9213.2 ILLUSTRATION (c)

(Revised 04/2024)

ALLOCATION OF OPERATING EXPENSES AND EQUIPMENT COSTS FOR THE FISCAL YEAR ENDING JUNE 30, 20XX

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | TOTAL EXPENDITURES |  | PROGRAMS | | | | |  | ADMINISTRATION |
|  |  |  | 10 | 15 | 20 | 25 | 30 |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Freight | 5,000 |  |  |  |  | 5,000 |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Consulting Services | 25,000 |  |  | 25,000 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Rent | 200,000 |  | 20,000 | 35,000 | 40,000 | 53,000 | 45,000 |  | 7,000 |
|  |  |  |  |  |  |  |  |  |  |
| Travel-In-State | 120,000 |  | 15,480 | 21,960 |  | 48,240 | 23,520 |  | 10,800 |
|  |  |  | *12.9%* | *18.3%* | *0.0%* | *40.2%* | *`* |  | *9.0%* |
| Other OE&E | 700,000 |  | 70,700 | 100,800 | 150,500 | 220,500 | 107,800 |  | 49,700 |
|  |  |  | *10.1%* | *14.4%* | *21.5%* | *31.5%* | *15.4%* |  | *7.1%* |
| Equipment | 40,000 |  |  |  | 30,000 |  | 10,000 |  |  |
|  |  |  |  |  |  |  |  |  |  |
| TOTAL | 1,090,000 |  | 106,180 | 182,760 | 220,500 | 326,741 | 186,320 |  | 67,500 |

Allocation Steps:

a. Charge to programs costs that can be identified directly to a program (freight, consulting services, and equipment)

b. Allocate expenses by their allocation bases:

1. Rent is allocated on the basis of square feet.
2. Travel-in-state is allocated on the basis of actual personal services costs charged to those programs that require their personnel to travel.
3. All other operating expenses that cannot be identified directly to a program or allocated more accurately utilizing another allocation basis are allocated on the basis of salaries and wages costs charged to programs.

Note: This example shows different allocation bases used to allocate different types of costs. Agencies/Departments will use a basis which will allocate each type of cost equitably.