

Budgetting

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Budgeting Affiliation Budgeting The project cost management engages the processes in estimating, budgeting, and managing costs so that the project can be delivered within the approved budget. By definition, budgeting try to allocate the money to various activities being carried out in a given project by outlining the various category on costs and income. Some of the items highlighted in the budget include costs of labor, materials, services, equipments, and grants and donation received. (Taylor, 206)

Germantown Tree planting program

In this event, the cost estimates were based on project leaders' expertise knowledge of the materials and resources needed for their lead section of the project. That is; the key members involved in the project did estimate the costs related to materials, equipments, utilities, and resources needed to perform the required to complete the Germantown tree planting activity. The cost estimates of this project was done basing on a vendor bid analysis, where the receptive bids from skilled and qualified vendors provided the baseline cost estimate for every particular component integrated with the budget. Nevertheless, these costs estimate will be refined during the course of the project to include any additional details as it becomes available.

Table 2: Cost Estimates for Materials Germantown Tree planting program

Indirect cost

Direct cost

Direct- variable costs

Total costs

Income

Grants and donations

\$ 800

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Fee income

\$1, 500

Other income

-

Total Income

\$ 2, 300

Expenditures

Wages& labor

-

\$600

600

Food

\$400

Adverts and Promotional

\$300

Utilities

-

-

\$300

300

Supplies

-

-

\$ 400

400

Seedlings

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-

-

\$800

800

Travel costs

-

\$200

-

200

Other costs

-

-

Total

2800

Budget

\$ 500

Germantown Tree planting program

Indirect cost

Direct cost

Direct- variable costs

Total costs

Income

Fee income

\$ 3, 000

Other income

-

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Total Income

Expenditures

Wages and labor

\$600

600

Food

\$400

400

Adverts and Promotional

\$300

300

Supplies

\$ 400

400

Office costs

\$ 400

400

Seedlings

\$800

800

Travel costs

\$200

200

Other costs

-

-

-

Total

3, 000

\$ 3, 100

Budget

\$ 1, 00

Explanatory notes on the budget

The budget has the direct, indirect and the variable costs.

The direct costs include the costs that are related to the project. These costs include cost incurred while buying tree seedling, supplies such as fertilizers and planting shovels. These costs account to more than a half of the budget spending.

Indirect costs include costs that enable successful completion of the project. For instance, the personnel will require utilities such as water during the event. The tree planting exercise will call upon the outsiders and they will be given refreshments hence adding to the cost of the project. The cost associated with the promotion and advertising will be indirect costs to the project.

In the variable costs changes with the level of activity being undertaken, one of the variable costs is the cost of the personnel. The more personnel turn for the activity, the higher the costs that will be incurred during the event.

Similarly, the more the costs of food will tend to be higher hence making the cost of the budget to be higher.

In such a program, the theme touches on a global phenomenal: Climate change. If the organization applied for grants, the application has a higher chance of being successful. Some of the organization that provides likelihood

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for sponsoring the project includes, United Nations Environmental Program, World Forest Service, Food and Agriculture organization.

Bibliography

Taylor, R. W. (2006). Learning from the Community: Effective Financial Management Practices in Events, a National Program Strategies publication. California: Jim Rosenberg.

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