



SIT DOLOR

BUDGET PROPOSAL

[Draw your reader in with an engaging abstract. It is typically a short summary of the document. When you're ready to add your content, just [click here and start typing.](#)]

Project Name

Date

Prepared by:

[Name]

[Your Company Name]

Prepared for:

[Client Name]

[Client Company Name]



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[Project Name] Abstract

Provide a general abstract of 1-3 paragraphs, 3-5 sentences each. Introduce your project, history, and briefly explain the requirements at the end

(for example-last paragraph):

[Project Name] aims to accomplish [goals] by incorporating the talents and resources of our inspiring team of professionals, with experience completing [milestones]. In order to reach our goals, we expect to require capital resources of \$X million USD, and operational resources equivalent to a staff of 20 engineers, for a period of 4.25 - 4.75 years.

Authors

This Budget Proposal has been prepared by [Name] at [Company]. It has been created including all necessary foreseeable costs associated with the Project, and includes justifications for each deliverable within the project.

If you need to ask any questions about any provision in this proposal, please contact [Title], [Name] at [Phone Number/Email/Text Message/Other Contact Info] by [method of contact],

or alternatively, contact [Title], [Name] at [Phone Number/Email/Text Message/Other Contact Info] by [method of contact].

Work or Performance Term

This Proposal covers the following scheduled term, from [Date] to [Date].

In standard budgets made internally, the budget should be broken down into quarters, at least 4 quarters, or into monthly budgets (at least 12 months). Be sure to start and end the dates on the beginning of the fiscal year, and end of the fiscal year. For example, your company may operate on a fiscal year starting on April 18th, 2020 and end on April 15th, 2021.

Project Cost Breakdown

Include a summary of costs. Logically break down the costs into categories, then into smaller categories, with tables for each logical line item. Separate labor and operational expenses (OPEX) from capital expenses (CAPEX). Below, an example of what it might look like:

Analysts at Sit Dolor have determined that, given current market conditions and industry supply capabilities, the project can be reasonably completed in **4.25 – 4.75 years**, with a **20-person** full time engineering staff. The full cost will be around **10.5 MN USD**, with 5.2 MN of that sum dedicated to personnel and operations, and the remaining 5.3 MN USD for equipment and location-related capital expenses.

Position	Person-Months	Cost/Person month	Cost
Senior Engineer 1	54	\$6.5	\$ 351
Senior Engineer 2	54	\$6.5	\$ 351
Engineer 3-10	432	\$4.5	\$1,944
Junior Engineer 11-20	540	\$2.1	\$1,134
Business Manager	54	\$8.3	\$448
Administrative Assistant	54	\$3.5	\$189
IT Staff 1,2	108	\$4	\$432
TOTAL	1296		\$4,849

Table 1, Personnel Costs. All currency amounts in thousands of USD.

Talk in a couple paragraphs about the requirement for each position, and how your firm came up with the estimated personnel for the project, and why each position is required. How do the salaries proposed relate to market values in the region, and why are they higher/lower/average? Emphasize the strength of your plan, why this strategy is better than other potential options?

Item	Months	Cost/Month	Cost
Building Lease	54	3	162
Utilities	54	2.5	135
Transportation	54	0.8	43
Marketing/Trade Shows	2	1.5	3
TOTAL			\$343

Table 2, Operational Costs. All currency amounts in thousands of USD.

Discuss the line items listed in the operational cost breakdown. The more specific you can describe each item, the more weight your estimations will carry with investors, principals, or stakeholders in your project.

Item	Cost/unit	Qty/Unit	Cost
Building Improvements	\$1,125	1	\$1,125
Supercomputer (Installed)	\$1,000	1	\$1,000
Computers	\$3	25	\$75
Prototype Machinery	\$125	12	\$1,500
Materials	\$275	1	\$275
Vehicles	\$45	5	\$225
Manufacturing Tooling	\$1,100	1	\$1,100
TOTAL			\$5,300

Table 2, Capital Expenditures. All currency amounts in thousands of USD.

Discuss the line items in a chronological or other logical order. It helps to tell a story about how the project is intended to play out, and at what point will each item be used, and for what. Weigh the pros and cons of each item, and any considerations that were made to arrive at these predictions. Why is the number not lower or higher, and what tradeoffs are present, relating to personnel, market conditions, time resources, or other factors? How do your numbers compare to other companies or other projects of similar type.

Market Analysis

Although optional, it is helpful to include an analysis of the competitors, other market conditions, and factors that influence the cost, ROI, and expected timeline of the project. As the contractor’s triangle states, there is an equilibrium between Cost, Time, and Quality. If one goes up, the other two must go down, and vice-versa. Where you fall on the continuum depends on specific factors which you need to identify and choose.

Summary

Include the final numbers of your project, in a new format, and briefly summarize the main costs, emphasizing the justification for each item.

Item	Cost
Engineering Team	\$3,780
Other Personnel	\$1,069
CAPEX	\$5300
OPEX (n. inc. personnel)	\$343
TOTAL	\$10,492
TOTAL/Mo.	\$194.3
TOTAL/Yr.	\$2,623

Table 4, Summary of Expenditures. All \$ amounts in thousands of USD.

This Project budget has been developed and prepared by [Name], [Title], [Name], [Title], [Name], [Title], [Name], [Title] and [Name], [Title] at [Company Name]. It has been provided using the limited information from the description of the Project, and its estimate accuracy is dependent on the quality of information provided by previous discussions and project documents.

By signing below, we hereby certify that the estimate above represents the industry best practice amount that such services may cost, given the stated factors. Any error is not intentional, and numbers stated are the true, accurate, and complete representations, based on actual data available, to the best of the ability of this team, as of the date of signature(s) provided below.

[Company Name]

_____ Name, Title	_____ Date	_____ Name, Title	_____ Date
_____ Name, Title	_____ Date	_____ Name, Title	_____ Date
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