

[Date]

[Client Name]

[Department Name]

[Organization Name]

[Address]

**Subject: Engagement Letter for Departmental Cash Flow Forecasting and Budgeting Services**

Dear [Client Contact Name],

This letter confirms our engagement to provide [Department Name] with professional services related to cash flow forecasting and budgeting for the fiscal period [Start Date] to [End Date].

## **1. Scope of Services**

We will perform the following activities:

- Review of historical departmental financial data and expenditure patterns.
- Development of a monthly cash flow forecast based on projected revenue and planned expenses.
- Creation of a comprehensive departmental budget aligned with organizational goals.
- Identification of key financial performance indicators (KPIs) and variance analysis protocols.
- Provision of a final report outlining assumptions, risks, and recommendations.

## **2. Client Responsibilities**

To ensure the accuracy of the deliverables, [Department Name] agrees to:

- Provide timely access to all relevant financial records, past budgets, and strategic plans.
- Designate a primary point of contact for data verification and approvals.
- Disclose all anticipated capital expenditures or significant operational changes.

## **3. Fees and Payment**

The fee for this engagement is estimated at [Amount/Hourly Rate]. Invoices will be issued [Monthly/Upon Completion] and are payable within [Number] days of receipt.

## **4. Deliverables**

At the conclusion of this engagement, we will provide:

- A Dynamic Cash Flow Projection Model.
- The Annual Departmental Budget Document.

- A Variance Reporting Template.

## 5. Confidentiality

All financial data and proprietary information shared during this engagement will be kept strictly confidential and used solely for the purpose of completing the specified services.

Please sign and return a copy of this letter to indicate your acceptance of these terms.

Sincerely,

[Your Name/Signature]

[Your Title]

[Company Name]

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**Accepted by:**

Signature: \_\_\_\_\_

Name: [Client Name]

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