGREEMENTS:

Further work on most projects is by mutual agreement rather than by contract. We agree to work together on a project with an intended outcome until such time as we have that outcome or as close as possible to it.

Whenever projects involve people, groups or organizations, rather than concrete things such as computers or plans or facilities, a more flexible, interactive process is necessary. Agreements should reflect that.

COMPENSATION:

Given the nature of most projects (defined above) we find it is fairest, for both our clients and ourselves, to charge on a per diem basis for consulting effort, plus out-of-pocket expenses.

Our fees must also cover many business-related overhead costs, including:



Office and equipment, accounting, office management, phone and computer services, insurance, research, continuing education, professional registration and certification, retirement, vacation, Social Security and numerous other taxes.

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