DEPARTMENT OF THE NAVY
NAVAL SEA SYSTEMS COMMAND
WASHINGTON, D.C. 20362

IN REPLY REFER TO

NAVSEANINST 4710.7A
074/BA
Ser 381

4 August 1981

NAVSEA INSTRUCTION 4710.7A

From: Commander, Naval Sea Systems Command
To: All Supervisors of Shipbuilding, Conversion and Repair, USN

Subj: Standard cost estimating form for private sector overhaul and repair availabilities; use of

Encl: (1) Standard Cost Estimate, form NAVSEA 4710/7
(2) Standard Cost Estimate (Instruction)

1. Purpose. To prescribe the use of a standard cost estimating form for use by the Supervisor of Shipbuilding, Conversion and Repair, USN (SUPSHIPS) involved in the preparation of cost estimates for work performed during private sector ship overhaul and repair availabilities.

2. Cancellation. NAVSEAINST 4710.7 of 13 May 1981 is hereby superseded and cancelled. The 3-81 edition of form NAVSEA 4710/7 is also cancelled.

3. Discussion. Previous studies have shown that the SUPSHIP methods for preparing and displaying cost estimates differ significantly between SUPSHIPS and are not consistent in how each activity transmits this information to the customer or to another SUPSHIP in the case of work package turnover from the "Planning SUPSHIP" to the "Overhaul SUPSHIP". NAVSEA chaired a workshop in July 1980 to define which information was required for a standard cost estimating form and to produce a NAVSEA standard which provided a consistent and common basis for estimate content. Enclosures (1) and (2) are the product developed at that workshop.

4. Scope. This instruction contains the standard cost estimating form and preparation instructions which will be utilized by all SUPSHIPS performing repairs and alterations to U.S. Navy ships and craft during scheduled and unscheduled availabilities of both the active and inactive fleet assets. This instruction is not applicable to the new construction of Naval ships. The requirements are applicable to ship conversion when the work authorization procedures parallel those for regular overhaul of the same type of ship.

5. Implementation. The usage of the form contained in this instruction is mandatory commencing 30 Nov 1981. SUPSHIPS involved in Navy repair work shall prepare a local SUPSHIP Instruction which implements the use of the standard form. The standard form shall be used for estimating all new work items contained in overhaul and other availability work packages. The form is optional for supplemental pricing agreements and other contract modifications.

6. Form. An initial distribution of form NAVSEA 4710/7 (Rev. 6-81) will be made to all SUPSHIPS; however, the form will be available in the Naval Supply System effective 1 November 1981 in accordance with NAVSUP publication 2002.

John F. Elwyn

JOHN F. ELWYN
Acting Deputy Commander for
Industrial and Facility Management

Distribution: (20 copies each)
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STANDARD COST ESTIMATE (Previous edition obsolete) NAVSEAINST 4710.7A
NAVSEA 4710/7 (Rev.6-81) 4 August 1981
S/N 0116-LF-047-1035

1 ☐ ORIGINAL ☐ AMENDMENT ☐ REVISION

SURVEYOR 2	ORIG. CODE 3	4				

6 TRADE

WORK ITEM PARAGRAPH/ CATEGORY I STD ITEMS 5	SHIPFITTERS	SHEETMETAL	WELDERS BURNERS	INSIDE MACHINIST	OUTSIDE MACHINIST	BOILERMAKER	ELECTRICIAN	PIPEFITTER	INSULATOR LAGGER	CARPENTER SHIPWRIGHT	ELEX / ORDANCE	PAINTERS SANDBLASTERS	RIGGER LABORER	QA/NDT	8 MAN HR/DAY	9 CFM MAT'L
CHECKPOINTS REPORTS	7													7A		
SUB TOTALS	10															

'SAMPLE'

NOTES 19

1 EST[illegible] DAYS REQ'D

2 ARE ALLOWANCE CHANGES INVOLVED? ☐ YES ☐ NO

3 LIST ITEM, SWLIN OR JCN NOS. THAT INTERFACE WITH THIS ITEM

4 REMARKS

LABOR TOTAL	$ 11	HR/DAY	$ 12
CFM MAT'L			$ 13
SUB CONTRACTOR			$ 14
MFR. REP			$ 15
TOTAL EST CONTRACTOR			$ 16

17	MD/MHR	MD/MHR	MAT'L	TOTAL
EST GROWTH	17A	$ 17B	$ 17C	$ 17D
GFM (NSA)				$ 18

SHIP/HULL NO 20

5 JSN/SWLIN

TITLE 21

DATE 22 | COAR NO 23 | ITEM NO 24 | MOD NO 25

PAGE ____ OF ____

ENCLOSURE (1)

STANDARD COST ESTIMATE
NAVSEA 4710/7 (Rev. 6-81) (Back)
0116-LF-047-1035

NAVSEAINST 4710.7A
4 August 1981

26 REPORTS REQUIRED

PARAGRAPH	TYPE OF REPORT *(BRIEF)*	REPORT DUE

27 CONTRACTOR FURNISHED MATERIAL ESTIMATE

PARA.	MATERIAL DESCRIPTION	QUANTITY	UNIT COST	TOTAL
			TOTAL $	

'SAMPLE'

28 SUB CONTRACTOR ESTIMATE

PARA.	SERVICE	MD/MHR	$/MD/MHR	MATL	TOTAL
		28A	28B	28C	28D
				TOTAL $	

TITLE	COAR NO	ITEM NO	MOD NO

ENCLOSURE (1)

PAGE _____ OF _____

STANDARD COST ESTIMATE (INSTRUCTIONS)

IMPLEMENTING AND PREPARATION INSTRUCTIONS

It is intended that individual SUPSHIPS will prepare specific instructions for in-house use of Standard Estimate Sheet, using enclosure (2) for guidance. Additionally, the use of the Estimate Sheet as printed on both sides is optional.

When preparing estimates for Centralized Planning Overhauls, the estimates should be based upon prime contractors performing all work with no sub-contractors indicated on the estimate form. This is based on the fact that the Planning SUPSHIPS generally do not always know what trades were sub-contracted when cross-district bidding. The Planning SUPSHIP will provide a total man-day/man-hour breakdown by trade for the total specification package for use by the overhauling activity, who in turn, will determine those trades normally subcontracted in their areas and allow adjustment to the man-day/man-hour rates accordingly.

GENERAL NOTE: In addition to the allowance for Work Item Check Point and reports in Blocks 7 and 7A, consideration should be given to reports and check points required by NAVSEA Standard Items.

INSTRUCTIONS FOR ESTIMATE SHEET

The form is prepared for each work item/change order to provide a total "should cost" estimate with breakdown, and to provide other data pertinent to the work item/change order.

1. *Top Margin – Check the appropriate block for type of estimate.*
2. *Surveyor – Name of originator*
3. *Section – Originator's code number*
4. *Optional – May be used for additional code numbers, routing or other pertinent data.*
5. *Work Item Para./Cat. 1 Standard Items – Estimate by para. or sub-para. of work item. Include Cat. 1 Standard Items that can be estimated on a Work Item basis, i.e., 009-20, 009-21, 009-24.*
6. *Trade – Self-explanatory. Where a particular trade is not listed, line out any unused trade and insert trade required.*

7 & 7A. *Check Points & Reports – A man-hour allowance should be allowed for each check point and report. Normally indicated by total for entire estimate in Block 7A.*

8. *Man-hour/Man-day. Total estimate for para./sub-para. Line out hour or day as appl.*
9. *CFM Material – Total CFM required for each action para./sub-para. in dollars.*
10. *Sub-totals – Total of trade vertical columns, man-hour/day and CFM columns.*
11. *Labor Rate – Cost in dollars by hour or day. Line out hour or day as applicable.*
12. *Labor Total – Product of labor rate, block 11 times total of Col. 8 in dollars.*
13. *CFM Material – Total dollar cost of Col. 9 carried down for computation.*
14. *Sub-contractor – Total of sub-contractor labor and material in dollars.*
15. *Manufacturer Representative – Cost of manufacturer's representative in dollars. Indicate breakdown of days required, rate per day, per diem and travel costs in "Notes," Col. 19, Block 4, "Remarks."*
16. *Total Estimate Contractor – Total of Blocks 12, 13, 14 and 15 in dollars.*
17. *Estimated Growth – Optional – Indicate basis for estimate in Block 19-4, i.e., historical data, percentage based on past history, etc.*
    - *17A. Total estimated man-hour/day. Line out hour or day as applicable.*
    - *17B. Cost in dollars by hour or day. Line out hour or day as applicable.*
    - *17C. Total estimated cost of material in dollars.*
    - *17D. Total cost in dollars – 17A times 17B plus 17C.*
18. *GF[illegible] – Total cost of GFM in dollars for the work item.*

NOTES

- *19–1. Estimated Working Days Required – Number of days required to accomplish the requirements of the work item.*
- *19–2. Allowance Changes – Optional – May be used as a reminder to invoke Standard Items 009-39, 40, 41, 42 for Technical Manual requirements.*
- *19–3. Items, SWLIN or JCN Number Interface – Optional – Useful in split bid packages for determining docking/top-side interface.*
- *19–4. Remarks – Normally used to qualify manufactorer's representative costs. Also used to provide any other pertinent data, qualifying estimate remarks, material problems, basis for growth estimate, etc.*
- *19–5. JSN/SWLIN – Obtain from 4790/2 or SARP*

20/21. *Ship/Hull No. – Title. Self-expl.*
22. *Date – Date estimate prepared.*
23. *COAR NO. – Provided locally.*
24. *Item No. – Self-explanatory*
25. *MOD No. – For Change Orders (Growth)*
26. *Reports Required – Optional.*
27. *CFM Estimate – Optional. Used on case basis where breakdown of CFM is required. When used, the total is entered in Block 13.*
28. *Sub-Contractor Estimate – Optional – When used, indicate in Block 28A MD/MH total per para. Line out day or hour as appl. Indicate labor rate in Block 28B. Line out day or hour as appl. Indicate material in dollars in Block 28C. Total in dollars product of MD-MH times labor rate plus material. When used, the total is entered in Block 14.*