

# Shared Services Cost Allocation

Date: [Insert Date]

To: [Recipient's Name]

From: [Your Name]

Subject: Shared Services Cost Allocation for [Fiscal Year/Period]

Dear [Recipient's Name],

We are writing to inform you about the cost allocation methodology for our shared services for the fiscal year [Year/Period]. This approach ensures that costs are allocated fairly among all participating departments.

## Cost Allocation Methodology

The costs will be shared based on the following criteria:

- **Service Category:** [e.g., IT support, HR services]
- **Usage Metrics:** [e.g., number of employees, service tickets]
- **Proportional Share:** [e.g., percentage of total budget]

## Projected Costs

The total projected costs for shared services for the period are estimated at [Amount]. The breakdown by department is as follows:

Department	Allocated Cost
[Department A]	[Amount]
[Department B]	[Amount]
[Department C]	[Amount]

We believe this allocation model is equitable and will support our joint efforts to manage costs effectively. Please feel free to reach out if you have any questions or require further clarification.

Thank you for your understanding and cooperation.

Sincerely,

[Your Name]

[Your Position]

[Your Contact Information]