

# Appendix T: Business Templates

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## Appendix T - Business Ownership Templates and Tools

### Introduction

This appendix provides comprehensive practical templates, forms, and tools to support CNC business ownership and management. These templates are designed to be customizable for your specific shop needs and can be adapted for different scales of operation—from solo shops to multi-employee operations.

### Complete Contents:

**Section 1-4: Business Planning and Startup (Part 1)** - Business Concept Worksheets - Legal Structure Comparison Matrix - Pre-Launch Readiness Checklist - Comprehensive Business Plan Template - Startup Cost Worksheets - Funding Sources Planning - Equipment Purchase Decision Matrix

**Section 5: Financial Management and Accounting (Part 2)** - Chart of Accounts for CNC Machine Shops - Monthly Bookkeeping Checklist - Key Performance Indicators (KPI) Dashboard - Job Costing Worksheet - Cash Flow Projection (13-Week) - Customer Profitability Analysis - Break-Even Analysis Template

**Section 6-7: Tax Planning and Employee Management (Part 3)** - Annual Tax Planning Checklist - Mileage Log Template - Home Office Deduction Worksheet - Job Description Template - Interview

Question Bank - Employee Onboarding Checklist - Performance Review Template

**Section 8: Equipment Purchasing and Vendor Management (Part 4)** - Equipment Evaluation Scorecard - Equipment ROI Calculator - Vendor Evaluation Matrix - Purchase Order Template - Receiving Inspection Report - Vendor Performance Scorecard

**Section 9: Sales, Marketing, and Customer Management (Part 5)** - Quote Request Form - Quotation Template - Customer Information Form - Customer Communication Log - Customer Satisfaction Survey - Marketing Plan Template - Sales Pipeline Tracker

**Section 10: Operations, Risk Management, and Growth Planning (Part 6)** - Production Schedule Template - Quality Control Inspection Report - Corrective Action Request (CAR) Form - Risk Assessment Matrix - Strategic Growth Plan - Exit Strategy Planning Worksheet

All templates support **Module 26 (Business Ownership)** with ready-to-use business management tools covering accounting, taxes, employees, equipment purchasing, vendor management, sales, marketing, operations, risk management, and strategic growth planning.

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## Section 1: Business Planning Templates

### 1.1 Business Concept Worksheet

**Purpose:** Define your business vision before diving into details.

#### BUSINESS CONCEPT DEFINITION

Business Name Ideas:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Primary Business Type: (check one)

- ☐ Job Shop (Custom one-off parts)
- ☐ Production Shop (Repeat production runs)
- ☐ Prototype Shop (R&D and development work)
- ☐ Niche Specialist (Specific industry/material/process)
- ☐ Repair/Modification Shop
- ☐ Hybrid (specify): \_\_\_\_\_

Core Services Offered:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

Target Market/Industries:

Primary: \_\_\_\_\_

Secondary: \_\_\_\_\_

Tertiary: \_\_\_\_\_

Unique Value Proposition:

What makes your shop different/better?

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Geographic Service Area:

☐ Local only (\_\_\_\_\_ mile radius)

☐ Regional (specify): \_\_\_\_\_

☐ National (shipping capability)

☐ International

Initial Scale:

☐ Solo operation (just me)

☐ Partnership (\_\_\_\_\_ partners)

☐ Small team (\_\_\_\_\_ employees)

Your Relevant Experience:

Years in CNC machining: \_\_\_\_\_

Years in business management: \_\_\_\_\_

Years in target industries: \_\_\_\_\_

Key Skills You Bring:

Technical: \_\_\_\_\_

Business: \_\_\_\_\_

Industry: \_\_\_\_\_

Key Skills You Need to Develop/Hire:

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Success Metrics (Define what "success" means to you):

Year 1: \_\_\_\_\_

Year 3: \_\_\_\_\_

Year 5: \_\_\_\_\_

Personal Goals:

Income goal: \$\_\_\_\_\_/year by year \_\_\_\_\_

Work-life balance goal: \_\_\_\_\_ hours/week

Growth ambition: (describe)

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## 1.2 Legal Structure Comparison Matrix

**Purpose:** Compare business structure options to choose the right one.

### LEGAL STRUCTURE COMPARISON

Rate each factor (1-10, 10 = most important to you):

Importance ratings:

- \_\_\_\_\_ Liability protection
- \_\_\_\_\_ Tax flexibility
- \_\_\_\_\_ Ease of setup
- \_\_\_\_\_ Ongoing compliance burden
- \_\_\_\_\_ Credibility with customers
- \_\_\_\_\_ Ability to raise capital
- \_\_\_\_\_ Profit distribution flexibility
- \_\_\_\_\_ Exit strategy options

Structure Comparison:

SOLE PROPRIETORSHIP	
Setup Complexity:	★★★★★ (Simplest)
Liability Protection:	★★★★★ (None – personal assets at risk)
Tax Treatment:	Pass-through (Schedule C)
Ongoing Compliance:	★★★★★ (Minimal)
Credibility:	★★★★★
Cost to Setup:	\$50-500 (DBA, licenses)
Annual Fees:	\$0-200
BEST FOR: Testing the waters, very small operations, low-risk	
AVOID IF: Significant equipment investment, employee plans	

LIMITED LIABILITY COMPANY (LLC)	
Setup Complexity:	★★★★★ (Moderate)
Liability Protection:	★★★★★ (Strong, if properly maintained)
Tax Treatment:	Flexible (pass-through or S-corp election)
Ongoing Compliance:	★★★★★ (Annual reports, operating agreement)
Credibility:	★★★★★
Cost to Setup:	\$500-2,000 (state filing + legal)
Annual Fees:	\$100-800 (varies by state)
BEST FOR: Most CNC shops – balance of protection and simplicity	
RECOMMENDED FOR: Anyone with significant equipment or employees	

S CORPORATION	
Setup Complexity:	★★★☆☆ (More complex)
Liability Protection:	★★★☆☆ (Strong)
Tax Treatment:	Salary + distributions (potential savings)
Ongoing Compliance:	★★★☆☆ (Payroll, corporate minutes)
Credibility:	★★★★★
Cost to Setup:	\$1,000–3,000
Annual Fees:	\$500–2,000 (accounting, compliance)
BEST FOR: Profitable shops (\$75k+ profit) wanting tax optimization	
NOTE: Can elect S-corp status as an LLC (best of both worlds)	

C CORPORATION	
Setup Complexity:	★★★★★ (Most complex)
Liability Protection:	★★★★★ (Strongest)
Tax Treatment:	Double taxation (corporate + personal)
Ongoing Compliance:	★★★★★ (Extensive)
Credibility:	★★★★★
Cost to Setup:	\$2,000–5,000+
Annual Fees:	\$2,000–5,000+ (legal, accounting)
BEST FOR: Large operations, seeking investors, going public	
RARELY NEEDED: For typical CNC shops (LLC or S-corp is better)	

#### YOUR DECISION MATRIX:

Structure under consideration: \_\_\_\_\_

Pros for my situation:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Cons for my situation:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Questions for attorney/accountant:

1. \_\_\_\_\_
2. \_\_\_\_\_

3. \_\_\_\_\_

Decision: \_\_\_\_\_ Date: \_\_\_\_\_

Reason: \_\_\_\_\_

### 1.3 Pre-Launch Readiness Checklist

**Purpose:** Ensure you're truly ready before launching.

#### PRE-LAUNCH READINESS ASSESSMENT

Rate each area: Ready ([check]), Needs Work (Δ), Not Started (x)

##### TECHNICAL READINESS:

- ☐ CNC programming proficiency (CAM software)
- ☐ Setup and work-holding expertise
- ☐ Tooling knowledge and management
- ☐ Quality control and inspection skills
- ☐ Troubleshooting and problem-solving ability
- ☐ Multiple machine type experience (mill, lathe, etc.)
- ☐ Various material experience (metals, plastics, etc.)
- ☐ Blueprint reading and GD&T understanding
- ☐ Fixture design capability
- ☐ Process optimization skills

Technical Readiness Score: \_\_\_\_/10

Gaps to address:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

##### BUSINESS READINESS:

- ☐ Basic accounting knowledge
- ☐ Pricing and estimating skills
- ☐ Contract negotiation experience
- ☐ Customer service aptitude
- ☐ Time management discipline
- ☐ Marketing/sales capability
- ☐ Computer/software proficiency
- ☐ Written communication skills
- ☐ Problem customer handling ability
- ☐ Cash flow management understanding

Business Readiness Score: \_\_\_\_/10

Gaps to address:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**FINANCIAL READINESS:**

- ☐ 6+ months personal living expenses saved
- ☐ Startup capital identified (\$\_\_\_\_\_ available)
- ☐ Credit score 680+ (for financing if needed)
- ☐ Personal budget reduced/optimized
- ☐ Family financial backup plan in place
- ☐ Health insurance solution identified
- ☐ Retirement savings plan (even if paused temporarily)
- ☐ Emergency fund separate from business (\$\_\_\_\_\_)
- ☐ Debt load manageable (monthly payments: \$\_\_\_\_\_)
- ☐ Realistic financial projections completed

Financial Readiness Score: \_\_\_\_/10

Critical gaps (MUST address before launch):

1. \_\_\_\_\_
2. \_\_\_\_\_

**PERSONAL READINESS:**

- ☐ Family support secured (spouse, partner, dependents)
- ☐ Time commitment understood (60-80 hrs/week year 1)
- ☐ Stress management strategies in place
- ☐ Support network identified (mentors, peers)
- ☐ Backup plans for key life events (health, family)
- ☐ Realistic expectations set (not overnight success)
- ☐ Patience for slow initial growth
- ☐ Ability to work alone for extended periods
- ☐ Thick skin for rejection/criticism
- ☐ Long-term commitment (3-5 year minimum mindset)

Personal Readiness Score: \_\_\_\_/10

Concerns to address:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**RESOURCE READINESS:**

- ☐ Equipment identified (own or access)
- ☐ Facility identified (space, utilities, zoning)
- ☐ Insurance quotes obtained
- ☐ Software licenses budgeted
- ☐ Tooling inventory planned
- ☐ Vendor accounts established/planned



[ ] Professional service providers identified:

[ ] Attorney

[ ] Accountant

[ ] Insurance agent

[ ] Banker

[ ] Website/online presence planned

[ ] Legal structure decided

Resource Readiness Score: \_\_\_\_/10

Items to secure:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

OVERALL READINESS:

Technical: \_\_\_\_/10

Business: \_\_\_\_/10

Financial: \_\_\_\_/10

Personal: \_\_\_\_/10

Resource: \_\_\_\_/10

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Total: \_\_\_\_/50

Interpretation:

40-50: Ready to launch (address any critical gaps first)

30-39: Nearly ready (give yourself 3-6 months to prepare)

20-29: Need significant preparation (6-12 months)

Below 20: Not yet ready (focus on skill/resource building)

LAUNCH DECISION:

Planned launch date: \_\_\_\_\_

Pre-launch action items:

1. \_\_\_\_\_ by \_\_\_\_\_
2. \_\_\_\_\_ by \_\_\_\_\_
3. \_\_\_\_\_ by \_\_\_\_\_
4. \_\_\_\_\_ by \_\_\_\_\_
5. \_\_\_\_\_ by \_\_\_\_\_

Go/No-Go Decision Date: \_\_\_\_\_

Notes:

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## Section 2: Comprehensive Business Plan Template

### 2.1 Executive Summary Framework

**Purpose:** Create a compelling overview of your business (write this LAST, after completing other sections).

EXECUTIVE SUMMARY  
(1–2 pages maximum)

Business Name: \_\_\_\_\_

Business Structure: \_\_\_\_\_

Location: \_\_\_\_\_

Owner(s): \_\_\_\_\_

Contact: \_\_\_\_\_

THE OPPORTUNITY:  
(What problem does your shop solve? What market gap?)

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THE SOLUTION:  
(Your services, capabilities, unique approach)

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TARGET MARKET:  
Primary customers: \_\_\_\_\_  
Market size: \$\_\_\_\_\_ (local/regional)  
Your realistic capture: \_\_\_\_% (year 1), \_\_\_\_% (year 3)

COMPETITIVE ADVANTAGE:  
(Why customers will choose you over established shops)

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

FINANCIAL HIGHLIGHTS:

Startup costs: \$ \_\_\_\_\_  
Funding sources: \$ \_\_\_\_\_ (own), \$ \_\_\_\_\_ (loan/investors)  
Year 1 revenue projection: \$ \_\_\_\_\_  
Year 1 net profit projection: \$ \_\_\_\_\_  
Break-even timeline: \_\_\_\_\_ months

**KEY SUCCESS FACTORS:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**FUNDING REQUEST (if applicable):**

Amount needed: \$ \_\_\_\_\_  
Use of funds: \_\_\_\_\_  
Repayment plan: \_\_\_\_\_

**2.2 Company Description**

**COMPANY DESCRIPTION**

**BUSINESS OVERVIEW:**

[Your Shop Name] is a [type of shop] CNC machining business located in [city, state]. We specialize in [primary services] for [target industries].

Founded: \_\_\_\_\_  
Structure: \_\_\_\_\_  
Owner(s): \_\_\_\_\_

**MISSION STATEMENT:**

(What you do, for whom, how you're different – 1–2 sentences)

\_\_\_\_\_  
\_\_\_\_\_

**VISION STATEMENT:**

(Where you want to be in 5–10 years – 1–2 sentences)

\_\_\_\_\_  
\_\_\_\_\_

**CORE VALUES:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

**BUSINESS OBJECTIVES:**

Year 1:

- Revenue: \$ \_\_\_\_\_
- Customers: \_\_\_\_\_ active accounts
- Capabilities: \_\_\_\_\_
- \_\_\_\_\_

Year 3:

- Revenue: \$ \_\_\_\_\_
- Customers: \_\_\_\_\_ active accounts
- Capabilities: \_\_\_\_\_
- Equipment additions: \_\_\_\_\_
- \_\_\_\_\_

Year 5:

- Revenue: \$ \_\_\_\_\_
- Customers: \_\_\_\_\_ active accounts
- Team size: \_\_\_\_\_ employees
- Facilities: \_\_\_\_\_
- \_\_\_\_\_

KEYS TO SUCCESS:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

## 2.3 Services and Capabilities

SERVICES OFFERED

PRIMARY SERVICES:

1. \_\_\_\_\_ (% of expected revenue: \_\_\_\_%)  
Description: \_\_\_\_\_  
Target margin: \_\_\_\_%
2. \_\_\_\_\_ (% of expected revenue: \_\_\_\_%)  
Description: \_\_\_\_\_  
Target margin: \_\_\_\_%
3. \_\_\_\_\_ (% of expected revenue: \_\_\_\_%)  
Description: \_\_\_\_\_  
Target margin: \_\_\_\_%

SECONDARY SERVICES:

1. \_\_\_\_\_ (% of expected revenue: \_\_\_\_%)
2. \_\_\_\_\_ (% of expected revenue: \_\_\_\_%)

### SERVICE DIFFERENTIATION:

What makes our services superior/different:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

### CAPABILITIES MATRIX:

#### Materials:

- ☐ Aluminum (all alloys)  
☐ Steel (mild, alloy, tool steel)  
☐ Stainless steel  
☐ Brass/Bronze  
☐ Titanium  
☐ Plastics (specify): \_\_\_\_\_  
☐ Exotics (specify): \_\_\_\_\_

#### Processes:

- ☐ 3-axis milling  
☐ 4-axis milling  
☐ 5-axis milling  
☐ CNC turning  
☐ Swiss turning  
☐ EDM (wire, sinker)  
☐ Grinding (surface, cylindrical)  
☐ Assembly  
☐ Welding/fabrication  
☐ Finishing (specify): \_\_\_\_\_

#### Tolerances:

Standard: +/- \_\_\_\_\_"

Precision: +/- \_\_\_\_\_"

Special capabilities: \_\_\_\_\_

#### Size Ranges:

Milling: \_\_\_\_" x \_\_\_\_" x \_\_\_\_" (max envelope)

Turning: \_\_\_\_" diameter x \_\_\_\_" length (max)

Weight capacity: \_\_\_\_\_ lbs

#### Volume Capabilities:

Prototype/R&D: \_\_\_\_\_ pieces/run

Short run: \_\_\_\_\_ to \_\_\_\_\_ pieces/run

Production: \_\_\_\_\_ to \_\_\_\_\_ pieces/run

Large volume: \_\_\_\_\_ + pieces/run

#### Quality Systems:

- ☐ ISO 9001 certified  
☐ ISO 9001 planned (by: \_\_\_\_\_)

[ ] AS9100 certified (aerospace)  
[ ] ITAR registered  
[ ] ISO 13485 (medical)  
[ ] Customer-specific certifications: \_\_\_\_\_

Inspection Equipment:

[ ] CMM (size: \_\_\_\_\_)  
[ ] Optical comparator  
[ ] Surface finish tester  
[ ] Hardness tester  
[ ] Precision measuring tools (micrometers, calipers, etc.)  
[ ] Other: \_\_\_\_\_

SERVICES NOT OFFERED:

(But might refer out or add later)

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

FUTURE CAPABILITY ROADMAP:

Year 1 additions: \_\_\_\_\_  
Year 2 additions: \_\_\_\_\_  
Year 3 additions: \_\_\_\_\_

## 2.4 Market Analysis

### MARKET ANALYSIS

INDUSTRY OVERVIEW:

Custom CNC machining market (your geographic area):

Estimated size: \$\_\_\_\_\_ annually

Growth rate: \_\_\_\_% per year

Key trends affecting the industry:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

TARGET MARKET SEGMENTS:

Primary Segment:

Industry: \_\_\_\_\_

Typical customer profile: \_\_\_\_\_

Their typical needs: \_\_\_\_\_

Annual market size (your area): \$\_\_\_\_\_

Number of potential customers: \_\_\_\_\_

Typical order value: \$\_\_\_\_\_ to \$\_\_\_\_\_

Order frequency: \_\_\_\_\_

Decision makers: \_\_\_\_\_

Buying cycle: \_\_\_\_\_

Why they'll choose us:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Secondary Segment:

Industry: \_\_\_\_\_

Typical customer profile: \_\_\_\_\_

Their typical needs: \_\_\_\_\_

Annual market size (your area): \$ \_\_\_\_\_

Number of potential customers: \_\_\_\_\_

Typical order value: \$ \_\_\_\_\_ to \$ \_\_\_\_\_

Order frequency: \_\_\_\_\_

Tertiary Segment (if applicable):

Industry: \_\_\_\_\_

Annual market size: \$ \_\_\_\_\_

#### CUSTOMER NEEDS ANALYSIS:

What customers value most (rank 1-10):

- \_\_\_\_\_ Price (lowest cost)
- \_\_\_\_\_ Quality (zero defects)
- \_\_\_\_\_ Speed (quick turnaround)
- \_\_\_\_\_ Consistency (repeat reliability)
- \_\_\_\_\_ Technical expertise (engineering support)
- \_\_\_\_\_ Communication (responsive, clear)
- \_\_\_\_\_ Flexibility (rush jobs, changes)
- \_\_\_\_\_ Capacity (can handle volume)
- \_\_\_\_\_ Certifications (ISO, AS9100, etc.)
- \_\_\_\_\_ Proximity (local pickup/delivery)

Our shop's strengths (rank same 1-10):

- \_\_\_\_\_ Price
- \_\_\_\_\_ Quality
- \_\_\_\_\_ Speed
- \_\_\_\_\_ Consistency
- \_\_\_\_\_ Technical expertise
- \_\_\_\_\_ Communication
- \_\_\_\_\_ Flexibility
- \_\_\_\_\_ Capacity
- \_\_\_\_\_ Certifications
- \_\_\_\_\_ Proximity

Gaps to address: \_\_\_\_\_

\_\_\_\_\_

## MARKET ENTRY STRATEGY:

### Phase 1 (Months 1-6):

Focus: \_\_\_\_\_

Target: \_\_\_\_\_ customers, \$\_\_\_\_\_ revenue/month

Approach: \_\_\_\_\_

### Phase 2 (Months 7-12):

Focus: \_\_\_\_\_

Target: \_\_\_\_\_ customers, \$\_\_\_\_\_ revenue/month

Expansion: \_\_\_\_\_

### Phase 3 (Year 2+):

Focus: \_\_\_\_\_

Target: \_\_\_\_\_ customers, \$\_\_\_\_\_ revenue/month

Growth strategy: \_\_\_\_\_

## 2.5 Competitive Analysis

### COMPETITIVE ANALYSIS

#### DIRECT COMPETITORS:

##### Competitor #1:

Name: \_\_\_\_\_

Location: \_\_\_\_\_

Size: \_\_\_\_\_ employees, estimated \$\_\_\_\_\_ revenue

Strengths:

- \_\_\_\_\_
- \_\_\_\_\_

Weaknesses:

- \_\_\_\_\_
- \_\_\_\_\_

Market position: \_\_\_\_\_

Their typical customer: \_\_\_\_\_

How we'll differentiate: \_\_\_\_\_

\_\_\_\_\_

##### Competitor #2:

Name: \_\_\_\_\_

Location: \_\_\_\_\_

Size: \_\_\_\_\_ employees, estimated \$\_\_\_\_\_ revenue

Strengths:

- \_\_\_\_\_
- \_\_\_\_\_

Weaknesses:

- \_\_\_\_\_
- \_\_\_\_\_

Market position: \_\_\_\_\_



How we'll differentiate: \_\_\_\_\_  
\_\_\_\_\_

Competitor #3:

Name: \_\_\_\_\_

Location: \_\_\_\_\_

Size: \_\_\_\_\_ employees, estimated \$\_\_\_\_\_ revenue

Strengths:

- \_\_\_\_\_
- \_\_\_\_\_

Weaknesses:

- \_\_\_\_\_
- \_\_\_\_\_

Market position: \_\_\_\_\_

How we'll differentiate: \_\_\_\_\_  
\_\_\_\_\_

#### COMPETITIVE POSITIONING MATRIX:

	Low Price ←-----→ Premium Price
High Quality ↑	
	Competitor ____: [mark position]
	Competitor ____: [mark position]
	OUR SHOP: [mark position]
	Competitor ____: [mark position]
↓	
Low Quality	

	Fast Delivery ←-----→ Long Lead Time
Large Volume ↑	
	Competitor ____: [mark position]
	OUR SHOP: [mark position]
	Competitor ____: [mark position]
↓	
Small Batches	

#### OUR COMPETITIVE ADVANTAGES:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

#### BARRIERS TO ENTRY (protecting us from new competitors):

- Capital requirements: \$\_\_\_\_\_ equipment investment
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

**THREATS:**

- Customer in-sourcing (buying their own equipment)
- Offshore competition (low-cost countries)
- 3D printing/additive manufacturing alternatives
- Automation reducing labor advantage
- Other: \_\_\_\_\_

**OPPORTUNITIES:**

- Dissatisfaction with current suppliers
- Industry growth/new customers
- Competitor retirement/exit
- Technology changes favoring our approach
- Other: \_\_\_\_\_

**Section 3: Startup Costs and Funding****3.1 Comprehensive Startup Cost Worksheet**

**Purpose:** Calculate total funds needed before opening.

**STARTUP COSTS CALCULATION****ONE-TIME COSTS:****EQUIPMENT:**

Item	New Price	Used Price	Chosen
CNC Mill #1	\$_____	\$_____	\$_____
CNC Lathe #1	\$_____	\$_____	\$_____
Additional machine: _____	\$_____	\$_____	\$_____
Inspection equipment (CMM, comparator, etc.)	\$_____	\$_____	\$_____
Shop tools & fixtures	\$_____	\$_____	\$_____
Tooling inventory	\$_____	\$_____	\$_____
Workholding (vises, chucks, jaws, etc.)	\$_____	\$_____	\$_____
Material handling (crane, forklift, carts)	\$_____	\$_____	\$_____
Computers & software	\$_____	\$_____	\$_____
Office furniture	\$_____	\$_____	\$_____
Shop furniture/storage	\$_____	\$_____	\$_____
Safety equipment	\$_____	\$_____	\$_____
EQUIPMENT TOTAL: \$_____			

**FACILITY SETUP:**

Rent deposit (typically 1-2 months)	\$ _____
Utility deposits (electric, gas, water)	\$ _____
Electrical installation/upgrades	\$ _____
Compressed air system	\$ _____
Coolant management system	\$ _____
Chip/waste handling	\$ _____
HVAC modifications	\$ _____
Lighting upgrades	\$ _____
Floor modifications/epoxy	\$ _____
Partitions/office buildout	\$ _____
Signage (exterior & interior)	\$ _____
Security system	\$ _____
<b>FACILITY TOTAL:</b>	<b>\$ _____</b>

<b>LEGAL &amp; PROFESSIONAL:</b>	
Business formation (LLC, S-corp, etc.)	\$ _____
Attorney fees (contract review, etc.)	\$ _____
Accountant setup (books, systems)	\$ _____
Business license fees	\$ _____
Permits (building, zoning, environmental)	\$ _____
Trademark/IP (if applicable)	\$ _____
<b>LEGAL &amp; PROFESSIONAL TOTAL:</b>	<b>\$ _____</b>

<b>INSURANCE (first year):</b>	
General liability	\$ _____
Property insurance	\$ _____
Equipment insurance	\$ _____
Workers compensation (if employees)	\$ _____
Commercial auto (if vehicle)	\$ _____
Professional liability	\$ _____
<b>INSURANCE TOTAL:</b>	<b>\$ _____</b>

<b>MARKETING &amp; BRANDING:</b>	
Logo & brand design	\$ _____
Website development	\$ _____
Business cards/literature	\$ _____
Initial advertising	\$ _____
Trade show booth/materials	\$ _____
Photography (shop, parts)	\$ _____
<b>MARKETING &amp; BRANDING TOTAL:</b>	<b>\$ _____</b>

INITIAL INVENTORY:

Raw material stock \$ \_\_\_\_\_  
Consumables (cutting tools,  
inserts, etc.) \$ \_\_\_\_\_  
Shop supplies (coolant,  
lubricants, etc.) \$ \_\_\_\_\_  
Office supplies \$ \_\_\_\_\_

INITIAL INVENTORY TOTAL: \$ \_\_\_\_\_

SOFTWARE & TECHNOLOGY:

CAM software licenses \$ \_\_\_\_\_  
Accounting software \$ \_\_\_\_\_  
Estimating software \$ \_\_\_\_\_  
Customer management (CRM) \$ \_\_\_\_\_  
Domain & hosting (1 year) \$ \_\_\_\_\_

SOFTWARE & TECHNOLOGY TOTAL: \$ \_\_\_\_\_

MISCELLANEOUS:

Contingency (10–15% of total) \$ \_\_\_\_\_  
Other: \_\_\_\_\_ \$ \_\_\_\_\_  
Other: \_\_\_\_\_ \$ \_\_\_\_\_

MISCELLANEOUS TOTAL: \$ \_\_\_\_\_

TOTAL ONE-TIME COSTS: \$ \_\_\_\_\_

WORKING CAPITAL (first 6 months operating expenses):

FIXED MONTHLY COSTS × 6 months:

Rent \$ \_\_\_\_\_/mo × 6 = \$ \_\_\_\_\_  
Utilities \$ \_\_\_\_\_/mo × 6 = \$ \_\_\_\_\_  
Insurance (prorated) \$ \_\_\_\_\_/mo × 6 = \$ \_\_\_\_\_  
Loan payments \$ \_\_\_\_\_/mo × 6 = \$ \_\_\_\_\_  
Software subscriptions \$ \_\_\_\_\_/mo × 6 = \$ \_\_\_\_\_  
Internet/phone \$ \_\_\_\_\_/mo × 6 = \$ \_\_\_\_\_  
Professional services  
(accounting, etc.) \$ \_\_\_\_\_/mo × 6 = \$ \_\_\_\_\_

FIXED COSTS (6 mo): \$ \_\_\_\_\_

VARIABLE MONTHLY COSTS × 6 months (at 50% capacity):

Materials \$ \_\_\_\_\_/mo × 6 = \$ \_\_\_\_\_  
Tooling/consumables \$ \_\_\_\_\_/mo × 6 = \$ \_\_\_\_\_  
Subcontracting \$ \_\_\_\_\_/mo × 6 = \$ \_\_\_\_\_  
Shipping \$ \_\_\_\_\_/mo × 6 = \$ \_\_\_\_\_  
Marketing \$ \_\_\_\_\_/mo × 6 = \$ \_\_\_\_\_

VARIABLE COSTS (6 mo): \$ \_\_\_\_\_

OWNER'S DRAW (living expenses):

Personal living expenses \$\_\_\_\_\_/mo × 6 = \$\_\_\_\_\_

WORKING CAPITAL TOTAL: \$\_\_\_\_\_

TOTAL STARTUP FUNDING REQUIRED:

One-time costs: \$\_\_\_\_\_

Working capital (6 months): \$\_\_\_\_\_

-----  
GRAND TOTAL: \$\_\_\_\_\_

Safety margin (add 20%): \$\_\_\_\_\_

-----  
RECOMMENDED FUNDING TARGET: \$\_\_\_\_\_

### 3.2 Funding Sources Worksheet

#### FUNDING SOURCES

##### PERSONAL FUNDS:

Savings available \$\_\_\_\_\_

Retirement account (401k loan/withdrawal  
– be cautious!) \$\_\_\_\_\_

Home equity available \$\_\_\_\_\_

Personal loan potential \$\_\_\_\_\_

Sale of assets \$\_\_\_\_\_

PERSONAL TOTAL: \$\_\_\_\_\_

##### BUSINESS LOANS:

###### SBA 7(a) Loan:

Maximum considering: \$\_\_\_\_\_

Estimated rate: \_\_\_\_\_%

Term: \_\_\_\_\_ years

Monthly payment: \$\_\_\_\_\_

Collateral required: \_\_\_\_\_

###### Equipment Financing:

Amount: \$\_\_\_\_\_

Rate: \_\_\_\_\_%

Term: \_\_\_\_\_ years

Monthly payment: \$\_\_\_\_\_

Down payment required: \_\_\_\_\_%

###### Business Line of Credit:

Amount: \$\_\_\_\_\_

Rate: \_\_\_\_\_%

Purpose: Working capital, short-term needs

Other Loan:

Source: \_\_\_\_\_

Amount: \$ \_\_\_\_\_

Terms: \_\_\_\_\_

BUSINESS LOANS TOTAL: \$ \_\_\_\_\_

INVESTORS/PARTNERS:

Partner equity contribution \$ \_\_\_\_\_

Angel investor \$ \_\_\_\_\_

Terms/equity given: \_\_\_\_\_

INVESTORS/PARTNERS TOTAL: \$ \_\_\_\_\_

ALTERNATIVE FUNDING:

Equipment leasing (reduces upfront) \$ \_\_\_\_\_

Vendor financing/payment terms \$ \_\_\_\_\_

Customer deposits/prepayments \$ \_\_\_\_\_

Crowdfunding \$ \_\_\_\_\_

Grants (manufacturing, small business) \$ \_\_\_\_\_

ALTERNATIVE FUNDING TOTAL: \$ \_\_\_\_\_

TOTAL FUNDING AVAILABLE: \$ \_\_\_\_\_

FUNDING GAP ANALYSIS:

Total needed (from previous sheet): \$ \_\_\_\_\_

Total available (from above): \$ \_\_\_\_\_

-----  
Gap (shortfall): \$ \_\_\_\_\_

If gap exists, options:

[ ] Reduce startup costs (how?): \_\_\_\_\_

[ ] Phase equipment purchases (start with less)

[ ] Start part-time (keep day job initially)

[ ] Find additional investors/partners

[ ] Delay launch until more capital saved

[ ] Seek additional loan sources

ACTION PLAN:

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

### 3.3 Equipment Purchase Decision Matrix

EQUIPMENT PURCHASE DECISIONS

For each major equipment purchase:

MACHINE: \_\_\_\_\_

OPTION A: NEW MACHINE

Manufacturer: \_\_\_\_\_

Model: \_\_\_\_\_

Price: \$ \_\_\_\_\_

Warranty: \_\_\_\_\_

Delivery time: \_\_\_\_\_

Training included: \_\_\_\_\_

Service availability: \_\_\_\_\_

Pros:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

Cons:

- \_\_\_\_\_
- \_\_\_\_\_

OPTION B: USED MACHINE

Year: \_\_\_\_\_ Manufacturer: \_\_\_\_\_

Model: \_\_\_\_\_

Price: \$ \_\_\_\_\_

Condition: \_\_\_\_\_

Hours/usage: \_\_\_\_\_

Included: \_\_\_\_\_

Warranty: \_\_\_\_\_

Pros:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

Cons:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

OPTION C: LEASE

Provider: \_\_\_\_\_

Model: \_\_\_\_\_

Monthly payment: \$ \_\_\_\_\_

Term: \_\_\_\_\_ months

Buyout option: \$ \_\_\_\_\_

Maintenance included: \_\_\_\_\_

Pros:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

Cons:

- \_\_\_\_\_
- \_\_\_\_\_

OPTION D: DELAY/ALTERNATIVE

Alternative approach: \_\_\_\_\_

Cost: \$\_\_\_\_\_

DECISION FACTORS:

Financial Impact:

Option A total cost (5 years): \$\_\_\_\_\_

Option B total cost (5 years): \$\_\_\_\_\_

Option C total cost (5 years): \$\_\_\_\_\_

Option D total cost (5 years): \$\_\_\_\_\_

Capability Impact:

Jobs we can take with this machine: \_\_\_\_\_

Estimated annual revenue enabled: \$\_\_\_\_\_

Estimated annual profit contribution: \$\_\_\_\_\_

Risk Assessment:

Reliability concern (1-10): \_\_\_\_\_

Service availability (1-10): \_\_\_\_\_

Obsolescence risk (1-10): \_\_\_\_\_

Capacity match to needs (1-10): \_\_\_\_\_

DECISION: Option \_\_\_\_\_ chosen

Rationale:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Purchase timeline: \_\_\_\_\_

Financing arrangement: \_\_\_\_\_

\_\_\_\_\_



## Section 4: Business Plan Financial Projections

### 4.1 Revenue Projections (3-Year)

#### REVENUE PROJECTIONS

##### YEAR 1 – STARTUP PHASE

##### Monthly Breakdown:

	Customers	Avg Invoice	Revenue
Month 1 (launch)	_____	\$ _____	\$ _____
Month 2	_____	\$ _____	\$ _____
Month 3	_____	\$ _____	\$ _____
Month 4	_____	\$ _____	\$ _____
Month 5	_____	\$ _____	\$ _____
Month 6	_____	\$ _____	\$ _____
Month 7	_____	\$ _____	\$ _____
Month 8	_____	\$ _____	\$ _____
Month 9	_____	\$ _____	\$ _____
Month 10	_____	\$ _____	\$ _____
Month 11	_____	\$ _____	\$ _____
Month 12	_____	\$ _____	\$ _____
YEAR 1 TOTAL:			\$ _____

##### Year 1 by Service Type:

_____	:	_____ %	= \$ _____
_____	:	_____ %	= \$ _____
_____	:	_____ %	= \$ _____
_____	:	_____ %	= \$ _____

##### YEAR 2 – GROWTH PHASE

##### Quarterly Breakdown:

Q1:	_____ customers,	avg \$ _____	= \$ _____
Q2:	_____ customers,	avg \$ _____	= \$ _____
Q3:	_____ customers,	avg \$ _____	= \$ _____
Q4:	_____ customers,	avg \$ _____	= \$ _____
YEAR 2 TOTAL: \$ _____			

Growth rate vs Year 1: \_\_\_\_\_ %

##### YEAR 3 – ESTABLISHED PHASE

##### Quarterly Breakdown:

Q1:	_____ customers,	avg \$ _____	= \$ _____
Q2:	_____ customers,	avg \$ _____	= \$ _____
Q3:	_____ customers,	avg \$ _____	= \$ _____
Q4:	_____ customers,	avg \$ _____	= \$ _____

YEAR 3 TOTAL: \$\_\_\_\_\_

Growth rate vs Year 2: \_\_\_\_\_%

**ASSUMPTIONS:**

Customer acquisition: \_\_\_\_\_ new customers/month (year 1)

Customer retention rate: \_\_\_\_\_%

Repeat business frequency: \_\_\_\_\_ orders/year per customer

Average order growth: \_\_\_\_\_% per year

Price increases: \_\_\_\_\_% annually

Capacity utilization: \_\_\_\_\_% (year 1), \_\_\_\_\_% (year 2), \_\_\_\_\_% (year 3)

Notes on projections:

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**4.2 Cost of Goods Sold (COGS) Projections**

COST OF GOODS SOLD (COGS)

Expected COGS as % of revenue: \_\_\_\_\_%

**BREAKDOWN:**

Direct Materials:

Expected cost: \_\_\_\_\_% of revenue

Year 1: \$\_\_\_\_\_

Year 2: \$\_\_\_\_\_

Year 3: \$\_\_\_\_\_

Direct Labor (if applicable):

Expected cost: \_\_\_\_\_% of revenue

Year 1: \$\_\_\_\_\_

Year 2: \$\_\_\_\_\_

Year 3: \$\_\_\_\_\_

Tooling & Consumables:

Expected cost: \_\_\_\_\_% of revenue

Year 1: \$\_\_\_\_\_

Year 2: \$\_\_\_\_\_

Year 3: \$\_\_\_\_\_

Subcontracting:

Expected cost: \_\_\_\_\_% of revenue

Year 1: \$\_\_\_\_\_

Year 2: \$\_\_\_\_\_

Year 3: \$\_\_\_\_\_

Shop Supplies:

Expected cost: \_\_\_\_% of revenue

Year 1: \$\_\_\_\_\_

Year 2: \$\_\_\_\_\_

Year 3: \$\_\_\_\_\_

TOTAL COGS:

Year 1: \$\_\_\_\_\_ (\_\_\_\_% of revenue)

Year 2: \$\_\_\_\_\_ (\_\_\_\_% of revenue)

Year 3: \$\_\_\_\_\_ (\_\_\_\_% of revenue)

GROSS PROFIT:

Year 1: \$\_\_\_\_\_ (\_\_\_\_% margin)

Year 2: \$\_\_\_\_\_ (\_\_\_\_% margin)

Year 3: \$\_\_\_\_\_ (\_\_\_\_% margin)

Target vs Actual tracking:

Target gross margin: \_\_\_\_%

Minimum acceptable margin: \_\_\_\_%

Actions if below minimum: \_\_\_\_\_

#### 4.3 Operating Expenses Projections

OPERATING EXPENSES (Overhead)

FIXED EXPENSES (monthly):

Facility:

Rent/mortgage \$\_\_\_\_\_/mo

Property tax (if owned) \$\_\_\_\_\_/mo

Insurance (building, liability) \$\_\_\_\_\_/mo

Utilities (electric, gas, water) \$\_\_\_\_\_/mo

Internet/phone \$\_\_\_\_\_/mo

Security/alarm \$\_\_\_\_\_/mo

Waste removal \$\_\_\_\_\_/mo

Subtotal: \$\_\_\_\_\_/mo

Equipment:

Loan/lease payments \$\_\_\_\_\_/mo

Equipment insurance \$\_\_\_\_\_/mo

Maintenance contracts \$\_\_\_\_\_/mo

Subtotal: \$\_\_\_\_\_/mo

Administrative:

Owner's salary/draw \$\_\_\_\_\_/mo

Office supplies \$\_\_\_\_\_/mo

Accounting/bookkeeping \$\_\_\_\_\_/mo

Legal fees (average) \$\_\_\_\_\_/mo  
 Bank fees \$\_\_\_\_\_/mo  
 Software subscriptions \$\_\_\_\_\_/mo  
 Professional development \$\_\_\_\_\_/mo  
 Subtotal: \$\_\_\_\_\_/mo

TOTAL FIXED MONTHLY: \$\_\_\_\_\_/mo  
 TOTAL FIXED ANNUAL: \$\_\_\_\_\_/yr

VARIABLE EXPENSES (% of revenue):

Marketing & advertising \_\_\_\_% = \$\_\_\_\_\_ (yr 1)  
 Sales commissions (if any) \_\_\_\_% = \$\_\_\_\_\_ (yr 1)  
 Shipping & freight \_\_\_\_% = \$\_\_\_\_\_ (yr 1)  
 Credit card fees \_\_\_\_% = \$\_\_\_\_\_ (yr 1)  
 Misc/contingency \_\_\_\_% = \$\_\_\_\_\_ (yr 1)

TOTAL OPERATING EXPENSES:

Year 1:  
 Fixed: \$\_\_\_\_\_  
 Variable: \$\_\_\_\_\_  
 Total: \$\_\_\_\_\_ (\_\_\_\_% of revenue)

Year 2:  
 Fixed: \$\_\_\_\_\_ (\_\_\_\_% increase)  
 Variable: \$\_\_\_\_\_  
 Total: \$\_\_\_\_\_ (\_\_\_\_% of revenue)

Year 3:  
 Fixed: \$\_\_\_\_\_ (\_\_\_\_% increase)  
 Variable: \$\_\_\_\_\_  
 Total: \$\_\_\_\_\_ (\_\_\_\_% of revenue)

**4.4 Pro Forma Profit & Loss (3-Year)**

PRO FORMA PROFIT & LOSS STATEMENT

	Year 1	Year 2	Year 3
REVENUE	\$_____	\$_____	\$_____
COST OF GOODS SOLD	\$_____ (____%)	\$_____ (____%)	\$_____ (____%)
GROSS PROFIT	\$_____ (____%)	\$_____ (____%)	\$_____ (____%)

**OPERATING EXPENSES:**

Fixed costs	\$ _____	\$ _____	\$ _____
Variable costs	\$ _____	\$ _____	\$ _____
Total Operating Expenses	\$ _____	\$ _____	\$ _____
	( ____%)	( ____%)	( ____%)

EBITDA (operating profit)	\$ _____	\$ _____	\$ _____
	( ____%)	( ____%)	( ____%)

Depreciation	\$ _____	\$ _____	\$ _____
Interest	\$ _____	\$ _____	\$ _____

NET PROFIT (before tax)	\$ _____	\$ _____	\$ _____
	( ____%)	( ____%)	( ____%)

Taxes (estimated at ____%)	\$ _____	\$ _____	\$ _____
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NET PROFIT (after tax)	\$ _____	\$ _____	\$ _____
	( ____%)	( ____%)	( ____%)

Owner's draw/salary	\$ _____	\$ _____	\$ _____
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Retained earnings	\$ _____	\$ _____	\$ _____
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**BREAK-EVEN ANALYSIS:**

Monthly fixed costs: \$ \_\_\_\_\_

Average gross margin: \_\_\_\_%

Monthly revenue needed to break even: \$ \_\_\_\_\_

Annual revenue needed: \$ \_\_\_\_\_

Expected break-even month: \_\_\_\_\_ (month #)

Notes and assumptions:

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This completes Part 1 of Appendix T with comprehensive business planning and startup templates!

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**Section 5: Financial Management and Accounting Templates****5.1 Chart of Accounts for CNC Machine Shops****Purpose:** Standard account structure for consistent bookkeeping.

## CHART OF ACCOUNTS – CNC MACHINE SHOP

### ASSETS (1000–1999)

#### Current Assets (1000–1499):

- 1000 – Cash – Operating Account
- 1010 – Cash – Payroll Account
- 1020 – Cash – Tax Savings Account
- 1030 – Petty Cash
- 1050 – Accounts Receivable
- 1051 – Allowance for Doubtful Accounts
- 1100 – Inventory – Raw Materials
- 1110 – Inventory – Work in Process (WIP)
- 1120 – Inventory – Finished Goods
- 1130 – Inventory – Tooling & Consumables
- 1140 – Inventory – Shop Supplies
- 1200 – Prepaid Expenses
- 1210 – Prepaid Insurance
- 1220 – Prepaid Rent
- 1230 – Security Deposits

#### Fixed Assets (1500–1799):

- 1500 – Land
- 1510 – Buildings
- 1511 – Accumulated Depreciation – Buildings
- 1520 – Leasehold Improvements
- 1521 – Accumulated Depreciation – Leasehold Improvements
- 1530 – CNC Mills
- 1531 – Accumulated Depreciation – CNC Mills
- 1540 – CNC Lathes
- 1541 – Accumulated Depreciation – CNC Lathes
- 1550 – Grinders
- 1551 – Accumulated Depreciation – Grinders
- 1560 – EDM Machines
- 1561 – Accumulated Depreciation – EDM
- 1570 – Inspection Equipment (CMM, etc.)
- 1571 – Accumulated Depreciation – Inspection Equipment
- 1580 – Shop Equipment (cranes, forklifts, etc.)
- 1581 – Accumulated Depreciation – Shop Equipment
- 1590 – Office Equipment & Furniture
- 1591 – Accumulated Depreciation – Office Equipment
- 1600 – Computers & Software
- 1601 – Accumulated Depreciation – Computers & Software
- 1610 – Vehicles
- 1611 – Accumulated Depreciation – Vehicles
- 1620 – Tooling (long-life, capitalized)
- 1621 – Accumulated Depreciation – Tooling

Other Assets (1800-1999):

- 1800 - Long-term Investments
- 1900 - Intangible Assets (patents, trademarks)
- 1910 - Goodwill

LIABILITIES (2000-2999)

Current Liabilities (2000-2499):

- 2000 - Accounts Payable
- 2010 - Credit Cards Payable
- 2020 - Sales Tax Payable
- 2030 - Payroll Liabilities - Federal
- 2031 - Payroll Liabilities - State
- 2032 - Payroll Liabilities - FICA
- 2033 - Payroll Liabilities - Medicare
- 2034 - Payroll Liabilities - 401k
- 2035 - Payroll Liabilities - Health Insurance
- 2040 - Accrued Wages
- 2050 - Customer Deposits
- 2100 - Current Portion - Long-term Debt
- 2110 - Line of Credit
- 2200 - Accrued Expenses
- 2210 - Accrued Interest

Long-term Liabilities (2500-2999):

- 2500 - Equipment Loans
- 2510 - Building Mortgage
- 2520 - SBA Loan
- 2530 - Vehicle Loans
- 2600 - Deferred Revenue

EQUITY (3000-3999)

- 3000 - Owner's Equity (or Member's Equity for LLC)
- 3010 - Owner's Draw
- 3020 - Retained Earnings
- 3030 - Current Year Earnings

REVENUE (4000-4999)

- 4000 - CNC Milling Revenue
- 4010 - CNC Turning Revenue
- 4020 - Grinding Revenue
- 4030 - EDM Revenue
- 4040 - Assembly Revenue
- 4050 - Engineering/Design Revenue
- 4060 - Inspection Services Revenue
- 4070 - Rush Job Premiums

4080 - Shipping & Handling (charged to customers)  
4090 - Other Revenue  
4900 - Discounts Given  
4950 - Returns & Allowances

#### COST OF GOODS SOLD (5000-5999)

##### Direct Materials (5000-5099):

5000 - Aluminum  
5010 - Steel  
5020 - Stainless Steel  
5030 - Brass/Bronze  
5040 - Titanium  
5050 - Plastics  
5060 - Other Materials  
5090 - Material Freight In  
5095 - Material Scrap/Waste

##### Direct Labor (5100-5199):

5100 - Machinist Wages  
5110 - Setup Labor  
5120 - Quality Control Labor  
5130 - Direct Labor Burden (benefits)

##### Tooling & Consumables (5200-5299):

5200 - Cutting Tools (inserts, end mills, drills)  
5210 - Tool Holders  
5220 - Workholding (vises, jaws, fixtures)  
5230 - Abrasives  
5240 - Coolant  
5250 - Lubricants  
5260 - Shop Rags & Cleaners

##### Subcontracting (5300-5399):

5300 - Outside Processing (heat treat, plating, etc.)  
5310 - Outsourced Machining  
5320 - Subcontract Labor

##### Other COGS (5400-5499):

5400 - Shipping Costs (to customers)  
5410 - Packaging Materials  
5420 - Quality Certifications (material certs, etc.)

#### OPERATING EXPENSES (6000-8999)

##### Facility Expenses (6000-6299):

6000 - Rent or Lease  
6010 - Property Taxes



- 6020 - Building Insurance
- 6030 - Building Repairs & Maintenance
- 6040 - Utilities - Electric
- 6041 - Utilities - Gas
- 6042 - Utilities - Water/Sewer
- 6050 - Janitorial Services
- 6060 - Security
- 6070 - Waste Removal

Equipment Expenses (6300-6599):

- 6300 - Equipment Repairs & Maintenance
- 6310 - Equipment Insurance
- 6320 - Equipment Lease Payments
- 6330 - Small Tools & Equipment (<\$500)
- 6340 - Calibration Services
- 6350 - Preventive Maintenance Supplies

Administrative Expenses (6600-6899):

- 6600 - Office Supplies
- 6610 - Postage & Shipping
- 6620 - Telephone & Internet
- 6630 - Software Subscriptions
- 6640 - Computer Supplies
- 6650 - Bank Fees & Charges
- 6660 - Merchant Fees (credit card processing)
- 6670 - Legal Fees
- 6680 - Accounting & Bookkeeping
- 6690 - Consulting Fees
- 6700 - Dues & Subscriptions
- 6710 - Training & Education
- 6720 - Travel & Entertainment
- 6730 - Meals & Entertainment
- 6740 - Auto Expenses
- 6750 - Fuel
- 6760 - Licenses & Permits
- 6770 - Business Insurance (general liability, etc.)

Payroll Expenses (7000-7299):

- 7000 - Salaries - Management
- 7010 - Salaries - Administrative
- 7020 - Salaries - Sales
- 7030 - Payroll Taxes
- 7040 - Employee Benefits
- 7041 - Health Insurance
- 7042 - Retirement Plan Contributions
- 7043 - Workers Compensation Insurance
- 7050 - Employee Training
- 7060 - Uniforms & PPE

Marketing & Sales (7300–7599):

- 7300 – Advertising
- 7310 – Website Costs
- 7320 – Marketing Materials
- 7330 – Trade Shows
- 7340 – Sales Commissions
- 7350 – Customer Entertainment
- 7360 – Samples & Demos

Other Operating Expenses (7600–7999):

- 7600 – Depreciation Expense
- 7610 – Amortization Expense
- 7620 – Bad Debt Expense
- 7630 – Charitable Contributions
- 7900 – Miscellaneous Expense

NON-OPERATING INCOME & EXPENSES (8000–8999)

- 8000 – Interest Income
- 8010 – Investment Income
- 8020 – Gain/Loss on Asset Sales
- 8100 – Interest Expense
- 8110 – Finance Charges
- 8200 – Taxes – Income Tax
- 8210 – Taxes – Personal Property Tax

## 5.2 Monthly Bookkeeping Checklist

**Purpose:** Ensure consistent, accurate books every month.

### MONTHLY BOOKKEEPING CHECKLIST

Month: \_\_\_\_\_ Year: \_\_\_\_\_

DAILY TASKS (or as transactions occur):

- ☐ Record all sales invoices
- ☐ Record all cash receipts
- ☐ Make bank deposits
- ☐ Record all expenses (receipts organized)
- ☐ Record all credit card charges
- ☐ Update job costing records
- ☐ Monitor accounts receivable aging

WEEKLY TASKS:

- ☐ Reconcile petty cash
- ☐ Review aged receivables (follow up on overdue)
- ☐ Review job profitability

- ☐ Process employee time cards
- ☐ Review cash position

#### MONTHLY TASKS:

##### Week 1 of Month (for previous month):

- ☐ Download and review all bank statements
- ☐ Download and review all credit card statements
- ☐ Reconcile all bank accounts
- ☐ Reconcile all credit card accounts
- ☐ Categorize any uncategorized transactions
- ☐ Review and correct any errors

##### Week 2 of Month:

- ☐ Generate Accounts Receivable aging report
- ☐ Follow up on all invoices >30 days
- ☐ Send statements to customers with balances
- ☐ Review Accounts Payable aging
- ☐ Schedule payments for upcoming bills
- ☐ Review inventory levels

##### Week 3 of Month:

- ☐ Run Profit & Loss statement
- ☐ Run Balance Sheet
- ☐ Review for unusual items or errors
- ☐ Calculate and verify sales tax owed
- ☐ Review payroll liabilities
- ☐ Update budget vs actual comparison
- ☐ Review cash flow projection

##### Week 4 of Month:

- ☐ Meet with accountant/bookkeeper (if applicable)
- ☐ File sales tax return (if due)
- ☐ Make estimated tax payment (if due)
- ☐ Update financial dashboard
- ☐ Review key metrics (see Section 5.3)
- ☐ Archive financial documents

#### INVENTORY TASKS (monthly or quarterly):

- ☐ Physical count of raw materials
- ☐ Physical count of tooling inventory
- ☐ Compare physical to system records
- ☐ Adjust for shrinkage/waste
- ☐ Review slow-moving or obsolete inventory
- ☐ Update inventory valuation

#### PAYROLL TASKS (as applicable):

- ☐ Process payroll (weekly, bi-weekly, or monthly)

- ☐ File payroll tax forms
- ☐ Make payroll tax deposits
- ☐ Review labor cost vs budget
- ☐ Update employee records

#### QUARTERLY TASKS:

- ☐ File quarterly payroll tax returns (941, state)
- ☐ Review and pay estimated income taxes
- ☐ Review insurance coverage
- ☐ Perform detailed inventory review
- ☐ Review pricing and margins
- ☐ Update financial projections

#### ANNUAL TASKS:

- ☐ Prepare for year-end close
- ☐ Organize tax documents
- ☐ Issue 1099s to contractors (by Jan 31)
- ☐ Issue W-2s to employees (by Jan 31)
- ☐ File annual business tax return
- ☐ Review depreciation schedules
- ☐ Update fixed asset records
- ☐ Review and renew business licenses

#### NOTES/ISSUES TO DISCUSS WITH ACCOUNTANT:

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Completed by: \_\_\_\_\_ Date: \_\_\_\_\_  
 Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

### 5.3 Key Performance Indicators (KPI) Dashboard

**Purpose:** Track the vital signs of your business monthly.

#### MONTHLY KPI DASHBOARD

Month: \_\_\_\_\_ Year: \_\_\_\_\_

#### FINANCIAL METRICS:

##### Revenue:

This month: \$ \_\_\_\_\_  
 Last month: \$ \_\_\_\_\_ (change: \_\_\_\_%)  
 Same month last year: \$ \_\_\_\_\_ (change: \_\_\_\_%)  
 Year-to-date: \$ \_\_\_\_\_  
 Target: \$ \_\_\_\_\_ (variance: \_\_\_\_%)

Gross Profit:

This month: \$\_\_\_\_\_ (margin: \_\_\_\_%)  
Last month: \$\_\_\_\_\_ (margin: \_\_\_\_%)  
Same month last year: \$\_\_\_\_\_ (margin: \_\_\_\_%)  
Year-to-date: \$\_\_\_\_\_ (margin: \_\_\_\_%)  
Target margin: \_\_\_\_% (variance: \_\_\_\_%)

Net Profit:

This month: \$\_\_\_\_\_ (margin: \_\_\_\_%)  
Last month: \$\_\_\_\_\_ (margin: \_\_\_\_%)  
Year-to-date: \$\_\_\_\_\_ (margin: \_\_\_\_%)  
Target: \$\_\_\_\_\_ (variance: \_\_\_\_%)

Operating Expenses:

Total: \$\_\_\_\_\_ (\_\_\_\_% of revenue)  
Target: \_\_\_\_% (variance: \_\_\_\_%)

CASH METRICS:

Cash Balance:

Operating account: \$\_\_\_\_\_  
All accounts: \$\_\_\_\_\_  
Change from last month: \$\_\_\_\_\_

Accounts Receivable:

Total AR: \$\_\_\_\_\_  
Current (0-30 days): \$\_\_\_\_\_  
31-60 days: \$\_\_\_\_\_  
61-90 days: \$\_\_\_\_\_  
Over 90 days: \$\_\_\_\_\_  
Average collection period: \_\_\_\_\_ days

Accounts Payable:

Total AP: \$\_\_\_\_\_  
Current: \$\_\_\_\_\_  
Past due: \$\_\_\_\_\_

Cash Flow:

Operating cash flow: \$\_\_\_\_\_  
Free cash flow: \$\_\_\_\_\_  
Days cash on hand: \_\_\_\_\_ days

OPERATIONAL METRICS:

Orders/Jobs:

New orders this month: \_\_\_\_\_  
Jobs completed: \_\_\_\_\_  
Average order value: \$\_\_\_\_\_

Win rate: \_\_\_\_% (quotes won/quotes given)

Customer Metrics:

Total active customers: \_\_\_\_\_

New customers this month: \_\_\_\_\_

Lost customers this month: \_\_\_\_\_

Repeat customer rate: \_\_\_\_%

Customer concentration (top 3): \_\_\_\_%

Capacity Utilization:

Machine hours available: \_\_\_\_\_

Machine hours billable: \_\_\_\_\_

Utilization rate: \_\_\_\_%

Target: \_\_\_\_% (variance: \_\_\_\_%)

Productivity:

Revenue per machine hour: \$\_\_\_\_\_

Revenue per employee: \$\_\_\_\_\_

Setup time avg: \_\_\_\_\_ min

Cycle time avg: \_\_\_\_\_ min

Quality Metrics:

First-pass yield: \_\_\_\_%

Scrap rate: \_\_\_\_%

Rework rate: \_\_\_\_%

Customer returns: \_\_\_\_\_ parts

Delivery Performance:

On-time delivery rate: \_\_\_\_%

Average lead time: \_\_\_\_\_ days

Rush jobs: \_\_\_\_% of total

EFFICIENCY RATIOS:

Gross margin: \_\_\_\_%

Operating margin: \_\_\_\_%

Net margin: \_\_\_\_%

ROA (return on assets): \_\_\_\_%

ROE (return on equity): \_\_\_\_%

Current ratio: \_\_\_\_\_ (current assets/current liabilities)

Quick ratio: \_\_\_\_\_ (quick assets/current liabilities)

Debt-to-equity ratio: \_\_\_\_\_

LEADING INDICATORS:

Quote activity: \_\_\_\_\_ quotes issued

Quote backlog: \$\_\_\_\_\_

Sales pipeline: \$ \_\_\_\_\_  
Website traffic: \_\_\_\_\_ visitors  
New leads: \_\_\_\_\_  
Marketing qualified leads: \_\_\_\_\_

#### TREND ANALYSIS:

Status indicators (vs target):  
Revenue: [ ] On track [ ] Below [ ] Above  
Profitability: [ ] On track [ ] Below [ ] Above  
Cash flow: [ ] Healthy [ ] Tight [ ] Critical  
Customer growth: [ ] Growing [ ] Stable [ ] Declining  
Utilization: [ ] Optimal [ ] Low [ ] Maxed

#### RED FLAGS TO WATCH:

[ ] Cash below \$ \_\_\_\_\_ (critical level)  
[ ] Days receivable > \_\_\_\_\_ days  
[ ] Gross margin < \_\_\_\_\_ %  
[ ] Utilization < \_\_\_\_\_ %  
[ ] Customer concentration > \_\_\_\_\_ %  
[ ] Operating expenses > \_\_\_\_\_ % of revenue

#### ACTIONS NEEDED:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

#### WINS THIS MONTH:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

### 5.4 Job Costing Worksheet

**Purpose:** Track profitability on every job.

#### JOB COSTING WORKSHEET

Job Number: \_\_\_\_\_ Date: \_\_\_\_\_  
Customer: \_\_\_\_\_  
Part Number: \_\_\_\_\_  
Description: \_\_\_\_\_  
Quantity: \_\_\_\_\_ Due Date: \_\_\_\_\_

#### QUOTED COSTS:

Material:

Type: \_\_\_\_\_ Size: \_\_\_\_\_

Quantity: \_\_\_\_\_ Unit cost: \$\_\_\_\_\_

Total material cost: \$\_\_\_\_\_

Setup Time:

Estimated hours: \_\_\_\_\_ Rate: \$\_\_\_\_/hr

Setup cost: \$\_\_\_\_\_

Run Time:

Estimated hours: \_\_\_\_\_ Rate: \$\_\_\_\_/hr

Run cost: \$\_\_\_\_\_

Outside Services:

Heat treat: \$\_\_\_\_\_

Plating/coating: \$\_\_\_\_\_

Other: \$\_\_\_\_\_

Total outside: \$\_\_\_\_\_

Tooling (if special):

Tools required: \_\_\_\_\_

Cost: \$\_\_\_\_\_

Total Direct Costs: \$\_\_\_\_\_

Overhead allocation (\_\_\_\_% of direct): \$\_\_\_\_\_

Total Cost: \$\_\_\_\_\_

Desired margin: \_\_\_\_%

Quoted Price: \$\_\_\_\_\_

ACTUAL COSTS:

Material:

Actual used: \_\_\_\_\_ Actual cost: \$\_\_\_\_\_

Scrap/waste: \_\_\_\_\_ Scrap cost: \$\_\_\_\_\_

Total actual material: \$\_\_\_\_\_

Variance: \$\_\_\_\_\_ (\_\_\_\_%)

Setup Time:

Actual hours: \_\_\_\_\_ Rate: \$\_\_\_\_/hr

Actual setup cost: \$\_\_\_\_\_

Variance: \$\_\_\_\_\_ (\_\_\_\_%)

Run Time:

Actual hours: \_\_\_\_\_ Rate: \$\_\_\_\_/hr

Actual run cost: \$\_\_\_\_\_

Variance: \$\_\_\_\_\_ (\_\_\_\_%)



Outside Services:

Actual costs: \$\_\_\_\_\_

Variance: \$\_\_\_\_\_ (\_\_\_\_%)

Tooling:

Actual cost: \$\_\_\_\_\_

Variance: \$\_\_\_\_\_ (\_\_\_\_%)

Rework (if any):

Hours: \_\_\_\_\_ Cost: \$\_\_\_\_\_

Total Actual Direct Costs: \$\_\_\_\_\_

Actual overhead: \$\_\_\_\_\_

Total Actual Cost: \$\_\_\_\_\_

Selling Price: \$\_\_\_\_\_

Actual Profit: \$\_\_\_\_\_

Actual Margin: \_\_\_\_%

#### VARIANCE ANALYSIS:

Material variance: \$\_\_\_\_\_

Reason: \_\_\_\_\_

Labor variance: \$\_\_\_\_\_

Reason: \_\_\_\_\_

Overhead variance: \$\_\_\_\_\_

Reason: \_\_\_\_\_

Total variance: \$\_\_\_\_\_ (\_\_\_\_%)

#### LESSONS LEARNED:

What went well:

\_\_\_\_\_  
\_\_\_\_\_

What went wrong:

\_\_\_\_\_  
\_\_\_\_\_

Estimating adjustments for next time:

\_\_\_\_\_  
\_\_\_\_\_

Should we quote similar jobs? [\_\_\_\_] Yes [\_\_\_\_] No

Notes:

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Completed by: \_\_\_\_\_ Date: \_\_\_\_\_

### 5.5 Cash Flow Projection (13-Week)

**Purpose:** Forecast cash position to avoid surprises.

#### 13-WEEK CASH FLOW PROJECTION

Starting date: \_\_\_\_\_

	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7
BEGINNING CASH	\$___	\$___	\$___	\$___	\$___	\$___	\$___
CASH IN:							
Collections	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Customer deposits	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Loan proceeds	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Other income	\$___	\$___	\$___	\$___	\$___	\$___	\$___
	----	----	----	----	----	----	----
TOTAL CASH IN	\$___	\$___	\$___	\$___	\$___	\$___	\$___
CASH OUT:							
Material purchases	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Tooling/supplies	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Payroll	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Payroll taxes	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Rent/mortgage	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Utilities	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Insurance	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Loan payments	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Equipment lease	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Subcontractors	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Marketing	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Sales tax	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Income tax	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Other expenses	\$___	\$___	\$___	\$___	\$___	\$___	\$___
Owner draw	\$___	\$___	\$___	\$___	\$___	\$___	\$___
	----	----	----	----	----	----	----

TOTAL CASH OUT    \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_

NET CASH FLOW    \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_  
(In minus Out)

ENDING CASH        \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_

                    Week    Week    Week    Week    Week    Week  
                      8        9       10       11       12       13

-----  
BEGINNING CASH    \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_

[Same categories repeated for weeks 8–13]

ENDING CASH        \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_    \$\_\_\_

MINIMUM CASH TARGET: \$\_\_\_\_\_

Weeks below minimum: \_\_\_\_\_

Actions to address shortfalls:

[\_\_\_] Accelerate collections

[\_\_\_] Delay non-critical payments

[\_\_\_] Use line of credit

[\_\_\_] Reduce owner draw

[\_\_\_] Other: \_\_\_\_\_

ASSUMPTIONS:

Collection timing: \_\_\_\_\_

Large upcoming expenses: \_\_\_\_\_

Seasonal factors: \_\_\_\_\_

Growth rate: \_\_\_\_\_

Notes:

\_\_\_\_\_  
\_\_\_\_\_

Prepared by: \_\_\_\_\_ Date: \_\_\_\_\_

Review date: \_\_\_\_\_ Next update: \_\_\_\_\_

## 5.6 Customer Profitability Analysis

**Purpose:** Identify which customers are truly profitable.

CUSTOMER PROFITABILITY ANALYSIS

Period: \_\_\_\_\_ to \_\_\_\_\_

Customer: \_\_\_\_\_

REVENUE:

Total invoiced: \$ \_\_\_\_\_

Number of jobs: \_\_\_\_\_

Average job size: \$ \_\_\_\_\_

Payment terms: Net \_\_\_\_\_

DIRECT COSTS:

Material: \$ \_\_\_\_\_

Labor: \$ \_\_\_\_\_

Tooling: \$ \_\_\_\_\_

Outside services: \$ \_\_\_\_\_

Total direct costs: \$ \_\_\_\_\_

Gross profit: \$ \_\_\_\_\_ (margin: \_\_\_\_%)

INDIRECT COSTS ATTRIBUTED:

Time/Effort:

Quoting time: \_\_\_\_\_ hours @ \$\_\_\_\_/hr = \$ \_\_\_\_\_

Engineering support: \_\_\_\_\_ hours @ \$\_\_\_\_/hr = \$ \_\_\_\_\_

Rework/quality issues: \_\_\_\_\_ hours @ \$\_\_\_\_/hr = \$ \_\_\_\_\_

Communication overhead: \_\_\_\_\_ hours @ \$\_\_\_\_/hr = \$ \_\_\_\_\_

Other:

Tooling storage/management: \$ \_\_\_\_\_

Rush job disruptions (cost): \$ \_\_\_\_\_

Special packaging: \$ \_\_\_\_\_

Shipping costs not recovered: \$ \_\_\_\_\_

Credit card/payment fees: \$ \_\_\_\_\_

Bad debt/late payment: \$ \_\_\_\_\_

Total indirect: \$ \_\_\_\_\_

TRUE PROFIT: \$ \_\_\_\_\_ (margin: \_\_\_\_%)

CUSTOMER ASSESSMENT:

Payment behavior:

Average days to pay: \_\_\_\_\_ (terms: Net \_\_\_\_\_)

On-time payment %: \_\_\_\_%

Payment disputes: \_\_\_\_\_ instances

Bad debt history: \$ \_\_\_\_\_

Order characteristics:

Average order frequency: \_\_\_\_\_ per \_\_\_\_\_  
Order size trend: [\_\_\_\_] Growing [\_\_\_\_] Stable [\_\_\_\_] Declining  
Rush orders: \_\_\_\_% of total  
Engineering changes: \_\_\_\_\_ per job (avg)  
Quality issues: \_\_\_\_\_ per job (avg)

Communication:

Responsiveness: [\_\_\_\_] Excellent [\_\_\_\_] Good [\_\_\_\_] Poor  
Clarity of specs: [\_\_\_\_] Excellent [\_\_\_\_] Good [\_\_\_\_] Poor  
Reasonable expectations: [\_\_\_\_] Yes [\_\_\_\_] Sometimes [\_\_\_\_] No

Growth potential:

Expected next year revenue: \$\_\_\_\_\_  
New opportunities identified: \_\_\_\_\_ (value: \$\_\_\_\_\_)  
Referral potential: [\_\_\_\_] High [\_\_\_\_] Medium [\_\_\_\_] Low

CUSTOMER CLASSIFICATION:

- [\_\_\_\_] A Customer (High profit, low hassle, growth potential)  
Action: Nurture and grow
- [\_\_\_\_] B Customer (Decent profit, reasonable to work with)  
Action: Maintain, look for growth opportunities
- [\_\_\_\_] C Customer (Low profit, but strategic or has potential)  
Action: Improve efficiency, re-negotiate if possible
- [\_\_\_\_] D Customer (Low/negative profit, high hassle)  
Action: Re-price or exit relationship

ACTIONS:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Price increase justified? [\_\_\_\_] Yes [\_\_\_\_] No  
If yes, proposed increase: \_\_\_\_%  
Implementation date: \_\_\_\_\_

Completed by: \_\_\_\_\_ Date: \_\_\_\_\_

## 5.7 Break-Even Analysis Template

**Purpose:** Understand how much revenue you need to survive.

### BREAK-EVEN ANALYSIS

Analysis period: \_\_\_\_\_ to \_\_\_\_\_

FIXED COSTS (monthly):

Facility:

Rent/mortgage	\$ _____
Insurance (property, liability)	\$ _____
Utilities (base amount)	\$ _____
Internet/phone	\$ _____
Subtotal:	\$ _____

Equipment:

Loan/lease payments	\$ _____
Equipment insurance	\$ _____
Software subscriptions	\$ _____
Subtotal:	\$ _____

Administrative:

Salaries (fixed)	\$ _____
Accounting/bookkeeping	\$ _____
Legal (average)	\$ _____
Bank fees	\$ _____
Subtotal:	\$ _____

TOTAL MONTHLY FIXED COSTS:	\$ _____
ANNUAL FIXED COSTS:	\$ _____

VARIABLE COSTS (per dollar of revenue):

Materials	_____ %
Direct labor	_____ %
Tooling/consumables	_____ %
Outside services	_____ %
Sales commissions	_____ %
Credit card fees	_____ %
	-----
TOTAL VARIABLE COST %:	_____ %

CONTRIBUTION MARGIN:

(100% - variable cost %)	_____ %
--------------------------	---------

BREAK-EVEN CALCULATION:

Monthly break-even revenue:

Fixed costs ÷ contribution margin %  
\$ \_\_\_\_\_ ÷ \_\_\_\_\_ % = \$ \_\_\_\_\_/month

Daily break-even revenue:

Monthly break-even ÷ \_\_\_\_\_ working days

\$ \_\_\_\_\_ ÷ \_\_\_\_\_ = \$ \_\_\_\_\_/day

Hourly break-even revenue (if running \_\_\_\_ hrs/day):

Daily break-even ÷ \_\_\_\_\_ hours

\$ \_\_\_\_\_ ÷ \_\_\_\_\_ = \$ \_\_\_\_\_/hour

Annual break-even revenue:

Monthly break-even × 12

\$ \_\_\_\_\_ × 12 = \$ \_\_\_\_\_/year

#### SCENARIO ANALYSIS:

Current monthly revenue: \$ \_\_\_\_\_

Above/(below) break-even: \$ \_\_\_\_\_

Target monthly revenue: \$ \_\_\_\_\_

Cushion above break-even: \$ \_\_\_\_\_ (\_\_\_\_%)

What if fixed costs increase \_\_\_\_% (new equipment, etc.)?

New fixed costs: \$ \_\_\_\_\_

New break-even: \$ \_\_\_\_\_/month

Revenue increase needed: \$ \_\_\_\_\_

What if we improve margins by \_\_\_\_%?

New contribution margin: \_\_\_\_%

New break-even: \$ \_\_\_\_\_/month

Revenue reduction tolerance: \$ \_\_\_\_\_

#### UNIT BREAK-EVEN (optional):

Average selling price per unit: \$ \_\_\_\_\_

Variable cost per unit: \$ \_\_\_\_\_

Contribution margin per unit: \$ \_\_\_\_\_

Break-even units:

Fixed costs ÷ contribution margin per unit

\$ \_\_\_\_\_ ÷ \$ \_\_\_\_\_ = \_\_\_\_\_ units/month

#### IMPLICATIONS:

Minimum jobs per month (@ \$ \_\_\_\_\_ average):

\_\_\_\_\_ jobs

Minimum billable machine hours (@ \$\_\_\_\_\_/hr):  
\_\_\_\_\_ hours

Current capacity: \_\_\_\_\_ hours/month  
Break-even utilization: \_\_\_\_%

#### RISK ASSESSMENT:

Safety margin (current revenue above break-even): \_\_\_\_%  
Time to break-even if starting from zero: \_\_\_\_\_ months  
Cash runway at current burn rate: \_\_\_\_\_ months

#### ACTIONS TO IMPROVE BREAK-EVEN:

Reduce fixed costs:

1. \_\_\_\_\_
2. \_\_\_\_\_

Improve contribution margin:

1. \_\_\_\_\_
2. \_\_\_\_\_

Increase revenue:

1. \_\_\_\_\_
2. \_\_\_\_\_

Prepared by: \_\_\_\_\_ Date: \_\_\_\_\_  
Review frequency: \_\_\_\_\_ (quarterly recommended)

This completes Part 2 of Appendix T with comprehensive financial management and accounting templates!

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## Section 6: Tax Planning and Compliance

### 6.1 Annual Tax Planning Checklist

**Purpose:** Organize tax obligations and maximize deductions.

#### ANNUAL TAX PLANNING CHECKLIST

Tax Year: \_\_\_\_\_

#### BUSINESS ENTITY TAX OBLIGATIONS:



Entity Type: ☐ Sole Prop ☐ LLC ☐ S-Corp ☐ C-Corp

Federal Returns Required:

- ☐ Schedule C (Sole Prop) - Due: April 15  
☐ Form 1065 (Partnership) - Due: March 15  
☐ Form 1120S (S-Corp) - Due: March 15  
☐ Form 1120 (C-Corp) - Due: April 15 (or Sept 15 if fiscal year)

State Returns Required:

- ☐ State income tax return - Due: \_\_\_\_\_  
☐ State business tax - Due: \_\_\_\_\_  
☐ Other: \_\_\_\_\_ - Due: \_\_\_\_\_

Quarterly Estimated Taxes:

- ☐ Q1 (April 15): \$ \_\_\_\_\_  
☐ Q2 (June 15): \$ \_\_\_\_\_  
☐ Q3 (Sept 15): \$ \_\_\_\_\_  
☐ Q4 (Jan 15): \$ \_\_\_\_\_

Employment Tax Returns (if applicable):

- ☐ Form 941 (quarterly payroll) - Due: last day of month after quarter  
    Q1 (April 30): \$ \_\_\_\_\_  
    Q2 (July 31): \$ \_\_\_\_\_  
    Q3 (Oct 31): \$ \_\_\_\_\_  
    Q4 (Jan 31): \$ \_\_\_\_\_  
☐ Form 940 (annual FUTA) - Due: Jan 31  
☐ State unemployment taxes - Frequency: \_\_\_\_\_

Sales Tax Returns:

- ☐ State sales tax - Frequency: \_\_\_\_\_ Due: \_\_\_\_\_  
☐ Local sales tax - Frequency: \_\_\_\_\_ Due: \_\_\_\_\_

Information Returns:

- ☐ W-2 forms (employees) - Due: Jan 31  
☐ 1099-NEC (contractors >\$600) - Due: Jan 31  
☐ 1099-MISC (rent, services >\$600) - Due: Jan 31  
☐ 1099-INT (interest >\$10) - Due: Jan 31

DEDUCTION TRACKING:

Equipment Purchases (Section 179 or Bonus Depreciation):

Item	Date	Cost	Method
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
		TOTAL: \$ _____	

Vehicle Expenses:

[ ] Standard mileage ( \_\_\_\_\_ miles @ \$\_\_\_\_/mile = \$\_\_\_\_\_)

[ ] Actual expenses (fuel, insurance, repairs, etc.): \$\_\_\_\_\_

Method chosen: \_\_\_\_\_ Deduction: \$\_\_\_\_\_

Home Office (if applicable):

Square footage: \_\_\_\_\_ of \_\_\_\_\_ (\_\_\_\_%)

OR Simplified (\$5/sq ft, max 300 sq ft): \$\_\_\_\_\_

Method chosen: \_\_\_\_\_ Deduction: \$\_\_\_\_\_

Business Meals & Entertainment:

Deductible meals (50%): \$\_\_\_\_\_

Client entertainment (limitations apply): \$\_\_\_\_\_

Travel Expenses:

Airfare: \$\_\_\_\_\_

Hotels: \$\_\_\_\_\_

Rental cars: \$\_\_\_\_\_

Other: \$\_\_\_\_\_

Total: \$\_\_\_\_\_

Professional Development:

Training/courses: \$\_\_\_\_\_

Books/subscriptions: \$\_\_\_\_\_

Professional dues: \$\_\_\_\_\_

Total: \$\_\_\_\_\_

Insurance Premiums:

Business liability: \$\_\_\_\_\_

Property/equipment: \$\_\_\_\_\_

Health insurance (self-employed): \$\_\_\_\_\_

Workers comp: \$\_\_\_\_\_

Total: \$\_\_\_\_\_

ESTIMATED TAX CALCULATION:

Projected Revenue: \$\_\_\_\_\_

– Projected COGS: \$\_\_\_\_\_

= Gross Profit: \$\_\_\_\_\_

– Operating Expenses: \$\_\_\_\_\_

– Depreciation: \$\_\_\_\_\_

= Net Business Income: \$\_\_\_\_\_

+ Other Income: \$\_\_\_\_\_

– Other Deductions: \$\_\_\_\_\_

= Total Taxable Income: \$ \_\_\_\_\_

Estimated Tax Owed:

Federal income tax (\_\_\_\_% rate): \$ \_\_\_\_\_

Self-employment tax (if applicable): \$ \_\_\_\_\_

State income tax (\_\_\_\_% rate): \$ \_\_\_\_\_

TOTAL ESTIMATED TAX: \$ \_\_\_\_\_

÷ 4 quarters = \$ \_\_\_\_\_ per quarter

#### YEAR-END TAX STRATEGIES:

Income Timing:

☐ Delay invoicing to next year (if cash basis)

☐ Accelerate collections into current year

☐ Review timing of large jobs

Expense Timing:

☐ Accelerate deductible expenses into current year

☐ Pre-pay next year's expenses (if cash basis)

☐ Make equipment purchases before year-end

Retirement Contributions:

☐ SEP-IRA contribution: \$ \_\_\_\_\_ (up to 25% of net income)

☐ Solo 401(k) contribution: \$ \_\_\_\_\_ (up to \$66,000 for 2024)

☐ SIMPLE IRA: \$ \_\_\_\_\_ (up to \$16,000 for 2024)

Tax Credits Available:

☐ Research & Development credit

☐ Work Opportunity Tax Credit (hiring certain groups)

☐ Energy Efficiency credits

☐ Other: \_\_\_\_\_

#### RECORD RETENTION:

Tax returns and supporting documents: \_\_\_\_\_ years (minimum 3, recommend 7)

Payroll records: \_\_\_\_\_ years (minimum 4)

Asset purchase records: \_\_\_\_\_ years (life of asset + 3)

Contracts: \_\_\_\_\_ years (life of contract + 3)

#### PROFESSIONAL SUPPORT:

Accountant/CPA: \_\_\_\_\_

Contact: \_\_\_\_\_

Fee: \$ \_\_\_\_\_ (annual)

Tax prep fee: \$ \_\_\_\_\_

Tax attorney (if needed): \_\_\_\_\_

Contact: \_\_\_\_\_

Payroll service: \_\_\_\_\_

Contact: \_\_\_\_\_

Fee: \$\_\_\_\_\_ (monthly/annual)

#### DEADLINES CALENDAR:

##### January:

[ ] 15th - Q4 estimated tax payment

[ ] 31st - W-2s and 1099s issued

[ ] 31st - Form 940 (FUTA)

[ ] 31st - Q4 Form 941

##### March:

[ ] 15th - Partnership/S-Corp tax return

##### April:

[ ] 15th - Q1 estimated tax payment

[ ] 15th - Individual tax return (if Sole Prop/LLC)

[ ] 30th - Q1 Form 941

##### June:

[ ] 15th - Q2 estimated tax payment

##### July:

[ ] 31st - Q2 Form 941

##### September:

[ ] 15th - Q3 estimated tax payment

##### October:

[ ] 15th - Extended return deadline (if filed extension)

[ ] 31st - Q3 Form 941

##### Notes:

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## 6.2 Mileage Log Template

**Purpose:** Document vehicle use for tax deductions.

### BUSINESS MILEAGE LOG

Year: \_\_\_\_\_ Vehicle: \_\_\_\_\_ Starting odometer: \_\_\_\_\_

Date	Start Odom	End Odom	Total Miles	Destination/Purpose	Business Miles
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-----	-----	-----	-----	-----	-----

Month: \_\_\_\_\_ Total business miles: \_\_\_\_\_

End of year totals:

Total miles driven (all purposes): \_\_\_\_\_

Business miles: \_\_\_\_\_

Personal miles: \_\_\_\_\_

Business use %: \_\_\_\_\_%

#### DEDUCTION CALCULATION:

Method 1 - Standard Mileage:

Business miles: \_\_\_\_\_ × \$\_\_\_\_/mile = \$\_\_\_\_\_

Method 2 - Actual Expenses:

Fuel: \$\_\_\_\_\_

Insurance: \$\_\_\_\_\_

Repairs/maintenance: \$\_\_\_\_\_

Tires: \$\_\_\_\_\_

Registration: \$\_\_\_\_\_

Depreciation: \$\_\_\_\_\_

Other: \$\_\_\_\_\_

Total: \$\_\_\_\_\_

Business use %: \_\_\_\_\_%

Deduction: \$\_\_\_\_\_

Method chosen: \_\_\_\_\_ Deduction: \$\_\_\_\_\_

Notes: Cannot switch from actual to standard after using actual

in first year, unless vehicle is leased.

### 6.3 Home Office Deduction Worksheet

**Purpose:** Calculate deduction if operating from home.

#### HOME OFFICE DEDUCTION WORKSHEET

Tax Year: \_\_\_\_\_

#### ELIGIBILITY CHECK:

- ☐ Space is used exclusively for business (no personal use)
- ☐ Space is used regularly for business (not occasional)
- ☐ Space is principal place of business OR
- ☐ Used to meet clients/customers regularly OR
- ☐ Separate structure (garage, studio) used for business

If all checked, you qualify for home office deduction.

#### METHOD 1: SIMPLIFIED METHOD

Home office square footage: \_\_\_\_\_ (maximum 300)

Rate: \$5 per square foot

Deduction: \_\_\_\_\_ sq ft × \$5 = \$\_\_\_\_\_

Pros: Simple, no depreciation recapture

Cons: Limited to \$1,500, can't deduct actual expenses

#### METHOD 2: ACTUAL EXPENSE METHOD

Home measurements:

Total home square footage: \_\_\_\_\_

Business space square footage: \_\_\_\_\_

Business percentage: \_\_\_\_\_% (business ÷ total)

Direct expenses (100% deductible):

Paint/repairs for office space only: \$\_\_\_\_\_

Office-specific improvements: \$\_\_\_\_\_

Total direct: \$\_\_\_\_\_

Indirect expenses (business % deductible):

Mortgage interest: \$\_\_\_\_\_ × \_\_\_\_\_% = \$\_\_\_\_\_

Property taxes: \$\_\_\_\_\_ × \_\_\_\_\_% = \$\_\_\_\_\_

Homeowners insurance: \$\_\_\_\_\_ × \_\_\_\_\_% = \$\_\_\_\_\_

Utilities (electric, gas, water): \$\_\_\_\_\_ × \_\_\_\_\_% = \$\_\_\_\_\_

Home internet: \$\_\_\_\_\_ × \_\_\_\_\_% = \$\_\_\_\_\_

Trash removal: \$\_\_\_\_\_ × \_\_\_\_\_% = \$\_\_\_\_\_

HOA fees: \$\_\_\_\_\_ × \_\_\_\_% = \$\_\_\_\_\_  
Security system: \$\_\_\_\_\_ × \_\_\_\_% = \$\_\_\_\_\_  
Home repairs/maintenance: \$\_\_\_\_\_ × \_\_\_\_% = \$\_\_\_\_\_  
Total indirect: \$\_\_\_\_\_

Depreciation (if home is owned):  
Home basis (original cost + improvements): \$\_\_\_\_\_  
Minus land value: \$\_\_\_\_\_  
Depreciable basis: \$\_\_\_\_\_  
× Business percentage: \_\_\_\_%  
Business portion: \$\_\_\_\_\_  
÷ 39 years (residential)  
Annual depreciation: \$\_\_\_\_\_

TOTAL ACTUAL EXPENSE METHOD:  
Direct expenses: \$\_\_\_\_\_  
Indirect expenses: \$\_\_\_\_\_  
Depreciation: \$\_\_\_\_\_  
TOTAL DEDUCTION: \$\_\_\_\_\_

#### COMPARISON:

Simplified method: \$\_\_\_\_\_  
Actual expense method: \$\_\_\_\_\_

Recommended method: \_\_\_\_\_

#### IMPORTANT NOTES:

- ☐ Home office deduction cannot create a loss (limited to business income)
- ☐ Unused deduction can be carried forward
- ☐ If selling home, depreciation claimed must be recaptured
- ☐ Keep detailed records and photos documenting exclusive business use

Prepared by: \_\_\_\_\_ Date: \_\_\_\_\_

## Section 7: Employee Management Templates

### 7.1 Job Description Template

**Purpose:** Create clear expectations for positions.

#### JOB DESCRIPTION

Position Title: \_\_\_\_\_  
Department: \_\_\_\_\_  
Reports To: \_\_\_\_\_

FLSA Status: ☐ Exempt ☐ Non-exempt  
Employment Type: ☐ Full-time ☐ Part-time  
Pay Range: \$\_\_\_\_\_ to \$\_\_\_\_\_ per [hour/year]  
Date: \_\_\_\_\_

**POSITION SUMMARY:**

(2-3 sentence overview of the role)

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**PRIMARY RESPONSIBILITIES:**

(List 5-8 main duties in order of importance, with % of time)

1. \_\_\_\_\_ (\_\_\_\_%)  
\_\_\_\_\_
2. \_\_\_\_\_ (\_\_\_\_%)  
\_\_\_\_\_
3. \_\_\_\_\_ (\_\_\_\_%)  
\_\_\_\_\_
4. \_\_\_\_\_ (\_\_\_\_%)  
\_\_\_\_\_
5. \_\_\_\_\_ (\_\_\_\_%)  
\_\_\_\_\_
6. \_\_\_\_\_ (\_\_\_\_%)  
\_\_\_\_\_
7. \_\_\_\_\_ (\_\_\_\_%)  
\_\_\_\_\_

**SECONDARY RESPONSIBILITIES:**

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

**REQUIRED QUALIFICATIONS:**

**Education:**

- ☐ High school diploma or equivalent  
☐ Associate degree in \_\_\_\_\_  
☐ Bachelor's degree in \_\_\_\_\_  
☐ Technical certification: \_\_\_\_\_  
☐ Other: \_\_\_\_\_



Experience:

\_\_\_\_\_ years in CNC machining/manufacturing

\_\_\_\_\_ years in [specific process/industry]

Experience with [specific equipment/software]: \_\_\_\_\_

Technical Skills:

☐ CNC programming (specify): \_\_\_\_\_

☐ Blueprint reading and GD&T

☐ Setup and work-holding

☐ Inspection and quality control

☐ CAM software: \_\_\_\_\_

☐ Specific machines: \_\_\_\_\_

☐ Materials knowledge: \_\_\_\_\_

Certifications/Licenses:

☐ Forklift operator

☐ Crane operator

☐ Other: \_\_\_\_\_

PREFERRED QUALIFICATIONS:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

PHYSICAL REQUIREMENTS:

☐ Ability to lift up to \_\_\_\_\_ lbs

☐ Prolonged standing (\_\_\_\_\_ hours/day)

☐ Manual dexterity for precision work

☐ Visual acuity for inspection

☐ Ability to work in shop environment (noise, temperature)

☐ Other: \_\_\_\_\_

WORKING CONDITIONS:

Environment: Shop floor with machine noise, coolant, etc.

Hours: \_\_\_\_\_ shift, \_\_\_\_\_ hours/week

Overtime: ☐ Required occasionally ☐ Seasonal ☐ Rare

Travel: \_\_\_\_\_% (if any)

COMPETENCIES & SOFT SKILLS:

☐ Attention to detail

☐ Problem-solving ability

☐ Self-motivation and initiative

☐ Communication skills (written and verbal)

☐ Teamwork and collaboration

☐ Time management

☐ Adaptability

☐ Safety consciousness

- ☐ Continuous improvement mindset  
☐ Customer service orientation

**KEY PERFORMANCE INDICATORS:**

- Quality: First-pass yield of \_\_\_\_%
- Productivity: \_\_\_\_ hours billable/day
- Safety: Zero accidents
- On-time completion: \_\_\_\_%
- Other: \_\_\_\_\_

**ADVANCEMENT OPPORTUNITIES:**

Next level position: \_\_\_\_\_  
Typical timeframe: \_\_\_\_ years  
Required development: \_\_\_\_\_

**COMPENSATION & BENEFITS:**

Starting pay: \$\_\_\_\_\_ per [hour/year]  
Pay review frequency: \_\_\_\_\_  
Benefits eligibility: \_\_\_\_ days after start  
Benefits offered:  
☐ Health insurance  
☐ Dental insurance  
☐ Vision insurance  
☐ Retirement plan (\_\_\_\_% match)  
☐ Paid time off (\_\_\_\_ days/year)  
☐ Paid holidays (\_\_\_\_ days/year)  
☐ Professional development allowance  
☐ Tool allowance  
☐ Other: \_\_\_\_\_

**COMPANY OVERVIEW:**

(Brief description of your shop, culture, values)

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**EQUAL OPPORTUNITY STATEMENT:**

[Your Shop Name] is an equal opportunity employer and does not discriminate based on race, color, religion, sex, national origin, age, disability, veteran status, or any other protected class.

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

**7.2 Interview Question Bank**

**Purpose:** Structured questions to assess candidates.

INTERVIEW QUESTION BANK – CNC MACHINIST

Candidate: \_\_\_\_\_ Position: \_\_\_\_\_  
Date: \_\_\_\_\_ Interviewer: \_\_\_\_\_

#### TECHNICAL COMPETENCY QUESTIONS:

##### CNC Programming & Setup:

1. Walk me through your process for setting up a new job from blueprint to first piece.

Answer: \_\_\_\_\_

Rating: [\_\_\_] Excellent [\_\_\_] Good [\_\_\_] Adequate [\_\_\_] Poor

2. What CAM software have you used? What's your proficiency level?

Answer: \_\_\_\_\_

Rating: [\_\_\_] Excellent [\_\_\_] Good [\_\_\_] Adequate [\_\_\_] Poor

3. Describe a time when you had to troubleshoot a program that wasn't cutting correctly. What was the issue and how did you fix it?

Answer: \_\_\_\_\_

Rating: [\_\_\_] Excellent [\_\_\_] Good [\_\_\_] Adequate [\_\_\_] Poor

4. How do you determine speeds and feeds for a new material or tool you haven't used before?

Answer: \_\_\_\_\_

Rating: [\_\_\_] Excellent [\_\_\_] Good [\_\_\_] Adequate [\_\_\_] Poor

##### Blueprint Reading & GD&T:

5. Can you explain what True Position means and how you would inspect it? (Show symbol if possible)

Answer: \_\_\_\_\_

Rating: [\_\_\_] Excellent [\_\_\_] Good [\_\_\_] Adequate [\_\_\_] Poor

6. What's the difference between concentricity and runout?

Answer: \_\_\_\_\_

Rating: [\_\_\_] Excellent [\_\_\_] Good [\_\_\_] Adequate [\_\_\_] Poor

##### Quality & Inspection:

7. What inspection equipment have you used regularly?

(micrometers, calipers, CMM, etc.)

Answer: \_\_\_\_\_

Rating: [\_\_\_] Excellent [\_\_\_] Good [\_\_\_] Adequate [\_\_\_] Poor

8. Tell me about a time you caught a quality issue before it became a problem. What did you do?

Answer: \_\_\_\_\_

Rating: [\_\_\_] Excellent [\_\_\_] Good [\_\_\_] Adequate [\_\_\_] Poor

Problem-Solving:

9. Describe your most challenging machining project. What made it difficult and how did you overcome the challenges?

Answer: \_\_\_\_\_

Rating: [\_\_\_] Excellent [\_\_\_] Good [\_\_\_] Adequate [\_\_\_] Poor

10. You're running a job and suddenly get chatter. Walk me through your diagnostic process.

Answer: \_\_\_\_\_

Rating: [\_\_\_] Excellent [\_\_\_] Good [\_\_\_] Adequate [\_\_\_] Poor

BEHAVIORAL QUESTIONS:

Work Ethic & Reliability:

11. Tell me about a time when you had to work overtime or weekend to meet a deadline. How did you handle it?

Answer: \_\_\_\_\_

Rating: [\_\_\_] Excellent [\_\_\_] Good [\_\_\_] Adequate [\_\_\_] Poor

12. Describe your attendance record at your last job. Any patterns of call-offs or tardiness?

Answer: \_\_\_\_\_

Rating: [\_\_\_] Excellent [\_\_\_] Good [\_\_\_] Adequate [\_\_\_] Poor

Teamwork & Communication:

13. How do you handle disagreements with coworkers or supervisors about how to approach a job?

Answer: \_\_\_\_\_

Rating: [ ] Excellent [ ] Good [ ] Adequate [ ] Poor

14. Give an example of when you had to train or help a less experienced machinist. How did you approach it?

Answer: \_\_\_\_\_

Rating: [ ] Excellent [ ] Good [ ] Adequate [ ] Poor

Continuous Improvement:

15. What's the last new skill or technique you learned in machining? How did you learn it?

Answer: \_\_\_\_\_

Rating: [ ] Excellent [ ] Good [ ] Adequate [ ] Poor

16. How do you stay current with new technologies and methods in machining?

Answer: \_\_\_\_\_

Rating: [ ] Excellent [ ] Good [ ] Adequate [ ] Poor

Safety:

17. Describe your approach to shop safety. Any accidents or near-misses in the past? What did you learn?

Answer: \_\_\_\_\_

Rating: [ ] Excellent [ ] Good [ ] Adequate [ ] Poor

SITUATIONAL QUESTIONS:

18. You discover that the previous shift ran 50 parts with dimensions out of tolerance. What do you do?

Answer: \_\_\_\_\_

Rating: [ ] Excellent [ ] Good [ ] Adequate [ ] Poor

19. A customer needs a rush job that would require bumping other work. How would you handle this situation?

Answer: \_\_\_\_\_

Rating: [ ] Excellent [ ] Good [ ] Adequate [ ] Poor

20. You're halfway through a large job and realize there's a more efficient way to make the part. What do you do?

Answer: \_\_\_\_\_

Rating: [\_\_\_] Excellent [\_\_\_] Good [\_\_\_] Adequate [\_\_\_] Poor

#### COMPANY FIT QUESTIONS:

21. Why are you leaving your current position?

Answer: \_\_\_\_\_

Red flags: [\_\_\_] None [\_\_\_] Minor concerns [\_\_\_] Major concerns

22. What are you looking for in your next role?

Answer: \_\_\_\_\_

Alignment: [\_\_\_] Excellent [\_\_\_] Good [\_\_\_] Fair [\_\_\_] Poor

23. Where do you see yourself in 5 years?

Answer: \_\_\_\_\_

24. What's your salary expectation?

Answer: \$\_\_\_\_\_ per [hour/year]

Within budget? [\_\_\_] Yes [\_\_\_] Negotiable [\_\_\_] No

25. Do you have any questions for me?

Questions asked: \_\_\_\_\_

Quality: [\_\_\_] Thoughtful [\_\_\_] Basic [\_\_\_] None

#### PRACTICAL ASSESSMENT (if applicable):

[\_\_\_] Blueprint reading test: \_\_\_/\_\_\_

[\_\_\_] Measurement quiz: \_\_\_/\_\_\_

[\_\_\_] Programming test: \_\_\_/\_\_\_

[\_\_\_] Machine operation demo: \_\_\_/\_\_\_

#### REFERENCES:

Reference #1: \_\_\_\_\_ Relationship: \_\_\_\_\_

Will verify: [\_\_\_] Yes [\_\_\_] No - reason: \_\_\_\_\_

Reference #2: \_\_\_\_\_ Relationship: \_\_\_\_\_  
Will verify: ☐ Yes ☐ No – reason: \_\_\_\_\_

Reference #3: \_\_\_\_\_ Relationship: \_\_\_\_\_  
Will verify: ☐ Yes ☐ No – reason: \_\_\_\_\_

#### OVERALL ASSESSMENT:

Technical skills: ☐ Excellent ☐ Good ☐ Fair ☐ Poor  
Problem-solving: ☐ Excellent ☐ Good ☐ Fair ☐ Poor  
Communication: ☐ Excellent ☐ Good ☐ Fair ☐ Poor  
Cultural fit: ☐ Excellent ☐ Good ☐ Fair ☐ Poor  
Growth potential: ☐ High ☐ Medium ☐ Low

#### Strengths:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

#### Concerns/Weaknesses:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

#### RECOMMENDATION:

- ☐ Strong hire – make offer  
☐ Hire with reservations – discuss concerns  
☐ Maybe – second interview needed  
☐ No – not a fit

Proposed offer: \$\_\_\_\_\_ per [hour/year]

Start date: \_\_\_\_\_

#### Notes:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Interviewer signature: \_\_\_\_\_ Date: \_\_\_\_\_

### 7.3 Employee Onboarding Checklist

**Purpose:** Ensure smooth integration of new hires.

#### EMPLOYEE ONBOARDING CHECKLIST

Employee Name: \_\_\_\_\_  
Position: \_\_\_\_\_  
Start Date: \_\_\_\_\_ Department: \_\_\_\_\_  
Manager/Supervisor: \_\_\_\_\_

PRE-ARRIVAL (before first day):

PAPERWORK & ADMINISTRATION:

- ☐ Offer letter signed
- ☐ Background check completed (if required)
- ☐ Drug test completed (if required)
- ☐ I-9 Employment Eligibility Verification
- ☐ W-4 Federal Tax Withholding
- ☐ State tax withholding forms
- ☐ Direct deposit enrollment
- ☐ Emergency contact information
- ☐ Benefit enrollment forms (if applicable)
- ☐ Employee handbook acknowledgment
- ☐ Safety policies acknowledgment
- ☐ Confidentiality/Non-compete agreement (if applicable)
- ☐ Tool purchase agreement (if applicable)

WORKSPACE SETUP:

- ☐ Workstation/locker assigned: # \_\_\_\_\_
- ☐ Time clock/punch card setup
- ☐ Safety equipment ordered:
  - ☐ Safety glasses
  - ☐ Steel-toed boots allowance
  - ☐ Hearing protection
  - ☐ Gloves
  - ☐ Other: \_\_\_\_\_
- ☐ Tools assigned (if company-provided):
  - ☐ Calipers
  - ☐ Micrometers
  - ☐ Deburring tools
  - ☐ Other: \_\_\_\_\_
- ☐ Uniforms ordered (if provided): \_\_\_\_\_ shirts
- ☐ Computer account created (if needed)
- ☐ Email account set up (if needed)
- ☐ Building/shop access badge

FIRST DAY:

WELCOME & ORIENTATION:

- ☐ Welcome meeting with manager (\_\_\_\_\_ min)
- ☐ Tour of facility
- ☐ Introduction to team members
- ☐ Review job description and expectations



- ☐ Discuss probationary period (typically 90 days)
- ☐ Explain schedule and breaks
- ☐ Show location of:
  - ☐ Restrooms
  - ☐ Break room
  - ☐ First aid kit
  - ☐ Fire extinguishers
  - ☐ Emergency exits
  - ☐ Eyewash station
  - ☐ Material safety data sheets (MSDS)

#### ADMINISTRATIVE:

- ☐ Complete remaining paperwork
- ☐ Issue employee ID badge
- ☐ Provide parking information
- ☐ Set up time clock PIN
- ☐ Review timekeeping procedures
- ☐ Review pay schedule (dates, method)
- ☐ Provide employee handbook
- ☐ Review company policies:
  - ☐ Attendance and punctuality
  - ☐ Overtime policy
  - ☐ Break policy
  - ☐ Cell phone/personal device use
  - ☐ Dress code
  - ☐ Safety rules
  - ☐ Quality expectations
  - ☐ Harassment/discrimination policy

#### SAFETY TRAINING (Day 1 – CRITICAL):

- ☐ General shop safety rules
- ☐ Personal protective equipment (PPE) requirements
- ☐ Emergency procedures:
  - ☐ Fire evacuation
  - ☐ Severe weather
  - ☐ Medical emergency
  - ☐ Injury reporting
- ☐ Machine safety overview
- ☐ Lockout/tagout procedures
- ☐ Hazard communication (MSDS)
- ☐ Lifting techniques
- ☐ Forklift/crane safety (if applicable)
- ☐ Chemical/coolant safety
- ☐ First aid procedures

#### FIRST WEEK:

#### TECHNICAL TRAINING:

[ ] Review of equipment they'll use:  
Day 1: \_\_\_\_\_ with \_\_\_\_\_  
Day 2: \_\_\_\_\_ with \_\_\_\_\_  
Day 3: \_\_\_\_\_ with \_\_\_\_\_  
Day 4: \_\_\_\_\_ with \_\_\_\_\_  
Day 5: \_\_\_\_\_ with \_\_\_\_\_

[ ] Company standards review:  
[ ] Quality procedures  
[ ] Inspection requirements  
[ ] Documentation (job travelers, time tracking)  
[ ] Tool management/checkout system  
[ ] Material handling procedures  
[ ] Setup sheets/process documentation

[ ] Software training (if applicable):  
[ ] CAM software  
[ ] CNC controllers  
[ ] Job tracking system  
[ ] Time clock system

[ ] Shadow experienced employee: \_\_\_\_\_  
Date(s): \_\_\_\_\_ to \_\_\_\_\_

[ ] Complete first supervised project  
Project: \_\_\_\_\_  
Supervisor: \_\_\_\_\_  
Completion date: \_\_\_\_\_

#### FIRST 30 DAYS:

#### SKILL DEVELOPMENT:

[ ] Week 2 check-in with manager  
Date: \_\_\_\_\_ Notes: \_\_\_\_\_  
[ ] Week 3 check-in with manager  
Date: \_\_\_\_\_ Notes: \_\_\_\_\_  
[ ] Week 4 check-in with manager  
Date: \_\_\_\_\_ Notes: \_\_\_\_\_

#### PROGRESSIVE RESPONSIBILITY:

[ ] Complete 3 simple jobs independently  
Job #1: \_\_\_\_\_ Date: \_\_\_\_\_  
Job #2: \_\_\_\_\_ Date: \_\_\_\_\_  
Job #3: \_\_\_\_\_ Date: \_\_\_\_\_

[ ] Demonstrate competency in:  
[ ] Setup procedures  
[ ] Program loading/editing

- ☐ Tool changes
- ☐ Work-holding
- ☐ Inspection
- ☐ Documentation

☐ 30-day performance review

Date: \_\_\_\_\_ Reviewer: \_\_\_\_\_

Performance: ☐ Exceeds ☐ Meets ☐ Below expectations

Areas of strength: \_\_\_\_\_

Areas for improvement: \_\_\_\_\_

Action plan: \_\_\_\_\_

60-DAY CHECK-IN:

☐ 60-day review meeting

Date: \_\_\_\_\_

Progress on 30-day action items: \_\_\_\_\_

Updated goals: \_\_\_\_\_

☐ Verify full independence in routine tasks

☐ Assess readiness for complex jobs

☐ Discuss any concerns or questions

90-DAY REVIEW (End of Probation):

☐ Formal 90-day performance evaluation

Date: \_\_\_\_\_

Overall rating: ☐ Excellent ☐ Good ☐ Satisfactory ☐ Needs improvement

☐ Decision meeting:

☐ Continue employment (pass probation)

☐ Extend probation (\_\_\_\_\_ days) - reason: \_\_\_\_\_

☐ Terminate - reason: \_\_\_\_\_

☐ If continuing:

☐ Confirm compensation

☐ Discuss career path

☐ Set performance goals for next 6 months

☐ Benefits enrollment (if not immediate)

☐ Update direct supervisor on status

ONGOING (First Year):

- [ ] 6-month review – Date: \_\_\_\_\_  
 [ ] Annual review – Date: \_\_\_\_\_  
 [ ] Continuous training plan developed  
 [ ] Cross-training opportunities identified

#### CHECKLIST COMPLETION:

New Employee Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
 Manager Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
 HR/Owner Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Notes/Comments:

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### 7.4 Performance Review Template

**Purpose:** Structured annual or periodic employee evaluations.

#### EMPLOYEE PERFORMANCE REVIEW

Employee Name: \_\_\_\_\_  
 Position: \_\_\_\_\_  
 Department: \_\_\_\_\_  
 Review Period: \_\_\_\_\_ to \_\_\_\_\_  
 Review Date: \_\_\_\_\_  
 Reviewer: \_\_\_\_\_

#### RATING SCALE:

- 5 – Outstanding (consistently exceeds expectations)
- 4 – Exceeds Expectations (frequently surpasses goals)
- 3 – Meets Expectations (solid, reliable performance)
- 2 – Needs Improvement (some areas require development)
- 1 – Unsatisfactory (significant improvement required)

#### PERFORMANCE CATEGORIES:

1. TECHNICAL COMPETENCY Rating: \_\_\_\_\_

##### CNC Programming:

- [ ] Proficient in required CAM software
- [ ] Creates efficient, error-free programs
- [ ] Troubleshoots and optimizes programs
- [ ] Stays current with new techniques

Comments: \_\_\_\_\_

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Setup & Work-holding:

- ☐ Efficient, accurate setups
- ☐ Selects appropriate work-holding
- ☐ Minimizes setup time
- ☐ Properly documents setups

Comments: \_\_\_\_\_

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Machining Operations:

- ☐ Produces quality parts consistently
- ☐ Selects appropriate tools and parameters
- ☐ Adjusts for optimal results
- ☐ Maintains equipment properly

Comments: \_\_\_\_\_

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Overall Technical Rating: \_\_\_\_\_ / 5

2. QUALITY OF WORK

Rating: \_\_\_\_\_

- ☐ First-pass yield: \_\_\_\_% (target: \_\_\_\_%)
- ☐ Scrap rate: \_\_\_\_% (target: <\_\_\_\_%)
- ☐ Inspection accuracy
- ☐ Attention to detail
- ☐ Follows specifications exactly

Specific examples: \_\_\_\_\_

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Overall Quality Rating: \_\_\_\_\_ / 5

3. PRODUCTIVITY & EFFICIENCY

Rating: \_\_\_\_\_

- ☐ Meets or exceeds production targets
- ☐ Billable hours: \_\_\_\_% (target: \_\_\_\_%)
- ☐ Minimizes downtime
- ☐ Works at appropriate pace
- ☐ Manages time effectively

Metrics:

Average parts per day: \_\_\_\_\_ (target: \_\_\_\_\_)  
Setup time average: \_\_\_\_\_ (target: \_\_\_\_\_)

Comments: \_\_\_\_\_  
\_\_\_\_\_

Overall Productivity Rating: \_\_\_\_\_ / 5

4. RELIABILITY & ATTENDANCE Rating: \_\_\_\_\_

- ☐ Punctuality (on-time arrival)
- ☐ Attendance record
- ☐ Stays until work complete
- ☐ Reliable for overtime when needed
- ☐ Advance notice for absences

Record:

Absent: \_\_\_\_\_ days (unscheduled: \_\_\_\_\_)

Tardy: \_\_\_\_\_ times

Left early: \_\_\_\_\_ times

Comments: \_\_\_\_\_  
\_\_\_\_\_

Overall Reliability Rating: \_\_\_\_\_ / 5

5. SAFETY Rating: \_\_\_\_\_

- ☐ Follows all safety procedures
- ☐ Wears required PPE consistently
- ☐ Maintains clean, organized workspace
- ☐ Reports hazards promptly
- ☐ No at-fault accidents

Incidents:

Near-misses: \_\_\_\_\_

Accidents: \_\_\_\_\_

Safety suggestions submitted: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_

Overall Safety Rating: \_\_\_\_\_ / 5

6. COMMUNICATION & TEAMWORK Rating: \_\_\_\_\_

- ☐ Communicates clearly with supervisors
- ☐ Keeps team informed of issues
- ☐ Helps train/mentor others
- ☐ Positive attitude
- ☐ Constructive in problem-solving

Comments: \_\_\_\_\_  
\_\_\_\_\_

Overall Communication Rating: \_\_\_\_\_ / 5

7. INITIATIVE & PROBLEM-SOLVING

Rating: \_\_\_\_\_

- ☐ Identifies issues proactively
- ☐ Suggests improvements
- ☐ Takes ownership of problems
- ☐ Self-directed and motivated
- ☐ Seeks learning opportunities

Examples: \_\_\_\_\_  
\_\_\_\_\_

Overall Initiative Rating: \_\_\_\_\_ / 5

8. ADAPTABILITY

Rating: \_\_\_\_\_

- ☐ Handles job changes well
- ☐ Learns new processes quickly
- ☐ Flexible with schedules
- ☐ Positive during challenges
- ☐ Open to feedback

Comments: \_\_\_\_\_  
\_\_\_\_\_

Overall Adaptability Rating: \_\_\_\_\_ / 5

OVERALL PERFORMANCE SUMMARY:

Total Points: \_\_\_\_\_ / 40 (average: \_\_\_\_\_)

Overall Rating:

- ☐ Outstanding (36–40 points)
- ☐ Exceeds Expectations (32–35 points)
- ☐ Meets Expectations (24–31 points)
- ☐ Needs Improvement (16–23 points)
- ☐ Unsatisfactory (<16 points)

KEY STRENGTHS:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

AREAS FOR IMPROVEMENT:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

GOALS FOR NEXT REVIEW PERIOD:

Goal #1: \_\_\_\_\_  
Measure of success: \_\_\_\_\_  
Target date: \_\_\_\_\_

Goal #2: \_\_\_\_\_  
Measure of success: \_\_\_\_\_  
Target date: \_\_\_\_\_

Goal #3: \_\_\_\_\_  
Measure of success: \_\_\_\_\_  
Target date: \_\_\_\_\_

DEVELOPMENT PLAN:

Training needed: \_\_\_\_\_  
Cross-training opportunities: \_\_\_\_\_  
Resources/support required: \_\_\_\_\_

COMPENSATION REVIEW:

Current pay: \$\_\_\_\_\_ per [hour/year]  
Recommended increase: \_\_\_\_% (\$\_\_\_\_\_)   
New pay: \$\_\_\_\_\_ effective: \_\_\_\_\_

Bonus (if applicable): \$\_\_\_\_\_

Justification: \_\_\_\_\_  
\_\_\_\_\_

EMPLOYEE COMMENTS:

(Space for employee to provide their perspective)

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Employee acknowledgment:

I have reviewed this evaluation and discussed it with my supervisor.  
My signature does not necessarily indicate agreement.



Employee Signature: \_\_\_\_\_ Date: \_\_\_\_\_

REVIEWER COMMENTS:

Additional notes: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Follow-up meeting scheduled: \_\_\_\_\_

Reviewer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Manager/Owner Approval: \_\_\_\_\_ Date: \_\_\_\_\_

This completes Part 3 of Appendix T with comprehensive tax planning and employee management templates!

\_\_\_\_\_

## **Section 8: Equipment Purchasing and Vendor Management**

### **8.1 Equipment Evaluation Scorecard**

**Purpose:** Compare equipment options objectively.

#### **EQUIPMENT EVALUATION SCORECARD**

Equipment Type: \_\_\_\_\_

Purpose/Need: \_\_\_\_\_

Budget Range: \$\_\_\_\_\_ to \$\_\_\_\_\_

Decision Date: \_\_\_\_\_

#### **OPTION A:**

Manufacturer: \_\_\_\_\_

Model: \_\_\_\_\_

Year (if used): \_\_\_\_\_ Condition: \_\_\_\_\_

Price: \$\_\_\_\_\_ Delivery: \_\_\_\_\_ weeks

#### **OPTION B:**

Manufacturer: \_\_\_\_\_

Model: \_\_\_\_\_

Year (if used): \_\_\_\_\_ Condition: \_\_\_\_\_

Price: \$\_\_\_\_\_ Delivery: \_\_\_\_\_ weeks

#### **OPTION C:**

Manufacturer: \_\_\_\_\_

Model: \_\_\_\_\_

Year (if used): \_\_\_\_\_ Condition: \_\_\_\_\_

Price: \$\_\_\_\_\_ Delivery: \_\_\_\_\_ weeks

SCORING CRITERIA (Rate 1-10, 10 = best):

CAPABILITY & SPECIFICATIONS:	Weight	A	B	C
Work envelope (X/Y/Z capacity)	_____	_____	_____	_____
Spindle power/torque	_____	_____	_____	_____
Spindle speed range	_____	_____	_____	_____
Rapids/feed rates	_____	_____	_____	_____
Tool capacity/ATC	_____	_____	_____	_____
Table load capacity	_____	_____	_____	_____
Control system (features/ease)	_____	_____	_____	_____
Accuracy/repeatability specs	_____	_____	_____	_____
Thermal stability	_____	_____	_____	_____
Rigidity/construction quality	_____	_____	_____	_____
Special features needed	_____	_____	_____	_____
Subtotal:		_____	_____	_____

COST FACTORS:	Weight	A	B	C
Purchase price	_____	_____	_____	_____
Financing terms available	_____	_____	_____	_____
Delivery/installation cost	_____	_____	_____	_____
Training cost	_____	_____	_____	_____
Tooling/fixture transfer	_____	_____	_____	_____
Expected operating costs	_____	_____	_____	_____
Expected maintenance costs	_____	_____	_____	_____
Resale value (depreciation)	_____	_____	_____	_____
Subtotal:		_____	_____	_____

SUPPORT & SERVICE:	Weight	A	B	C
Warranty (length & coverage)	_____	_____	_____	_____
Local service availability	_____	_____	_____	_____
Service response time	_____	_____	_____	_____
Parts availability	_____	_____	_____	_____
Technical support quality	_____	_____	_____	_____
Dealer/manufacturer reputation	_____	_____	_____	_____
Training quality/availability	_____	_____	_____	_____
Documentation quality	_____	_____	_____	_____
User community/resources	_____	_____	_____	_____
Subtotal:		_____	_____	_____

OPERATIONAL CONSIDERATIONS:	Weight	A	B	C
Ease of operation	_____	_____	_____	_____
Programming compatibility	_____	_____	_____	_____

Tooling compatibility (existing)	___	___	___	___
Fixture compatibility	___	___	___	___
Ergonomics/operator comfort	___	___	___	___
Safety features	___	___	___	___
Chip management	___	___	___	___
Coolant management	___	___	___	___
Footprint/space requirements	___	___	___	___
Utility requirements (power, air)	___	___	___	___
Environmental (noise, etc.)	___	___	___	___
Subtotal:	___	___	___	___

STRATEGIC FIT:	Weight	A	B	C
-----				
Meets current needs	___	___	___	___
Growth capacity (future needs)	___	___	___	___
Customer perception/credibility	___	___	___	___
Competitive advantage gained	___	___	___	___
Technology currency (obsolescence)	___	___	___	___
Skill transfer from existing equip	___	___	___	___
Diversification opportunity	___	___	___	___
Subtotal:	___	___	___	___

RISK FACTORS:	Weight	A	B	C
-----				
Reliability (for used: actual usage)	___	___	___	___
Downtime risk	___	___	___	___
Obsolescence risk	___	___	___	___
Manufacturer stability	___	___	___	___
Learning curve/productivity hit	___	___	___	___
Integration complexity	___	___	___	___
Financial risk/debt load	___	___	___	___
Subtotal:	___	___	___	___

TOTAL WEIGHTED SCORE:	___	___	___
-----------------------	-----	-----	-----

#### FINANCIAL ANALYSIS:

	Option A	Option B	Option C
-----			
Purchase price	\$ _____	\$ _____	\$ _____
Installation/delivery	\$ _____	\$ _____	\$ _____
Tooling/fixtures	\$ _____	\$ _____	\$ _____
Training	\$ _____	\$ _____	\$ _____
Total upfront	\$ _____	\$ _____	\$ _____
Financing details:			
Down payment (___%)	\$ _____	\$ _____	\$ _____
Loan amount	\$ _____	\$ _____	\$ _____

Interest rate	___%	___%	___%
Term (months)	___	___	___
Monthly payment	\$___	\$___	\$___

Annual operating costs:			
Utilities (electric, air, etc.)	\$___	\$___	\$___
Maintenance/service	\$___	\$___	\$___
Consumables	\$___	\$___	\$___
Total annual operating	\$___	\$___	\$___

#### ROI ANALYSIS:

Revenue enabled (annual):	\$___	\$___	\$___
Profit margin (___%)	\$___	\$___	\$___
Annual profit contribution	\$___	\$___	\$___
Minus: annual operating costs	\$___	\$___	\$___
Minus: annual loan payment (×12)	\$___	\$___	\$___
Net annual benefit	\$___	\$___	\$___

Payback period (years):	___	___	___
5-year total benefit:	\$___	\$___	\$___

#### REFERENCE CHECKS:

Current users contacted:	___	___	___
Overall satisfaction (1-10):	___	___	___
Would they buy again?	Y/N	Y/N	Y/N
Key feedback:	_____		

#### DECISION MATRIX:

Best overall score:	Option ___
Best value (ROI):	Option ___
Lowest risk:	Option ___
Best strategic fit:	Option ___

RECOMMENDATION: Option \_\_\_\_\_

#### Primary reasons:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

#### Concerns to mitigate:

1. \_\_\_\_\_
2. \_\_\_\_\_

Alternative if first choice unavailable: Option \_\_\_\_\_

APPROVAL:

Recommended by: \_\_\_\_\_ Date: \_\_\_\_\_

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

Purchase order #: \_\_\_\_\_ Date issued: \_\_\_\_\_

## 8.2 Equipment ROI Calculator

**Purpose:** Justify equipment purchases with financial analysis.

### EQUIPMENT ROI CALCULATOR

Equipment: \_\_\_\_\_

Purchase price: \$\_\_\_\_\_ Date: \_\_\_\_\_

#### INVESTMENT DETAILS:

Purchase price: \$\_\_\_\_\_

Shipping/delivery: \$\_\_\_\_\_

Installation: \$\_\_\_\_\_

Electrical/facility mods: \$\_\_\_\_\_

Initial tooling/fixtures: \$\_\_\_\_\_

Training: \$\_\_\_\_\_

Commissioning/debugging: \$\_\_\_\_\_

TOTAL INVESTMENT: \$\_\_\_\_\_

#### FINANCING:

☐ Cash purchase (full amount)

☐ Financed:

Down payment (\_\_\_\_%): \$\_\_\_\_\_

Loan amount: \$\_\_\_\_\_

Interest rate: \_\_\_\_%

Term: \_\_\_\_ years (\_\_\_\_ months)

Monthly payment: \$\_\_\_\_\_

Total interest: \$\_\_\_\_\_

Total cost: \$\_\_\_\_\_

☐ Lease:

Monthly payment: \$\_\_\_\_\_

Term: \_\_\_\_ months

Buyout: \$\_\_\_\_\_

Total cost: \$\_\_\_\_\_

#### REVENUE GENERATION:

Method 1 – New Capability:

Jobs previously declined (now can do): \_\_\_\_\_ per year

Average job value: \$\_\_\_\_\_

Annual revenue enabled: \$\_\_\_\_\_

Expected margin: \_\_\_\_\_%

Annual profit contribution: \$\_\_\_\_\_

Method 2 – Efficiency Gain:

Current machine hours available: \_\_\_\_\_ hrs/year

New machine hours available: \_\_\_\_\_ hrs/year

Additional hours: \_\_\_\_\_ hrs/year

Billable rate: \$\_\_\_\_\_ /hr

Annual revenue increase: \$\_\_\_\_\_

Expected margin: \_\_\_\_\_%

Annual profit contribution: \$\_\_\_\_\_

Method 3 – Quality/Yield Improvement:

Current scrap rate: \_\_\_\_\_%

New scrap rate: \_\_\_\_\_%

Improvement: \_\_\_\_\_%

Annual production value: \$\_\_\_\_\_

Annual savings: \$\_\_\_\_\_

Method 4 – Market Expansion:

New market/customers accessible: \_\_\_\_\_

Expected annual revenue: \$\_\_\_\_\_

Expected margin: \_\_\_\_\_%

Annual profit contribution: \$\_\_\_\_\_

TOTAL ANNUAL PROFIT CONTRIBUTION: \$\_\_\_\_\_

COST SAVINGS:

Labor savings:

Hours saved per week: \_\_\_\_\_

Labor rate: \$\_\_\_\_\_ /hr

Annual savings: \$\_\_\_\_\_

Outsourcing elimination:

Currently outsourced: \$\_\_\_\_\_ /year

Now done in-house at \_\_\_\_\_% margin

Annual savings: \$\_\_\_\_\_

Material waste reduction:

Current waste: \$\_\_\_\_\_ /year

Expected reduction: \_\_\_\_\_%

Annual savings: \$\_\_\_\_\_

Maintenance cost reduction:

Old equipment costs: \$\_\_\_\_\_ /year

New equipment costs: \$\_\_\_\_\_ /year

Annual savings: \$\_\_\_\_\_

Other savings:

\_\_\_\_\_ : \$\_\_\_\_\_

TOTAL ANNUAL COST SAVINGS: \$\_\_\_\_\_

TOTAL ANNUAL BENEFIT:

Profit contribution: \$\_\_\_\_\_

Cost savings: \$\_\_\_\_\_

TOTAL: \$\_\_\_\_\_

ANNUAL COSTS:

Financing cost:

Monthly payment × 12: \$\_\_\_\_\_

OR

Lost interest on cash (\_\_\_\_% rate): \$\_\_\_\_\_

Operating costs:

Utilities (electric, air): \$\_\_\_\_\_

Maintenance/service: \$\_\_\_\_\_

Consumables: \$\_\_\_\_\_

Insurance: \$\_\_\_\_\_

TOTAL: \$\_\_\_\_\_

NET ANNUAL BENEFIT:

Total benefit: \$\_\_\_\_\_

Minus: Total costs: \$\_\_\_\_\_

NET BENEFIT: \$\_\_\_\_\_

ROI METRICS:

Simple Payback Period:

Investment ÷ net annual benefit

\$\_\_\_\_\_ ÷ \$\_\_\_\_\_ = \_\_\_\_\_ years (\_\_\_\_\_ months)

Return on Investment (Year 1):

(Net benefit ÷ investment) × 100

(\$\_\_\_\_\_ ÷ \$\_\_\_\_\_ ) × 100 = \_\_\_\_\_%

5-YEAR PROJECTION:

Year 1:

Revenue contribution: \$\_\_\_\_\_

Cost savings: \$ \_\_\_\_\_  
Operating costs: \$ \_\_\_\_\_  
Financing costs: \$ \_\_\_\_\_  
Net benefit: \$ \_\_\_\_\_  
Cumulative: \$ \_\_\_\_\_

Year 2:  
Revenue contribution: \$ \_\_\_\_\_  
Cost savings: \$ \_\_\_\_\_  
Operating costs: \$ \_\_\_\_\_  
Financing costs: \$ \_\_\_\_\_  
Net benefit: \$ \_\_\_\_\_  
Cumulative: \$ \_\_\_\_\_

Year 3:  
Revenue contribution: \$ \_\_\_\_\_  
Cost savings: \$ \_\_\_\_\_  
Operating costs: \$ \_\_\_\_\_  
Financing costs: \$ \_\_\_\_\_  
Net benefit: \$ \_\_\_\_\_  
Cumulative: \$ \_\_\_\_\_

Year 4:  
Revenue contribution: \$ \_\_\_\_\_  
Cost savings: \$ \_\_\_\_\_  
Operating costs: \$ \_\_\_\_\_  
Financing costs: \$ \_\_\_\_\_  
Net benefit: \$ \_\_\_\_\_  
Cumulative: \$ \_\_\_\_\_

Year 5:  
Revenue contribution: \$ \_\_\_\_\_  
Cost savings: \$ \_\_\_\_\_  
Operating costs: \$ \_\_\_\_\_  
Financing costs: \$ \_\_\_\_\_  
Net benefit: \$ \_\_\_\_\_  
Cumulative: \$ \_\_\_\_\_

5-Year Total Net Benefit: \$ \_\_\_\_\_  
5-Year ROI: \_\_\_\_\_%

#### BREAK-EVEN ANALYSIS:

Monthly net benefit: \$ \_\_\_\_\_  
Months to break even: \_\_\_\_\_  
Break-even date: \_\_\_\_\_

Utilization needed to break even: \_\_\_\_\_%



(Break-even revenue ÷ capacity)

**RISK ASSESSMENT:**

Best case (\_\_\_% above projection):

Annual benefit: \$\_\_\_\_\_

Payback: \_\_\_\_\_ months

Expected case (as calculated):

Annual benefit: \$\_\_\_\_\_

Payback: \_\_\_\_\_ months

Worst case (\_\_\_% below projection):

Annual benefit: \$\_\_\_\_\_

Payback: \_\_\_\_\_ months

Risk factors:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Mitigation strategies:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**DECISION:**

[\_\_\_] Proceed with purchase – ROI justifies investment

[\_\_\_] Defer – ROI not sufficient at this time

[\_\_\_] Alternative approach: \_\_\_\_\_

Approval signatures:

Prepared by: \_\_\_\_\_ Date: \_\_\_\_\_

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

Notes:

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**8.3 Vendor Evaluation Matrix**

**Purpose:** Assess and compare potential suppliers.

**VENDOR EVALUATION MATRIX**

Vendor name: \_\_\_\_\_

Contact: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_ Email: \_\_\_\_\_  
Website: \_\_\_\_\_  
Products/Services: \_\_\_\_\_  
Evaluation date: \_\_\_\_\_

RATING SCALE: 1-5 (5 = Excellent, 1 = Poor)

QUALITY METRICS: Rating

-----  
Product/service quality \_\_\_\_\_  
Consistency batch-to-batch \_\_\_\_\_  
Defect rate (PPM): \_\_\_\_\_  
Quality certifications (ISO, etc.) \_\_\_\_\_  
Inspection/testing capabilities \_\_\_\_\_  
Material certifications provided \_\_\_\_\_  
Traceability \_\_\_\_\_  
Returns/rejections process \_\_\_\_\_

Quality Score: \_\_\_\_ / 40

Comments: \_\_\_\_\_  
\_\_\_\_\_

PRICING & VALUE: Rating

-----  
Price competitiveness \_\_\_\_\_  
Volume discounts available \_\_\_\_\_  
Payment terms \_\_\_\_\_  
No hidden fees \_\_\_\_\_  
Price stability \_\_\_\_\_  
Freight costs reasonable \_\_\_\_\_  
Overall value for money \_\_\_\_\_

Pricing Score: \_\_\_\_ / 35

Payment terms offered: Net \_\_\_\_ days

Discounts: \_\_\_\_% for \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_

DELIVERY & LOGISTICS: Rating

-----  
Lead time (standard): \_\_\_\_ days \_\_\_\_\_  
Lead time reliability \_\_\_\_\_  
On-time delivery rate: \_\_\_\_% \_\_\_\_\_

Order accuracy (correct items/qty)	_____
Packaging quality	_____
Rush order capability	_____
Delivery flexibility	_____
Tracking/visibility	_____
Local stock/distribution	_____

Delivery Score: \_\_\_\_\_ / 45

Comments: \_\_\_\_\_

SERVICE & SUPPORT: Rating

-----	
Responsiveness (quotes, questions)	_____
Technical support availability	_____
Problem resolution effectiveness	_____
Proactive communication	_____
Account management	_____
Training/education provided	_____
After-sales support	_____
Warranty support	_____

Service Score: \_\_\_\_\_ / 40

Comments: \_\_\_\_\_

RELATIONSHIP & COMMUNICATION: Rating

-----	
Ease of doing business	_____
Communication clarity	_____
Flexibility/accommodating	_____
Trustworthiness	_____
Long-term relationship focus	_____
Partnership approach	_____

Relationship Score: \_\_\_\_\_ / 30

Comments: \_\_\_\_\_

CAPABILITIES: Rating

-----	
Product range/selection	_____
Inventory depth	_____
Custom/special order capability	_____
Technical expertise	_____

Innovation/new products \_\_\_\_\_  
Value-added services \_\_\_\_\_  
Capacity to grow with us \_\_\_\_\_

Capabilities Score: \_\_\_\_\_ / 35

Comments: \_\_\_\_\_  
\_\_\_\_\_

STABILITY & RELIABILITY: Rating

-----  
Financial stability \_\_\_\_\_  
Years in business: \_\_\_\_\_  
Market reputation \_\_\_\_\_  
Supply chain reliability \_\_\_\_\_  
Business continuity planning \_\_\_\_\_

Stability Score: \_\_\_\_\_ / 25

Comments: \_\_\_\_\_  
\_\_\_\_\_

TOTAL SCORE: \_\_\_\_\_ / 250

Overall Percentage: \_\_\_\_\_%

VENDOR CLASSIFICATION:

- ☐ Preferred Vendor (>85% – strategic partner)  
☐ Approved Vendor (70–85% – reliable supplier)  
☐ Acceptable Vendor (55–70% – use with caution)  
☐ Not Recommended (<55% – seek alternatives)

RECOMMENDATIONS:

Strengths:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Weaknesses:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Best suited for:

\_\_\_\_\_  
\_\_\_\_\_

Not recommended for:

---

---

Action items:

1. 

---
2. 

---
3. 

---

REFERENCES CHECKED:

Reference #1: 

---

 Company: 

---

  
Feedback: 

---

  
Rating: 

---

 / 5

Reference #2: 

---

 Company: 

---

  
Feedback: 

---

  
Rating: 

---

 / 5

Reference #3: 

---

 Company: 

---

  
Feedback: 

---

  
Rating: 

---

 / 5

TRIAL ORDER RESULTS (if applicable):

Order #: 

---

 Date: 

---

 Value: \$ 

---

  
Lead time: 

---

 days (promised: 

---

)  
Quality: 

---

 / 5  
Accuracy: 

---

 / 5  
Service: 

---

 / 5  
Would order again: [

---

] Yes [

---

] No

ANNUAL REVIEW DATE: 

---

Evaluated by: 

---

 Date: 

---

  
Approved by: 

---

 Date: 

---

## 8.4 Purchase Order Template

**Purpose:** Standardized PO format for all purchases.

### PURCHASE ORDER

[Your Company Name]  
[Address]  
[City, State ZIP]  
[Phone] | [Email]

Tax ID: \_\_\_\_\_

=====

P0 Number: \_\_\_\_\_ Date: \_\_\_\_\_

Requisitioned by: \_\_\_\_\_

Approved by: \_\_\_\_\_

VENDOR: \_\_\_\_\_ SHIP TO (if different): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Phone: \_\_\_\_\_

Phone: \_\_\_\_\_

=====

Payment Terms: \_\_\_\_\_ Delivery Date: \_\_\_\_\_

Shipping Method: \_\_\_\_\_ FOB: \_\_\_\_\_

Account #: \_\_\_\_\_ Contact: \_\_\_\_\_

=====

Line	Item Description	Part/Model	Qty	Unit	Amount
1	_____ _____	_____	____	\$____	\$____
2	_____ _____	_____	____	\$____	\$____
3	_____ _____	_____	____	\$____	\$____
4	_____ _____	_____	____	\$____	\$____
5	_____ _____	_____	____	\$____	\$____
6	_____ _____	_____	____	\$____	\$____
7	_____ _____	_____	____	\$____	\$____
8	_____ _____	_____	____	\$____	\$____

9      \_\_\_\_\_      \_\_\_\_\_      \$ \_\_\_\_\_ \$ \_\_\_\_\_  
         \_\_\_\_\_

10     \_\_\_\_\_      \_\_\_\_\_      \$ \_\_\_\_\_ \$ \_\_\_\_\_  
         \_\_\_\_\_

---

---

Subtotal:      \$ \_\_\_\_\_

Sales Tax:     \$ \_\_\_\_\_

Shipping:      \$ \_\_\_\_\_

-----  
TOTAL:          \$ \_\_\_\_\_

---

---

**SPECIAL INSTRUCTIONS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**TERMS AND CONDITIONS:**

1. This PO number must appear on all invoices, packages, and shipping documents.
2. Please notify us immediately if you cannot ship complete order by date specified.
3. Invoice in duplicate after shipment.
4. All items subject to our inspection and approval.
5. Vendor must obtain written authorization for any changes to specifications, quantities, or prices.

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---

Authorized by: \_\_\_\_\_  
Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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**8.5 Receiving Inspection Report**

**Purpose:** Document receipt and acceptance of purchased items.

**RECEIVING INSPECTION REPORT**

PO Number: \_\_\_\_\_ Date received: \_\_\_\_\_

Vendor: \_\_\_\_\_

Received by: \_\_\_\_\_

Packing slip #: \_\_\_\_\_ Shipper: \_\_\_\_\_

QUANTITY VERIFICATION:

Line	Description	Ordered	Received	Short	Over
1	_____	___	___	___	___
2	_____	___	___	___	___
3	_____	___	___	___	___
4	_____	___	___	___	___
5	_____	___	___	___	___

Quantity OK? ☐ Yes ☐ No – Discrepancies noted above

VISUAL INSPECTION:

- ☐ Packaging intact, no damage  
☐ Packaging damaged (describe): \_\_\_\_\_  
☐ Items appear correct and undamaged  
☐ Items damaged (describe): \_\_\_\_\_  
☐ Documentation included (certs, packing slip, etc.)  
☐ Documentation missing: \_\_\_\_\_

DETAILED INSPECTION (if applicable):

Item #1: \_\_\_\_\_

- ☐ Correct part number/specification  
☐ Correct material (if verifiable)  
☐ No visible defects  
☐ Dimensions spot-checked: ☐ OK ☐ Issue  
☐ Certifications reviewed: ☐ OK ☐ Issue

Notes: \_\_\_\_\_

Item #2: \_\_\_\_\_

- ☐ Correct part number/specification  
☐ Correct material (if verifiable)  
☐ No visible defects  
☐ Dimensions spot-checked: ☐ OK ☐ Issue  
☐ Certifications reviewed: ☐ OK ☐ Issue

Notes: \_\_\_\_\_

OVERALL DISPOSITION:

- ☐ ACCEPT – all items correct and acceptable  
    → Move to inventory  
    → Approve invoice for payment  
  
☐ ACCEPT WITH NOTES – usable but issues documented



- Notes: \_\_\_\_\_
- Move to inventory
- Approve invoice (or request credit if applicable)

[\_\_\_] REJECT – return to vendor

- Reason: \_\_\_\_\_
- Contact vendor for RMA
- Hold items for pickup
- Do NOT approve invoice

[\_\_\_] PARTIAL ACCEPT – some items accepted, some rejected

- Accept lines: \_\_\_\_\_
- Reject lines: \_\_\_\_\_
- Contact vendor for resolution

VENDOR CONTACT (if issues):

Date contacted: \_\_\_\_\_ Contact: \_\_\_\_\_  
 Issue reported: \_\_\_\_\_  
 Vendor response: \_\_\_\_\_  
 Resolution: \_\_\_\_\_  
 RMA #: \_\_\_\_\_ Expected resolution date: \_\_\_\_\_

SIGNATURES:

Received by: \_\_\_\_\_ Date: \_\_\_\_\_

Inspected by: \_\_\_\_\_ Date: \_\_\_\_\_

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

Distribution:

- [\_\_\_] Original to accounting (with invoice)
- [\_\_\_] Copy to purchasing file
- [\_\_\_] Copy to vendor (if rejection)

## 8.6 Vendor Performance Scorecard

**Purpose:** Ongoing tracking of vendor performance.

VENDOR PERFORMANCE SCORECARD

Vendor: \_\_\_\_\_  
 Review period: \_\_\_\_\_ to \_\_\_\_\_  
 Total orders this period: \_\_\_\_\_  
 Total \$ volume: \$\_\_\_\_\_

DELIVERY PERFORMANCE:

Orders delivered on time: \_\_\_\_\_ / \_\_\_\_\_ = \_\_\_\_\_%  
Target: >95%

Orders delivered early: \_\_\_\_\_  
Orders delivered late: \_\_\_\_\_  
Average days late: \_\_\_\_\_

Lead time accuracy:  
Average promised: \_\_\_\_\_ days  
Average actual: \_\_\_\_\_ days  
Variance: \_\_\_\_\_ days

Rating: [\_\_\_\_] Excellent (>98%)  
[\_\_\_\_] Good (95–98%)  
[\_\_\_\_] Acceptable (90–95%)  
[\_\_\_\_] Poor (<90%)

#### QUALITY PERFORMANCE:

Orders received defect-free: \_\_\_\_\_ / \_\_\_\_\_ = \_\_\_\_\_%  
Target: >98%

Defects/issues by type:  
Wrong item shipped: \_\_\_\_\_  
Wrong quantity: \_\_\_\_\_  
Damaged in shipping: \_\_\_\_\_  
Quality defects: \_\_\_\_\_  
Missing documentation: \_\_\_\_\_  
Other: \_\_\_\_\_

Total defects: \_\_\_\_\_  
Defect rate (PPM): \_\_\_\_\_

Returns/rejections: \_\_\_\_\_ orders  
Return rate: \_\_\_\_\_%

Rating: [\_\_\_\_] Excellent (>99%)  
[\_\_\_\_] Good (97–99%)  
[\_\_\_\_] Acceptable (95–97%)  
[\_\_\_\_] Poor (<95%)

#### PRICING & VALUE:

Price changes this period: \_\_\_\_\_  
Average change: \_\_\_\_\_%

Price compared to market:

- ☐ Best price
- ☐ Competitive
- ☐ Average
- ☐ Higher than competitors

Value for money rating: \_\_\_\_ / 5

Hidden costs encountered:

- ☐ None
- ☐ Restocking fees
- ☐ Shipping upcharges
- ☐ Other: \_\_\_\_\_

Rating: ☐ Excellent (best value)  
☐ Good (competitive)  
☐ Acceptable (fair)  
☐ Poor (expensive)

#### SERVICE & SUPPORT:

Quote response time:

Average: \_\_\_\_ hours (target: <24)

Issue resolution:

Issues reported: \_\_\_\_

Resolved satisfactorily: \_\_\_\_

Resolution rate: \_\_\_\_%

Average resolution time: \_\_\_\_ days

Communication quality:

- ☐ Proactive and clear
- ☐ Responsive when contacted
- ☐ Slow to respond
- ☐ Poor communication

Technical support:

- ☐ Excellent – solved our problems
- ☐ Good – generally helpful
- ☐ Fair – sometimes helpful
- ☐ Poor – not helpful

Rating: ☐ Excellent  
☐ Good  
☐ Acceptable  
☐ Poor

OVERALL SCORE:

Delivery performance: \_\_\_\_\_ / 25  
Quality performance: \_\_\_\_\_ / 25  
Pricing & value: \_\_\_\_\_ / 25  
Service & support: \_\_\_\_\_ / 25  
-----  
TOTAL: \_\_\_\_\_ / 100

TREND ANALYSIS:

Previous period score: \_\_\_\_\_ / 100  
Current period score: \_\_\_\_\_ / 100  
Change: \_\_\_\_\_ (trend: [\_\_\_\_] ↑ [\_\_\_\_] → [\_\_\_\_] ↓)

VENDOR STATUS:

Current classification:  
[\_\_\_\_] Preferred (score >85)  
[\_\_\_\_] Approved (score 70-85)  
[\_\_\_\_] Probation (score 55-70)  
[\_\_\_\_] Discontinue (score <55)

Action required:  
[\_\_\_\_] None – continue current relationship  
[\_\_\_\_] Discuss improvements needed  
[\_\_\_\_] Reduce order volume  
[\_\_\_\_] Seek alternative vendors  
[\_\_\_\_] Discontinue relationship

SPECIFIC ISSUES TO ADDRESS:

1. \_\_\_\_\_  
Target improvement: \_\_\_\_\_
2. \_\_\_\_\_  
Target improvement: \_\_\_\_\_
3. \_\_\_\_\_  
Target improvement: \_\_\_\_\_

VENDOR MEETING NOTES:

Date: \_\_\_\_\_ Attendees: \_\_\_\_\_  
Topics discussed: \_\_\_\_\_  
Commitments made: \_\_\_\_\_  
Follow-up date: \_\_\_\_\_

RECOMMENDATIONS:

Continue as: ☐ Primary vendor ☐ Secondary vendor  
Order frequency: ☐ Increase ☐ Maintain ☐ Decrease  
Categories to use for: \_\_\_\_\_  
Categories to avoid for: \_\_\_\_\_

Next review date: \_\_\_\_\_

Completed by: \_\_\_\_\_ Date: \_\_\_\_\_  
Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

This completes Part 4 of Appendix T with comprehensive equipment purchasing and vendor management templates!

\_\_\_\_\_

## **Section 9: Sales, Marketing, and Customer Management**

### **9.1 Quote Request Form**

**Purpose:** Gather all necessary information for accurate quoting.

#### **QUOTE REQUEST FORM**

Date received: \_\_\_\_\_ Quote #: \_\_\_\_\_  
Requested by: \_\_\_\_\_  
Company: \_\_\_\_\_  
Contact: \_\_\_\_\_  
Phone: \_\_\_\_\_ Email: \_\_\_\_\_

#### **REQUEST DETAILS:**

Quote due date: \_\_\_\_\_  
Expected order date (if awarded): \_\_\_\_\_  
Project name/reference: \_\_\_\_\_

#### **PART INFORMATION:**

Part name/number: \_\_\_\_\_  
Description: \_\_\_\_\_  
\_\_\_\_\_

Drawings provided:  
☐ PDF attached  
☐ Paper drawing (scan needed)  
☐ 3D CAD file: \_\_\_\_\_ format  
☐ Sample part provided  
☐ No drawing (description only – get clarification!)

Quantity: \_\_\_\_\_

Prototype: \_\_\_\_\_ pieces  
Production run: \_\_\_\_\_ pieces per order  
Expected frequency: \_\_\_\_\_ orders per \_\_\_\_\_  
Annual volume: \_\_\_\_\_ pieces  
☐ One-time order  
☐ Repeat potential

Material:

☐ Specified: \_\_\_\_\_  
☐ Our recommendation requested  
☐ Customer to supply

Special requirements:

☐ Heat treatment: \_\_\_\_\_  
☐ Plating/coating: \_\_\_\_\_  
☐ Anodizing  
☐ Special tolerances: \_\_\_\_\_  
☐ Material certification required  
☐ First article inspection (FAI)  
☐ PPAP required  
☐ AS9102 forms required  
☐ Other: \_\_\_\_\_

DELIVERY REQUIREMENTS:

Lead time requested: \_\_\_\_\_ days  
☐ Flexible  
☐ Firm deadline: \_\_\_\_\_  
☐ Rush order (premium pricing acceptable)

Delivery method:

☐ Customer pickup  
☐ Ship to: \_\_\_\_\_  
☐ Freight prepaid  
☐ Freight collect

Packaging:

☐ Standard packaging  
☐ Special packaging required: \_\_\_\_\_

ESTIMATING CHECKLIST:

☐ Drawing reviewed completely  
☐ Tolerances achievable  
☐ Material available  
☐ Fixtures/workholding needed: \_\_\_\_\_  
☐ Special tooling needed: \_\_\_\_\_  
☐ Operations required: \_\_\_\_\_

\_\_\_\_\_  
[ ] Outside services needed: \_\_\_\_\_  
[ ] Lead time feasible  
[ ] Capacity available  
[ ] Risks identified: \_\_\_\_\_

#### ESTIMATING DETAILS:

##### Material:

Type: \_\_\_\_\_ Size: \_\_\_\_\_ × \_\_\_\_\_ × \_\_\_\_\_  
Quantity needed (with scrap allowance): \_\_\_\_\_  
Unit cost: \$\_\_\_\_\_ Total: \$\_\_\_\_\_

##### Setup time:

Estimated hours: \_\_\_\_\_ @ \$\_\_\_\_/hr = \$\_\_\_\_\_

##### Run time per piece:

Estimated: \_\_\_\_\_ min/piece  
Total hours (× quantity): \_\_\_\_\_ hrs @ \$\_\_\_\_/hr = \$\_\_\_\_\_

##### Outside services:

Heat treat: \$\_\_\_\_\_  
Plating/coating: \$\_\_\_\_\_  
Other: \$\_\_\_\_\_  
Total: \$\_\_\_\_\_

##### Tooling (if amortized):

Special tools needed: \$\_\_\_\_\_  
Amortized over \_\_\_\_\_ pieces = \$\_\_\_\_\_ /piece

Total direct cost: \$\_\_\_\_\_  
Overhead (\_\_\_\_%): \$\_\_\_\_\_  
Total cost: \$\_\_\_\_\_  
Margin target: \_\_\_\_%  
Setup charge (if separate): \$\_\_\_\_\_  
Price per piece: \$\_\_\_\_\_  
Total quote: \$\_\_\_\_\_

#### PRICING STRATEGY:

[ ] Standard margin (\_\_\_\_%)  
[ ] Competitive pricing (reduced margin for strategic win)  
[ ] Premium pricing (tight tolerance, rush, etc.)  
[ ] Loss leader (to establish relationship)

Competitor pricing (if known): \$\_\_\_\_\_  
Our position: [ ] Lower [ ] Competitive [ ] Higher

#### QUOTE PREPARATION:

Quote letter drafted: ☐ Yes ☐ No

Lead time stated: \_\_\_\_\_ days

Valid for: \_\_\_\_\_ days

Payment terms: Net \_\_\_\_\_

Tooling cost (if separate): \$\_\_\_\_\_

NRE charges: \$\_\_\_\_\_

MOQ (minimum order quantity): \_\_\_\_\_

Conditions/exclusions noted:

☐ Customer-supplied material (if applicable)

☐ Dimensions subject to review

☐ Lead time TBD after order

☐ Other: \_\_\_\_\_

#### QUOTE REVIEW:

Prepared by: \_\_\_\_\_ Date: \_\_\_\_\_

Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

Sent to customer: Date: \_\_\_\_\_ Method: \_\_\_\_\_

#### FOLLOW-UP:

Follow-up date: \_\_\_\_\_

Status: ☐ Pending ☐ Won ☐ Lost

If won: Order #: \_\_\_\_\_

If lost: Reason: \_\_\_\_\_

Competitor: \_\_\_\_\_

Their price (if known): \$\_\_\_\_\_

#### LESSONS LEARNED:

What went well: \_\_\_\_\_

What to improve: \_\_\_\_\_

Estimating accuracy (if won and completed):

Estimated hours: \_\_\_\_\_ Actual hours: \_\_\_\_\_ Variance: \_\_\_\_%

### 9.2 Quotation Template

**Purpose:** Professional, detailed customer quotation.

#### QUOTATION

[Your Company Logo]

[Your Company Name]



[Address]  
[City, State ZIP]  
[Phone] | [Email] | [Website]

Quote #: \_\_\_\_\_  
Valid until: \_\_\_\_\_

Date: \_\_\_\_\_

TO: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

PROJECT: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

Your Ref #: \_\_\_\_\_

Dear \_\_\_\_\_,

Thank you for the opportunity to quote on your project. We are pleased to provide the following quotation:

PART DETAILS:

Part Name/Number: \_\_\_\_\_  
Description: \_\_\_\_\_

Material: \_\_\_\_\_  
Quantity: \_\_\_\_\_  
Operations: \_\_\_\_\_  
Surface Finish: \_\_\_\_\_  
Tolerances: \_\_\_\_\_

PRICING:

Quantity	Unit Price	Extended
_____ pcs	\$ _____	\$ _____

Setup charge (if separate): \$ \_\_\_\_\_  
Engineering/Programming (if separate): \$ \_\_\_\_\_  
Tooling/Fixtures (one-time): \$ \_\_\_\_\_

SUBTOTAL: \$ \_\_\_\_\_  
Sales Tax (\_\_\_\_%): \$ \_\_\_\_\_  
(if applicable)

-----  
TOTAL: \$ \_\_\_\_\_

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DELIVERY & TERMS:

Lead Time: \_\_\_\_\_ working days after receipt of order and  
approved drawing

Payment Terms: Net 30 (approved accounts)  
COD or 50% deposit (new customers)

Shipping: FOB [Your Location]  
Estimated freight: \$ \_\_\_\_\_  
(actual charges will apply)

Minimum Order Quantity: \_\_\_\_\_ pieces

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CAPABILITIES & QUALITY:

All parts will be manufactured to drawing specifications and  
inspected per your requirements. We will provide:

- ☐ First Article Inspection Report
- ☐ Material Certifications
- ☐ Dimensional Inspection Report
- ☐ Certificate of Conformance
- ☐ AS9102 (if applicable)

Our facility is: ☐ ISO 9001:2015 Certified  
☐ AS9100 Certified  
☐ ITAR Registered

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EXCLUSIONS & ASSUMPTIONS:

- Pricing based on customer-supplied CAD/drawings
- Customer responsible for design suitability
- ☐ Outside services (heat treat, plating, etc.) included  
☐ Outside services NOT included – available at additional cost
- Standard packaging included; special packaging extra
- Quote based on information provided; subject to review  
upon receipt of complete specifications

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ACCEPTANCE:

To proceed, please issue a purchase order referencing this quote number. Orders subject to our standard terms and conditions (available upon request).

We appreciate the opportunity to work with you and look forward to manufacturing your parts with the quality and service you deserve.

Questions? Please contact:

Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

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Sincerely,

\_\_\_\_\_  
[Your Name]  
[Title]  
[Your Company Name]

---

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This quotation is valid for \_\_\_\_ days from the date above.  
Pricing subject to change after expiration.

### 9.3 Customer Information Form

**Purpose:** Gather essential customer details for new accounts.

#### CUSTOMER INFORMATION FORM

Date: \_\_\_\_\_ Account #: \_\_\_\_\_ (office use)

#### COMPANY INFORMATION:

Legal Business Name: \_\_\_\_\_  
DBA (if different): \_\_\_\_\_  
Business Type: ☐ Corporation ☐ LLC ☐ Partnership  
☐ Sole Proprietor ☐ Government  
☐ Other: \_\_\_\_\_

Federal Tax ID: \_\_\_\_\_

CONTACT INFORMATION:

Billing Address:

\_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Website: \_\_\_\_\_

Shipping Address (if different):

\_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

PRIMARY CONTACTS:

Owner/President: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Purchasing Contact: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Engineering Contact: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Accounts Payable: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Emergency After-Hours: \_\_\_\_\_

Phone: \_\_\_\_\_

BUSINESS DETAILS:

Industry: \_\_\_\_\_

Years in Business: \_\_\_\_\_

Number of Employees: \_\_\_\_\_

Annual Revenue (optional): \$\_\_\_\_\_

Primary Products/Services: \_\_\_\_\_

\_\_\_\_\_

How did you hear about us?

☐ Referral from: \_\_\_\_\_

☐ Online search

☐ Trade show: \_\_\_\_\_

☐ Industry directory

☐ Previous experience with our company

[ ] Other: \_\_\_\_\_

**CREDIT APPLICATION:**

Requested Credit Limit: \$ \_\_\_\_\_

Requested Terms: Net \_\_\_\_\_ days

**Bank Information:**

Bank Name: \_\_\_\_\_

Branch: \_\_\_\_\_

Account Officer: \_\_\_\_\_

Phone: \_\_\_\_\_

**Trade References (companies you currently buy from):**

**Reference #1:**

Company: \_\_\_\_\_

Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

Account #: \_\_\_\_\_ Monthly Volume: \$ \_\_\_\_\_

**Reference #2:**

Company: \_\_\_\_\_

Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

Account #: \_\_\_\_\_ Monthly Volume: \$ \_\_\_\_\_

**Reference #3:**

Company: \_\_\_\_\_

Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

Account #: \_\_\_\_\_ Monthly Volume: \$ \_\_\_\_\_

**PURCHASING INFORMATION:**

Expected monthly volume: \$ \_\_\_\_\_

Types of parts/services needed: \_\_\_\_\_

Typical order size: \$ \_\_\_\_\_

Typical order frequency: \_\_\_\_\_

Payment preference: [ ] Net terms [ ] Credit card  
[ ] Check [ ] ACH transfer

**QUALITY & COMPLIANCE REQUIREMENTS:**

[ ] ISO 9001 required

[ ] AS9100 required (aerospace)

[ ] ISO 13485 required (medical)

[ ] ITAR compliance required

[ ] Material certifications required

[ ] First Article Inspection (FAI) required

☐ PPAP required (automotive)  
☐ Special certifications: \_\_\_\_\_

Inspection requirements:

☐ Standard dimensional inspection  
☐ CMM inspection reports required  
☐ Certificate of Conformance required  
☐ Material test reports required  
☐ Other: \_\_\_\_\_

SHIPPING PREFERENCES:

Preferred carrier: \_\_\_\_\_  
Account #: \_\_\_\_\_  
☐ Freight prepaid (bill us)  
☐ Freight collect (bill customer)  
☐ Customer pickup

Special packaging requirements: \_\_\_\_\_  
\_\_\_\_\_

AGREEMENT & AUTHORIZATION:

I certify that the above information is true and correct and authorize [Your Company Name] to verify this information and obtain credit reports as necessary to establish credit terms.

I agree to pay all invoices according to payment terms and acknowledge that accounts over 30 days past due will be subject to a \_\_\_\_% monthly late fee and may be placed on credit hold. Customer is responsible for all collection costs including attorney fees.

I have received and agree to [Your Company Name]'s Terms and Conditions of Sale.

Signature: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

FOR OFFICE USE ONLY:

☐ Credit application approved  
☐ Credit limit: \$\_\_\_\_\_  
☐ Terms: Net \_\_\_\_ days  
☐ References checked

- [\_\_] COD/Prepay required  
 [\_\_] Personal guarantee required

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

#### 9.4 Customer Communication Log

**Purpose:** Track all interactions with customers.

##### CUSTOMER COMMUNICATION LOG

Customer: \_\_\_\_\_

Account #: \_\_\_\_\_ Contact: \_\_\_\_\_

Date	Type	Subject/Notes	Follow-up
_____	_____	_____ _____ _____	_____
_____	_____	_____ _____ _____	_____
_____	_____	_____ _____ _____	_____
_____	_____	_____ _____ _____	_____
_____	_____	_____ _____ _____	_____
_____	_____	_____ _____ _____	_____
_____	_____	_____ _____ _____	_____
_____	_____	_____ _____ _____	_____
_____	_____	_____ _____ _____	_____

_____	_____	_____	_____
		_____	
		_____	
_____	_____	_____	_____
		_____	
		_____	

**Type Codes:**

Q = Quote request      O = Order      P = Phone call  
 E = Email      M = Meeting      V = Visit  
 I = Issue/Problem      F = Follow-up      S = Status update

**KEY MILESTONES:**

First contact: \_\_\_\_\_  
 First quote: \_\_\_\_\_  
 First order: \_\_\_\_\_ (Job #: \_\_\_\_\_)  
 Issues/problems: \_\_\_\_\_ (dates: \_\_\_\_\_)  
 Last order: \_\_\_\_\_ (Job #: \_\_\_\_\_)  
 Last contact: \_\_\_\_\_

**9.5 Customer Satisfaction Survey**

**Purpose:** Gather feedback to improve service.

**CUSTOMER SATISFACTION SURVEY**

Customer: \_\_\_\_\_  
 Project/Job #: \_\_\_\_\_ Date: \_\_\_\_\_

Thank you for choosing [Your Company Name]! Your feedback helps us improve. Please take a moment to rate our performance.

**RATING SCALE:** 1 = Poor, 5 = Excellent, N/A = Not Applicable

QUALITY:	Rating
-----	-----
Parts met specifications	_____
Cosmetic appearance	_____
Consistency across the order	_____
Packaging adequacy	_____
Documentation (certs, inspection reports)	_____

Comments: \_\_\_\_\_  
 \_\_\_\_\_

**DELIVERY:** \_\_\_\_\_ **Rating**



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On-time delivery	_____
Lead time met expectations	_____
Communication about status	_____
Shipping/packaging	_____

Comments: \_\_\_\_\_

---

SERVICE:	Rating
----------	--------

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Quote responsiveness	_____
Ease of placing order	_____
Technical support	_____
Communication throughout project	_____
Problem resolution (if applicable)	_____

Comments: \_\_\_\_\_

---

VALUE:	Rating
--------	--------

---

Price competitiveness	_____
Overall value for money	_____

Comments: \_\_\_\_\_

---

OVERALL EXPERIENCE:	Rating
---------------------	--------

---

Overall satisfaction	_____
Likelihood to order again (1-5)	_____
Likelihood to recommend us (1-5)	_____

SPECIFIC FEEDBACK:

What did we do well?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

What could we improve?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

How can we better serve you in the future?

\_\_\_\_\_

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May we use your feedback as a testimonial?

☐ Yes, with company name

☐ Yes, but anonymously

☐ No thank you

**ADDITIONAL INFORMATION:**

What other services/capabilities would you like us to offer?

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How do you prefer to receive quotes/updates?

☐ Email ☐ Phone ☐ Portal ☐ No preference

Would you be interested in:

☐ Quarterly business reviews

☐ Facility tours

☐ Technical seminars/training

☐ Volume discount programs

☐ Consignment inventory programs

Contact person completing survey: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

Email: \_\_\_\_\_

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Thank you for your valuable feedback!

Please return to:

[Your Name/Title]

[Email]

[Phone]

## **9.6 Marketing Plan Template**

**Purpose:** Organize marketing strategy and tactics.

### **ANNUAL MARKETING PLAN**

Year: \_\_\_\_\_ Budget: \$\_\_\_\_\_

### **BUSINESS OVERVIEW:**

Current annual revenue: \$\_\_\_\_\_

Revenue goal: \$\_\_\_\_\_ (\_\_\_% growth)  
Target customer count: \_\_\_\_\_ (currently: \_\_\_\_\_)  
Average order value target: \$\_\_\_\_\_

#### MARKET ANALYSIS:

Target Markets (rank by priority):

1. \_\_\_\_\_  
Market size: \$\_\_\_\_\_ (local/regional)  
Our current penetration: \_\_\_\_%  
Growth opportunity: \_\_\_\_%  
Key competitors: \_\_\_\_\_
2. \_\_\_\_\_  
Market size: \$\_\_\_\_\_ (local/regional)  
Our current penetration: \_\_\_\_%  
Growth opportunity: \_\_\_\_%  
Key competitors: \_\_\_\_\_
3. \_\_\_\_\_  
Market size: \$\_\_\_\_\_ (local/regional)  
Our current penetration: \_\_\_\_%  
Growth opportunity: \_\_\_\_%  
Key competitors: \_\_\_\_\_

#### COMPETITIVE ADVANTAGES:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

#### BRAND POSITIONING:

We want to be known for: \_\_\_\_\_

Key message: \_\_\_\_\_  
\_\_\_\_\_

#### MARKETING OBJECTIVES:

1. Increase brand awareness in \_\_\_\_\_ industry by \_\_\_\_%
2. Generate \_\_\_\_\_ qualified leads per month
3. Achieve \_\_\_\_% customer retention rate
4. Increase average order value by \_\_\_\_%
5. Other: \_\_\_\_\_

#### MARKETING STRATEGIES & TACTICS:

DIGITAL MARKETING: Budget

Website:

☐ Redesign/refresh \$ \_\_\_\_\_  
☐ SEO optimization \$ \_\_\_\_\_  
☐ Blog content (\_\_\_\_\_ posts/month) \$ \_\_\_\_\_  
☐ Case studies (\_\_\_\_\_ per year) \$ \_\_\_\_\_  
☐ Video content \$ \_\_\_\_\_

Social Media:

Platforms: ☐ LinkedIn ☐ Facebook ☐ Instagram  
☐ YouTube ☐ Twitter  
Posting frequency: \_\_\_\_\_ times/week \$ \_\_\_\_\_  
Paid social ads \$ \_\_\_\_\_

Email Marketing:

☐ Monthly newsletter \$ \_\_\_\_\_  
☐ Promotional campaigns \$ \_\_\_\_\_  
Email list building \$ \_\_\_\_\_

Online Advertising:

☐ Google Ads (keywords: \_\_\_\_\_) \$ \_\_\_\_\_  
☐ Industry websites \$ \_\_\_\_\_  
☐ LinkedIn ads \$ \_\_\_\_\_

Subtotal: \$ \_\_\_\_\_

TRADITIONAL MARKETING: Budget

Print Advertising:

☐ Trade magazines: \_\_\_\_\_ \$ \_\_\_\_\_  
☐ Industry directories \$ \_\_\_\_\_  
☐ Local business publications \$ \_\_\_\_\_

Direct Mail:

☐ Postcard campaigns (\_\_\_\_\_ per year) \$ \_\_\_\_\_  
☐ Brochures/literature \$ \_\_\_\_\_

Trade Shows/Events:

Event #1: \_\_\_\_\_ \$ \_\_\_\_\_  
Event #2: \_\_\_\_\_ \$ \_\_\_\_\_  
Event #3: \_\_\_\_\_ \$ \_\_\_\_\_

Subtotal: \$ \_\_\_\_\_

RELATIONSHIP MARKETING: Budget

Customer Referral Program:  
Incentive: \_\_\_\_\_ \$\_\_\_\_\_

Networking:  
☐ Chamber of Commerce \$\_\_\_\_\_  
☐ Industry associations \$\_\_\_\_\_  
☐ Business networking groups \$\_\_\_\_\_

Customer Appreciation:  
☐ Annual customer event \$\_\_\_\_\_  
☐ Holiday gifts/cards \$\_\_\_\_\_  
☐ Facility tours \$\_\_\_\_\_

Subtotal: \$\_\_\_\_\_

CONTENT MARKETING: Budget

-----  
☐ White papers (\_\_\_\_\_ per year) \$\_\_\_\_\_  
☐ Technical guides \$\_\_\_\_\_  
☐ Design tips/resources \$\_\_\_\_\_  
☐ Video tutorials \$\_\_\_\_\_  
☐ Webinars \$\_\_\_\_\_

Subtotal: \$\_\_\_\_\_

SALES SUPPORT: Budget

-----  
☐ Updated brochures/sell sheets \$\_\_\_\_\_  
☐ Sample parts \$\_\_\_\_\_  
☐ Presentation materials \$\_\_\_\_\_  
☐ Sales training \$\_\_\_\_\_  
☐ CRM system \$\_\_\_\_\_

Subtotal: \$\_\_\_\_\_

BRANDING: Budget

-----  
☐ Logo refresh/rebrand \$\_\_\_\_\_  
☐ Vehicle graphics \$\_\_\_\_\_  
☐ Signage \$\_\_\_\_\_  
☐ Uniforms/apparel \$\_\_\_\_\_  
☐ Promotional items \$\_\_\_\_\_

Subtotal: \$\_\_\_\_\_

TOTAL MARKETING BUDGET: \$\_\_\_\_\_

MARKETING CALENDAR:

Q1 (Jan–Mar):

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

Q2 (Apr–Jun):

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

Q3 (Jul–Sep):

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

Q4 (Oct–Dec):

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

#### KEY PERFORMANCE INDICATORS:

##### Website:

Monthly visitors: \_\_\_\_\_ (target: \_\_\_\_\_)

Lead form submissions: \_\_\_\_\_ (target: \_\_\_\_\_)

Conversion rate: \_\_\_\_% (target: \_\_\_\_%)

##### Social Media:

Followers: \_\_\_\_\_ (target: \_\_\_\_\_)

Engagement rate: \_\_\_\_% (target: \_\_\_\_%)

Leads generated: \_\_\_\_\_ (target: \_\_\_\_\_)

##### Email:

List size: \_\_\_\_\_ (target: \_\_\_\_\_)

Open rate: \_\_\_\_% (target: \_\_\_\_%)

Click rate: \_\_\_\_% (target: \_\_\_\_%)

##### Sales:

Leads generated: \_\_\_\_\_ (target: \_\_\_\_\_)

Conversion rate: \_\_\_\_% (target: \_\_\_\_%)

Customer acquisition cost: \$\_\_\_\_\_ (target: \$\_\_\_\_\_)

Customer lifetime value: \$\_\_\_\_\_ (target: \$\_\_\_\_\_)

##### Brand Awareness:

[\_\_\_\_] Survey existing market awareness (baseline)

[\_\_\_\_] Track brand mentions/searches

[\_\_\_\_] Monitor referral sources

#### QUARTERLY REVIEW DATES:

Q1 Review: \_\_\_\_\_ Status: \_\_\_\_\_  
Q2 Review: \_\_\_\_\_ Status: \_\_\_\_\_  
Q3 Review: \_\_\_\_\_ Status: \_\_\_\_\_  
Q4 Review: \_\_\_\_\_ Status: \_\_\_\_\_  
Annual Review: \_\_\_\_\_ Status: \_\_\_\_\_

#### RESPONSIBILITIES:

Marketing lead: \_\_\_\_\_  
Budget owner: \_\_\_\_\_  
Content creator: \_\_\_\_\_  
Social media manager: \_\_\_\_\_  
Sales liaison: \_\_\_\_\_

#### Notes:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

### 9.7 Sales Pipeline Tracker

**Purpose:** Monitor sales opportunities from lead to close.

#### SALES PIPELINE TRACKER

Month: \_\_\_\_\_ Year: \_\_\_\_\_

#### PIPELINE STAGES:

Stage 1: Lead (initial contact/inquiry)  
Stage 2: Qualified (real opportunity, budget exists)  
Stage 3: Quote Submitted  
Stage 4: Negotiation  
Stage 5: Closed-Won (order received)  
or Closed-Lost

#### ACTIVE OPPORTUNITIES:

Opp ID	Customer	Contact	Stage	Value	Prob %	Exp Close Date
_____	_____	_____	_____	\$_____	_____%	_____
Next action: _____						

_____	_____	_____	\$_____	____%	_____
Next action: _____					
_____	_____	_____	\$_____	____%	_____
Next action: _____					
_____	_____	_____	\$_____	____%	_____
Next action: _____					
_____	_____	_____	\$_____	____%	_____
Next action: _____					
_____	_____	_____	\$_____	____%	_____
Next action: _____					
_____	_____	_____	\$_____	____%	_____
Next action: _____					
_____	_____	_____	\$_____	____%	_____
Next action: _____					

PIPELINE METRICS:

By Stage:	Count	Total Value	Weighted Value
Stage 1 (Lead) (Probability: 10%)	_____	\$_____	\$_____
Stage 2 (Qualified) (Probability: 25%)	_____	\$_____	\$_____
Stage 3 (Quote) (Probability: 50%)	_____	\$_____	\$_____
Stage 4 (Negotiation) (Probability: 75%)	_____	\$_____	\$_____
TOTAL PIPELINE:	_____	\$_____	\$_____

Expected revenue this month (weighted): \$\_\_\_\_\_

Revenue goal: \$\_\_\_\_\_

Gap: \$\_\_\_\_\_

NEW LEADS THIS MONTH:



Source	Count	Value
Website	_____	\$_____
Referral	_____	\$_____
Trade show	_____	\$_____
Cold outreach	_____	\$_____
Repeat customer	_____	\$_____
Other	_____	\$_____
-----		
TOTAL:	_____	\$_____

CLOSED THIS MONTH:

WON:

Customer	Order #	Value	Margin
-----	-----	-----	-----
_____	_____	\$_____	____%
_____	_____	\$_____	____%
_____	_____	\$_____	____%
		-----	
TOTAL WON:		\$_____	

LOST:

Customer	Reason	Competitor
-----	-----	-----
_____	_____	_____
_____	_____	_____
_____	_____	_____

Win rate this month: \_\_\_\_% (won ÷ total closed)

Average deal size: \$\_\_\_\_\_

FOLLOW-UP SCHEDULE:

This week:

[\_\_] \_\_\_\_\_ (contact: \_\_\_\_\_)  
 [\_\_] \_\_\_\_\_ (contact: \_\_\_\_\_)  
 [\_\_] \_\_\_\_\_ (contact: \_\_\_\_\_)

Next week:

[\_\_] \_\_\_\_\_ (contact: \_\_\_\_\_)  
 [\_\_] \_\_\_\_\_ (contact: \_\_\_\_\_)  
 [\_\_] \_\_\_\_\_ (contact: \_\_\_\_\_)

Aging opportunities (>30 days in stage):

\_\_\_\_\_  
 \_\_\_\_\_

Action needed: \_\_\_\_\_  
\_\_\_\_\_

This completes Part 5 of Appendix T with comprehensive sales, marketing, and customer management templates!

\_\_\_\_\_

## Section 10: Operations, Risk Management, and Growth Planning

### 10.1 Production Schedule Template

**Purpose:** Plan and track daily/weekly shop floor activities.

#### PRODUCTION SCHEDULE

Week of: \_\_\_\_\_ to \_\_\_\_\_

MACHINE: \_\_\_\_\_ Operator: \_\_\_\_\_

Mon	Tue	Wed	Thu	Fri	Sat	Sun
-----						

Job #	Job #	Job #	Job #	Job #	Job #	Job #
_____	_____	_____	_____	_____	_____	_____
Customer	Customer	Customer	Customer	Customer	Customer	Customer
_____	_____	_____	_____	_____	_____	_____
Part	Part	Part	Part	Part	Part	Part
_____	_____	_____	_____	_____	_____	_____
Qty	Qty	Qty	Qty	Qty	Qty	Qty
_____	_____	_____	_____	_____	_____	_____
Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs
_____	_____	_____	_____	_____	_____	_____
Due	Due	Due	Due	Due	Due	Due
_____	_____	_____	_____	_____	_____	_____
Status	Status	Status	Status	Status	Status	Status
_____	_____	_____	_____	_____	_____	_____

PRIORITY JOBS (must ship this week):

Job #	Customer	Part	Due	Status
-----				
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

SETUP REQUIREMENTS:

Job #	Setup time	Tools needed	Fixtures	Notes
_____	_____ hrs	_____	_____	_____
_____	_____ hrs	_____	_____	_____
_____	_____ hrs	_____	_____	_____

**MATERIAL STATUS:**

Job #	Material	On hand?	ETA (if not)
_____	_____	[Y/N]	_____
_____	_____	[Y/N]	_____
_____	_____	[Y/N]	_____

**OUTSIDE SERVICES:**

Job #	Service	Vendor	Out date	Back date
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

**CAPACITY PLANNING:**

Machine	Available hrs	Scheduled hrs	Open hrs
CNC Mill #1	_____	_____	_____
CNC Mill #2	_____	_____	_____
CNC Lathe #1	_____	_____	_____
CNC Lathe #2	_____	_____	_____

Overall utilization: \_\_\_\_\_%

**NOTES/ISSUES:**

Monday: \_\_\_\_\_  
 \_\_\_\_\_

Tuesday: \_\_\_\_\_  
 \_\_\_\_\_

Wednesday: \_\_\_\_\_  
 \_\_\_\_\_

Thursday: \_\_\_\_\_  
 \_\_\_\_\_

Friday: \_\_\_\_\_

Weekend: \_\_\_\_\_

COMPLETED JOBS (actual vs estimated):

Job #	Est hrs	Act hrs	Variance	Notes
_____	_____	_____	_____ %	_____
_____	_____	_____	_____ %	_____
_____	_____	_____	_____ %	_____

Week reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

## 10.2 Quality Control Inspection Report

**Purpose:** Document inspection results for parts.

### QUALITY CONTROL INSPECTION REPORT

Job #: \_\_\_\_\_ Date: \_\_\_\_\_ Inspector: \_\_\_\_\_

Customer: \_\_\_\_\_

Part #: \_\_\_\_\_ Description: \_\_\_\_\_

Drawing Rev: \_\_\_\_\_ Material: \_\_\_\_\_

Quantity inspected: \_\_\_\_\_ of \_\_\_\_\_ total

#### INSPECTION TYPE:

☐ First Article (initial setup verification)

☐ In-process (during production)

☐ Final (before shipping)

☐ Receiving (incoming material)

#### INSPECTION METHOD:

☐ Visual

☐ CMM (Coordinate Measuring Machine)

☐ Optical comparator

☐ Manual measurement (calipers, micrometers, etc.)

☐ Functional test

☐ Other: \_\_\_\_\_

#### DIMENSIONAL INSPECTION:

Feature/ Dimension	Drawing Nominal	Tolerance	Actual Measured	Accept/ Reject
_____	_____	+/- _____	_____	_____

_____	_____	+/- _____	_____	_____
_____	_____	+/- _____	_____	_____
_____	_____	+/- _____	_____	_____
_____	_____	+/- _____	_____	_____
_____	_____	+/- _____	_____	_____
_____	_____	+/- _____	_____	_____
_____	_____	+/- _____	_____	_____
_____	_____	+/- _____	_____	_____
_____	_____	+/- _____	_____	_____

#### GEOMETRIC TOLERANCING (GD&T):

Symbol	Feature	Tolerance	Actual	Accept/Reject
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

#### SURFACE FINISH:

Location	Specified	Actual	Accept/Reject
_____	Ra _____	Ra _____	_____
_____	Ra _____	Ra _____	_____

#### VISUAL INSPECTION:

- ☐ Surface finish acceptable (no tool marks, scratches)
- ☐ No burrs or sharp edges
- ☐ No cracks, porosity, or inclusions
- ☐ Threads clean and functional (if applicable)
- ☐ Proper markings/identification
- ☐ Cleanliness acceptable
- ☐ Cosmetic appearance acceptable

Defects noted: \_\_\_\_\_

\_\_\_\_\_

MATERIAL VERIFICATION:

- ☐ Material cert reviewed and matches specification  
☐ Material marking verified  
☐ Hardness tested: \_\_\_\_\_ (spec: \_\_\_\_\_)  
☐ Other tests: \_\_\_\_\_

FUNCTIONAL TESTING (if applicable):

- ☐ Fits mating parts correctly  
☐ Moves/operates as designed  
☐ Meets performance requirements  
☐ Other: \_\_\_\_\_

Results: \_\_\_\_\_  
\_\_\_\_\_

OVERALL RESULTS:

Total features inspected: \_\_\_\_\_  
Features in specification: \_\_\_\_\_  
Features out of specification: \_\_\_\_\_

- ☐ ACCEPT - All features within specification  
Approved for: ☐ Continued production  
☐ Shipping
- ☐ ACCEPT WITH DEVIATION - Minor issues documented  
Deviation #: \_\_\_\_\_  
Customer approval: ☐ Required ☐ Not required  
Approved by: \_\_\_\_\_
- ☐ REWORK REQUIRED  
Issue: \_\_\_\_\_  
Rework instructions: \_\_\_\_\_  
Re-inspect after rework: Date: \_\_\_\_\_
- ☐ REJECT - Scrap  
Reason: \_\_\_\_\_  
Root cause: \_\_\_\_\_  
Corrective action: \_\_\_\_\_

SAMPLING PLAN (for production runs):

Sample size: \_\_\_\_\_ (per lot of \_\_\_\_\_)  
Acceptance criteria: \_\_\_\_\_ defects max  
Actual defects found: \_\_\_\_\_

Lot disposition: ☐ Accept ☐ Reject ☐ 100% inspect

CORRECTIVE ACTION (if defects found):

Immediate action taken: \_\_\_\_\_  
\_\_\_\_\_

Root cause identified: \_\_\_\_\_  
\_\_\_\_\_

Preventive action: \_\_\_\_\_  
\_\_\_\_\_

Process change required: ☐ Yes ☐ No  
If yes, describe: \_\_\_\_\_  
\_\_\_\_\_

#### DOCUMENTATION:

- ☐ Inspection data recorded
- ☐ Photos taken (if required)
- ☐ CMM program saved
- ☐ Certificate of Conformance prepared
- ☐ First Article Inspection Report completed
- ☐ Customer notified (if required)

#### APPROVAL:

Inspector: \_\_\_\_\_ Date: \_\_\_\_\_

Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

Customer approval (if required): \_\_\_\_\_  
Date: \_\_\_\_\_

#### Distribution:

- ☐ Original to quality file
- ☐ Copy with shipment
- ☐ Copy to customer (if required)
- ☐ Copy to production

### 10.3 Corrective Action Request (CAR) Form

**Purpose:** Document and resolve quality or process issues.

#### CORRECTIVE ACTION REQUEST (CAR)

CAR #: \_\_\_\_\_ Date issued: \_\_\_\_\_

Priority: ☐ Critical ☐ Major ☐ Minor

PROBLEM DESCRIPTION:

Issued by: \_\_\_\_\_

Department: \_\_\_\_\_

Customer affected (if applicable): \_\_\_\_\_

Description of problem:

---

---

---

---

Part/Job affected:

Job #: \_\_\_\_\_ Part #: \_\_\_\_\_

Customer: \_\_\_\_\_

Quantity affected: \_\_\_\_\_

When discovered: \_\_\_\_\_

Where discovered: ☐ In-process ☐ Final inspection  
☐ At customer ☐ Other: \_\_\_\_\_

Impact:

☐ Customer return/complaint

☐ Internal scrap

☐ Rework required

☐ Delivery delay

☐ Safety concern

☐ Process inefficiency

☐ Other: \_\_\_\_\_

Cost impact (estimated): \$\_\_\_\_\_

IMMEDIATE CONTAINMENT ACTION:

Actions taken to prevent further issues:

---

---

---

Responsible person: \_\_\_\_\_ Date: \_\_\_\_\_

Containment verified by: \_\_\_\_\_ Date: \_\_\_\_\_

ROOT CAUSE ANALYSIS:

Investigation method:



- ☐ 5 Whys  
☐ Fishbone diagram  
☐ Failure mode analysis  
☐ Other: \_\_\_\_\_

Potential causes identified:

1. \_\_\_\_\_  
2. \_\_\_\_\_  
3. \_\_\_\_\_  
4. \_\_\_\_\_

Root cause determined:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Contributing factors:

- ☐ Operator error  
☐ Inadequate training  
☐ Process not followed  
☐ Process inadequate  
☐ Equipment malfunction  
☐ Drawing/specification unclear  
☐ Material defect  
☐ Tooling issue  
☐ Workholding issue  
☐ Program error  
☐ Setup error  
☐ Inspection error  
☐ Other: \_\_\_\_\_

ROOT CAUSE ANALYSIS BY:

Name: \_\_\_\_\_ Date: \_\_\_\_\_  
Position: \_\_\_\_\_

CORRECTIVE ACTION PLAN:

Action #1:

Description: \_\_\_\_\_

Responsible person: \_\_\_\_\_ Target date: \_\_\_\_\_

Resources needed: \_\_\_\_\_

Action #2:

Description: \_\_\_\_\_

Responsible person: \_\_\_\_\_ Target date: \_\_\_\_\_

Resources needed: \_\_\_\_\_

Action #3:

Description: \_\_\_\_\_

Responsible person: \_\_\_\_\_ Target date: \_\_\_\_\_

Resources needed: \_\_\_\_\_

PREVENTIVE ACTION:

To prevent recurrence:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Process changes required:

☐ Update work instructions

☐ Update setup sheets

☐ Revise inspection plan

☐ Additional training

☐ Equipment modification

☐ Tooling change

☐ Fixture modification

☐ Program revision

☐ Drawing clarification needed

☐ Other: \_\_\_\_\_

Documentation updates:

Document: \_\_\_\_\_ Rev: \_\_\_\_\_ Date: \_\_\_\_\_

Document: \_\_\_\_\_ Rev: \_\_\_\_\_ Date: \_\_\_\_\_

IMPLEMENTATION:

Corrective actions completed: Date: \_\_\_\_\_

Verification method: \_\_\_\_\_

Verified by: \_\_\_\_\_ Date: \_\_\_\_\_

Effectiveness check scheduled: Date: \_\_\_\_\_

(Verify actions solved problem – check after 30–90 days)

EFFECTIVENESS VERIFICATION:

Date checked: \_\_\_\_\_

Problem recurred? ☐ Yes ☐ No

If yes, additional action needed: \_\_\_\_\_

\_\_\_\_\_

If no, CAR may be closed.

Verified by: \_\_\_\_\_ Date: \_\_\_\_\_

CUSTOMER COMMUNICATION (if applicable):

Customer notified: Date: \_\_\_\_\_ By: \_\_\_\_\_  
Method: ☐ Email ☐ Phone ☐ Formal letter

Containment action communicated: ☐ Yes ☐ No  
Root cause communicated: ☐ Yes ☐ No  
Corrective action plan communicated: ☐ Yes ☐ No

Customer approval of plan: ☐ Yes ☐ No ☐ N/A  
Customer follow-up required: ☐ Yes ☐ No

CLOSURE:

☐ CAR closed – problem resolved  
☐ CAR remains open – actions in progress

Closed by: \_\_\_\_\_ Date: \_\_\_\_\_

LESSONS LEARNED:

Key takeaways: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Shared with team: Date: \_\_\_\_\_ Method: \_\_\_\_\_

Filed in: \_\_\_\_\_

#### 10.4 Risk Assessment Matrix

**Purpose:** Identify and prioritize business risks.

BUSINESS RISK ASSESSMENT

Assessment date: \_\_\_\_\_ Review frequency: Annually

RISK CATEGORIES:

1. Financial Risks
2. Operational Risks
3. Strategic Risks
4. Customer/Market Risks
5. Legal/Compliance Risks

6. Technology Risks
7. Human Resources Risks
8. External/Environmental Risks

#### RISK RATING:

Probability: 1 = Rare, 2 = Unlikely, 3 = Possible,  
4 = Likely, 5 = Almost Certain

Impact: 1 = Insignificant, 2 = Minor, 3 = Moderate,  
4 = Major, 5 = Severe

Risk Score = Probability × Impact (max 25)

Priority: 1–8 = Low, 9–15 = Medium, 16–25 = High

#### IDENTIFIED RISKS:

Risk ID	Description	Prob (1-5)	Impact (1-5)	Score (×)	Priority (H/M/L)
---------	-------------	------------	--------------	-----------	------------------

#### FINANCIAL RISKS:

F1	Cash flow crisis (large customer late payment)	___	___	___	___
F2	Major customer loss (>20% revenue)	___	___	___	___
F3	Equipment failure requiring expensive repair/replacement	___	___	___	___
F4	Rising material costs not passed to customers	___	___	___	___
F5	Difficulty obtaining credit/financing	___	___	___	___
F6	Economic downturn reducing demand	___	___	___	___
F7	Other:_____	___	___	___	___

OPERATIONAL RISKS:

01	Key equipment breakdown/downtime	—	—	—	—
02	Supply chain disruption (material shortages)	—	—	—	—
03	Quality issue causing customer returns	—	—	—	—
04	Facility issues (fire, flood, power)	—	—	—	—
05	Cyberattack/data loss	—	—	—	—
06	Vendor failure (outside service)	—	—	—	—
07	Other:_____	—	—	—	—
	_____				

STRATEGIC RISKS:

S1	New competitor with better technology	—	—	—	—
S2	Technology obsolescence (3D printing, etc.)	—	—	—	—
S3	Market shift away from target industries	—	—	—	—
S4	Failure to innovate/ expand capabilities	—	—	—	—
S5	Poor strategic decisions	—	—	—	—
S6	Other:_____	—	—	—	—
	_____				

CUSTOMER/MARKET RISKS:

C1	Customer concentration (too dependent on few)	___	___	___	___
C2	Customer insourcing (buying own machines)	___	___	___	___
C3	Reputational damage (bad reviews, etc.)	___	___	___	___
C4	Price pressure from customers	___	___	___	___
C5	Industry decline	___	___	___	___
C6	Other:_____	___	___	___	___
	_____				

LEGAL/COMPLIANCE RISKS:

L1	OSHA violation/safety incident	___	___	___	___
L2	Environmental violation (coolant, waste)	___	___	___	___
L3	Tax audit/penalty	___	___	___	___
L4	Employment lawsuit	___	___	___	___
L5	Contract dispute	___	___	___	___
L6	Intellectual property issue	___	___	___	___
L7	Other:_____	___	___	___	___
	_____				

TECHNOLOGY RISKS:

T1	CAM software failure or obsolescence	___	___	___	___
T2	CNC control system issues	___	___	___	___

T3	Computer/network failure	___	___	___	___
T4	Lack of technical skills to support new tech	___	___	___	___
T5	Other:_____	___	___	___	___

#### HUMAN RESOURCES RISKS:

H1	Key employee loss (machinist, engineer)	___	___	___	___
H2	Inability to hire qualified staff	___	___	___	___
H3	Owner illness/incapacity	___	___	___	___
H4	Employee injury	___	___	___	___
H5	Employee theft/sabotage	___	___	___	___
H6	Labor shortage	___	___	___	___
H7	Other:_____	___	___	___	___

#### EXTERNAL/ENVIRONMENTAL RISKS:

E1	Natural disaster (flood, tornado, etc.)	___	___	___	___
E2	Pandemic/health crisis	___	___	___	___
E3	Infrastructure failure (power grid, etc.)	___	___	___	___
E4	Political/regulatory changes	___	___	___	___

E5 Other: \_\_\_\_\_

#### MITIGATION STRATEGIES:

For each HIGH priority risk:

Risk ID: \_\_\_\_\_ Description: \_\_\_\_\_

Current controls: \_\_\_\_\_  
\_\_\_\_\_

Additional mitigation needed: \_\_\_\_\_  
\_\_\_\_\_

Responsible person: \_\_\_\_\_ Target date: \_\_\_\_\_

Risk ID: \_\_\_\_\_ Description: \_\_\_\_\_

Current controls: \_\_\_\_\_  
\_\_\_\_\_

Additional mitigation needed: \_\_\_\_\_  
\_\_\_\_\_

Responsible person: \_\_\_\_\_ Target date: \_\_\_\_\_

Risk ID: \_\_\_\_\_ Description: \_\_\_\_\_

Current controls: \_\_\_\_\_  
\_\_\_\_\_

Additional mitigation needed: \_\_\_\_\_  
\_\_\_\_\_

Responsible person: \_\_\_\_\_ Target date: \_\_\_\_\_

#### INSURANCE COVERAGE REVIEW:

Policy	Coverage	Adequate?
General Liability	\$ _____	[ ] Y [ ] N
Property Insurance	\$ _____	[ ] Y [ ] N
Equipment Breakdown	\$ _____	[ ] Y [ ] N
Business Interruption	\$ _____	[ ] Y [ ] N
Cyber Liability	\$ _____	[ ] Y [ ] N
Workers Compensation	\$ _____	[ ] Y [ ] N
Commercial Auto	\$ _____	[ ] Y [ ] N



Umbrella Policy                      \$\_\_\_\_\_                      [\_\_\_] Y [\_\_\_] N

Gaps to address: \_\_\_\_\_

\_\_\_\_\_

**BUSINESS CONTINUITY PLANNING:**

- [\_\_\_] Backup power solution in place
- [\_\_\_] Data backup system operational
- [\_\_\_] Alternative facility identified
- [\_\_\_] Key supplier alternatives identified
- [\_\_\_] Cross-training for critical roles
- [\_\_\_] Emergency contact list maintained
- [\_\_\_] Crisis communication plan
- [\_\_\_] Insurance policies adequate

Priority improvements: \_\_\_\_\_

\_\_\_\_\_

NEXT REVIEW DATE: \_\_\_\_\_

Completed by: \_\_\_\_\_ Date: \_\_\_\_\_

Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

**10.5 Strategic Growth Plan**

**Purpose:** Map out 3-5 year business growth strategy.

**STRATEGIC GROWTH PLAN**

Planning horizon: Year \_\_\_\_\_ to Year \_\_\_\_\_

**CURRENT STATE ASSESSMENT:**

Current annual revenue: \$\_\_\_\_\_

Current customer count: \_\_\_\_\_

Current employee count: \_\_\_\_\_

Current equipment: \_\_\_\_\_

Current capabilities: \_\_\_\_\_

Current geographic reach: \_\_\_\_\_

**VISION STATEMENT:**

Where we want to be in 5 years:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## GROWTH GOALS:

Year 1 (\_\_\_\_):

Revenue: \$\_\_\_\_\_ (\_\_\_\_% growth)

Profit margin: \_\_\_\_%

Customers: \_\_\_\_\_ (+\_\_\_\_\_)

Employees: \_\_\_\_\_ (+\_\_\_\_\_)

Key milestone: \_\_\_\_\_

Year 2 (\_\_\_\_):

Revenue: \$\_\_\_\_\_ (\_\_\_\_% growth)

Profit margin: \_\_\_\_%

Customers: \_\_\_\_\_ (+\_\_\_\_\_)

Employees: \_\_\_\_\_ (+\_\_\_\_\_)

Key milestone: \_\_\_\_\_

Year 3 (\_\_\_\_):

Revenue: \$\_\_\_\_\_ (\_\_\_\_% growth)

Profit margin: \_\_\_\_%

Customers: \_\_\_\_\_ (+\_\_\_\_\_)

Employees: \_\_\_\_\_ (+\_\_\_\_\_)

Key milestone: \_\_\_\_\_

Year 4 (\_\_\_\_):

Revenue: \$\_\_\_\_\_ (\_\_\_\_% growth)

Profit margin: \_\_\_\_%

Customers: \_\_\_\_\_ (+\_\_\_\_\_)

Employees: \_\_\_\_\_ (+\_\_\_\_\_)

Key milestone: \_\_\_\_\_

Year 5 (\_\_\_\_):

Revenue: \$\_\_\_\_\_ (\_\_\_\_% growth)

Profit margin: \_\_\_\_%

Customers: \_\_\_\_\_ (+\_\_\_\_\_)

Employees: \_\_\_\_\_ (+\_\_\_\_\_)

Key milestone: \_\_\_\_\_

## GROWTH STRATEGIES:

MARKET PENETRATION (existing services, existing markets):

- Increase share with current customers: \_\_\_\_\_
- Target more customers in current markets: \_\_\_\_\_
- Improve retention rate to: \_\_\_\_%
- Actions: \_\_\_\_\_

MARKET DEVELOPMENT (existing services, new markets):

- New geographic areas: \_\_\_\_\_
- New industries to target: \_\_\_\_\_

- New customer types: \_\_\_\_\_
- Actions: \_\_\_\_\_

PRODUCT/SERVICE DEVELOPMENT (new services, existing markets):

- New capabilities to add:  
 Year 1: \_\_\_\_\_  
 Year 2: \_\_\_\_\_  
 Year 3: \_\_\_\_\_
- Required investments: \_\_\_\_\_
- Actions: \_\_\_\_\_

DIVERSIFICATION (new services, new markets):

- New directions to explore: \_\_\_\_\_
- Risks: \_\_\_\_\_
- Actions: \_\_\_\_\_

EQUIPMENT INVESTMENT ROADMAP:

Year 1:  
 Equipment: \_\_\_\_\_ Est. cost: \$\_\_\_\_\_  
 Purpose: \_\_\_\_\_  
 Expected ROI: \_\_\_\_%

Year 2:  
 Equipment: \_\_\_\_\_ Est. cost: \$\_\_\_\_\_  
 Purpose: \_\_\_\_\_  
 Expected ROI: \_\_\_\_%

Year 3:  
 Equipment: \_\_\_\_\_ Est. cost: \$\_\_\_\_\_  
 Purpose: \_\_\_\_\_  
 Expected ROI: \_\_\_\_%

Year 4:  
 Equipment: \_\_\_\_\_ Est. cost: \$\_\_\_\_\_  
 Purpose: \_\_\_\_\_  
 Expected ROI: \_\_\_\_%

Year 5:  
 Equipment: \_\_\_\_\_ Est. cost: \$\_\_\_\_\_  
 Purpose: \_\_\_\_\_  
 Expected ROI: \_\_\_\_%

FACILITY PLAN:

Current space: \_\_\_\_ sq ft  
 Year \_\_\_\_ need: \_\_\_\_ sq ft  
 Options: [\_\_\_\_] Expand current location

- ☐ Move to larger facility
- ☐ Add second location
- ☐ Stay as is

Estimated investment: \$\_\_\_\_\_

Timeline: \_\_\_\_\_

#### TALENT ACQUISITION PLAN:

Year 1 hires:

Position: \_\_\_\_\_ Salary: \$\_\_\_\_\_ Start: \_\_\_\_\_

Position: \_\_\_\_\_ Salary: \$\_\_\_\_\_ Start: \_\_\_\_\_

Year 2 hires:

Position: \_\_\_\_\_ Salary: \$\_\_\_\_\_ Start: \_\_\_\_\_

Position: \_\_\_\_\_ Salary: \$\_\_\_\_\_ Start: \_\_\_\_\_

Year 3 hires:

Position: \_\_\_\_\_ Salary: \$\_\_\_\_\_ Start: \_\_\_\_\_

Position: \_\_\_\_\_ Salary: \$\_\_\_\_\_ Start: \_\_\_\_\_

Years 4-5:

Anticipated headcount: \_\_\_\_\_ (from \_\_\_\_\_ currently)

#### FINANCING STRATEGY:

Estimated capital needs over 5 years: \$\_\_\_\_\_

Funding sources:

- Retained earnings: \$\_\_\_\_\_
- Equipment financing: \$\_\_\_\_\_
- Line of credit: \$\_\_\_\_\_
- SBA loan: \$\_\_\_\_\_
- Investors: \$\_\_\_\_\_
- Other: \$\_\_\_\_\_

#### COMPETITIVE ADVANTAGES TO DEVELOP:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

#### POTENTIAL OBSTACLES:

Obstacle #1: \_\_\_\_\_

Mitigation: \_\_\_\_\_

Obstacle #2: \_\_\_\_\_  
Mitigation: \_\_\_\_\_

Obstacle #3: \_\_\_\_\_  
Mitigation: \_\_\_\_\_

**CRITICAL SUCCESS FACTORS:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

**ANNUAL REVIEW SCHEDULE:**

Year 1 review: _____	Status: _____
Year 2 review: _____	Status: _____
Year 3 review: _____	Status: _____
Year 4 review: _____	Status: _____
Year 5 review: _____	Status: _____

**OWNER'S PERSONAL GOALS:**

Work-life balance: \_\_\_\_\_  
Income goal: \$\_\_\_\_\_ by year \_\_\_\_\_  
Exit strategy: \_\_\_\_\_  
Succession plan: \_\_\_\_\_

Prepared by: \_\_\_\_\_ Date: \_\_\_\_\_  
Updated: \_\_\_\_\_ Date: \_\_\_\_\_

**10.6 Exit Strategy Planning Worksheet**

**Purpose:** Plan for eventual sale, transition, or closure.

**EXIT STRATEGY PLANNING WORKSHEET**

Owner: \_\_\_\_\_ Age: \_\_\_\_\_ Date: \_\_\_\_\_

**TIMELINE:**

Planned exit date: \_\_\_\_\_ (\_\_\_\_\_ years from now)  
Ideal transition period: \_\_\_\_\_ months/years

**EXIT OPTIONS:**

[\_\_\_\_] Sell to outside party

- ☐ Sell to employee(s)  
☐ Pass to family member(s)  
☐ Merge with another company  
☐ Gradual wind-down/closure  
☐ Other: \_\_\_\_\_

#### BUSINESS VALUATION:

Current estimated value: \$ \_\_\_\_\_  
Valuation method: \_\_\_\_\_  
Desired sale price: \$ \_\_\_\_\_  
Value gap: \$ \_\_\_\_\_

Actions to increase value:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

#### FINANCIAL PLANNING:

Retirement income need: \$ \_\_\_\_\_/year  
Retirement savings (current): \$ \_\_\_\_\_  
Shortfall: \$ \_\_\_\_\_

Debt to be paid off before exit: \$ \_\_\_\_\_  
Business proceeds after taxes: \$ \_\_\_\_\_  
Sufficient for retirement? ☐ Yes ☐ No

If no, plan: \_\_\_\_\_  
\_\_\_\_\_

#### BUSINESS READINESS:

To maximize sale value, needed:  
☐ Financial records clean and organized (\_\_\_\_ years)  
☐ Documented systems and processes  
☐ Strong management team (not owner-dependent)  
☐ Diversified customer base  
☐ Recurring revenue streams  
☐ Up-to-date equipment  
☐ Long-term contracts/backlog  
☐ Strong reputation/brand  
☐ Clean facility  
☐ No pending lawsuits/issues  
☐ Transferable leases/contracts

Current readiness: \_\_\_\_/10

Improvements needed: \_\_\_\_\_  
\_\_\_\_\_

#### SUCCESSION PLANNING:

If internal successor:

Candidate: \_\_\_\_\_

Current position: \_\_\_\_\_

Ready to take over: ☐ Now ☐ In \_\_\_\_\_ years

Development needed: \_\_\_\_\_

Compensation plan: \_\_\_\_\_

Ownership transfer plan: \_\_\_\_\_

If external buyer:

Target buyer profile: \_\_\_\_\_

Marketing strategy: \_\_\_\_\_

Business broker needed: ☐ Yes ☐ No

If yes, identified: \_\_\_\_\_

#### DOCUMENTATION TO PREPARE:

☐ Operating procedures manual

☐ Customer list with histories

☐ Equipment list with values

☐ Vendor/supplier contacts

☐ Employee records (if transferring)

☐ Financial statements (3-5 years)

☐ Tax returns (3-5 years)

☐ Facility lease/deed

☐ Equipment leases/loans

☐ Insurance policies

☐ Intellectual property documentation

☐ Contracts (customer, vendor)

☐ Software licenses

☐ Other: \_\_\_\_\_

#### LEGAL/TAX PLANNING:

Attorney: \_\_\_\_\_

Accountant: \_\_\_\_\_

Financial planner: \_\_\_\_\_

Business broker/M&A advisor: \_\_\_\_\_

Tax planning strategy: \_\_\_\_\_  
\_\_\_\_\_

Legal structure considerations: \_\_\_\_\_  
\_\_\_\_\_

## COMMUNICATION PLAN:

When to tell:

Employees: \_\_\_\_\_

Customers: \_\_\_\_\_

Vendors: \_\_\_\_\_

Family: \_\_\_\_\_

How to ensure confidentiality: \_\_\_\_\_

Non-compete agreement needed: ☐ Yes ☐ No

Duration: \_\_\_\_\_ years

Geographic scope: \_\_\_\_\_

## TRANSITION SUPPORT:

Will owner stay on after sale? ☐ Yes ☐ No

If yes, duration: \_\_\_\_\_ months

Role: \_\_\_\_\_

Compensation during transition: \$\_\_\_\_\_

Training period for successor: \_\_\_\_\_ months

Key relationships to transfer: \_\_\_\_\_

## CONTINGENCY PLANNING:

If owner becomes incapacitated:

Person to run business: \_\_\_\_\_

Authority documented: ☐ Yes ☐ No (POA, etc.)

Buy-sell agreement in place: ☐ Yes ☐ No

Life insurance to fund buyout: \$\_\_\_\_\_

Key person insurance: \$\_\_\_\_\_

## MILESTONES:

\_\_\_\_\_ years out: \_\_\_\_\_

\_\_\_\_\_ years out: \_\_\_\_\_

\_\_\_\_\_ years out: \_\_\_\_\_

\_\_\_\_\_ years out: \_\_\_\_\_

Exit year: \_\_\_\_\_

ANNUAL REVIEW DATE: \_\_\_\_\_



