

Date: [Insert Date]

**To:** [Vendor Name]  
[Vendor Company Name]  
[Vendor Address]  
[City, State, Zip Code]

Dear [Vendor Contact Name],

We would like to thank you for your recent submission of the quotation for **[Project/Procurement Name]** (Reference No.: [Reference Number]).

After a careful review of all received quotations, we regret to inform you that your proposed pricing exceeds our allocated budget for this project. As a result, we are unable to proceed with your quotation at this time.

We value your interest in working with us and appreciate the time and effort invested in preparing your proposal. We encourage you to participate in our future procurement opportunities and invite you to submit a revised quotation should our budgetary constraints change or if you are able to provide an updated offer within our set budget.

Thank you once again for your submission and understanding. We hope to see further participation from your team in upcoming projects.

Sincerely,  
[Your Name]  
[Your Job Title]  
[Your Company Name]  
[Contact Information]