



COMPUTER TIES IT RESOURCE CENTER • PLANNING WORKSHEET

Annual IT Budget & Technology Planning Worksheet

A structure for building next year's technology budget, and for catching the costs that always turn up unplanned.

FILLABLE PDF

Type into any field, then save or print a copy.

EDITION

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QUESTIONS?

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Technology spending feels unpredictable mostly because it is handled unpredictably. Nothing is budgeted, then a server fails in March, six computers need replacing in August, and a subscription renewal nobody remembered arrives in November.

None of those are surprises. They are all things that could have been seen coming twelve months earlier. This worksheet walks through the five kinds of technology spending so you can put a number against each one.

How to use this document

Fill in what you can, and leave the rest blank. Blank lines are questions for your IT provider, and they are usually the ones worth asking.

Do this at the same time each year, before your budget is set rather than after. Keep last year's copy so you can see what actually happened against what you planned.

The words you will hear, and what they actually mean**Capital and operating expenditure**

Capital is a thing you buy and keep. Operating is a cost you carry every year. Buying a van against leasing one. Public bodies and many businesses have to request the two in different ways, so decide early which is which.

Refresh cycle

Replacing a fixed share of your equipment every year rather than all of it occasionally. Rotating tires on a schedule instead of waiting for a blowout.

Total cost of ownership

The whole cost of a thing over its life, not the sticker price. The cheaper machine that needs three service calls a year was not cheaper.

Shadow IT

Software the organization is paying for and nobody in charge knows about, usually on somebody's card. It is almost always in bucket two.



The five buckets

- 1 Things you replace** — computers, servers, network equipment. Predictable if you plan them, expensive if you do not.
- 2 Things you pay for every month or year** — subscriptions, licenses, internet, phones. Easy to forget and easy to overpay for.
- 3 Support** — whoever keeps it all running.
- 4 Projects** — the specific things you want to change or add next year.
- 5 Security** — improvements you have decided to make, budgeted on purpose rather than after an incident.

1 Bucket 1 — Things You Replace

The reliable way to budget hardware is to replace a fixed share every year, rather than replacing everything at once every few years. Count what you own, decide how long you keep each type, and divide.

What	How many we own	Replace every	Due this year	Cost each	Total

Typical replacement intervals

Desktops 4 to 5 years. Laptops 3 to 4 years. Servers 5 to 6 years, timed to the warranty rather than to failure. Firewalls and network equipment 4 to 6 years, replaced when the maker stops issuing updates. Monitors and accessories 6 to 8 years, and usually carried across replacements.



2 Bucket 2 — Things You Pay for Regularly

List every recurring technology cost, including the ones charged to somebody's card. This bucket is where organizations most often find money they did not know they were spending.

What it is	Who supplies it	How many users	Monthly	Yearly	Renews

■ Prompts, in case something is missing

- ☐ Microsoft 365 or Google, and whether everybody genuinely needs the level they are on.
- ☐ Internet service, and any backup connection.
- ☐ Phone service and phone system.
- ☐ Security software on computers and servers.
- ☐ Backup service, including anything backing up cloud data.
- ☐ The programs your business actually runs on.
- ☐ Website hosting, your domain name, and your website certificate.
- ☐ Email filtering, and anything else protecting the mailbox.
- ☐ Camera or door system subscriptions, including cloud recording.
- ☐ Anything charged to a personal card and expensed.
- ☐ Accounts belonging to people who have left.

This is the most common wasted spend there is, and it is free to fix.



3 Bucket 3 — Support

Ongoing support arrangement, per month

Expected extra or project work

After-hours or emergency support

Anything covered by a separate agreement

4 Bucket 4 — Projects

Anything you intend to change, add, or move next year. Include the things you have been putting off, because they do not get cheaper.

Project	Why it matters	When	Estimated cost

■ Prompts

- ☐ Anything still running software that is no longer supported.
- ☐ Wi-Fi that does not reach where people now work.
- ☐ A move, an expansion, a remodel, or a second location.
- ☐ New staff, and the equipment and subscriptions they will need.
- ☐ A program you are outgrowing, or a supplier you are leaving.
- ☐ Cabling, power, or a proper equipment room.
- ☐ Cameras, door access, or an alarm system.
- ☐ Anything a customer, insurer, auditor, or contract has asked you for.



5 Bucket 5 — Security

Budget these deliberately. They are far cheaper as a line item than as a response to something that already happened.

Improvement	Why	Estimated cost

Prompts

- ☐ Two-step sign-in everywhere it is not yet turned on.
- ☐ A backup copy that ransomware cannot reach.
- ☐ Security awareness training for staff.
- ☐ Replacing anything running software that no longer gets security fixes.
- ☐ Better email filtering.
- ☐ Someone actually watching for alerts rather than only recording them.
- ☐ Cyber insurance, and whatever the policy requires you to have in place.
- ☐ Writing down how your systems fit together, so it does not live in one person's head.

6 Putting It Together

Bucket 1 — replacements

Bucket 3 — support

Bucket 5 — security

Contingency (a sensible allowance for the unexpected)

Bucket 2 — recurring

Bucket 4 — projects

Subtotal

Total for the year



7 Before You Call It Final

- ☐ Does anything in bucket 1 fall in a month that is already expensive for other reasons?
- ☐ Is anything renewing automatically that you have not decided to keep?
- ☐ Are you paying for subscriptions nobody uses?
- ☐ Is there anything you are deferring for a second year running? Write down why.
- ☐ Does the plan leave anything running unsupported software at the end of the year?
- ☐ Does anybody outside the finance conversation know these numbers exist?
- ☐ Is there a number in the contingency line, or is it blank because it felt awkward?

Budget year

Prepared by

Date

Approved by

About this worksheet

This is a planning structure, not financial, accounting, or purchasing advice, and it does not include any specific pricing. Costs vary considerably by size, industry, and supplier. Public bodies and organizations with procurement rules should follow their own purchasing and approval requirements.

Want a number you can defend?

Computer Ties builds annual technology budgets for businesses and public organizations across southern Michigan: what needs replacing and when, what you are currently spending and on what, and which improvements are worth doing next year rather than the year after. You get something you can take to an owner, a board, or a council.

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