



Building the Budget: **EHS Investment Justification Toolkit Instructions**



Purpose

Use this document and the applicable example worksheet to build a clear, financially grounded justification that connects safety needs to business priorities, budget reality, and leadership expectations.

What's Included

The toolkit includes this document and three examples:

- **Physical equipment:** Eye Protection Expense Justification Worksheet (PPE standardization, injury cost offset, vendor comparison, cross-functional budgeting).
- **Service:** Audiometric Testing Expense Justification Worksheet (OSHA 1910.95, STS tracking/retesting, mobile vs. clinic cost modeling, labor impact).
- **Software/Technology:** EHS Software Purchase Justification Worksheet (SaaS vs. capital framing, IT governance, implementation costs, efficiency ROI, visibility/controls).

How to Use

Step 1: Fill in the 6 sections of the applicable worksheet

1. **What is the request?** Basic name of what the spend is, who is it for (workers, departments, facilities) and why it is important.
2. **Current state Start with baseline:** how is it handled today, what does it cost, and what outcomes are you seeing? Cost, vendor, number of workers/departments and any challenges or pain points related to current status.
3. **Financial Planning:** Fully Loaded Program Cost Capture fully loaded costs: direct + indirect + internal labor (partner with HR/Finance for fully burdened rates, if employee costs are significant). Vendors are a good source of information on costs including replacement/breakage rates of equipment, annual increases, etc.
 - a. Direct costs: vendor, equipment, items that are purchased and appear on a accounting report/invoice.
 - b. Indirect costs: labor, administrative/implementation, additional duties added to someone's job tasks, replacing workers/turnover, travel, training time, productivity dip, etc.
4. **Budget and Controls Detailed budget,** cost breakdown, categorization of type of expenditure.
5. **Vendor and Procurement Checklist** Do light market work before you ask: compare 2–3 vendors, validate scope/quality, confirm procurement steps (vendor approval/RFP).
6. **Cross-Functional Alignment Identify** other departments and personnel to coordinate and involve in purchase. Check overlapping budgets early: Operations, site budgets, PPE accounts, IT, HR, Risk/Insurance.

Step 2: Create an Executive Summary/Presentation for Leaders

Tip #1 Safety investments are easiest to approve when framed as risk management, cost control, and operational protection—not as “buying safety stuff.”

Tip #2 Lead with summary and main points; keep details and data ready if asked (create supplemental slides in your presentation deck).

Tip #3 Be prepared for a no. It's common for the initial presentation/ask to be denied or delayed, therefore be willing and able to present multiple times, engage others, etc.



Presentation Guidelines for Executive Approval

1. **Executive Summary:** Open with 3–5 concise talking points that frame the recommendation and key business rationale.
2. **The Ask (Proposed Solution):** Clearly state the equipment, software, or service requested and what it will provide.
3. **Business Need:** Summarize the problem, risk, or operational gap this request addresses and why it matters now.
4. **Current Pain Points:** Highlight the most important challenges affecting employees, operations, compliance, or cost today.
5. **Cost Summary:** Present the total investment, including one-time, recurring, and implementation-related costs.
6. **Business Value / ROI:** Explain the expected return, such as cost savings, efficiency gains, reduced exposure, or stronger compliance performance. Include measurable benefits.
7. **Risk Reduction:** Show how the investment strengthens safety, compliance, operational resilience, and business continuity.
8. **Executive Recommendation:** Close with a direct recommendation that explains why leadership should approve the request now.



Appendix / Supporting Slides (Use as Needed)

Use these backup slides to support the recommendation when leadership asks for additional detail, supporting data, or implementation specifics.

1. **Vendor Options and Comparison:** Include cost comparisons, alternative solutions considered, and the rationale for the recommended option.
2. **Implementation Plan:** Summarize how the solution will be deployed, who will own execution, and how success will be measured.
3. **Supporting Evidence:** Provide concise evidence that reinforces the request, such as incident history, audit findings, trend data, or operational impacts.
4. **Potential Objections and Responses:** Anticipate likely leadership questions or concerns and prepare concise responses on cost, timing, disruption, productivity impact, or perceived urgency.

Next Steps:

- **Own the process.** Determine next steps and follow-up after initial meeting; you own this, don't wait for someone else to reach out for next steps.
- **Schedule next meeting/when to revisit.** In case of the likely initial decline of your proposal, ask when we can revisit and get on the schedule next month, next quarter, etc.
- **Always be ready.** After the initial “no” or “not right now”, be ready for the yes and be able to start the purchasing/implementation process.





Expense Justification Worksheet: Software/Technology

Example: EHS Software

Use this worksheet to justify an EHS software purchase (incident management, audits/inspections, corrective actions, training tracking, dashboards).

1. What is the Request?

Category:

- ☐ Equipment
- ☐ Services
- ☐ Software/Technology

Additional Categorization of the Type of Request:

☐ New program/System	☐ Expansion of existing system
☐ Replacement/Upgrade	☐ Compliance/Conformance driven
☐ Vendor change	☐ Technology/Recordkeeping upgrade
☐ Consolidation (vendors, tools, sheets)	

What are you requesting?

Who is it for?

The Why/What Problem(s) are we Trying to Solve? (check all that apply)

☐ Incident/Near-miss management	☐ Audit and inspection management
☐ Corrective actions tracking	☐ Training tracking
☐ SDS management	☐ Industrial hygiene data
☐ Analytics and dashboard	☐ Mobile reporting
☐ Worker's comp cost control	☐ Risk mitigation
☐ Operational efficiency/Uptime	☐ Culture/Workforce engagement

The Why/What Problem(s) are we Trying to Solve? - continued

☐ Client/Contract requirement	☐ Insurance recommendation
☐ OSHA compliance _____ (list regulation and details below)	☐ Other regulatory compliance (not OSHA), list below
☐ Injury reduction/Cost avoidance	☐ Other: _____

If this a compliance gap closure/compliance driven/conformance driven, explain compliance issue throughout this worksheet and list regulations/policies here.

2. Current State and Pain Points

How is this handled now/current system?

- ☐ Spreadsheets
- ☐ Paper-based
- ☐ Legacy software
- ☐ Vendor software (name: _____)
- ☐ Multiple disconnected tools
- ☐ No centralized tracking

Current vendor(s) used and associated costs:

Vendor name: _____

Cost (annual): \$ _____

Cost breakdown (how calculated): _____

Costs regardless of vendor:

Baseline effort: Admin hours/month _____ Fully loaded hourly rate \$ _____

Estimated annual labor cost of current process: \$ _____ (hours x rate x 12)

Baseline risk example (missed corrective action/delayed investigation \$ _____)

Pain Points:

☐ Manual entry/Time burden	☐ Data inconsistencies
☐ Delayed reporting/Limited dashboards	☐ Hard to trend/Spot repeat issues
☐ Corrective actions not closed on time	☐ OSHA reporting difficulty
☐ Audit findings related to documentation	☐ Other: _____

3. Financial Planning: Fully Loaded Program Cost

A. Direct Costs

Component	Year 1 \$	Ongoing \$/yr	Notes
Subscription/Licensing			
Implementation/Configuration			
Data migration			
Training (vendor-led)			
Additional modules/Users/Add-ons			
Travel (if applicable)			
Hardware/Equipment Needed			

B. Indirect + Labor Impact

Component	Estimate	Notes
Project management (% FTE or hours)	____ hrs x \$ _____ (hourly rate)= _____	Most accurate fully loaded hourly rate, get from HR/Finance
IT integration time (hours)	____ hrs x \$ _____ (hourly rate)= _____	SSO, APIs, data flows, etc. Get fully loaded rate from HR/Finance
User training time (hours)	____ hrs x \$ _____ (hourly rate)= _____	Get fully loaded rate from HR/Finance
Admin/Employee time (hrs/yr)	____ hrs x \$ _____ (hourly rate)= _____	Change management/Communications, scheduling, issuance, tracking, training. Get fully loaded rate from HR/Finance
Temporary productivity dip (estimate)		
Additional Internal cost (estimate)		

Total estimated annual cost: \$ _____

☐ **Recurring**

☐ **One-time setup + Recurring**

☐ **Multi-year agreement**

Year 1 total (Direct + Internal): \$ _____

Ongoing annual total: \$ _____

4. Budget and Controls

☐ Operating expense (OpEx)	☐ Capital expense (CapEx)	☐ Combination
---	--	--------------------------------------

Where does this currently exist?

- ☐ EHS
- ☐ Operations
- ☐ HR
- ☐ Site budgets
- ☐ IT
- ☐ Corporate
- ☐ Other: _____
- ☐ Overlapping (explain): _____

Variance Factors (check all that apply):

- ☐ Headcount changes
- ☐ New sites
- ☐ Replacement/Breakage (associated hardware needs)
- ☐ Vendor price changes
- ☐ User count pricing
- ☐ Module add-ons
- ☐ Renewal increases
- ☐ Other: _____

Spend Timing:

- ☐ Monthly billing
- ☐ Annual Upfront
- ☐ Multi-year prepaid
- ☐ Other: _____



5. Vendor and Procurement Checklist

☐ Compared 2-3 vendors (scope + total cost)				☐ Security review completed (IT)		
☐ Integration needs defined (SSO/APIs/data)				☐ Implementation timeline and roles defined		
☐ References checked				☐ Contract terms reviewed (renewal, exit, data ownership)		
☐ Procurement engaged				☐ RFP required (per policy)		
Vendor	Annual \$	Impl. \$	Integration	Reporting	Support	Notes

Don't forget to consult with IT and obtain an "IT governance checklist" or similar type document that outlines considerations when evaluating software/technology vendors (ex. Security considerations, additional regulations, specifications, etc.)

6. Cross-Functional Alignment

Which departments/personnel have been consulted?

1. As buyers
2. As users
3. Budget overlap

- ☐ **Finance:** budget category, approval path, ROI validated, forecast, variance drivers/tracking
- ☐ **HR:** fully loaded labor rates, claims/injury trend input, claims/loss trends, communication support
- ☐ **Operations:** PPE ownership and overlap, rollout logistics, scheduling/downtime plan, adoption plan, frontline usability validated
- ☐ **Risk Management/Insurance:** loss runs, carrier tools/resources, reporting needs
- ☐ **Procurement:** pricing, vendor vetting, contract terms, negotiation
- ☐ **IT:** vendor evaluation, security/IT requirements, compatibility, policy conformance, integration, ownership clarified
- ☐ **Legal:** contract review, final approval, may or may not be required in this process depending on size of company

Cross-Functional Alignment Notes:



Expense Justification Worksheet: Service

Example: Audiometric Testing

Use this worksheet to justify audiometric testing and hearing conservation program testing costs (baseline/annual, retesting, physician review, mobile/clinic options).

1. What is the Request?

Category:

- ☐ Equipment
- ☐ Services
- ☐ Software/Technology

Additional Categorization of the Type of Request:

☐ New program	☐ Expansion of existing program
☐ Replacement/Upgrade	☐ Compliance/Conformance driven
☐ Vendor change	☐ Technology/Recordkeeping upgrade

What are you requesting?

Who is it for?

The Why (check all that apply)

☐ OSHA Compliance _____ (list regulation, ex. 29 CFR 1910.95, below)	☐ Other regulatory compliance (not OSHA), list below
☐ Workers' comp cost control	☐ Risk mitigation
☐ Operational efficiency/Uptime	☐ Culture/Workforce engagement
☐ Client/Contract requirement	☐ Insurance recommendation
☐ Other: _____	☐ Injury reduction/Cost avoidance

The Why (check all that apply) - continued

☐ Headcount growth	☐ Vendor performance concerns
☐ Recordkeeping improvement	☐ STS reduction/Better follow-up
☐ Multi-site standardization	

If this a compliance gap closure/compliance driven/conformance driven, explain compliance issue throughout this worksheet and list regulations/policies here.

2. Current State and Pain Points

How is audiometric testing being handled currently?

Employees in hearing conservation program: _____ Worksites: _____

Noise monitoring current? ☐ Yes ☐ No

Testing Frequency: ☐ Annual ☐ New hires only ☐ Inconsistent ☐ Other:

Current vendor (if any): _____

Cost per test: \$ _____ Annual spend (if known): \$ _____

Metric (last 12-36 months)	Count	Notes/Source
Standard Threshold Shifts (STS)		Vendor reports/EHS records
Recordable hearing loss cases		OSHA logs/claims
Hearing-related workers' comp claims		Loss runs/HR
OSHA citations related to noise/hearing		Compliance history

Pain Points: describe challenges with current state (cost, inefficiency, coordination, etc.)

3. Financial Planning: Fully Loaded Program Cost

A. Direct Vendor Costs

Component	Quantity	Unit \$	Annual \$	Notes
Baseline audiograms (new hires)				
Annual audiograms				
Retesting/STS follow-up				
Physician review/ Interpretations				
Mobile unit/Clinic fees				
Record storage/Portal				

B. Indirect + Labor Impact

Component	Estimate	Notes
Employee time per test (hours)	____ hrs x \$ ____ (hourly rate)=____	Most accurate fully loaded hourly rate, get from HR/Finance
Supervisor/Admin scheduling time	____ hrs or % FTE x \$ ____ = ____	Get fully loaded rate from HR/Finance
Travel (T&E) if clinic-based		Estimated total
Program admin cost		Time spent administering the program, working with vendor, etc. (other than scheduling workers)

Total estimated annual cost: \$ _____

☐ Recurring

☐ One-time setup + Recurring

☐ Multi-year agreement

Year 1 total (Direct + Internal): \$ _____

Ongoing annual total: \$ _____

4. Budget and Controls

☐ Operating expense (OpEx)	☐ Capital expense (CapEx)	☐ Combination
---	--	--------------------------------------

Where does this currently exist?

- ☐ EHS
- ☐ Operations
- ☐ HR
- ☐ Site budgets
- ☐ IT
- ☐ Corporate
- ☐ Other: _____
- ☐ Overlapping (explain): _____

Variance Factors (check all that apply):

- ☐ Headcount changes
- ☐ New sites
- ☐ Vendor price changes
- ☐ Other: _____

Spend Timing:

- ☐ Monthly billing
- ☐ Annual Upfront
- ☐ Multi-year prepaid
- ☐ Other: _____



5. Vendor and Procurement Checklist

☐ Compared 2-3 vendors/cost options			☐ Compared mobile vs. clinic options (cost + downtime)		
☐ Multi-site pricing evaluated/consolidated where possible			☐ Procurement engaged (terms/pricing/renewal)		
☐ RFP required (per policy)			☐ Operations impact minimized (scheduling plan)		
Vendor	Cost/Test	Mobile Option	Turnaround Time	Reporting/Portal	Notes

6. Cross-Functional Alignment

Which departments/personnel have been consulted?

1. As buyers
 2. As users
 3. Budget overlap
-
- ☐ **Finance:** budget category, approval path, ROI validated, forecast, variance drivers/tracking
 - ☐ **HR:** fully loaded labor rates, claims/injury trend input, claims/loss trends, communication support
 - ☐ **Operations:** PPE ownership and overlap, rollout logistics, scheduling/downtime plan, adoption plan, frontline usability validated
 - ☐ **Risk Management/Insurance:** loss runs, carrier tools/resources, reporting needs
 - ☐ **Procurement:** pricing, vendor vetting, contract terms, negotiation
 - ☐ **IT:** vendor evaluation, security/IT requirements, compatibility, policy conformance, integration, ownership clarified
 - ☐ **Legal:** contract review, final approval, may or may not be required in this process depending on size of company

Cross-Functional Alignment Notes:



Expense Justification Worksheet: Physical Equipment

Example: Eye Protection

Use this worksheet to develop an executive-ready justification for eye protection (standard safety glasses, prescription program, goggles/face shields, vending/issuance).

1. What is the Request?

Category:

- ☐ Equipment
- ☐ Services
- ☐ Software/Technology

Additional Categorization of the Type of Request:

☐ New program	☐ Expansion of existing program
☐ Replacement/Upgrade	☐ Compliance/Conformance driven
☐ Vendor change	☐ Technology/Recordkeeping upgrade

What are you requesting?

Who is it for?

The Why (check all that apply)

☐ OSHA Compliance _____ (list regulation, ex. 29 CFR 1910.133, below)	☐ Injury reduction/Cost avoidance
☐ Workers' comp cost control	☐ Risk mitigation
☐ Operational efficiency/Uptime	☐ Culture/Workforce engagement
☐ Client/Contract requirement	☐ Insurance recommendation
☐ Other: _____	☐ Other regulatory compliance (not OSHA)

If this a compliance gap closure/compliance driven/conformance driven, explain compliance issue throughout this worksheet and list regulations/policies here.

2. Current State and Pain Points

How is eye protection handled now?

☐ Employer-provided	☐ Employee-purchased
☐ Mixed	☐ Not standardized
☐ Unknown	

Current Vendor(s) Used and Associated Costs

Current Provider	Item	Cost per Unit	Annual Cost/Spend

Number of employees requiring eye protection: _____

Number of sites/departments: _____

Current Vendor(s) Used and Associated Costs

Metric	Count	Notes/Source
Recordable eye injuries		OSHA logs/Claims/Incident Systems
Near-miss events involving eye hazards		Near-miss logs/Observations
Eye-related workers' comp claims		Loss runs/HR/Claims data
Avg. cost per claim (if known)		Insurance carrier/Finance

Pain Points: *describe challenges with current state (cost, inefficiency, coordination, etc.)*



3. Financial Planning: Fully Loaded Program Cost

A. Direct Costs (Equipment)

<i>Item</i>	<i>Qty/Users</i>	<i>Unit \$</i>	<i>Annual \$</i>	<i>Notes</i>
Standard safety glasses				
Prescription safety glasses program				
Goggles/Face shields/Specialized				
Anti-fog/Anti-scratch upgrades				
Insurance method (stockroom/vending fees)				
Training/Communications materials				

B. Indirect + Internal Labor Costs

<i>Component</i>	<i>Estimate</i>	<i>Notes</i>
Admin/Employee time (hours/year)		Scheduling, issuance, tracking, training
Fully loaded hourly rate		Most accurate rate, get from HR/Finance
Internal labor cost		Hours x Loaded Rate
Inventory/Storage/Shipping		
Replacement (Breakage/Loss)		Calculate using estimated rate of replacement

Total estimated annual cost: \$ _____

☐ Recurring

☐ One-time setup + Recurring

☐ Multi-year agreement

Year 1 total (Direct + Internal): \$ _____

Ongoing annual total: \$ _____

4. Budget and Controls

☐ Operating expense (OpEx)	☐ Capital expense (CapEx)	☐ Combination
---	--	--------------------------------------

Where does this currently exist?

- ☐ EHS
- ☐ Operations
- ☐ HR
- ☐ Site budgets
- ☐ IT
- ☐ Corporate
- ☐ Other: _____
- ☐ Overlapping (explain): _____

Variance Factors (check all that apply):

- ☐ Headcount changes
- ☐ New sites
- ☐ Replacement/Breakage trends
- ☐ Vendor price changes
- ☐ Other: _____

Spend Timing:

- ☐ Monthly billing
- ☐ Annual Upfront
- ☐ Multi-year prepaid
- ☐ Other: _____



5. Vendor and Procurement Checklist

☐ Compared 2-3 vendors/Cost options		☐ Compared quality/fit/acceptance with workforce		
☐ Used existing approved vendor where possible		☐ Procurement engaged (pricing/terms)		
☐ RFP required (per policy)		☐ Vendor approval completed (Finance/Procurement)		
<i>Vendor</i>	<i>Cost/Unit</i>	<i>Lead Time</i>	<i>Warranty/Support</i>	<i>Notes</i>

6. Cross-Functional Alignment

Which departments/personnel have been consulted?

1. As buyers
2. As users
3. Budget overlap

- ☐ **Finance:** budget category, approval path, ROI validated, forecast, variance drivers/tracking
- ☐ **HR:** fully loaded labor rates, claims/injury trend input, claims/loss trends, communication support
- ☐ **Operations:** PPE ownership and overlap, rollout logistics, scheduling/downtime plan, adoption plan, frontline usability validated
- ☐ **Risk Management/Insurance:** loss runs, carrier tools/resources, reporting needs
- ☐ **Procurement:** pricing, vendor vetting, contract terms, negotiation
- ☐ **IT:** vendor evaluation, security/IT requirements, compatibility, policy conformance, integration, ownership clarified
- ☐ **Legal:** contract review, final approval, may or may not be required in this process depending on size of company

Cross-Functional Alignment Notes: