01 / THE 12-MINUTE PRE-BID GATE

Construction Estimate Review Checklist

A fast final pass for an already-prepared bid, not a substitute for producing and checking the estimate. P = pass, F = fix, ? = unverified.

PROJECT _____

REVIEWER _____ DATE / BID DUE _____

STOP RULE: Do not treat an unresolved critical cost, scope, or cash issue as a known fixed price. Resolve it or qualify the offer.

GATE A Scope and quantity evidence		P	F	?
01	Current drawings, specifications, addenda, and revision dates identified	☐	☐	☐
02	Inclusions, exclusions, and owner-furnished items stated in writing	☐	☐	☐
03	Access, existing conditions, work hours, and site limitations reviewed	☐	☐	☐
04	Critical takeoffs checked for units, waste, packaging, and source	☐	☐	☐
05	Subcontract quotes checked against our required scope and exclusions	☐	☐	☐

GATE B Fully loaded costs		P	F	?
06	Material prices dated; freight, taxes, lead times and expiry checked	☐	☐	☐
07	Crew productivity and fully burdened labor assumptions reviewed	☐	☐	☐
08	Equipment, permits, jobsite, disposal and supervision costs included	☐	☐	☐
09	General overhead allocated consistently without double counting	☐	☐	☐
10	Customer allowances and risk contingency separated, with owners	☐	☐	☐

GATE C Price, contract, and bank		P	F	?
11	Price checked using target MARGIN, not the same % as markup	☐	☐	☐
12	Proposal documents scope, schedule, validity and payment terms	☐	☐	☐
13	Change authorization and pending-cost exposure clearly handled	☐	☐	☐
14	Worst cash gap estimated; funding or payment timing confirmed	☐	☐	☐
15	Independent review completed; final estimate and sources archived	☐	☐	☐

REVIEW DECISION ☐ READY ☐ REVISE ☐ NEEDS INPUT

Open critical items / assigned owner: _____

02 / SCOPE AND TAKEOFF

Make the estimate traceable

If you cannot tell which document, quantity, assumption, or supplier created a number, the estimate needs another look.

DRAWINGS / REVISION _____

SPECIFICATIONS _____

SITE VISIT _____ PRICES AS OF _____

BID VALID THROUGH _____

SCOPE HANDOFF MATRIX

One accountable party per work item

WORK PACKAGE / TRADE	IN BID?	BY WHOM?	EVIDENCE REF
	☐		
	☐		
	☐		
	☐		
	☐		
	☐		

TOP-FIVE QUANTITY TRACE

Do the expensive lines first

ASSEMBLY / ITEM	MEASURE + UNIT	ORDER QTY	PRICE / DATE

WHAT CAN CHANGE THIS PRICE?

EXCLUSIONS _____

ALLOWANCES _____

UNCONFIRMED _____

03 / COST-TO-PRICE RECONCILIATION

Build the price from the costs

Include each expense once. The customer-facing quote price is different from the internal job cost budget.

Cost basis: direct costs + project conditions + allocated overhead + documented risk reserve. Price = budgeted cost / (1 - target margin).

COST WORKSHEET

Write amounts from your estimate; not generic industry rates

CATEGORY	BUDGET AMOUNT	CHECKED
Materials (incl. freight / applicable taxes)	$	☐
Direct labor (incl. burden and paid time)	$	☐
Subcontractors (scope aligned)	$	☐
Equipment / rentals / fuel / delivery	$	☐
Jobsite, permits, disposal, supervision	$	☐
Allocated business overhead	$	☐
BASE ESTIMATED COST (sum above)	$	☐
Risk contingency provision (separate)	$	☐
TOTAL PRICING COST (base + provision)	$	☐

PRICE AND PROFIT TEST

Margin is profit divided by selling price

TARGET PROFIT MARGIN

REQUIRED SELLING PRICE

PROPOSED CUSTOMER PRICE

PLANNED PROFIT = PRICE - COST

PLANNED MARGIN = PROFIT / PRICE

STRESS: EXTRA UNRECOVERED COST

EXAMPLE FROM THE ARTICLE - ILLUSTRATIVE ONLY

$22,500 all-in cost / (1 - 25% margin) = $30,000 price. Adding 25% MARKUP instead yields $28,125 and just 20% margin. A $1,800 overrun beyond the full budget cuts $7,500 planned profit to $5,700.

04 / RISK AND CASH TIMING

The job must survive the unknowns

Name the biggest uncertainty, its owner, and the cash required before the next dependable customer payment.

RISK REGISTER

Record a decision or a mitigation, not just a worry

UNRESOLVED ITEM / RISK	COST EXPOSURE	OWNER / NEXT ACTION	IN PRICE?
			☐
			☐
			☐
			☐
			☐

Classify unresolved items: selection ALLOWANCE, execution CONTINGENCY, owner/design dependency, or pending CHANGE. A pending change is not approved revenue.

CASH-TROUGH WORKSHEET

Cash received and cash paid - not invoice dates or accounting revenue

PERIOD	RECEIPTS	PAYMENTS	NET	CUMULATIVE
1	$	$	$	$
2	$	$	$	$
3	$	$	$	$
4	$	$	$	$

WORST CASH DEFICIT (lowest cumulative balance) $ _____

FUNDING SOURCE / ACTION _____

Illustration: $6,000 collected, $11,000 paid in period 1 = -$5,000 cash trough. That does not mean the project loses money overall.

05 / APPROVAL AND WEEKLY FOLLOW-THROUGH

Keep the estimate alive after award

Use this page for the final bid release and for the first weekly cost review. A signed bid is not the end of estimating.

FINAL RELEASE CHECK

Tick only when verified

- ☐ Customer-facing scope matches the internal quantity and cost basis
- ☐ Exclusions and allowances are visible and priced consistently
- ☐ Permits, insurance, licensing, safety and contract duties verified as applicable
- ☐ Price, schedule, payment milestones and bid expiry are documented
- ☐ Changes require the written authorization specified by the contract
- ☐ Unknowns have owners; no unapproved revenue props up the margin

BID RELEASE

☐ APPROVE ☐ REVISE ☐ HOLD

REVIEWED BY _____ DATE _____

CONTRACT PRICE _____ BID EXPIRY _____

THE FIVE-NUMBER FRIDAY CHECK

Forecast the finish - do not just compare spending to budget

APPROVED PRICE	ACTUAL COST	REMAINING COST	EAC / FINAL COST	CASH NEED

EAC = actual incurred costs + forecast remaining costs (including unpaid commitments, counted once). Forecast profit = approved revenue - EAC.

CASH SHORTFALL / FUNDING PLAN _____

PENDING CHANGES (NOT APPROVED REVENUE) _____

NEXT REVIEW DATE / ACTION OWNER _____

HOW TO USE THIS WORKBOOK

Complete pages 1-4 before submitting the bid. Keep the estimate evidence with the accepted proposal. After award, repeat the five-number check at a regular interval.

FULL GUIDE instantsalesfunnels.com/construction-estimating-budgeting-basics/

Method sources: AACE RP 34R-05 (Basis of Estimate); AACE RP 31R-03 (Estimate Review); AIA contingency guidance. Original educational worksheet, not an official AACE/AIA form or qualified project review.