

# Project Budget Management Plan

**Project Name:** Ryan's Backyard Deck Project

**Project Manager:** Charlotte Josephine

**Date:** February 10, 2025

## Baseline Budget

Budget Category	Estimated Cost (USD)	Notes
Lumber & Materials	\$6,000	Deck wood (treated), cut to dimension
Fasteners & Hardware	\$1,500	Screws, brackets, joists
Concrete for Footings	\$1,500	20x20 foundation footings
Labor (Carpenter & Mason)	\$3,000	Skilled trades at daily rates
Finishing Sealant & Stain	\$500	Waterproofing and visual finishing
<b>Total Baseline Budget</b>	<b>\$12,500</b>	—

## Estimation Approach

The costs were estimated using a bottom-up estimation technique, where each major activity was broken down into resource components:

- **Materials:** Quotes from local suppliers (Home Depot) provided unit pricing for lumber, fasteners, and concrete. A 10% buffer was included for material waste.
- **Labor:** Estimated based on expected duration (20–30 days) and prevailing carpenter/mason daily rates.
- **Finishes:** Based on standard retail pricing for sealants and stains.
- **Contingencies:** Minimal in this baseline, but risks (weather, shortages) are noted.

## Process for Managing Cost Changes

If costs change during execution, the following process will be applied:

1. **Identification:** Project manager tracks all invoices, receipts, and labor hours weekly.
2. **Evaluation:** Compare new costs against baseline. If variance >10%, prepare a change request.
3. **Approval:** Project sponsor (Emilie Doris) must approve cost changes exceeding \$500.
4. **Documentation:** All changes logged in a cost register, including reason, date, and approval signature.
5. **Communication:** Updates shared during weekly progress meetings with stakeholders.

## Monitoring and Controlling the Budget

Budget performance will be tracked using **Earned Value Management (EVM)** techniques:

- **Planned Value (PV):** What should be spent according to the schedule baseline.
- **Actual Cost (AC):** Amount actually spent at each milestone.
- **Earned Value (EV):** Value of work actually completed, based on project progress.

Variance analysis (Cost Variance and Schedule Variance) will be done bi-weekly. Reports will be distributed to the sponsor and client.

Additionally:

- **Milestone Reviews:** At each milestone (materials purchase, framing completion, railing installation, finishing), cost tracking will be checked against baseline.
- **Final Review:** Upon project closeout, actual costs will be reconciled with baseline and variances documented.