

[Date]

[Proposer's Name]
[Proposer's Organization]
[Proposer's Address]
[City, State ZIP]

Dear [Proposer's Name],

Thank you very much for submitting your project proposal, **[Project Title]**, and for considering us as a potential collaborator. We appreciate the thought, effort, and innovation that went into your submission, and we recognize the potential value it offers.

After thoughtful review and consideration, we regret to inform you that we are unable to accept your proposal at this time. Our decision is based solely on our current obligations and previous commitments to ongoing projects and partners. At present, our resources and team capacity are fully allocated, which prevents us from taking on additional initiatives without risking the quality and success of our existing undertakings.

Please be assured that our decision is in no way a reflection of your project's merits or viability. We hold your work in high regard and believe it could be a strong fit with our mission under different circumstances. The constraints of our existing commitments require us to be selective with new engagements, and we must be transparent about our limitations.

We hope you will consider approaching us again in the future when our capacity allows for potential collaboration. Meanwhile, we wish you every success with your current and upcoming projects, and we appreciate your understanding of our position.

Thank you once again for your interest and for considering us for your project. Please feel free to stay in touch and keep us updated on your progress.

Sincerely,
[Your Name]
[Your Title]
[Your Organization]