

Cost Benefit Analysis

An introductory course on the principles of engineering economy. Basic concepts regarding benefit and cost in both monetary and non-monetary terms. Capital. Interest formulas and derivations. Annual worth comparisons. Present worth. Bond Evaluation. Benefit-cost ratio. Rule of Delta. Internal Rate of Return. Descarte's Rule. Nostrom's Condition. Bergman's Rule. Depreciation. Effect of taxes. Influence of inflation in cost-benefit analysis. Choosing among alternative inputs and production processes. Multiple Alternatives. Evaluating alternative investments, equipment service life, and new products. Introduction to capital budgeting. How to handle real world problems, public projects, socio-economic studies, and major private investment decisions.