

Strafford

Presenting a live 110-minute teleconference with interactive Q&A

Non-Profit Cost Allocation Plan Strategies

Mastering the State's Tax Reform and Planning for Flow-Through Income, Tax Credits and Other Issues

TUESDAY, JULY 26, 2011

1pm Eastern | 12pm Central | 11am Mountain | 10am Pacific

Today's faculty features:

Hydeh Ghaffari, Senior Partner, **Ghaffari Zaragoza**, Oakland, Calif.

Colette Kamps, Senior Manager, **Henry & Horne**, Scottsdale, Ariz.

Jean Gilbert, Outsourcing Senior Manager, **Raffa, P.C.**, Washington, D.C.

For this program, attendees must listen to the audio over the telephone.

Please refer to the instructions emailed to the registrant for the dial-in information. Attendees can still view the presentation slides online. If you have any questions, please contact Customer Service at 1-800-926-7926 ext. 10.

Allocating Costs

Results of using different drivers

	IT Costs	Location 1	Location 2	HQ	TOTAL
Payroll	450,000	250,000	350,000	750,000	1,350,000
Benefits	90,000	50,000	70,000	150,000	270,000
Supplies	12,000	2,500	3,500	7,500	13,500
Maintenance	42,000	5,500	7,500	14,500	27,500
Postage	50	8,000	12,000	5,000	25,000
Printing	600	6,000	10,000	30,000	46,000
Small equipment	26,000	1,000	1,500	1,500	4,000
Consulting	40,000	12,000	24,000	72,000	108,000
Temporary Services	7,000	-	-	3,600	3,600
Telephone/Web	42,000	1,200	2,400	1,000	4,600
Total Expenses	709,650	336,200	480,900	1,035,100	1,852,200
Head Count		4	6	15	25
Square Footage		2500	3000	10000	15500
Allocation based on Square footage		114,460	137,352	457,839	709,650
Allocation based on Headcount		113,544	170,316	425,790	709,650
Allocation based on Payroll		131,417	183,983	394,250	709,650

Allocating Costs

GAAP Allocations Example (Reciprocal)

	G&A	Fundraising	Prog A	Prog B	TOTAL
Payroll	450,000	250,000	350,000	750,000	1,800,000
Benefits	90,000	50,000	70,000	150,000	360,000
Supplies	12,000	2,500	3,500	7,500	25,500
Maintenance	42,000	5,500	7,500	14,500	69,500
Postage	50	8,000	12,000	5,000	25,050
Printing	600	6,000	10,000	30,000	46,600
Small equipment	26,000	1,000	1,500	1,500	30,000
Consulting	40,000	12,000	24,000	72,000	148,000
Temporary Services	7,000	-	-	3,600	10,600
Telephone/Web	42,000	1,200	2,400	1,000	46,600
Total Expenses	709,650	336,200	480,900	1,035,100	1,852,200
Allocation Pool	(532,238)	98,563	137,988	295,688	-
Total Costs	177,413	434,763	618,888	1,330,788	1,852,200
Salaries & Wages	25%	14%	19%	42%	100%

Allocating Costs

OMB Allocations Example (Program Services)

	G&A	Unallowable	Allocable	Fundraising	Prog A	Prog B	TOTAL
Payroll	450,000	12,000	438,000	250,000	350,000	750,000	1,800,000
Benefits	90,000	2,400	87,600	50,000	70,000	150,000	360,000
Supplies	12,000		12,000	2,500	3,500	7,500	25,500
Maintenance	42,000		42,000	5,500	7,500	14,500	69,500
Postage	50		50	8,000	12,000	5,000	25,050
Printing	600		600	6,000	10,000	30,000	46,600
Small equipment	26,000		26,000	1,000	1,500	1,500	30,000
Consulting	40,000	15,000	25,000	12,000	24,000	72,000	148,000
Temporary Services	7,000		7,000	-	-	3,600	10,600
Telephone/Web	42,000		42,000	1,200	2,400	1,000	46,600
Total Expenses	709,650	29,400	680,250	336,200	480,900	1,035,100	2,561,850
Total Costs	709,650			336,200	480,900	1,035,100	2,561,850
Salaries & Wages		12,000		250,000	350,000	750,000	1,362,000
Percent		1%		18%	26%	55%	
Allocation		5,993		124,862	174,807	374,587	680,250
Cost per Activity		35,393		461,062	655,707	1,409,687	2,561,850