Area Agency on Aging for Southwest Florida

Unit Cost Methodology Worksheet Instructions

Personnel Allocation Worksheet

Before beginning the Worksheet:

1) Hide the Service Columns that are not applicable to your Agency or the Service Provider Application as this will make the worksheet much more manageable.

2) Complete the "Freeze Panes" option by completing the following steps: select the cell within the spreadsheet to freeze (on this spreadsheet it is often cell L10), click View, click Freeze Panes, and then, click Freeze Panes within that option. This will make working with the spreadsheet much more manageable. As you will notice there are other "Freeze Panes" options available. Also, when you no longer want the worksheet Freeze Pane on, complete the following: click View, click Freeze Panes, and then click "Unfreeze Panes" within that option.

Note: The Freeze Panes option freezes all cells above and to the left of the cell selected to freeze.

Start by inserting the personnel information on the first line (cell A10). Use one line for each employee. Include the proposed gross wages and net available hours calculations for each employee. Volunteers can be shown with "0" wages and net available hours. For each position, manually insert the percentage of time allocated to one or more of the services (the allocations must be based on recent time studies or other accurate and verifiable documentation). The worksheet will calculate the amount of time and wages allocated to each service.

Priority Items

- All positions must be shown individually and all personnel allocations must equal 100%. It is important to ensure proper personnel allocations per employee.

- Management and General (M&G) Cost Pool
  Personnel Positions normally associated with M&G Cost Pool are Executive Director and Assistant Director(s), fiscal staff, human resource staff, data processing office staff, and all related supporting personnel for those offices. Exceptions to this rule are if any of these positions are participate in lobbying, fundraising or other activities unallowable under state and federal grants, if this is the case an appropriate proportion of time should be allocated to these unallowable activities.

- If your Agency uses Paid Time Off (PTO), instead of the individual categories of Holidays, Sick, and Annual Leave, include the total PTO per employee under the Annual Leave category.

- Importance of Other Non-Billable Time and the Net Available Hours Categories
  These categories are essential in assessing the time available for Direct Service Workers unit achievement by service. The total "HR/UNIT" information will be carried over to the Unit Cost Worksheet to develop the "Number of Billing Units" for all services which equate a staff hour with a unit of service.

  Example: The CM Supervisor's Other Non-Billable Time should reflect all the time that is Non-Billable and the Net Available Hours may possibly be -0-. Otherwise, if this is not backed out appropriately the Net Available Hours will artificially be inflated.

  Note: Having the correct Net Available Hours for all Direct Services is a key component to the "Number of Billing Units" on the Unit Cost Worksheet.

- There are multiple percentage and total “Check Points” located in the far right column on the Personnel Allocation Worksheet. Allow these check points to work for you and assist you in locating areas of concern within the spreadsheet.

Unit Cost Worksheet

The Unit Cost Worksheet is located after the Personnel Allocations Worksheet. Report all expenses (costs) regardless of funding source for each line item. Budgeted expenditures that can be directly identified with one or more services should be manually allocated to those services. Budgeted expenditures that apply to all services should be allocated to the "Management & General Cost Pool" or the "Facilities & Maintenance Cost Pool."

There are multiple "Check Points" located in the far right column (Row BT) on the Unit Cost Worksheet. Allow these check points to work for you and assist you in locating areas of concern within the spreadsheet.

1. Line Item Expenses (rows 8 – 32)

   A. Wages (row 8): will be carried over from Personnel Allocation Worksheet. FORMULA

   B. Fringe (row 9): the total fringe expense must be MANUALLY INPUT into cell B9, and then the total fringe will be automatically spread based on the Personnel Allocation percentages.
   Note: if you choose not to use the total Personnel Allocations as your Fringe allocation – a separate worksheet is required, noting by position each Fringe Allocation.

   All Line Item Expenses other than the two noted above (Wages and Fringe) must be MANUALLY INPUT and spread appropriately to all service categories.

   C. Subcontractors: 1) multiple subcontracts for services having the same unit costs can be grouped (consolidated) and should be spread appropriately (i.e. In-Home Service subcontract could be spread to Homemaker, Personal, Care, and In-Home Respite), 2) subcontracts cannot be grouped or consolidated unless they have the same cost per unit.

   Note 1: the GA Food Subcontract must be shown under subcontracts, previously in some instances this subcontract was being shown under "Food & Food Supplies". Also, if there are different meal costs (congregate, HDM, AM/PM) associated with the GA Food subcontract multiple subcontract lines must be utilize to show all cost information.

   D. The following In-Kind Categories have been incorporated into the spreadsheet: space, supplies, and volunteers. If additional in-kind categories are utilized by your Agency, insert a row and add the necessary in-kind component information.
   Note: In-kind claimed on the Unit Cost Worksheet must have the appropriate in-kind commitment forms included in the Contract Module and each component of in-kind must be trackable.

2. Service Subcontract Allowance and Service Subcontract Adjustment (rows 35 and 36)

   Service Subcontract Allowance (row 35) – MANUAL INPUT

   The narrative on this item was revised for clarification. The Agency should input the amount of the subcontract if it is under $25,000 and input a maximum of $25,000 per subcontract for all subcontracts that are over $25,000.

   Example: if the following Homemaker subcontracts are noted as subcontracts:

ABC Hmkr	$150,000
EZ Hmkr	$ 16,000

Premier Hmkr $ 22,000

The Service Subcontractor Allowance amount would be $63,000 ($25,000 for ABC, $16,000 for EZ, and $22,000 for Premier – for a total of $63,000.

Service Subcontract Adjustment (row 36) - FORMULA

The Subcontract Adjustment will automatically calculate based on the information input for the Service Subcontract Allowance (SSA). The SSA will then be deducted from the Agency's Total Allowable Costs (row 33) to create the Total Modified Direct Costs (row 39), which is the basis for the Reallocation of Management & General Costs (row 38).

3. Reallocate Management & General Costs (row 38) – FORMULA
   As stated above, the M & G Cost Pool is reallocated based on the percent of funding in the Total Modified Direct Costs (row 39).

4. Reallocate Facilities & Maintenance (Space) Costs (row 41) – FORMULA based on the Square Footage which must be MANUALLY INPUT into row 42.

5. Total Cost By Service (row 44) - FORMULA
   This item is formula driven and adds the Total Allowable Cost (row 33), the Allocation of M & G (row 38), and the Allocation of F & M (row 41) to provide the Total Cost By Service (row 44).

6. Budgeted In-Kind Valuation (row 45) – FORMULA
   This item is formula driven based on the in-kind information input in the Line Item Expenses (rows 30-32). This item includes the total in-kind claimed in the budget (regardless of in-kind category).

7. Total Cost Less In-Kind by Service (row 46) – FORMULA
   This item is formula driven and takes the Total Cost by Service (row 44) and subtracts the Budgeted In-Kind Valuation (row 45), which calculates the Total Cash Cost.

8. Number of Billing Units (estimated) (row 48) – MANUAL INPUT – COMPLETE THIS ITEM LAST.

Review and analyze the multiple "Check Points" located in the far right column on the Unit Cost Worksheet (column BT). All "Line Item Expenses" (rows 8-32) should equate to zero in column BT. Additionally, notes are included on the right of "column BT" for all other allocations to assist you in checking the spreadsheet for accuracy.

Supporting Budget by Program Worksheet

The Supporting Budget Schedule by Program Activity Worksheet is located after the Unit Cost Worksheet. The Supporting Budget Schedule by Program Activity should only reflect the amounts and units supported by the WCFAAA allocation for that program. A separate Supporting Budget Schedule by Program Activity must be submitted for each WCFAAA funded program or title.

Before you begin work on the spreadsheet: copy the workbook to make individual workbooks for each of the OAA Titles (III-B,C-1,C-2,III-E) needed for completion of the Service Provider Application. Label/name each of the Workbooks/tabs appropriately. Then hide the service columns that you will not be utilizing for each specific Title.

You are now ready to begin the Worksheet.

As you will notice, well over half, actually 9 of the 16 items on the worksheet calculate automatically. The auto calculated items are highlighted.

Line 1: Total Budgeted Cash Costs: will automatically calculate when the Total Budgeted Units are input to item 2.

Line 1a: Add In-Kind Cost: will automatically calculate when the Total Budgeted Units are input to item 2.

Line 1b: Total Budgeted Costs: will automatically calculate when the Total Budgeted Units are input to item 2.

Line 2: Total Budgeted Units: must be input manually based on how many units can be provided with the Federal/State allocation. There are many ways to begin calculating the units you will provide with the Contract funding:

1) Historical unit information.

2) Divide the Federal/State funding by the Agency's historical Federal/State unit cost.

3) ADD the following: Federal/State allocation, historical Program Income, historical NSIP (if applicable), and Match (if not matched w/ in-kind), and historical Other Resources (if applicable) then DIVIDE this total by the Cash Cost per unit.

Line 2a: Total Cost Per Unit of Service: automatically calculates from the Unit Cost Worksheet (Unit Cost – Actual Cost, row 50)

Line 3: Less NSIP: a formula has been added to this line to calculate the Congregate and Home Delivered Meals at the current NSIP rate (.72). This is the minimum amount that should be shown on line 3, as any NDP meals that are NSIP reimbursable should also be added at the current NSIP rate to this line. Additionally, this formula will need to be updated as the NSIP rate changes.

Line 4: Less Cash Match: Only cash match should be shown in this line.

Line 5: Less In-Kind Match: this line will automatically calculate once the Total Budgeted Units (line 2) are input. This line shows the appropriate In-Kind amount based on the unit production and correlates with the in-kind information as noted on the Unit Cost Worksheet.

Line 6: Less Co-Pay Used as Match: this applies only to CCE and is normally based on historical data.

Subtotal Sub-Total Match: this line automatically calculates and adds all Matching components (lines 4 – 6). The total of this line must be at least 10% of the Federal/State contract allocation. To calculate the 10% matching requirement divide the Federal/State dollars by 9.

Line 7: Less Program Income: enter the amount of program income received by the Agency, this is normally based on historical data.

Line 7a: Less Co-Pay Not Used as Match: this only applies to CCE and should include any additional Co-Pay budgeted that is not shown in Line 6 (Co-Pay Used as Match). Normally, all Co-Pay is used as match and shown on Line 6.

Line 8: Less Other Non-Matching Cash: This line is often times used to balance the budget to the Adjusted Budgeted Cost (line 9) or to further buy-down the cost being charged to the Federal or State contract.

Line 9: Adjusted Budgeted Cost: This line is automatically calculated starting with the Total Budgeted Costs (line 1b) and backing out the following: NSIP (line 3), Sub-Total Match, Program Income (line 7), Co-Pay Not Used as Match (line 7a), and Less Other Non-Matching Cash (line 8), to get the resulting Adjusted Budgeted Cost (Federal/State Funds).

Line 10: Adjusted Cost Per Unit of Service: This line is automatically calculated by dividing the Adjusted Budgeted Costs (line 9) by the Total Budgeted Units (line 2).

Line 11: Estimated Number of UNDUPLICATED Clients: input the unduplicated clients per service. This is normally based on historical CIRTS data.