**Area Agency on Aging of Palm Beach/Treasure Coast, Inc.**

**Unit Cost Methodology Worksheet Instructions**

1. **Personnel Allocation Worksheet**
2. Complete the **orange** highlighted cells.
3. Fill in the Budget year
4. Fill in the Provider Name
5. % Increased by allows for current wages to be increased. If you anticipate a pay increase, then put the % increase in this cell.
6. Inserting the personnel information for each employee.
7. Current Wages
8. Gross Available Hours
9. Holiday Hours
10. Sick Leave
11. Annual Leave - If your Agency utilizes 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.
12. Other non-billable time
13. Volunteers can be shown with "0" wages and net available hours.
14. 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).
15. All positions must be shown individually and all personnel allocations **must equal 100%.** It is important to ensure proper personnel allocations per employee.
16. The worksheet will calculate the amount of time and wages allocated to each service.

**Priority Items**

* 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 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.

* 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.

**Review and analyze the “Check” column located on the far right on the Personnel Allocation Worksheet. All percentages should equal 100%.**

1. **Unit Cost Worksheet**
2. 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.
3. There are multiple “Check Points” located in the far right column on the Unit Cost Worksheet. Review these check to locate areas of concern within the spreadsheet.
4. Complete the **orange** highlighted cells.
5. Wages will be carried over from Personnel Allocation Worksheet.
6. Fringe: the total fringe expense must be entered, then the total fringe will be automatically allocated based on the Personnel Allocation percentages.
7. All other line item expense categories must be manually entered under the appropriate service category.
8. Subcontractors
9. Multiple subcontracts for services having the same unit costs can be consolidated and should be spread appropriately (i.e. In-Home Service subcontract could be spread to Homemaker, Personal, Care, and In-Home Respite)
10. Subcontracts with different costs per unit must be entered on separate lines
11. Amy food contractors must be shown under subcontracts
12. If there are different meal costs associated with the food subcontractors multiple subcontract lines must be utilize to show all cost information.
13. 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.
14. Service Subcontract Allowance and Service Subcontract Adjustment
15. 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 Homemaker $150,000

EZ Homemaker $ 16,000

Acme Homemaker $ 22,000

1. 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.
2. The Subcontract Adjustment will automatically calculate based on the information input for the Service Subcontract Allowance. The SSA will then be deducted from the Total Allowable Costs to create the Total Modified Direct Costs, which is the basis for the Reallocation of Management & General Costs.
3. Reallocate Facilities & Maintenance (Space) Costs - Enter the Square Footage for each service area, this is an optional allocation.
4. Number of Billing Units (estimated) – Enter the estimated billing units for each service category.
5. Additional Subcontract Information
6. The Subcontractor Information along with the Total Unit Analysis Information will assist you in appropriately estimating units for many of the services provided.
7. Enter the number of units affiliated with each Subcontract
8. Review and analyze the following lines:
9. Total Costs by Service
10. Unit Cost (Actual Cost)
11. Unit Rate (Actual Cost less In-Kind Support)

**Review and analyze the multiple “Check” columns located on the far right on the Unit Cost Worksheet. All line item expenses should equal zero.**

1. **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 Area Agency on Aging of Palm Beach/Treasure Coast, Inc. allocation for that program.

1. Complete the **orange** highlighted cells.
2. Enter the Total Budgeted Units. Input manually the number of units which can be provided with the Area Agency on Aging allocation.
3. There are many ways to begin calculating the units you will provide with the Contract funding:
4. Historical unit information.
5. Divide the total funding by the Agency’s historical unit cost.
6. Enter the Cash Match on the Less Cash Match line.
7. Enter the Less Co-Pay Used as Match for CCE services. This is normally based on historical data.
8. Enter the Less Program Income: enter the amount of program income received by the Provider, this is normally based on historical data.
9. Enter the 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 the Co-Pay Used as Match line. Normally, all Co-Pay is used as match and shown on the Co-Pay used as Match line.
10. Enter the Less Other Non-Matching Cash: This line is often times used to balance the budget to the Adjusted Budgeted Cost or to further buy-down the cost being charged to the contract.
11. Estimated Number of UNDUPLICATED Clients: input the unduplicated clients per service. This is normally based on historical CIRTS data.