

Contingency and Risk Allocation Estimate

Project Name: [Enter Project Name]
Prepared by: [Enter Preparer's Name/Team]
Date: [Enter Date]

1. Executive Summary

This document presents the contingency and risk allocation estimate for the referenced project. The intent is to identify potential risks, estimate associated costs, and allocate appropriate contingencies to address uncertainties throughout the project lifecycle.

2. Identified Risks and Estimated Impact

Risk Description	Likelihood	Impact	Estimated Cost	Owner
Delay in material delivery	Medium	High	\$28,000	Procurement
Design changes	Low	Medium	\$15,000	Design Team
Unexpected site conditions	Low	High	\$32,000	Site Manager
Regulatory approval delays	Medium	Medium	\$18,000	Compliance

3. Contingency Allocation Summary

Category	Amount (\$)	Basis of Estimate
Identified Risks Total	\$93,000	Summation of individual risk cost estimates
Unidentified Risks	\$27,900	30% of Identified Risks Total
Total Contingency	\$120,900	Allocated to overall project budget

4. Important Notes

- Contingency estimates are based on currently available information and assumptions.
- Risks should be regularly reviewed and contingencies updated as the project progresses.
- This document is not a guarantee of risk elimination, but a proactive approach to management.
- All team members involved in risk ownership must track and report changes promptly.
- Allocation amounts should be approved and periodically recalibrated as new risks emerge or existing ones retire.