Designation: E2620 – 15 (Reapproved 2025)

Standard Classification for Program and Project Estimate Summaries[1]

This standard is issued under the fixed designation E2620; the number immediately following the designation indicates the year of original adoption or, in the case of revision, the year of last revision. A number in parentheses indicates the year of last reapproval. A superscript epsilon (ε) indicates an editorial change since the last revision or reapproval.

1. Scope

1.1 This classification establishes a classification of cost summaries for use when estimating program and project costs.

1.2 This classification can be applied to construction programs and projects that include one or more construction work projects.

1.3 This classification is not based on permanent physical elements of construction (as defined and classified in Classification E1557 for example); rather, the classification items are cost components common to most program and project estimates.

1.4 *This standard does not purport to address all of the safety concerns, if any, associated with its use. It is the responsibility of the user of this standard to establish appropriate safety, health, and environmental practices and determine the applicability of regulatory limitations prior to use.*

1.5 *This international standard was developed in accordance with internationally recognized principles on standardization established in the Decision on Principles for the Development of International Standards, Guides and Recommendations issued by the World Trade Organization Technical Barriers to Trade (TBT) Committee.*

2. Referenced Documents

2.1 *ASTM Standards:*[2]

E631 Terminology of Building Constructions

E833 Terminology of Building Economics

E1557 Classification for Building Elements and Related Sitework—UNIFORMAT II

E2083 Classification for Building Construction Field Requirements, and Office Overhead & Profit

E2168 Classification for Allowance, Contingency, and Reserve Sums in Building Construction Estimating

E2514 Practice for Presentation Format of Elemental Cost Estimates, Summaries, and Analyses

2.2 *Other Standard:*[3]

MasterFormat

3. Terminology

3.1 *Definitions:* For other definitions of general terms related to building construction used in this classification, refer to Terminology E631; and for general terms related to building economics, refer to Terminology E833.

3.1.1 *element, n—in construction planning, design, specification, estimating, and cost analysis*, a significant component part of the whole that performs a specific function, or functions, regardless of design, specification, or construction method.

3.1.1.1 *Discussion*—While through analysis, or by direct application, construction estimates categorized into elements (functional elements) with allocated costs, may be summarized in an **elemental cost summary** or **elemental cost analysis**; elements (functional elements) also provide a framework for consistent preliminary project description, outline, and performance specification, through all stages of planning, design, construction, and maintenance.

3.1.2 *elemental cost analysis, n—in construction planning, design, specification, estimating, and cost analysis*, a tabulation of cost categorized by **major group element**, **group element**, or **element**, or any combination thereof, to which a **parameter quantity**, or parameter quantities, has, or have, been applied to derive benchmark figures (rates, ratios, percentages, and so forth).

3.1.2.1 *Discussion*—Elemental cost analyses are valuable tools in planning, estimating, and controlling construction cost through all stages of planning and design. The benchmark figures are primarily derived from underlying estimate detail but can, in some circumstances, be used directly to approximate estimates for other projects.

3.1.3 *elemental cost summary, n—in construction planning, design, specification, estimating, and cost analysis*, a tabulation of cost categorized by **major group element**, **group element**, or **element**.

[1] This classification is under the jurisdiction of ASTM Committee E06 on Performance of Buildings and is the direct responsibility of Subcommittee E06.81 on Building Economics.

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[2] For referenced ASTM standards, visit the ASTM website, www.astm.org, or contact ASTM Customer Service at www.astm.org/contact. For *Annual Book of ASTM Standards* volume information, refer to the standard's Document Summary page on the ASTM website.

[3] Available from the Construction Specifications Institute (CSI), 110 South Union Street, Suite 100, Alexandria VA 22314, http://www.csinet.org.

3.1.4 *group element, n—in construction planning, design, specification, estimating, and cost analysis*, a significant component part of the whole that includes relevant **elements** which, as a group, perform a specific function, or functions, regardless of design, specification, or construction method.

3.1.5 *major group element, n—in construction planning, design, specification, estimating, and cost analysis*, a very significant component part of the whole that includes relevant **group elements** which, as a group, perform a major specific function, or functions, regardless of design, specification, or construction method.

3.1.6 *parameter quantity, n—in construction planning, design, specification, estimating, and cost analysis*, a measure of the amount (quantity) of work included within a **major group element**, **group element**, or **element**, or any combination thereof, which, using standardized metrics, ensures consistent **elemental cost analysis** preparation and comparison.

3.1.7 *UNIFORMAT II UII, n*—a hierarchical breakdown structure of construction work ordered by **elements**.

3.1.7.1 *Discussion*—Primarily designed for cost management (planning, control, and analysis) during the planning, budgeting, and design phases of construction, its hierarchical elemental breakdown structure is also used for qualitative–text rich–reports (preliminary project description, condition assessment, asset description), and other quantitative–text and numerical–purposes (value engineering, risk analysis, preliminary time schedule, building information modeling).

3.2 *Definitions of Terms Specific to This Standard:* Definitions for the terms *program*, *project*, and *construction* are legion. For the purposes of this classification, the following variations in the terms are used.

3.2.1 *construction, n*—a discrete undertaking, requiring concerted effort, that has a specified end product and is accomplished using finite resources.

3.2.2 *construction layer, n*—contains those activities and associated costs required to manage and deliver a constructed entity.

3.2.3 *program, n*—a specific collection, or group, of projects that is directed toward a common goal that may also serve as the basis for defining and planning those projects.

3.2.4 *program layer, n*—contains those activities and associated costs required to manage and deliver a collection, or group, of projects.

3.2.5 *project, n*—a discrete undertaking, requiring concerted effort, that has defined objectives, a defined life within specific start and end points, that is usually accomplished by using finite, or limited, resources.

3.2.6 *project layer, n*—contains those activities and associated costs required to manage and deliver a project.

4. Significance and Use

4.1 Program and project estimates are a necessary part of planning and implementing any program of work.

4.2 These estimates are used by persons involved in the planning and management of programs and projects. They are an essential part of establishing initial budgets and provide a framework for continuing updates permitting cost control through the life of a program and its various projects.

4.3 Users include owners, developers, facilities programmers, financial managers, company controllers, executives, program managers, project managers, and specialist cost planners including life cycle cost analysts.

4.4 They are also of use in risk management, and also provide a consistent list of major activity phases for use in program and project time schedules.

5. Basis of Classification

5.1 *Classification Criteria*—The selected classification of terms is based on the following criteria. The terms shall:

5.1.1 Be readily distinguishable one from the other,

5.1.2 Follow generic management hierarchical lines,

5.1.3 Allow a distinction between primary realms of responsibility, and

5.1.4 Be appropriate to many forms of construction.

5.2 *Primary Classification*—Based on the concept of layers that overlay and incorporate subordinate layers to build an overall estimated cost picture appropriate for those charged with responsibility for the successful delivery of that layer of the whole. A program may include all the phases envisaged in the program's whole life cycle and will typically include more than one project. These projects may take place at several stages in several phases in a program's life cycle and may be concurrent or sequential, or both, in their delivery. A project will include at least one constructed entity but may include more, constructed concurrently or sequentially, or both.

5.2.1 *Program Layer*—This layer "wraps" around (overlays) and includes the project layer(s) necessary to complete the whole program. It details and summarizes cash expenditures from initial identification of need or opportunity through operation and maintenance to final closure and disposal.

5.2.2 *Project Layer*—This layer "wraps" around and includes the construction layer(s). It details and summarizes those cash expenditures appropriate and necessary to delivering the constructed entity from inception to completion.

5.2.3 *Construction Layer*—This layer details the specific construction deliverable, be it a building, installation, or other constructed entity.

6. Description of Program, Project, and Construction Layers

6.1 *The "Layer" Concept:*

6.1.1 Programs and projects are typically structured in a hierarchical scheme wherein each layer of management has specific functions or actions, in addition to control and oversight responsibilities for those actions taken by subordinate layers. The metaphor is that each superior layer "overlays" a subordinate layer. Removing each "layer" will uncover a more specific layer beneath. This classification outlines these layers from the "top-down" although from an estimating point of view it may often be the lower (subordinate) layer that "drives" the content and magnitude of the next layer up. Some organizations may well wish to view this hierarchy in a "bottom-up" manner which may be done without changing the layer concept. Appendix X1 uses this "bottom-up" approach.