



PROCEDURE

Title/Subject: Expense Allocation			
Policy #: FIN - 102	Page 1 of 1	Adoption Date:	Revision Date: 12/07/04
Approved By:		Title: President/Chief Executive Officer	
Approved By:		Title: Program Vice President/CQI Chairperson	
Distribution Date:			
Authority Reference:			

The Florida Center for Child and Family Development (The Florida Center) complies with Generally Accepted Accounting Principles. Expenses of The Florida Center are allocated across Departments and their associated programs as they are incurred or are prepaid (e.g. liability insurance). The basis of allocation/distribution (square footage, headcount, etc.) must logically relate to the type of costs being allocated and in reasonable proportion to the benefits received. The method for allocation may use one or more of the methodologies outlined below.

1. **Allocation by Percentage** – A portion of an expense directly associated with staff assigned to a department. Semi annually the Chief Financial Officer (CFO) shall meet with department Managers to review staffing patterns including; actual work hours to planned work hours, and future staffing needs against current and future planned contracts and fee for service. Based on this review, staff compensation and fringe benefits will be allocated to a department/program based on actual work hours (non-exempt worker), or as a percentage of salary (exempt worker) assigned to a particular department or program.
2. **Allocation by Expense Incurred** - Those expenses directly related to operation of a specific program(s) or department.
3. **Allocation as a shared expense** - Those expenses such as utilities which might be shared by departments/programs associated with a site location.
4. **Allocation agency wide** - Incurred expenses for the common good of the organization/division which are distributed across the entire organization based on such criteria as the number of staff to total staff (headcount), the percent a department total expense is to Center/Division expense, and/or the square footage occupied by a particular program or service.