

[Date]

[Contractor Name]
[Contractor Company]
[Address]

Dear [Contractor Name],

Thank you for submitting your proposal for the [Project Name] contract. We appreciated the opportunity to review your qualifications and discuss your approach to this project.

After careful consideration, we are writing to inform you that we will not be moving forward with your proposal at this time. While we were impressed with your expertise and professional background, there is a significant discrepancy between your proposed rates and the allocated budget for this specific project.

We have decided to proceed with another candidate whose proposal aligns more closely with our current financial constraints.

We will keep your information on file should our budget parameters change or if a different project arises that matches your rate structure. We wish you the best of luck in your future endeavors.

Sincerely,

[Your Name]
[Your Title]
[Your Company Name]