

Cloud Cost Optimization Checklist

Governance & Policies

- Enforce tagging compliance -> Require owner, environment, and cost center tags; report % tagged resources weekly.
- Set budget alerts -> Trigger notifications at 75%, 90%, and 100% of spend thresholds.
- Block oversized resources -> Policy prevents creation of VMs/instances above approved sizes.
- Restrict regions -> Allow only cost-effective regions; audit monthly for drift.
- Executive dashboard -> Publish governance scorecard to leadership every quarter.

Compute Optimization

- Right-size instances -> Review CPU/memory utilization; downgrade under-utilized VMs.
- Automate scaling -> Implement auto-scaling groups; validate scaling policies quarterly.
- Leverage spot/preemptible -> Run batch jobs on spot instances; track % workload migrated.
- Schedule shutdowns -> Turn off dev/test environments nightly; measure savings.
- Decommission idle VMs -> Report # of unused VMs terminated each month.

Storage Optimization

- Tier storage -> Move cold data to archive tier; track % storage in low-cost tiers.
- Delete unattached disks -> Monthly cleanup of orphaned volumes.
- Enable lifecycle policies -> Auto-expire logs/backups after retention period.
- Monitor snapshot sprawl -> Limit snapshots per resource; report compliance.
- Enable intelligent tiering -> Use S3/Azure Blob tiering; measure % adoption.

Networking Optimization

- Audit data transfer costs -> Identify top 10 workloads with highest egress spend.
- Use CDN -> Cache static content; measure % traffic offloaded.
- Optimize load balancers -> Consolidate underutilized load balancers.
- Monitor inter-region traffic -> Flag workloads with >10% cross-region traffic.

Licensing & SaaS

- Audit unused licenses -> Remove inactive accounts monthly.
- Consolidate SaaS contracts -> Negotiate enterprise deals; track % savings.

- Switch to open-source -> Replace costly tools where feasible.

Reserved & Savings Plans

- Purchase reservations -> Commit for steady workloads; track % coverage.
- Monitor utilization -> Report unused reservations quarterly.
- Mix on-demand + reserved -> Balance flexibility and savings.

Monitoring & Reporting

- Enable anomaly detection -> Alert on >20% spend spikes.
- Automate monthly reports -> Send cost breakdown to finance.
- Track unit economics -> Cost per user, transaction, or workload.

Automation & Tools

- Deploy cleanup scripts -> Auto-remove unused resources weekly.
- Integrate FinOps tools -> CloudHealth, Apptio, or native advisors.
- Continuous optimization pipeline -> Run governance checks in CI/CD.

Culture & Process

- Assign cost owners -> Each workload has a named accountable owner.
- Review spend in stand-ups -> Add cost metrics to sprint reviews.
- Reward optimization wins -> Recognize teams that reduce spend.
- Create FinOps guild -> Cross-functional team for governance.