**Cost Management Plan**

**2.1 Objective**

To ensure all project activities are completed within the approved budget through careful cost estimation, budgeting, and control.

**2.2 Budget Summary (Sample Breakdown)**

| **Item** | **Cost (KES)** |
| --- | --- |
| Project Staffing (Developers, PM, QA) | 20,000,000 |
| Infrastructure (Cloud, Licenses) | 10,000,000 |
| Third-party Integrations | 5,000,000 |
| Security & Compliance Audits | 3,000,000 |
| Training & Change Management | 2,000,000 |
| Contingency (10%) | 4,000,000 |
| **Total** | **44,000,000** |

**2.3 Cost Estimation Methods**

* Bottom-up estimation for task-level budgeting.
* Historical comparison with similar Safaricom digital platforms.
* Expert judgment from finance and engineering leads.

**2.4 Budget Control**

* Monthly budget variance reports.
* Use of Earned Value Management (EVM) to track CPI/SPI.
* Approval required for variances exceeding 5%.
* Change request process for scope-related budget changes.