ORDINANCE NO. 89
Series of 2026



"AN ORDINANCE ADOPTING THE REVISED REVENUE CODE 2026 OF THE MUNICIPALITY OF CARMEN, PROVINCE OF SURIGAO DEL SUR"

(TOOLKIT 2)

MUNICIPALITY OF CARMEN
SURIGAO DEL SUR

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
  * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receives accomplished Unified Business Application Form together with documentary requirements for Dealer/Distributor- Small, encode the application in the system, verifies correctness of entry and the documentary requirements then print the Tax Order of Payment
2	Signify the application, approves payment then issue Official Receipt
3	Issue, approves, record and release Mayor's Permit
4	Perform actual inspection
5	

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
  * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
  * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receives accomplished Unified Business Application Form together with documentary requirements for Dealer/Distributor- Small, encode the application in the system, verifies correctness of entry and the documentary requirements then print the Tax Order of Payment	BPLO, MTO	All MTO Personnel, BPLO Designate	Unified Form, Bond Paper, Ink, Ballpen
2	Signify the application, approves payment then issue Official Receipt	BPLO, MTO	BPLO Designate,MT, AMT, RCC	Ballpen, Official Receipt
3	Issue, approves, record and release Mayor's Permit	BPLO,Mayor's Office, MTO	BPLO Designate, Municipal Mayor, Admin. Aide	Linen Paper A4, Bond Paper, Ballpen, ink, Business Plate, Sticker, Logbook
4	Perform actual inspection	Mayor's Office,BPLO, MHO,MEO, MPDO,MAO	BPLO Designate, Executive Assistant-Representative, Municipal Health Officer-Representative(**Maximo D. Guarte/Sanitary Inspector**), Municipal Engineer-Representative(**Joegie E. Cabatuan/Admin. Aide VI**), Municipal Planning Officer-Representative(**Kathleen Jay U. Orozco/Admin. Aide IV**), Municipal Agriculturist-Representative(**Queven P. Tisbe/Agri'l Technologist**), Municipal Environment and Natural Resources Officer-Representative(**Rachel Ontolan/Envi. Mgmt. Specialist**)	Bond Paper, Ink, Ballpen
5	-			

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
  * Routine(same procedure and effort for each applicant)
  * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receives accomplished Unified Business Application Form together with documentary requirements for Dealer/Distributor- Small, encode the application in the system, verifies correctness of entry and the documentary requirements then print the Tax Order of Payment	BPLO, MTO	All MTO Personnel, BPLO Designate	Unified Form, Bond Paper, Ink, Ballpen	Routine
2	Signify the application, approves payment then issue Official Receipt	BPLO, MTO	BPLO Designate,MT, AMT, RCC	Ballpen, Official Receipt	Routine
3	Issue, approves, record and release Mayor's Permit	BPLO,Mayor's Office, MTO	BPLO Designate, Municipal Mayor, Admin. Aide	Linen Paper A4, Bond Paper, Ballpen, ink, Business Plate, Sticker, Logbook	Routine
4	Perform actual inspection	Mayor's Office,BPLO, MHO,MEO, MPDO,MAO	BPLO Designate, Executive Assistant-Representative, Municipal Health Officer-Representative(Maximo D. Guarte/Sanitary Inspector), Municipal Engineer-Representative(Joegie E. Cabatuan/Admin. Aide VI), Municipal Planning Officer-Representative(Kathleen Jay U. Orozco/Admin. Aide IV), Municipal Agriculturist-Representative(Queven P. Tisbe/Agri'l Technologist), Municipal Environment and Natural Resources Officer-Representative(Rachel Ontolan/Envi. Mgmt. Specialist)	Bond Paper, Ink, Ballpen	Special
5	-	-	-	-	

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8.Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Mayor's Permit:Dealer/Distributor-Small	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Marilou A. Aspril-Mun. Treas.	SG24/S2	62,897	754,764	291,794	837,246.40	2.9%	24,280.15
Mary Jane C. Cantutay-AMT/BPLO	SG22/S1	48,974	587,688	221,948	647,708.80	5.9%	38,214.82
Luzviminda A. Datoy-RCC II	SG7/S1	12,529	150,348	65,058	172,324.80	2.9%	4,997.42
Nora D. Ogdoc-Admin Aide	SG1/S1	8,762	105,144	57,424	130,054.40	1.0%	1,300.54
Jane V. Plaza-Mun. Mayor	SG27/S3	93,052	1,116,624	377,304	1,195,142.40	0.2%	2,390.28
Minda R. Cosmiano-Admin Aide	SG6/S8	11,964	143,568	64,928	166,796.80	0.4%	667.19
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	71,850.40

STEP 4.B COST OF TRANSPORTATION

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection

Column 2. Identify the number of vehicles used for inspection.

Column 3. Verify unit cost of vehicle

Column 4. Determine the total cost by multiplying columns 2 and 3

Column 5. Apply the depreciation rate (Note: Economic life of a vehicle is 10 years)

Column 6. Compute for the annual depreciation cost by multiplying columns 4 and 5.

Column 7. Verify from the City Accounting Office the actual amount spent for maintenance of the vehicle used for inspection. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.

Column 8. Determine the frequency of use of the vehicle. In the specific case sample, half day use from February to November is 44/52 weeks x .5 days. Note that the LGUs may devise other method to determine the actual frequency of use of vehicle.

Column 9. Compute the cost of vehicle for inspection by adding columns 6 and 7 thenmultiply the frequency of use in column 8.

Table 5:

Variable Cost - Vehicle

List of Vehicle/s	Number of Vehicles	Unit Cost	Total Cost	Depreciation Rate/Year	Annual Depreciation Cost	Maintenance cost	Percentage of use for inspection per week	Annual cost of vehicle for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)
					-			-
							TOTAL	-

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection

Column 2. Identify the number of vehicles used for inspection

Column 3. Verify the average cost of fuel per liter

Column 4. Check the average weekly consumption in liters

Column 5. There are 52 weeks in one year. Identify the number of weeks the vehicles(s) has been used in a year.

Column 6. Compute for annual cost of fuel for 1 year by multiplying columns 2, 3, 4 and 5.

Column 7. Determine the percentage for the frequency of use of the vehicle for inspection. In the specific case sample, half day use from February to November is 44/52 weeks X .5 days. Note that the LGUs may devise other method to determine the actual percentage for the frequency of use of the vehicle.

Column 8. Compute the cost of fuel for inspection activities by multiplying columns 6 and 7.

Table 6:

Variable Cost - Fuel

List of vehicle/s	Number of Vehicles	Average Cost per liter	Ave. weekly consumption in liters	Number of weeks in one year	Annual Cost of fuel for the vehicle	Percentage of use for inspection per week	Annual cost for Fuel for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
					-		-
						TOTAL	-

If the LGU does not provide vehicles for inspection, but only allows the reimbursement of actual transportation expenses, the annual cost should be computed by determining the monthly reimbursements multiplied by 12

Table 7:

Variable Cost - Allowance/Reimbursement for Fuel

Name and Position	Transportation Cost based on Allowance/Reimbursements		% Time assigned in the delivery of the "Mayor's Permit:Dealer/Distributor-Small"	Annual Cost of the Service
	Average Monthly	Annual Allowance	(col 4)	
(col 1)	(col 2)	(col 3)		(col 5)
Mary Jane C. Cantutay-Asst. Mun. Treas./BPLO Designate	300	1,200	6%	70.80
Maximo D. Guarte- Sanitary Inspector	300	1,200	6%	70.80
Joegie E. Cabatuan-Admin. Aide VI	300	1,200	6%	70.80
Kathleen Jay U. Orozco-Admin Aide IV	300	1,200	6%	70.80
Queven P. Tisbe-Agri'l Technologist	300	1,200	6%	70.80
Rachel Ontolan-Envi.Mgt. Specialist	300	1,200	6%	70.80
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
			TOTAL	424.80

TOTAL OF VEHICLE AND FUEL:	-

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed a approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	248		
Bond paper	744	0.50	372.00
business plate	50	250.00	12,500.00
sticker	198	20.00	3,960.00
official receipts	749	5.10	3,819.90
logbook	1	205.00	205.00
linen paper A4	496	2.00	992.00
Ballpen	40	7.50	300.00
		TOTAL	22,148.90

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.
Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	**Estimated Routine Variable Cost Per Application**
Annual Number of Applications	**248**	
Variable Costs		
Routine Personnel	**71,850.40**	**289.72**
Travel Reimbursement	**424.80**	**1.71**
Other Supplies/Forms/Materials	**22,148.90**	**89.31**
TOTAL	**94,424.10**	**380.74**

STEP 5. ALLOCATE THE VARIABLE COST FOR SPECIAL ACTIVITIES

Name and position	SG/Step	Monthly Salary	Annual Salary	Other compensation	Total Annual Compensation	% time allocated for the service	Annual cost of service for transaction
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Mary Jane C. Cantutay	SG22/S1	48,974.00	587,688.00	221,948.00	647,798.80	5.00%	28,214.82
Maximo D. Guarte	SG6/S8	17,806.00	213,672.00	148,330.00	290,001.60	5.00%	17,110.09
Joegie E. Cabotuan	SG6/S2	11,986.00	143,832.00	63,982.00	166,253.20	5.00%	9,814.96
Kathleen Jay U. Orozco	SG4/S1	10,495.00	125,940.00	60,990.00	149,544.00	5.00%	8,823.10
Quevin P. Tiaba	SG10/S2	15,663.00	187,956.00	71,826.00	207,425.60	5.00%	12,288.11
Rachel Ontalan	SG15/S1	24,568.00	294,816.00	89,136.00	307,161.60	5.00%	18,122.53
			-		-		-
					TOTAL		104,323.61

Instructions in Filling the Form

Column 1 - List the staff assigned to the "Special" Activity/ies.
Column 2 - Match the salary grade for each staff
Column 3 - Fill out the salary rate/month for each staff.
Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months
Column 5, Identify all other remunerations regularly received by the staff. Other benefits include RATA, PERA, year end benefits and other remunerations received.
Column 6, Sum up columns 4 and 5
Column 7,Estimate the annual % of time each staff performs directly to the issuance of the subject service. The rate shall be provided by the concerned unit head.
Column 8,Get the total cost for the Special Activity by adding the cost for each staff involved in delivering the service.
Proceed to the weight allocation. (The weight allocation may vary depending on the appropriate basis to the scenario within an LGU)

Basis (2) Simple and Complex

CATEGORIES	No. of Personnel	Weight	Allocation
Simple		#DIV/0!	#DIV/0!
Complex		#DIV/0!	#DIV/0!
		#DIV/0!	#DIV/0!

*Note: this option to apply the weight allocation based on the combination of the previous two options

** Where Manufacturers and Contractors were viewed to have both simple and complex business structures

*** Hence, the further classification as to simple not complex within the classification of Manufacturers and Contractors.

Basis (1) Per Business Classification

CLASSIFICATION	Weight	Allocation
Manufacturer		#DIV/0!
Wholesalers		#DIV/0!
Exporters		#DIV/0!
Retailers		#DIV/0!
Contractors		#DIV/0!
Banks and other institutions		#DIV/0!
Peddlers		#DIV/0!
Others		#DIV/0!
	0	#DIV/0!

Weight Allocation According to Complexity and Business Classification

	BUSINESS CLASSIFICATION		Simple Weight	Complex Weight	Total	Simple	Complex
With Complex	Manufacturer	#DIV/0!				#DIV/0!	#DIV/0!
	Wholesalers	#DIV/0!				#DIV/0!	
	Exporters	#DIV/0!				#DIV/0!	
	Retailers	#DIV/0!				#DIV/0!	
With Complex	Contractors	#DIV/0!				#DIV/0!	#DIV/0!
	Banks and other inst	#DIV/0!				#DIV/0!	
	Peddlers	#DIV/0!				#DIV/0!	
	Others	#DIV/0!				#DIV/0!	
						#DIV/0!	#DIV/0!

Note: Other basis may be used (e. g. the DTI classification as to Cottage, Small, etc)

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Mayor's Permit: Dealer/Distributor-Small" Fee (col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Mayor's Permit: Dealer/Distributor-Small" (%)	13.0%
Share of Cost attributable to delivering the service (Php)	78,610.22

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	10%	10,500	2,100	12,600	25%	3,150
Computers	3	50,000	150,000.00	5%	7,500	1,500	9,000	20%	1,800
Photocopier			-		-	-	-		-
								Sub-Total	4,950
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	3%	300	60	360	20%	72
Tables and Chairs	4	2,000	8,000.00	3%	240	48	288	20%	58
								Sub-Total	130
								TOTAL	5,079.60

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices involved in the delivery of** "Mayor's Permit:Dealer/Distributor-Small" **Fee**
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	**17.07**
Kilowatt consumption/hour for the unit delivering the service	**5.63**
Number of operating hours per day	**8.00**
Number of days per year	**250.00**
Electricity cost per year	**192,208.20**
Percent of work for the service rendered	**13.00%**
Net electricity cost attributed to "Subject Service" service	24,987.07

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water	
Particulars	**Offices involved in the delivery of** "Mayor's Permit:Dealer/Distributor-Small" **Fee**
(col 1)	(col 2)
Number of People	**11**
Water bill per person per month	
Estimated water bill of the office per year	**9,300.00**
Percent of work for the service rendered	**13.00%**
Net cost of water attributed to delivery of "Subject Service".	1,209.00

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication	
Particulars	**Offices involved in the delivery of** "Mayor's Permit:Dealer/Distributor-Small" **Fee**
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	
Rate of subscription per month	
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	
Net cost of telephone/mobile services attributed to processing	-

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3.

NOTE: Note: The LGU may have other major fixed costs not mentioned in this illustration. When costs are significant, those fixed cost must be identified and added in the template. Conversely, costs that are negligible may be dropped from the calculations.

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for "Mayor's Permit: Dealer/Distributor-Small" Fees	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services	**18000**	**10%**	**1,800.00**
Regular Office Supplies			-
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**1,800.00**

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs		
Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	248	
Office Space	78,610.22	316.98
Utilities	26,196.07	105.63
Electricity	24,987.07	100.75
Water	1,209.00	4.88
Communication	-	-
Equipment and Furniture	5,079.60	20.48
Other Fixed Cost	1,800.00	7.26
TOTAL	111,685.88	450.35

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge:

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	310,433.60	Total Collection on Fees and/or Charges	124,000.00	(186,433.60)	(0.60)	Reasonable
Number of Applications Processed	248	Number of Applications Processed	248			
Average Fee Rate	1,251.75	Average Fee Rates	500.00	(751.75)	(0.60)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance [-/+] of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service. 8

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of Issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	310,433.60	Total Revenue	124,000.00	(186,433.60)	-60%
Total Number of Applicants	248	Number of Applications Processed	248		
Average Fee Rate	1,251.75	Average Fee Rates	500.00	(751.75)	-60%

10,594.00 Total

Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[redacted]	STD-VAR	STD-FXD	[redacted]			
Simple	#DIV/0!		#DIV/0!	[redacted]	380.74	450.35	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	380.74	450.35	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

[redacted]				[redacted]	STD-VAR	STD-FXD	[redacted]			
Classification	Allocation	% of Applicants	Number							
Manufacturer	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!			[redacted]			[redacted]			
Others	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!

Total 0%
100%

Ok ok

235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
#REF!		-							
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Mayor's Permit Retailer Small	500	1251.75	0.6	Increase to 1,300.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receives accomplished Unified Business Application Form together with documentary requirements for Dealer/Distributor- Medium, encode the application in the system, verifies correctness of entry and the documentary requirements then print the Tax Order of Payment
2	Signify the application, approves payment then issue Official Receipt
3	Issue, approves, record and release Mayor's Permit
4	Perform actual inspection
5	

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receives accomplished Unified Business Application Form together with documentary requirements for Dealer/Distributor- Medium, encode the application in the system, verifies correctness of entry and the documentary requirements then print the Tax Order of Payment	BPLO, MTO	All MTO Personnel, BPLO Designate	Unified Form, Bond Paper, Ink, Ballpen
2	Signify the application, approves payment then issue Official Receipt	BPLO, MTO	BPLO Designate,MT, AMT, RCC	Ballpen, Official Receipt
3	Issue, approves, record and release Mayor's Permit	BPLO,Mayor's Office, MTO	BPLO Designate, Municipal Mayor, Admin. Aide	Linen Paper A4, Bond Paper, Ballpen, ink, Business Plate, Sticker, Logbook
4	Perform actual inspection	Mayor's Office,BPLO, MHO,MEO, MPDO,MAO	BPLO Designate, Executive Assistant-Representative, Municipal Health Officer-Representative(**Maximo D. Guarte/Sanitary Inspector**), Municipal Engineer-Representative(**Joegie E. Cabatuan/Admin. Aide VI**), Municipal Planning Officer-Representative(**Kathleen Jay U. Orozco/Admin. Aide IV**), Municipal Agriculturist-Representative(**Queven P. Tisbe/Agri'l Technologist**), Municipal Environment and Natural Resources Officer-Representative(**Rachel Ontolan/Envi. Mgmt. Specialist**)	Bond Paper, Ink, Ballpen
5		-		

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receives accomplished Unified Business Application Form together with documentary requirements for Dealer/Distributor- Medium, encode the application in the system, verifies correctness of entry and the documentary requirements then print the Tax Order of Payment	BPLO, MTO	All MTO Personnel, BPLO Designate	Unified Form, Bond Paper, Ink, Ballpen	Routine
2	Signify the application, approves payment then issue Official Receipt	BPLO, MTO	BPLO Designate,MT, AMT, RCC	Ballpen, Official Receipt	Routine
3	Issue, approves, record and release Mayor's Permit	BPLO,Mayor's Office, MTO	BPLO Designate, Municipal Mayor, Admin. Aide	Linen Paper A4, Bond Paper, Ballpen, ink, Business Plate, Sticker, Logbook	Routine
4	Perform actual inspection	Mayor's Office,BPLO, MHO,MEO, MPDO,MAO	BPLO Designate, Executive Assistant-Representative, Municipal Health Officer-Representative(Maximo D. Guarte/Sanitary Inspector), Municipal Engineer-Representative(Joegie E. Cabatuan/Admin. Aide VI), Municipal Planning Officer-Representative(Kathleen Jay U. Orozco/Admin. Aide IV), Municipal Agriculturist-Representative(Queven P. Tisbe/Agri'l Technologist), Municipal Environment and Natural Resources Officer-Representative(Rachel Ontolan/Envi. Mgmt. Specialist)	Bond Paper, Ink, Ballpen	Special
5		-	-	-	-	

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8.Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Mayor's Permit:Dealer/Distributor-Medium	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Marilou A. Aspril-Mun. Treas.	SG24/S2	62,897	754,764	291,794	837,246.40	5.9%	49,397.54
Mary Jane C. Cantutay-AMT/BPLO	SG22/S1	48,974	587,688	221,948	647,708.80	8.8%	56,998.37
Luzviminda A. Datoy-RCC II	SG7/S1	12,529	150,348	65,058	172,324.80	3.9%	6,720.67
Nora D. Ogdoc-Admin Aide	SG1/S1	8,762	105,144	57,424	130,054.40	1.0%	1,300.54
Jane V. Plaza-Mun. Mayor	SG27/S3	93,052	1,116,624	377,304	1,195,142.40	0.2%	2,390.28
Minda R. Cosmiano-Admin Aide	SG6/S8	11,964	143,568	64,928	166,796.80	1.0%	1,667.97
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	118,475.38

STEP 4.B COST OF TRANSPORTATION

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection
Column 2. Identify the number of vehicles used for inspection.
Column 3. Verify unit cost of vehicle
Column 4. Determine the total cost by multiplying columns 2 and 3
Column 5. Apply the depreciation rate (Note: Economic life of a vehicle is 10 years)
Column 6. Compute for the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Verify from the City Accounting Office the actual amount spent for maintenance of the vehicle used for inspection. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.

Column 8. Determine the frequency of use of the vehicle. In the specific case sample, half day use from February to November is 44/52 weeks x .5 days. Note that the LGUs may devise other method to determine the actual frequency of use of vehicle.
Column 9. Compute the cost of vehicle for inspection by adding columns 6 and 7 thenmultiply the frequency of use in column 8.

Table 5:

Variable Cost - Vehicle

List of Vehicle/s	Number of Vehicles	Unit Cost	Total Cost	Depreciation Rate/Year	Annual Depreciation Cost	Maintenance cost	Percentage of use for inspection per week	Annual cost of vehicle for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)
					-			-
							TOTAL	-

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection
Column 2. Identify the number of vehicles used for inspection
Column 3. Verify the average cost of fuel per liter
Column 4. Check the average weekly consumption in liters
Column 5. There are 52 weeks in one year. Identify the number of weeks the vehicles(s) has been used in a year.
Column 6. Compute for annual cost of fuel for 1 year by multiplying columns 2, 3, 4 and 5.
Column 7. Determine the percentage for the frequency of use of the vehicle for inspection. In the specific case sample, half day use from February to November is 44/52 weeks X .5 days.
Note that the LGUs may devise other method to determine the actual percentage for the frequency of use of the vehicle.
Column 8. Compute the cost of fuel for inspection activities by multiplying columns 6 and 7.

Table 6:

Variable Cost - Fuel

List of vehicle/s	Number of Vehicles	Average Cost per liter	Ave. weekly consumption in liters	Number of weeks in one year	Annual Cost of fuel for the vehicle	Percentage of use for inspection per week	Annual cost for Fuel for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
					-		-
							-
						TOTAL	-

If the LGU does not provide vehicles for inspection, but only allows the reimbursement of actual transportation expenses, the annual cost should be computed by determining the monthly reimbursements multiplied by 12

Table 7:

Variable Cost - Allowance/Reimbursement for Fuel

Name and Position	Transportation Cost based on Allowance/Reimbursements		% Time assigned in the delivery of the "Mayor's Permit:Dealer/Distributor-Medium"	Annual Cost of the Service
	Average Monthly	Annual Allowance	(col 4)	
(col 1)	(col 2)	(col 3)		(col 5)
Mary Jane C. Cantutay-Asst. Mun. Treas./BPLO Designate	300	1,200	9%	105.60
Maximo D. Guarte- Sanitary Inspector	300	1,200	9%	105.60
Joegie E. Cabatuan-Admin. Aide VI	300	1,200	9%	105.60
Kathleen Jay U. Orozco-Admin Aide IV	300	1,200	9%	105.60
Quaven P. Tisbe-Agri'l Technologist	300	1,200	9%	105.60
Rachel Ontolan-Envi.Mgt. Specialist	300	1,200	9%	105.60
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
			TOTAL	633.60

TOTAL OF VEHICLE AND FUEL:	-

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed a approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	248		
Bond paper	744	0.50	372.00
business plate	50	250.00	12,500.00
sticker	198	20.00	3,960.00
official receipts	749	5.10	3,819.90
logbook	1	205.00	205.00
linen paper A4	496	2.00	992.00
Ballpen	40	7.50	300.00
		TOTAL	22,148.90

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.
Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	**Estimated Routine Variable Cost Per Application**
Annual Number of Applications	**248**	
Variable Costs		
Routine Personnel	**118,475.38**	**477.72**
Travel Reimbursement	**633.60**	**2.55**
Other Supplies/Forms/Materials	**22,148.90**	**89.31**
TOTAL	**141,257.88**	**569.59**

STEP 5. ALLOCATE THE VARIABLE COST FOR SPECIAL ACTIVITIES

Name and position	SG/Step	Monthly Salary	Annual Salary	Other compensation	Total Annual Compensation	% time allocated for the service	Annual cost of service for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Mary Jane C. Cantutay	SG22/S1	48,974.00	587,688.00	221,948.00	647,798.80	8.80%	56,998.97
Maximo D. Guarte	SG6/S8	17,896.00	213,672.00	148,830.00	290,001.60	8.80%	25,520.14
Joegie E. Cabetuan	SG6/S3	11,996.00	143,952.00	65,892.00	166,255.20	8.80%	14,632.26
Kathleen Joy U. Orozco	SG4/S1	10,495.00	125,940.00	60,990.00	149,544.00	8.80%	13,159.87
Quevin P. Tiabe	SG10/S2	15,663.00	187,956.00	71,326.80	207,425.60	8.80%	18,253.45
Rachel Ontolan	SG15/S1	24,568.00	294,816.00	88,136.00	307,161.60	8.80%	27,030.22
			-		-		-
						TOTAL	155,601.32

Instructions in Filling the Form

Column 1 - List the staff assigned to the "Special" Activity/ies.
Column 2 - Match the salary grade for each staff.
Column 3 - Fill out the salary rate/month for each staff.
Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months
Column 5, Identify all other remunerations regularly received by the staff. Other benefits include RATA, PERA, year end benefits and other remunerations received
Column 6, Sum up columns 4 and 5
Column 7, Estimate the annual % of time each staff performs directly to the issuance of the subject service. The rate shall be provided by the concerned unit head.
Column 8, Get the total cost for the Special Activity by adding the cost for each staff involved in delivering the service.
Proceed to the weight allocation. (The weight allocation may vary depending on the appropriate basis to the scenario within an LGU)

Basis (2) Simple and Complex

CATEGORIES	No. of Personnel	Weight	Allocation
Simple		#DIV/0!	#DIV/0!
Complex		#DIV/0!	#DIV/0!
		#DIV/0!	#DIV/0!

*Here, they chose to apply the weight allocation **based on the combination of the previous two options**.

**In Davao, Manufacturers and Contractors were viewed to have both simple and complex business structures.

***In case the further classification to simple and complex within the classification of Manufacturers and Contractors

Basis (1) Per Business Classification

CLASSIFICATION	Weight	Allocation
Manufacturer		#DIV/0!
Wholesalers		#DIV/0!
Exporters		#DIV/0!
Retailers		#DIV/0!
Contractors		#DIV/0!
Banks and other institutions		#DIV/0!
Peddlers		#DIV/0!
Others		#DIV/0!
	0	#DIV/0!

Weight Allocation According to Complexity and Business Classification

BUSINESS CLASSIFICATION			Simple Weight	Complex Weight	Total	Simple	Complex
With Complex	Manufacturer	#DIV/0!				#DIV/0!	#DIV/0!
	Wholesalers	#DIV/0!				#DIV/0!	
	Exporters	#DIV/0!				#DIV/0!	
	Retailers	#DIV/0!				#DIV/0!	
With Complex	Contractors	#DIV/0!				#DIV/0!	#DIV/0!
	Banks and other inst	#DIV/0!				#DIV/0!	
	Peddlers	#DIV/0!				#DIV/0!	
	Others	#DIV/0!				#DIV/0!	
						#DIV/0!	#DIV/0!

Note: Other basis may be used (e. g. the DTI classification as to Cottage, Small, etc)

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars	Offices Involved in the delivery of "Mayor's Permit: Dealer/Distributor-Medium" Fee
(col 1)	(col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Mayor's Permit: Dealer/Distributor-Medium" (%)	21.0%
Share of Cost attributable to delivering the service (Php)	**126,985.74**

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars	Offices Involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	10%	10,500	2,100	12,600	25%	3,150
Computers	3	50,000	150,000.00	5%	7,500	1,500	9,000	20%	1,800
Photocopier			-		-	-	-		-
								Sub-Total	4,950
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	3%	300	60	360	20%	72
Tables and Chairs	4	2,000	8,000.00	3%	240	48	288	20%	58
								Sub-Total	130
								TOTAL	5,079.60

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices involved in the delivery of "Mayor's Permit:Dealer/Distributor-Medium" Fee**
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	17.07
Kilowatt consumption/hour for the unit delivering the service	5.63
Number of operating hours per day	8.00
Number of days per year	250.00
Electricity cost per year	192,208.20
Percent of work for the service rendered	21.00%
Net electricity cost attributed to "Subject Service" service	40,363.72

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water	
Particulars	**Offices involved in the delivery of "Mayor's Permit:Dealer/Distributor-Medium" Fee**
(col 1)	(col 2)
Number of People	11
Water bill per person per month	
Estimated water bill of the office per year	9,300.00
Percent of work for the service rendered	21.00%
Net cost of water attributed to delivery of "Subject Service".	1,953.00

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication	
Particulars	**Offices involved in the delivery of "Mayor's Permit:Dealer/Distributor-Medium" Fee**
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	
Rate of subscription per month	
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	
Net cost of telephone/mobile services attributed to processing	-

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3.

NOTE: Note: The LGU may have other major fixed costs not mentioned in this illustration. When costs are significant, those fixed cost must be identified and added in the template. Conversely, costs that are negligible may be dropped from the calculations.

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for "Mayor's Permit: Dealer/Distributor-Medium" Fees	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services	**18000**	**15%**	**2,700.00**
Regular Office Supplies			-
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**2,700.00**

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	248	
Office Space	126,985.74	512.04
Utilities	42,316.72	170.63
Electricity	40,363.72	162.76
Water	1,953.00	7.88
Communication	-	-
Equipment and Furniture	5,079.60	20.48
Other Fixed Cost	2,700.00	10.89
TOTAL	**177,082.06**	**714.04**

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge:

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	473,941.25	Total Collection on Fees and/or Charges	372,000.00	(101,941.25)	(0.22)	Reasonable
Number of Applications Processed	248	Number of Applications Processed	248			
Average Fee Rate	1,911.05	Average Fee Rates	1,500.00	(411.05)	(0.22)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service. 8

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	473,941.25	Total Revenue	372,000.00	(101,941.25)	22%
Total Number of Applicants	248	Number of Applications Processed	248		
Average Fee Rate	1,911.05	Average Fee Rates	1,500.00	(411.05)	22%

10,594.00

Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	Total [redacted]	STD-VAR	STD-FXD	[redacted]			
Simple	#DIV/0!		#DIV/0!	[redacted]	569.59	714.04	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	569.59	714.04	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

[redacted] Classification	Allocation	% of Applicants	Number	[redacted]	STD-VAR	STD-FXD	[redacted]			
Manufacturer	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!			[redacted]			[redacted]			
Others	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
Total	0%									
	100%									

Ok ok

	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#REF!		-							
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
										#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Mayor's Permit Retailer Small	1500	1911.05	0.74	Increase to 2,000.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
  * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receives accomplished Unified Business Application Form together with documentary requirements for Dealer/Distributor- Large, encode the application in the system, verifies correctness of entry and all the documentary requirements then print the Tax Order of Payment
2	Signify the application, approves payment then issue Official Receipt
3	Issue, approves, record and release Mayor's Permit
4	Perform actual inspection
5	

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
  * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
  * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receives accomplished Unified Business Application Form together with documentary requirements for Dealer/Distributor- Large, encode the application in the system, verifies correctness of entry and all the documentary requirements then print the Tax Order of Payment	BPLO, MTO	All MTO Personnel, BPLO Designate	Unified Form, Bond Paper, Ink, Ballpen
2	Signify the application, approves payment then issue Official Receipt	BPLO, MTO	BPLO Designate,MT, AMT, RCC	Ballpen, Official Receipt
3	Issue, approves, record and release Mayor's Permit	BPLO,Mayor's Office, MTO	BPLO Designate, Municipal Mayor, Admin. Aide	Linen Paper A4, Bond Paper, Ballpen, ink, Business Plate, Sticker, Logbook
4	Perform actual inspection	Mayor's Office,BPLO, MHO,MEO, MPDO,MAO	BPLO Designate-**Mary Jane C. Cantutay**, Executive Assistant-Representative, Municipal Health Officer-**Mary Michelle R. Paganpan**, Municipal Engineer-**Jhonamie S. Manawatao**, Municipal Planning Officer-**Arniel P. Orozco**, Municipal Agriculturist-**Laury P. Lauron**, Municipal Environment and Natural Resources Officer-**Alain P. Cabanilla**	Bond Paper, Ink, Ballpen
5	-			

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
  * Routine(same procedure and effort for each applicant)
  * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receives accomplished Unified Business Application Form together with documentary requirements for Dealer/Distributor- Large, encode the application in the system, verifies correctness of entry and all the documentary requirements then print the Tax Order of Payment	BPLO, MTO	All MTO Personnel, BPLO Designate	Unified Form, Bond Paper, Ink, Ballpen	Routine
2	Signify the application, approves payment then issue Official Receipt	BPLO, MTO	BPLO Designate,MT, AMT, RCC	Ballpen, Official Receipt	Routine
3	Issue, approves, record and release Mayor's Permit	BPLO,Mayor's Office, MTO	BPLO Designate, Municipal Mayor, Admin. Aide	Linen Paper A4, Bond Paper, Ballpen, ink, Business Plate, Sticker, Logbook	Routine
4	Perform actual inspection	Mayor's Office,BPLO, MHO,MEO, MPDO,MAO	BPLO Designate-**Mary Jane C. Cantutay**, Executive Assistant-Representative, Municipal Health Officer-**Mary Michelle R. Paganpan**, Municipal Engineer-**Jhonamie S. Manawatao**, Municipal Planning Officer-**Arniel P. Orozco**, Municipal Agriculturist-**Laury P. Lauron**, Municipal Environment and Natural Resources Officer-**Alain P. Cabanilla**	Bond Paper, Ink, Ballpen	Special
5	-	-	-	-	

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Mayor's Permit:Dealer/Distributor-Large	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Marilou A. Aspril-Mun. Treas.	SG24/S2	62,897	754,764	291,794	837,246.40	11.7%	97,957.83
Mary Jane C. Cantutay-AMT/BPLO	SG22/S1	48,974	587,688	221,948	647,708.80	11.7%	75,781.93
Joseph A. Chato	SG15/S1	24,568	294,816	65,058	287,899.20	7.8%	22,456.14
Nora D. Ogdoc-Admin Aide	SG1/S1	8,762	105,144	57,424	130,054.40	2.0%	2,601.09
Jane V. Plaza-Mun. Mayor	SG27/S3	93,052	1,116,624	377,304	1,195,142.40	0.6%	7,170.85
Minda R. Cosmiano-Admin Aide	SG6/S8	11,964	143,568	64,928	166,796.80	1.0%	1,667.97
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	207,635.81

STEP 4.B COST OF TRANSPORTATION

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection
Column 2. Identify the number of vehicles used for inspection.
Column 3. Verify unit cost of vehicle
Column 4. Determine the total cost by multiplying columns 2 and 3
Column 5. Apply the depreciation rate (Note: Economic life of a vehicle is 10 years)
Column 6. Compute for the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Verify from the City Accounting Office the actual amount spent for maintenance of the vehicle used for inspection. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.

Column 8. Determine the frequency of use of the vehicle. In the specific case sample, half day use from February to November is 44/52 weeks x .5 days. Note that the LGUs may devise other method to determine the actual frequency of use of vehicle.
Column 9. Compute the cost of vehicle for inspection by adding columns 6 and 7 thenmultiply the frequency of use in column 8.

Table 5:

Variable Cost - Vehicle

List of Vehicle/s	Number of Vehicles	Unit Cost	Total Cost	Depreciation Rate/Year	Annual Depreciation Cost	Maintenance cost	Percentage of use for inspection per week	Annual cost of vehicle for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)
					-			-
							TOTAL	-

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection
Column 2. Identify the number of vehicles used for inspection
Column 3. Verify the average cost of fuel per liter
Column 4. Check the average weekly consumption in liters
Column 5. There are 52 weeks in one year. Identify the number of weeks the vehicles(s) has been used in a year.
Column 6. Compute for annual cost of fuel for 1 year by multiplying columns 2, 3, 4 and 5.
Column 7. Determine the percentage for the frequency of use of the vehicle for inspection. In the specific case sample, half day use from February to November is 44/52 weeks X .5 days.
Note that the LGUs may devise other method to determine the actual percentage for the frequency of use of the vehicle.
Column 8. Compute the cost of fuel for inspection activities by multiplying columns 6 and 7.

Table 6:

Variable Cost - Fuel

List of vehicle/s	Number of Vehicles	Average Cost per liter	Ave. weekly consumption in liters	Number of weeks in one year	Annual Cost of fuel for the vehicle	Percentage of use for inspection per week	Annual cost for Fuel for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
					-		-
						TOTAL	-

If the LGU does not provide vehicles for inspection, but only allows the reimbursement of actual transportation expenses, the annual cost should be computed by determining the monthly reimbursements multiplied by 12

Table 7:

Variable Cost - Allowance/Reimbursement for Fuel

Name and Position	Transportation Cost based on Allowance/Reimbursements		% Time assigned in the delivery of the "Mayor's Permit:Dealer/Distributor-Large"	Annual Cost of the Service
	Average Monthly	Annual Allowance		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)
Mary Jane C. Cantutay-Asst. Mun. Treas./BPLO Designate	1200	4,800	12%	561.60
Mary Michelle R. Pagarpan-Municipal Health Officer	1200	4,800	12%	561.60
Jhonamie S. Manawetao-Municipal Engineer	1200	4,800	12%	561.60
Arniel P. Orozco-Municipal Planning and Development Officer	1200	4,800	12%	561.60
Laury P. Lauron-Municipal Agriculture Officer	1200	4,800	12%	561.60
Alain P. Cabenilla-Municipal Environment and Natural Resources Officer	1200	4,800	12%	561.60
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
			TOTAL	3,369.60

TOTAL OF VEHICLE AND FUEL:	.

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed a approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	248		
Bond paper	992	0.50	496.00
business plate	50	250.00	12,500.00
sticker	198	20.00	3,960.00
official receipts	1240	5.10	6,324.00
logbook	1	205.00	205.00
linen paper A4	744	2.00	1,488.00
Ballpen	40	7.50	300.00
		TOTAL	25,273.00

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.
Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	**Estimated Routine Variable Cost Per Application**
Annual Number of Applications	**248**	
Variable Costs		
Routine Personnel	**207,635.81**	**837.24**
Travel Reimbursement	**3,369.60**	**13.59**
Other Supplies/Forms/Materials	**25,273.00**	**101.91**
TOTAL	**236,278.41**	**952.74**

STEP 5. ALLOCATE THE VARIABLE COST FOR SPECIAL ACTIVITIES

Name and position	SG/Step	Monthly Salary	Annual Salary	Other compensation	Total Annual Compensation	% time devoted for the service	Annual cost of service for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Mary Jane C. Cantutay-BPLO Designate	SG22/S1	48,974.00	587,688.00	221,948.00	647,708.80	11.76%	75,781.93
Mary Michelle R. Pagarpan-Municipal Health Officer	SG24/S2	89,852.00	1,078,296.00	148,890.00	981,652.80	11.76%	114,853.38
Jhonnelie S. Manawatao-Municipal Engineer	SG24/S8	68,314.00	831,768.00	63,982.00	716,608.00	11.76%	83,843.14
Arriel P. Oreza-Municipal Planning and Development Officer	SG24/S1	61,887.00	742,644.00	60,990.00	642,967.20	11.76%	75,229.14
Laury P. Lauron-Municipal Agriculture Officer	SG24/S1	61,887.00	742,644.00	71,328.00	651,176.00	11.76%	76,187.59
Alvin P. Cabanlit-Municipal Environment and Natural Resources Officer	SG24/S2	63,924.00	767,088.00	89,136.00	684,979.20	11.76%	80,142.57
			-		-		-
						TOTAL	506,028.74

Instructions in Filling the Form

Column 1 - List the staff assigned to the "Special" Activity/ies.
Column 2 - Match the salary grade for each staff
Column 3 - Fill out the salary rate/month for each staff.
Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months
Column 5, Identify all other remunerations regularly received by the staff. Other benefits include RATA, PERA, year end benefits and other remunerations received by
Column 6, Sum up columns 4 and 5
Column 7,Estimate the annual % of time each staff performs directly to the issuance of the subject service. The rate shall be provided by the concerned unit head.
Column 8,Get the total cost for the Special Activity by adding the cost for each staff involved in delivering the service.
Proceed to the weight allocation. (The weight allocation may vary depending on the appropriate basis to the scenario within an LGU)

Basis (2) Simple and Complex

CATEGORIES	No. of Personnel	Weight	Allocation
Simple		#DIV/0!	#DIV/0!
Complex		#DIV/0!	#DIV/0!
		#DIV/0!	#DIV/0!

*Here, they have to analyze the weight allocation **based on the combination of the previous two options**.

** In turn, Manufacturers and Contractors were viewed to have both simple and complex business structures

*** Hence, the further identification as to simple and complex within the classification of Manufacturers and Contractors

Basis (1) Per Business Classification

CLASSIFICATION	Weight	Allocation
Manufacturer		#DIV/0!
Wholesalers		#DIV/0!
Exporters		#DIV/0!
Retailers		#DIV/0!
Contractors		#DIV/0!
Banks and other institutions		#DIV/0!
Peddlers		#DIV/0!
Others		#DIV/0!
	0	#DIV/0!

Weight Allocation According to Complexity and Business Classification

BUSINESS CLASSIFICATION			Simple Weight	Complex Weight	Total	Simple	Complex
With Complex	Manufacturer	#DIV/0!				#DIV/0!	#DIV/0!
	Wholesalers	#DIV/0!				#DIV/0!	
	Exporters	#DIV/0!				#DIV/0!	
	Retailers	#DIV/0!				#DIV/0!	
With Complex	Contractors	#DIV/0!				#DIV/0!	#DIV/0!
	Banks and other inst	#DIV/0!				#DIV/0!	
	Peddlers	#DIV/0!				#DIV/0!	
	Others	#DIV/0!				#DIV/0!	
						#DIV/0!	#DIV/0!

Note: Other basis may be used (e. g. the DTI classification as to Cottage, Small, etc)

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars	Offices Involved in the delivery of "Mayor's Permit: Dealer/Distributor Large" Fee
(col 1)	(col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Mayor's Permit: Dealer/Distributor-Large" (%)	35.00%
Share of Cost attributable to delivering the service (Php)	211,642.90

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars	ices Involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	10%	10,500	2,100	12,600	25%	3,150
Computers	3	50,000	150,000.00	5%	7,500	1,500	9,000	20%	1,800
Photocopier			-		-	-	-		-
								Sub-Total	4,950
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	3%	300	60	360	20%	72
Tables and Chairs	4	2,000	8,000.00	3%	240	48	288	20%	58
								Sub-Total	130
								TOTAL	5,079.60

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices involved in the delivery of "Mayor's Permit:Dealer/Distributor-Large" Fee**
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	**17.07**
Kilowatt consumption/hour for the unit delivering the service	**5.63**
Number of operating hours per day	**8.00**
Number of days per year	**250.00**
Electricity cost per year	**192,208.20**
Percent of work for the service rendered	**35.00%**
Net electricity cost attributed to "Subject Service" service	**67,272.87**

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water	
Particulars	**Offices involved in the delivery of "Mayor's Permit:Dealer/Distributor-Large" Fee**
(col 1)	(col 2)
Number of People	**11**
Water bill per person per month	**6**
Estimated water bill of the office per year	**9,300.00**
Percent of work for the service rendered	**35.00%**
Net cost of water attributed to delivery of "Subject Service".	3,255.00

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication	
Particulars	**Offices involved in the delivery of "Mayor's Permit:Dealer/Distributor-Large" Fee**
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	
Rate of subscription per month	
Annual cost of telephone/mobile services	**18,000.00**
Percent of work for the service rendered	**8%**
Net cost of telephone/mobile services attributed to processing	1,440.00

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3.

NOTE: Note: The LGU may have other major fixed costs not mentioned in this illustration. When costs are significant, those fixed cost must be identified and added in the template. Conversely, costs that are negligible may be dropped from the calculations.

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for "Mayor's Permit: Dealer/Distributor-Large" Fees	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services	18000	20%	3,600.00
Regular Office Supplies			-
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**3,600.00**

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	248	
Office Space	211,642.90	853.40
Utilities	71,967.87	290.19
Electricity	67,272.87	271.26
Water	3,255.00	13.13
Communication	1,440.00	5.81
Equipment and Furniture	5,079.60	20.48
Other Fixed Cost	3,600.00	14.52
TOTAL	292,290.37	1,178.59

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge:

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	1,034,597.52	Total Collection on Fees and/or Charges	496,000.00	(538,597.52)	(0.52)	Reasonable
Number of Applications Processed	248	Number of Applications Processed	248			
Average Fee Rate	4,171.76	Average Fee Rates	2,000.00	(2,171.76)	(0.52)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service. 8

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	1,034,597.52	Total Revenue	496,000.00	(538,597.52)	52%
Total Number of Applicants	248	Number of Applications Processed	248		
Average Fee Rate	4,171.76	Average Fee Rates	2,000.00	(2,171.76)	52%

		10,594.00		Total						
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[redacted]	STD-VAR	STD-FXD	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Simple	#DIV/0!		#DIV/0!	[redacted]	952.74	1,178.59	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	952.74	1,178.59	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

[redacted] Classification	Allocation	% of Applicants	Number	[redacted]	STD-VAR	STD-FXD	[redacted]			
Manufacturer	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!									
Others	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
Total	0%									
	100%									

							Ok		ok	
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
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				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
										#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Mayor's Permit on Dealer/Distributor-Large	2000.00	4171.76	-0.52	4,000.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive the accomplished Unified Business Application Form together with the documentary requirements for Other Business- Micro, and verify the completeness of the requirements.
2	Encode the application in the system and check the correctness of the entries.
3	Prepare and print the Tax Order of Payment.
4	Receive payment and issue Official Receipt.
5	Sign and approve the application by the Municipal Treasurer and BPLO.
6	Prepare and approve Mayor's Permit.
7	Record and release the Mayor's Permit to the applicant.
8	Conduct actual inspection of the business establishment.

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive the accomplished Unified Business Application Form together with the documentary requirements for Other Business- Micro, and verify the completeness of the requirements.	BPLO, MTO	Luzviminda Datoy/RCC III, Aileen Rose A. Tantoy/BPLO	Unified Form, Ballpen
2	Encode the application in the system and check the correctness of the entries.	BPLO	Aileen Rose A. Tantoy/BPLO	-
3	Prepare and print the Tax Order of Payment.	MTO	Carmelita M. Palma/AMT	Bondpaper, Ink
4	Receive payment and issue Official Receipt.	MTO	Luzviminda A. Datoy/RCC III	Official Receipt
5	Sign and approve the application by the Municipal Treasurer and BPLO.	BPLO, MTO	Aileen Rose A. Tantoy/BPLO, Carmelita M. Palma/AMT	-
6	Prepare and approve Mayor's Permit.	BPLO, Mayor's Office	Aileen Rose A. Tantoy/BPLO, Nestor S. Valeroso/Mayor, Jheian Richelle Lipao/Admin Aide I	Linen Paper A4
7	Record and release the Mayor's Permit to the applicant.	MTO	Nora D. Ogdoc/Admin Aide I	Business Plate or sticker, Logbook
8	Conduct actual inspection of the business establishment.	BPLO, MHO, MENRO, MAO, MPDO	Aileen Rose A. Tantoy/BPLO, MHO-Rep(**Maximo D. Guarte/Sanitary Inspector**), Mun. Engineer-Rep(**Joegie E. Cabatuan/Admin. Aide VI**), MPDO-Rep(**Kathleen Jay U. Orozco/Admin. Aide IV**), Mun. Agriculturist-Rep(**Anthony Rengel/Agri'l Technologist**), MENRO-Rep(**Rachel Ontolan/Envi. Mgmt. Specialist**)	Inspection Checklist/Form

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive the accomplished Unified Business Application Form together with the documentary requirements for Other Business- Micro, and verify the completeness of the requirements.	BPLO, MTO	Luzviminda Datoy/RCC III, Aileen Rose A. Tantoy/BPLO	Unified Form, Ballpen	Routine
2	Encode the application in the system and check the correctness of the entries.	BPLO	Aileen Rose A. Tantoy/BPLO	-	Routine
3	Prepare and print the Tax Order of Payment.	MTO	Carmelita M. Palma/AMT	Bondpaper, Ink	Routine
4	Receive payment and issue Official Receipt.	MTO	Luzviminda A. Datoy/RCC III	Official Receipt	Routine
5	Sign and approve the application by the Municipal Treasurer and BPLO.	BPLO, MTO	Aileen Rose A. Tantoy/BPLO, Carmelita M. Palma/AMT	-	Routine
6	Prepare and approve Mayor's Permit.	BPLO, Mayor's Office	Aileen Rose A. Tantoy/BPLO, Nestor S. Valeroso/Mayor, Jheian Richelle Lipao/Admin Aide I	Linen Paper A4	Routine
7	Record and release the Mayor's Permit to the applicant.	MTO	Nora D. Ogdoc/Admin Aide I	Business Plate or sticker, Logbook	Routine
8	Conduct actual inspection of the business establishment.	BPLO, MHO, MENRO, MAO, MPDO	Aileen Rose A. Tantoy/BPLO, MHO-Rep(**Maximo D. Guarte/Sanitary Inspector**), Mun. Engineer-Rep(**Joegie E. Cabatuan/Admin. Aide VI**), MPDO-Rep(**Kathleen Jay U. Orozco/Admin. Aide IV**), Mun. Agriculturist-Rep(**Anthony Rengel/Agri'l Technologist**), MENRO-Rep(**Rachel Ontolan/Envi. Mgmt. Specialist**)	Inspection Checklist/Form	Special

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Mayor's Permit: Other Businesses-Micro	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - Acting MT	SG14/S1	27,768.00	333,216.00	253,536.00	469,401.60	0.02%	93.88
Aileen Rose A. Tantoy - LRCO I/BPLO	SG11/S1	22,731.00	272,772.00	93,462.00	292,987.20	0.04%	117.19
Luzviminda A. Datoy - RCC III	SG9/S1	17,420.00	209,040.00	82,840.00	233,504.00	0.03%	70.05
Nora D. Ogdoc - Admin Aide	SG1/S1	10,623.00	127,476.00	69,246.00	157,377.60	0.01%	15.74
Nestor S. Valeroso - Mayor	SG27/S3	106,997.00	1,283,964.00	441,894.00	1,380,766.40	0.01%	138.08
Jhelan Richelle Lipao - Admin Aide	SG1/S1	10,546.00	126,552.00	69,092.00	156,515.20	0.01%	15.65
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	450.59

STEP 4.B COST OF TRANSPORTATION

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection
Column 2. Identify the number of vehicles used for inspection.
Column 3. Verify unit cost of vehicle
Column 4. Determine the total cost by multiplying columns 2 and 3
Column 5. Apply the depreciation rate (Note: Economic life of a vehicle is 10 years)
Column 6. Compute for the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Verify from the City Accounting Office the actual amount spent for maintenance of the vehicle used for inspection. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.

Column 8. Determine the frequency of use of the vehicle. In the specific case sample, half day use from February to November is 44/52 weeks x .5 days. Note that the LGUs may devise other method to determine the actual frequency of use of vehicle.
Column 9. Compute the cost of vehicle for inspection by adding columns 6 and 7 thenmultiply the frequency of use in column 8.

Table 5:

Variable Cost - Vehicle

List of Vehicle/s	Number of Vehicles	Unit Cost	Total Cost	Depreciation Rate/Year	Annual Depreciation Cost	Maintenance cost	Percentage of use for inspection per week	Annual cost of vehicle for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)
					-			-
							TOTAL	-

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection
Column 2. Identify the number of vehicles used for inspection
Column 3. Verify the average cost of fuel per liter
Column 4. Check the average weekly consumption in liters
Column 5. There are 52 weeks in one year. Identify the number of weeks the vehicles(s) has been used in a year.
Column 6. Compute for annual cost of fuel for 1 year by multiplying columns 2, 3, 4 and 5.
Column 7. Determine the percentage for the frequency of use of the vehicle for inspection. In the specific case sample, half day use from February to November is 44/52 weeks X .5 days. Note that the LGUs may devise other method to determine the actual percentage for the frequency of use of the vehicle.
Column 8. Compute the cost of fuel for inspection activities by multiplying columns 6 and 7.

Table 6:

Variable Cost - Fuel

List of vehicle/s	Number of Vehicles	Average Cost per liter	Ave. weekly consumption in liters	Number of weeks in one year	Annual Cost of fuel for the vehicle	Percentage of use for inspection per week	Annual cost for Fuel for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
					-		-
						TOTAL	-

If the LGU does not provide vehicles for inspection, but only allows the reimbursement of actual transportation expenses, the annual cost should be computed by determining the monthly reimbursements multiplied by 12

Table 7:

Variable Cost - Allowance/Reimbursement for Fuel

Name and Position	Transportation Cost based on Allowance/Reimbursements		% Time assigned in the delivery of the "Mayor's Permit: Other Businesses-Micro"	Annual Cost of the Service
	Average Monthly	Annual Allowance	(col 4)	
(col 1)	(col 2)	(col 3)		(col 5)
Aileen Rose A. Tantoy - LRCO I/BPLO	300	1,200	6%	72.00
Maximo D. Guarte- Sanitary Inspector	300	1,200	6%	72.00
Joegie E. Cabatuan-Admin. Aide VI	300	1,200	5%	60.00
Kathleen Jay U. Orozco-Admin Aide IV	300	1,200	5%	60.00
Anthony Rengel-Agri'l Technologist	300	1,200	5%	60.00
Rachel Ontolan-Envi.Mgt. Specialist	300	1,200	5%	60.00
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
			TOTAL	384.00

TOTAL OF VEHICLE AND FUEL:	-

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed a approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	4		
Bond paper	12	0.50	6.00
Official Receipts	8	3.40	27.20
Linen Paper A4	4	2.00	8.00
			-
			-
			-
			-
		TOTAL	41.20

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs

	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	4	
Variable Costs		
Routine Personnel	450.59	112.65
Travel Reimbursement	384.00	96.00
Other Supplies/Forms/Materials	41.20	10.30
TOTAL	875.79	218.95

STEP 5. ALLOCATE THE VARIABLE COST FOR SPECIAL ACTIVITIES

Name and position	SG/Step	Monthly Salary	Annual Salary	Other compensation	Total Annual Compensation	% time allocated for the service	Annual cost of service for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Aileen Rose A. Tantoy - BPLO Designate	**SG11/S1**	**22,791.00**	**273,772.00**	**93,482.00**	**292,987.20**	**0.06%**	**175.79**
Maximo O. Guarte - Sanitary Inspector	**SG6/S6**	**19,963.00**	**239,556.00**	**87,826.00**	**261,985.60**	**0.06%**	**157.19**
Joegie E. Cabaturan - Admin Aide IV	**SG6/S3**	**14,537.00**	**174,444.00**	**77,074.00**	**201,214.40**	**0.04%**	**80.49**
Kathleen Joy U. Orozco - Admin Aide IV	**SG4/S2**	**12,719.00**	**152,628.00**	**73,438.00**	**180,852.80**	**0.04%**	**72.34**
Anthony Reagel - Agric'l Technologist	**SG10/S1**	**19,190.00**	**230,280.00**	**86,380.00**	**253,328.00**	**0.04%**	**101.33**
Rachel Ontolan - Envl.Mgt. Specialist	**SG15/S1**	**30,453.00**	**365,436.00**	**108,906.00**	**379,473.60**	**0.04%**	**151.79**
			-		-		-
						TOTAL	738.93

Instructions in Filling the Form

Column 1 - List the staff assigned to the "Special" Activity/ies.
Column 2 - Match the salary grade for each staff
Column 3 - Fill out the salary rate/month for each staff.
Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months
Column 5, Identify all other remunerations regularly received by the staff. Other benefits include RATA, PERA, year end benefits and other remunerations
Column 6, Sum up columns 4 and 5
Column 7,Estimate the annual % of time each staff performs directly to the issuance of the subject service. The rate shall be provided by the concerned unit
Column 8,Get the total cost for the Special Activity by adding the cost for each staff involved in delivering the service
Proceed to the weight allocation (The weight allocation may vary depending on the appropriate basis to the scenario within an LGU)

Basis (2) Simple and Complex

CATEGORIES	No. of Personnel	Weight	Allocation
Simple		#DIV/0!	#DIV/0!
Complex		#DIV/0!	#DIV/0!
		#DIV/0!	#DIV/0!

*Here, they have to provide the weight allocation based on the combination of the previous two options.

** In here, Manufacturers and Contractors were placed in both simple and complex business structures

*** Below, the further weight given to a complex structure within the designated manufacturers and contractors

Basis (1) Per Business Classification

CLASSIFICATION	Weight	Allocation
Manufacturer		#DIV/0!
Wholesalers		#DIV/0!
Exporters		#DIV/0!
Retailers		#DIV/0!
Contractors		#DIV/0!
Banks and other institutions		#DIV/0!
Peddlers		#DIV/0!
Others		#DIV/0!
	0	#DIV/0!

Weight Allocation According to Complexity and Business Classification

BUSINESS CLASSIFICATION			Simple Weight	Complex Weight	Total	Simple	Complex
With Complex	Manufacturer	#DIV/0!				#DIV/0!	#DIV/0!
	Wholesalers	#DIV/0!				#DIV/0!	
	Exporters	#DIV/0!				#DIV/0!	
	Retailers	#DIV/0!				#DIV/0!	
With Complex	Contractors	#DIV/0!				#DIV/0!	#DIV/0!
	Banks and other insti	#DIV/0!				#DIV/0!	
	Peddlers	#DIV/0!				#DIV/0!	
	Others	#DIV/0!				#DIV/0!	
						#DIV/0!	#DIV/0!

Note: Other basis may be used (e. g. the DTI classification as to Cottage, Small, etc)

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars	Offices involved in the delivery of "Mayor's Permit: Other Businesses-Micro" Fee
(col 1)	(col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Mayor's Permit: Other Businesses-Micro" (%)	0.12%
Share of Cost attributable to delivering the service (Php)	725.63

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars	Offices involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices involved in the delivery of "Mayor's Permit: Other Businesses-Micro" Fee**
(col 1)	**(col 2)**
Electricity rate per kilowatt hour (Php)	**17.07**
Kilowatt consumption/hour for the unit delivering the service	**5.63**
Number of operating hours per day	**8.00**
Number of days per year	**264.00**
Electricity cost per year	**202,971.86**
Percent of work for the service rendered	**0.12%**
Net electricity cost attributed to "Subject Service" service	243.57

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water	
Particulars	**Offices involved in the delivery of "Mayor's Permit: Other Businesses-Micro" Fee**
(col 1)	**(col 2)**
Number of People	**10**
Water bill per person per month	**77.50**
Estimated water bill of the office per year	**9,300.00**
Percent of work for the service rendered	**0.12%**
Net cost of water attributed to delivery of "Subject Service".	11.16

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication	
Particulars	**Offices involved in the delivery of "Mayor's Permit: Other Businesses Micro" Fee**
(col 1)	**(col 2)**
Number of telephone/cellphone lines in the Office delivering the	
Rate of subscription per month	
Annual cost of telephone/mobile services	
Percent of work for the service rendered	
telephone/mobile services attributed to processing and issuance of "Subject	

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.40%	100.80
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.40%	144.00
Photocopier			-		-	-	-		-
								Sub-Total	244.80
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.40%	4.80
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.40%	3.84
								Sub-Total	8.64
								TOTAL	253.44

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3.

NOTE: Note: The LGU may have other major fixed costs not mentioned in this illustration. When costs are significant, those fixed cost must be identified and added in the template. Conversely, costs that are negligible may be dropped from the calculations.

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for "Mayor's Permit: Other Businesses-Micro" Fees	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services	**18,000.00**	**1%**	**180.00**
Regular Office Supplies			-
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**180.00**

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	4	
Office Space	725.63	181.41
Utilities	254.73	63.68
Electricity	243.57	60.89
Water	11.16	2.79
Communication	-	-
Equipment and Furniture	253.44	63.36
Other Fixed Cost	180.00	45.00
TOTAL	1,413.80	353.45

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Mayor's Permit: Other Business - Micro

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	3,028.52	Total Collection on Fees and/or Charges	-	(3,028.52)	(1.00)	Reasonable
Number of Applications Processed	4	Number of Applications Processed	4			
Average Fee Rate	757.13	Average Fee Rates	-	(757.13)	(1.00)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service. 8

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	3,028.52	Total Revenue	-	(3,028.52)	100%
Total Number of Applicants	3	Number of Applications Processed	3		
Average Fee Rate	1,009.51	Average Fee Rates	-	(1,009.51)	100%

		10,594.00		Total			Cost per Application			
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[illegible]	STD-VAR	STD-FXD	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Simple	#DIV/0!		#DIV/0!	[illegible]	218.95	353.45	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[illegible]	218.95	353.45	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

Classification	Allocation	% of Applicants	Number	[illegible]	STD-VAR	STD-FXD	Cost per Application			
Manufacturer	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!									
Others	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!

Total: 0%
100%

Ok Ok

235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
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			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Mayor's Permit: Other Businesses- Micro	-	757.13	-1.00	Propose: 750.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.

Instructions in Filling the Form

1. Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2. Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive the accomplished Unified Business Application Form together with the documentary requirements for [illegible], and verify the completeness of the requirements.
2	Encode the application in the system and check the correctness of the entries.
3	Prepare and print the Tax Order of Payment.
4	Receive payment and issue Official Receipt.
5	Sign and approve the application by the Municipal Treasurer and BPLO.
6	Prepare and approve Mayor's Permit.
7	Record and release the Mayor's Permit to the applicant.
8	Conduct actual inspection of the business establishment.

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1. Identify the offices and all key people involved with each activity. Identify official position.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2. List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive the accomplished Unified Business Application Form together with the documentary requirements for [illegible], and verify the completeness of the requirements.	BPLO, MTO	Luzviminda Datoy/RCC III, Aileen Rose A. Tantoy/BPLO	Unified Form, Ballpen
2	Encode the application in the system and check the correctness of the entries.	BPLO	Aileen Rose A. Tantoy/BPLO	-
3	Prepare and print the Tax Order of Payment	MTO	Carmelita M. Palma/AMT	Bondpaper, Ink
4	Receive payment and issue Official Receipt.	MTO	Luzviminda A. Datoy/RCC III	Official Receipt
5	Sign and approve the application by the Municipal Treasurer and BPLO.	BPLO, MTO	Aileen Rose A. Tantoy/BPLO, Carmelita M. Palma/AMT	-
6	Prepare and approve Mayor's Permit	BPLO, Mayor's Office	Aileen Rose A. Tantoy/BPLO, Nestor S. Valeroso/Mayor, Jheian Richelle Lipao/Admin Aide I	Linen Paper A4
7	Record and release the Mayor's Permit to the applicant.	MTO	Nora D. Ogdoc/Admin Aide I	Business Plate or sticker, Logbook
8	Conduct actual inspection of the business establishment.	BPLO, MHO, MENRO, MAO, MPDO	Aileen Rose A. Tantoy/BPLO, MHO-Rep(**Maximo D. Guarte/Sanitary Inspector**), Mun. Engineer-Rep(**Joegie E. Cabatuan/Admin. Aide VI**), MPDO-Rep(**Kathleen Jay U. Orozco/Admin. Aide IV**), Mun. Agriculturist Rep(**Anthony Rangel/Agri'l Technologist**), MENRO Rep(**Rachel Ontolan/Envi. Mgmt. Specialist**)	Inspection Checklist/Form

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1. Classify the activities into whether they are:

   It is highly suggested to identify one (1) special step.
   - However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.
   - It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive the accomplished Unified Business Application Form together with the documentary requirements for [illegible], and verify the completeness of the requirements.	BPLO, MTO	Luzviminda Datoy/RCC III, Aileen Rose A. Tantoy/BPLO	Unified Form, Ballpen	Routine
2	Encode the application in the system and check the correctness of the entries.	BPLO	Aileen Rose A. Tantoy/BPLO		Routine
3	Prepare and print the Tax Order of Payment.	MTO	Carmelita M. Palma/AMT	Bondpaper, Ink	Routine
4	Receive payment and issue Official Receipt.	MTO	Luzviminda A. Datoy/RCC III	Official Receipt	Routine
5	Sign and approve the application by the Municipal Treasurer and BPLO.	BPLO, MTO	Aileen Rose A. Tantoy/BPLO, Carmelita M. Palma/AMT	-	Routine
6	Prepare and approve Mayor's Permit	BPLO, Mayor's Office	Aileen Rose A. Tantoy/BPLO, Nestor S. Valeroso/Mayor, Jheian Richelle Lipao/Admin Aide I	Linen Paper A4	Routine
7	Record and release the Mayor's Permit to the applicant.	MTO	Nora D. Ogdoc/Admin Aide I	Business Plate or sticker, Logbook	Routine
8	Conduct actual inspection of the business establishment.	BPLO, MHO, MENRO, MAO, MPDO	Aileen Rose A. Tantoy/BPLO, MHO-Rep(**Maximo D. Guarte/Sanitary Inspector**), Mun. Engineer-Rep(**Joegie E. Cabatuan/Admin. Aide VI**), MPDO-Rep(**Kathleen Jay U. Orozco/Admin. Aide IV**), Mun. Agriculturist-Rep(**Anthony Rangel/Agri'l Technologist**), MENRO-Rep(**Rachel Ontolan/Envi. Mgmt. Specialist**)	Inspection Checklist/Form	Special

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of unit performing the service. e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - Acting MT	SG14/S1	27,768.00	333,216.00	253,536.00	469,401.60	0.03%	140.82
Aileen Rose A. Tantoy - LRCO I/BPLO	SG11/S1	22,731.00	272,772.00	92,462.00	292,987.20	0.05%	146.49
Luzviminda A. Datoy - RCC III	SG9/S1	17,420.00	209,040.00	82,840.00	233,504.00	0.04%	93.40
Nora D. Ogdoc - Admin Aide	SG1/S1	10,623.00	127,476.00	69,246.00	157,377.60	0.01%	15.74
Nestor S. Valeroso - Mayor	SG27/S3	106,997.00	1,283,964.00	441,994.00	1,380,766.40	0.01%	138.08
Jhelan Richelle Lipao - Admin Aide	SG1/S1	10,546.00	126,552.00	69,092.00	156,515.20	0.01%	15.65
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-

STEP 4.B COST OF TRANSPORTATION

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection
Column 2. Identify the number of vehicles used for inspection.
Column 3. Verify unit cost of vehicle
Column 4. Determine the total cost by multiplying columns 2 and 3
Column 5. Apply the depreciation rate (Note: Economic life of a vehicle is 10 years)
Column 6. Compute for the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Verify from the City Accounting Office the actual amount spent for maintenance of the vehicle used for inspection. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.

Column 8. Determine the frequency of use of the vehicle. In the specific case sample, half day use from February to November is 44/52 weeks x .5 days. Note that the LGUs may devise other method to determine the actual frequency of use of vehicle.
Column 9. Compute the cost of vehicle for inspection by adding columns 6 and 7 thenmultiply the frequency of use in column 8.

Table 5:

Variable Cost - Vehicle

List of Vehicle/s	Number of Vehicles	Unit Cost	Total Cost	Depreciation Rate/Year	Annual Depreciation Cost	Maintenance cost	Percentage of use for inspection per week	Annual cost of vehicle for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)
					-			-
							TOTAL	

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection
Column 2. Identify the number of vehicles used for inspection
Column 3. Verify the average cost of fuel per liter
Column 4. Check the average weekly consumption in liters
Column 5. There are 52 weeks in one year. Identify the number of weeks the vehicles(s) has been used in a year.
Column 6. Compute for annual cost of fuel for 1 year by multiplying columns 2, 3, 4 and 5.
Column 7. Determine the percentage for the frequency of use of the vehicle for inspection. In the specific case sample, half day use from February to November is 44/52 weeks X .5 days. Note that the LGUs may devise other method to determine the actual percentage for the frequency of use of the vehicle.
Column 8. Compute the cost of fuel for inspection activities by multiplying columns 5 and 7.

Table 6:

Variable Cost - Fuel

List of vehicle/s	Number of Vehicles	Average Cost per liter	Ave. weekly consumption in liters	Number of weeks in one year	Annual Cost of fuel for the vehicle	Percentage of use for inspection per week	Annual cost for Fuel for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
					-		-
						TOTAL	

If the LGU does not provide vehicles for inspection, but only allows the reimbursement of actual transportation expenses, the annual cost should be computed by determining the monthly reimbursements multiplied by 12

Table 7:

Variable Cost - Allowance/Reimbursement for Fuel

Name and Position	Transportation Cost based on Allowance/Reimbursements		% Time assigned in the delivery of the " "	Annual Cost of the Service
	Average Monthly	Annual Allowance		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)
Aileen Rose A. Tantoy - LRCO I/BPLO	300	1,200	6%	72.00
Maximo D. Guarte- Sanitary Inspector	300	1,200	6%	72.00
Joegie E. Cabatuan-Admin. Aide VI	300	1,200	5%	60.00
Kathleen Jay U. Orozco-Admin Aide IV	300	1,200	5%	60.00
Anthony Rengel-Agr'l Technologist	300	1,200	5%	60.00
Rachel Ontolan-Envi.Mgt. Specialist	300	1,200	5%	60.00
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-	TOTAL	-

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed a approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	3		
Bond paper	9	0.50	4.50
Official Receipts	6	3.40	20.40
Linen Paper A4	3	2.00	6.00
			-
			-
			-
			-
		TOTAL	[illegible]

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs

	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	3	
Variable Costs		
Routine Personnel	550.18	183.39
Travel Reimbursement	384.00	128.00
Other Supplies/Forms/Materials	30.90	10.30
TOTAL	965.08	321.69

STEP 5. ALLOCATE THE VARIABLE COST FOR SPECIAL ACTIVITIES

Name and position	SG/Step	Monthly Salary	Annual Salary	Other compensation	Total Annual Compensation	% time devoted for the service	Annual cost of service rendered
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Aileen Rose A. Tantoy - BPLO Designate	**SG11/S1**	**22,731.00**	**272,772.00**	**93,482.00**	**292,987.20**	**0.04%**	**117.19**
Marlene B. Gloria - Sanitary Inspector	**SG6/S8**	**19,963.00**	**239,556.00**	**87,926.00**	**261,985.60**	**0.04%**	**104.79**
Jhogie E. Cabahaan - Admin Aide IV	**SG3/S3**	**14,537.00**	**174,444.00**	**77,074.00**	**201,214.48**	**0.03%**	**60.36**
Kathleen Joy U. Orosco - Admin Aide IV	**SG4/S2**	**12,719.00**	**152,628.00**	**73,438.00**	**180,852.80**	**0.03%**	**54.26**
Anthony Bengel - Agric'l Technologist	**SG18/S1**	**19,190.00**	**230,280.98**	**86,380.00**	**253,328.00**	**0.03%**	**76.00**
Rachel Ontolan - Envl.Mgt. Specialist	**SG15/S1**	**30,953.00**	**365,436.00**	**108,906.00**	**379,473.60**	**0.03%**	**113.84**

Instructions in Filling the Form

Column 1 - List the staff assigned to the "Special" Activity/ies

Column 2 - Matches the salary grade for each staff

Column 3 - Input for salary rate/month for each staff

Column 4 - Computes for the annual salary of the staff by multiplying column 3 by 12 months

Column 5 - Identify all other compensation regularly received by the staff. Other benefits such as RATA, PERA, uniform benefits and other remunerations

Column 6 - Sum up columns 4 and 5

Column 7 - Estimate the actual time each staff performs every to the release of the export service. The rate may be provided by the concerned unit

Column 8 - Get the total cost for the Special Activity by multiplying the cost for each staff involved in the rendering the service

Basis (2) Simple and Complex

CATEGORIES	No. of Personnel	Weight	Allocation
Simple		#DIV/0!	#DIV/0!
Complex		#DIV/0!	#DIV/0!
		#DIV/0!	#DIV/0!

Basis (1) Per Business Classification

CLASSIFICATION	Weight	Allocation
Manufacturer		#DIV/0!
Wholesalers		#DIV/0!
Exporters		#DIV/0!
Retailers		#DIV/0!
Contractors		#DIV/0!
Banks and other institutions		#DIV/0!
Peddlers		#DIV/0!
Others		#DIV/0!
	0	#DIV/0!

Weight Allocation According to Complexity and Business Classification

			Simple Weight	Complex Weight	Total	Simple	Complex
With Complex	Manufacturer	#DIV/0!				#DIV/0!	#DIV/0!
	Wholesalers	#DIV/0!				#DIV/0!	
	Exporters	#DIV/0!				#DIV/0!	
	Retailers	#DIV/0!				#DIV/0!	
With Complex	Contractors	#DIV/0!				#DIV/0!	#DIV/0!
	Banks and other inst	#DIV/0!				#DIV/0!	
	Peddlers	#DIV/0!				#DIV/0!	
	Others	#DIV/0!				#DIV/0!	
						#DIV/0!	#DIV/0!

Note: Other basis may be used (e. g. the DTI classification as to Cottage, Small, etc)

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars	Offices involved in the delivery of "[illegible] " Fee
(col 1)	(col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "[illegible] " (%)	0.15%
Share of Cost attributable to delivering the service (Php)	907.04

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars	Offices involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.4%	100.80
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.4%	144.00
Photocopier			-		-	-	-		-
								Sub-Total	244.80
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.4%	4.80
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.4%	3.84
								Sub-Total	8.64
									253.44

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12

Cost of Electricity	
Particulars	Offices involved in the delivery of " " Fee
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	17.07
Kilowatt consumption/hour for the unit delivering the service	5.63
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	202,971.86
Percent of work for the service rendered	0.15%
Net electricity cost attributed to "Subject Service" service	

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13

Cost of Water	
Particulars	Offices involved in the delivery of " " Fee
(col 1)	(col 2)
Number of People	10
Water bill per person per month	77.50
Estimated water bill of the office per year	9,300.00
Percent of work for the service rendered	0.15%
Net cost of water attributed to delivery of "Subject Service"	

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14

Cost for Communication	
Particulars	Offices involved in the delivery of " " Fee
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	
Rate of subscription per month	
Annual cost of telephone/mobile services	
Percent of work for the service rendered	
telephone/mobile services attributed to processing and issuance of "Subject	

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3.

NOTE: Note: The LGU may have other major fixed costs not mentioned in this illustration. When costs are significant, those fixed cost must be identified and added in the template. Conversely, costs that are negligible may be dropped from the calculations.

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for "[illegible]" Fees	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services	**18,000.00**	**1%**	**180.00**
Regular Office Supplies			-
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	180.00

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs		
Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	3	
Office Space	907.04	302.35
Utilities	318.41	106.14
Electricity	304.46	101.49
Water	13.95	4.65
Communication	-	-
Equipment and Furniture	253.44	84.48
Other Fixed Cost	180.00	60.00
TOTAL	1,658.89	552.96

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge:

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	1,100.42	Total Collection on Fees and/or Charges	1,650.84	(1,650.42)	(0.52)	Reasonable
Number of Applications Processed		Number of Applications Processed				
Average Fee Rate	1,650.14	Average Fee Rates	1,650.14	(550.14)	(0.52)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

Compare Fee with Cost of Delivering Services				
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates		
Total Cost	1,100.42	Total Revenue	1,650.84	(1,650.42)
Total Number of Applicants	2	Number of Applications Processed	3	
Average Fee Rate	550.21	Average Fee Rates	550.28	(550.14)

Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	SPCL-PERSONNEL	STD-VAR	STD-FXD	Cost per Application			
Simple	#DIV/0!		#DIV/0!	#DIV/0!	321.69	542.96	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	#DIV/0!	321.69	542.96	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		#DIV/0!				#DIV/0!			#DIV/0!

Classification	Allocation	% of Applicants	Number	SPCL-PERSONNEL	STD-VAR	STD-FXD	Cost per Application			
Manufacturer	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Banks and financial institutions	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!									
Others	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	Total	0%	#DIV/0!			#DIV/0!			#DIV/0!

2,650.84	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
2,650.84	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
SPECIFY							
	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
							#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Mayor's Permit - Other Businesses - Small	500.00	1,050.14	-0.52	Propose: 1,000.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
  * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive the accomplished Unified Business Application Form together with the documentary requirements for Other Business- Medium, and verify the completeness of the requirements.
2	Encode the application in the system and check the correctness of the entries.
3	Prepare and print the Tax Order of Payment.
4	Receive payment and issue Official Receipt.
5	Sign and approve the application by the Municipal Treasurer and BPLO.
6	Prepare and approve Mayor's Permit.
7	Record and release the Mayor's Permit to the applicant.
8	Conduct actual inspection of the business establishment.

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
  * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
  * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive the accomplished Unified Business Application Form together with the documentary requirements for Other Business- Medium, and verify the completeness of the requirements.	BPLO, MTO	Luzviminda Datoy/RCC III, Aileen Rose A. Tantoy/BPLO	Unified Form, Ballpen
2	Encode the application in the system and check the correctness of the entries.	BPLO	Aileen Rose A. Tantoy/BPLO	-
3	Prepare and print the Tax Order of Payment.	MTO	Carmelita M. Palma/AMT	Bondpaper, Ink
4	Receive payment and issue Official Receipt.	MTO	Luzviminda A. Datoy/RCC III	Official Receipt
5	Sign and approve the application by the Municipal Treasurer and BPLO.	BPLO, MTO	Aileen Rose A. Tantoy/BPLO, Carmelita M. Palma/AMT	-
6	Prepare and approve Mayor's Permit.	BPLO, Mayor's Office	Aileen Rose A. Tantoy/BPLO, Nestor S. Valeroso/Mayor, Jhelan Richelle Lipao/Admin Aide I	Linen Paper A4
7	Record and release the Mayor's Permit to the applicant.	MTO	Nora D. Ogdoc/Admin Aide I	Business Plate or sticker, Logbook
8	Conduct actual inspection of the business establishment.	BPLO, MHO, MENRO, MAO, MPDO	Aileen Rose A. Tantoy/BPLO, MHO-Rep(**Maximo D. Guarte/Sanitary Inspector**), Mun. Engineer-Rep(**Joegie E. Cabatuan/Admin. Aide VI**), MPDO-Rep(**Kathleen Jay U. Orozco/Admin. Aide IV**), Mun. Agriculturist-Rep(**Anthony Rengel/Agri'l Technologist**), MENRO-Rep(**Rachel Ontolan/Envi. Mgmt. Specialist**)	Inspection Checklist/Form

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
  * Routine(same procedure and effort for each applicant)
  * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive the accomplished Unified Business Application Form together with the documentary requirements for Other Business- Medium, and verify the completeness of the requirements.	BPLO, MTO	Luzviminda Datoy/RCC III, Aileen Rose A. Tantoy/BPLO	Unified Form, Ballpen	Routine
2	Encode the application in the system and check the correctness of the entries.	BPLO	Aileen Rose A. Tantoy/BPLO	-	Routine
3	Prepare and print the Tax Order of Payment.	MTO	Carmelita M. Palma/AMT	Bondpaper, Ink	Routine
4	Receive payment and issue Official Receipt.	MTO	Luzviminda A. Datoy/RCC III	Official Receipt	Routine
5	Sign and approve the application by the Municipal Treasurer and BPLO.	BPLO, MTO	Aileen Rose A. Tantoy/BPLO, Carmelita M. Palma/AMT	-	Routine
6	Prepare and approve Mayor's Permit.	BPLO, Mayor's Office	Aileen Rose A. Tantoy/BPLO, Nestor S. Valeroso/Mayor, Jhelan Richelle Lipao/Admin Aide I	Linen Paper A4	Routine
7	Record and release the Mayor's Permit to the applicant.	MTO	Nora D. Ogdoc/Admin Aide I	Business Plate or sticker, Logbook	Routine
8	Conduct actual inspection of the business establishment.	BPLO, MHO, MENRO, MAO, MPDO	Aileen Rose A. Tantoy/BPLO, MHO-Rep(**Maximo D. Guarte/Sanitary Inspector**), Mun. Engineer-Rep(**Joegie E. Cabatuan/Admin. Aide VI**), MPDO-Rep(**Kathleen Jay U. Orozco/Admin. Aide IV**), Mun. Agriculturist-Rep(**Anthony Rengel/Agri'l Technologist**), MENRO-Rep(**Rachel Ontolan/Envi. Mgmt. Specialist**)	Inspection Checklist/Form	Special

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8.Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Mayor's Permit: Other Businesses-Medium	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - Acting MT	SG14/S1	27,768.00	333,216.00	253,536.00	469,401.60	0.04%	187.76
Aileen Rose A. Tantoy - LRCO I/BPLO	SG11/S1	22,731.00	272,772.00	93,462.00	292,987.20	0.08%	234.39
Luzviminda A. Datoy - RCC III	SG9/S1	17,420.00	209,040.00	82,840.00	233,504.00	0.05%	116.75
Nora D. Ogdoc - Admin Aide	SG1/S1	10,623.00	127,476.00	69,246.00	157,377.60	0.02%	31.48
Nestor S. Valeroso - Mayor	SG27/S3	106,997.00	1,283,964.00	441,994.00	1,380,766.40	0.01%	138.08
Jhelan Richelle Lipao - Admin Aide	SG1/S1	10,546.00	126,552.00	69,092.00	156,515.20	0.02%	31.30
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	739.76

STEP 4.B COST OF TRANSPORTATION

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection
Column 2. Identify the number of vehicles used for inspection.
Column 3. Verify unit cost of vehicle
Column 4. Determine the total cost by multiplying columns 2 and 3
Column 5. Apply the depreciation rate (Note: Economic life of a vehicle is 10 years)
Column 6. Compute for the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Verify from the City Accounting Office the actual amount spent for maintenance of the vehicle used for inspection. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.

Column 8. Determine the frequency of use of the vehicle. In the specific case sample, half day use from February to November is 44/52 weeks x .5 days. Note that the LGUs may devise other method to determine the actual frequency of use of vehicle.
Column 9. Compute the cost of vehicle for inspection by adding columns 6 and 7 thenmultiply the frequency of use in column 8.

Table 5:

Variable Cost - Vehicle

List of Vehicle/s	Number of Vehicles	Unit Cost	Total Cost	Depreciation Rate/Year	Annual Depreciation Cost	Maintenance cost	Percentage of use for inspection per week	Annual cost of vehicle for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)
					-			-
							TOTAL	-

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection
Column 2. Identify the number of vehicles used for inspection
Column 3. Verify the average cost of fuel per liter
Column 4. Check the average weekly consumption in liters
Column 5. There are 52 weeks in one year. Identify the number of weeks the vehicles(s) has been used in a year.
Column 6. Compute for annual cost of fuel for 1 year by multiplying columns 2, 3, 4 and 5.
Column 7. Determine the percentage for the frequency of use of the vehicle for inspection. In the specific case sample, half day use from February to November is 44/52 weeks X .5 days. Note that the LGUs may devise other method to determine the actual percentage for the frequency of use of the vehicle.
Column 8. Compute the cost of fuel for inspection activities by multiplying columns 6 and 7.

Table 6:

Variable Cost - Fuel

List of vehicle/s	Number of Vehicles	Average Cost per liter	Ave. weekly consumption in liters	Number of weeks in one year	Annual Cost of fuel for the vehicle	Percentage of use for inspection per week	Annual cost for Fuel for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
					-		-
						TOTAL	-

If the LGU does not provide vehicles for inspection, but only allows the reimbursement of actual transportation expenses, the annual cost should be computed by determining the monthly reimbursements multiplied by 12

Table 7:

Variable Cost - Allowance/Reimbursement for Fuel

Name and Position	Transportation Cost based on Allowance/Reimbursements		% Time assigned in the delivery of the "Mayor's Permit: Other Businesses-Medium"	Annual Cost of the Service
	Average Monthly	Annual Allowance		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)
Aileen Rose A. Tantoy - LRCO I/BPLO	300	1,200	6%	72.00
Maximo D. Guarte- Sanitary Inspector	300	1,200	6%	72.00
Joegie E. Cabatuan-Admin. Aide VI	300	1,200	5%	60.00
Kathleen Jay U. Orozco-Admin Aide IV	300	1,200	5%	60.00
Anthony Rengel-Agri'l Technologist	300	1,200	5%	60.00
Rachel Ontolan-Envi.Mgt. Specialist	300	1,200	5%	60.00
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
			TOTAL	384.00

TOTAL OF VEHICLE AND FUEL:	-

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed a approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	3		
Bond paper	78	0.50	39.00
Official Receipts	52	3.40	176.80
Linen Paper A4	26	2.00	52.00
			-
			-
			-
			-
		TOTAL	267.80

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs

	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	3	
Variable Costs		
Routine Personnel	739.76	246.59
Travel Reimbursement	384.00	128.00
Other Supplies/Forms/Materials	267.80	89.27
TOTAL	1,391.56	463.85

STEP 5. ALLOCATE THE VARIABLE COST FOR SPECIAL ACTIVITIES

Name and position	SG/Step	Monthly Salary	Annual Salary	Other compensation	Total Annual Compensation	% Time allocated for the service	Annual cost of service for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Aileen Rose A. Tantoy - BPLO Designate	SG11/S1	22,731.00	272,772.00	99,402.00	292,987.20	0.06%	175.79
Almine D. Guarte - Sanitary Inspector	SG6/S8	19,963.00	239,556.00	87,326.00	261,985.60	0.06%	157.19
Joegie E. Cabatuan - Admin Aide IV	SG8/S8	14,537.00	174,444.00	77,874.00	201,214.40	0.05%	120.61
Kathleen Joy U. Orocco - Admin Aide IV	SG4/S2	12,719.00	152,628.00	73,438.00	180,852.80	0.05%	98.43
Anthony Rengel - Agric'l Technologist	SG10/S1	19,190.00	230,280.00	86,580.00	253,328.00	0.05%	126.66
Rachel Ontolan - Envi.Mgt. Specialist	SG15/S1	30,453.00	365,436.00	186,906.00	379,473.60	0.05%	189.74
			-		-		-
						TOTAL	840.42

Instructions in Filling the Form

Column 1 - List the staff assigned to the "Special" Activity/ies.
Column 2 - Match the salary grade for each staff
Column 3 - Fill out the salary rate/month for each staff.
Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months
Column 5, Identify all other remunerations regularly received by the staff. Other benefits include RATA, PERA, year end benefits and other remunerations
Column 6, Sum up columns 4 and 5
Column 7, Estimate the annual % of time each staff performs directly to the issuance of the subject service. The rate shall be provided by the concerned unit
Column 8 Get the total cost for the Special Activity by adding the cost for each staff involved in delivering the service.
Proceed to the weight allocation. (The weight allocation may vary depending on the appropriate basis to the scenario within an LGU)

Basis (2) Simple and Complex

CATEGORIES	No. of Personnel	Weight	Allocation
Simple		#DIV/0!	#DIV/0!
Complex		#DIV/0!	#DIV/0!
		#DIV/0!	#DIV/0!

*Here, the user have to push the weight allocation based on the combination of the previous two options

** In here, Manufacturers and Contractors were viewed to have both simple and complex business structures

*** Hence, the further classification as to simple and complex within the classification of Manufacturers and Contractors

Basis (1) Per Business Classification

CLASSIFICATION	Weight	Allocation
Manufacturer		#DIV/0!
Wholesalers		#DIV/0!
Exporters		#DIV/0!
Retailers		#DIV/0!
Contractors		#DIV/0!
Banks and other institutions		#DIV/0!
Peddlers		#DIV/0!
Others		#DIV/0!
	0	#DIV/0!

Weight Allocation According to Complexity and Business Classification

	BUSINESS CLASSIFICATION		Simple Weight	Complex Weight	Total	Simple	Complex
With Complex	Manufacturer	#DIV/0!				#DIV/0!	#DIV/0!
	Wholesalers	#DIV/0!				#DIV/0!	
	Exporters	#DIV/0!				#DIV/0!	
	Retailers	#DIV/0!				#DIV/0!	
With Complex	Contractors	#DIV/0!				#DIV/0!	#DIV/0!
	Banks and other Insi	#DIV/0!				#DIV/0!	
	Peddlers	#DIV/0!				#DIV/0!	
	Others	#DIV/0!				#DIV/0!	
						#DIV/0!	#DIV/0!

Note: Other basis may be used (e. g. the DTI classification as to Cottage, Small, etc)

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars	Offices Involved in the delivery of "Mayor's Permit: Other Businesses-Medium" Fee
(col 1)	(col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Mayor's Permit: Other Businesses-Medium " (%)	0.22%
Share of Cost attributable to delivering the service (Php)	1,330.33

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars	Offices Involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12.

Cost of Electricity	
Particulars	**Offices involved in the delivery of** "Mayor's Permit: Other Businesses Medium" **Fee**
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	17.07
Kilowatt consumption/hour for the unit delivering the service	5.63
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	202,971.86
Percent of work for the service rendered	0.22%
Net electricity cost attributed to "Subject Service" service	446.54

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13.

Cost of Water	
Particulars	**Offices involved in the delivery of** "Mayor's Permit: Other Businesses Medium" **Fee**
(col 1)	(col 2)
Number of People	10
Water bill per person per month	77.50
Estimated water bill of the office per year	9,300.00
Percent of work for the service rendered	0.22%
Net cost of water attributed to delivery of "Subject Service".	20.46

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14.

Cost for Communication	
Particulars	**Offices involved in the delivery of** "Mayor's Permit: Other Businesses Medium" **Fee**
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	
Rate of subscription per month	
Annual cost of telephone/mobile services	
Percent of work for the service rendered	
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.50%	126.00
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.50%	180.00
Photocopier			-		-	-	-		-
								Sub-Total	306.00
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.50%	6.00
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.50%	4.80
								Sub-Total	10.80
								TOTAL	316.80

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3.

NOTE: Note: The LGU may have other major fixed costs not mentioned in this illustration. When costs are significant, those fixed cost must be identified and added in the template. Conversely, costs that are negligible may be dropped from the calculations.

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for "Mayor's Permit: Other Businesses-Medium"	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services	18,000.00	1.00%	180.00
Regular Office Supplies			-
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**180.00**

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs		
Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	3	
Office Space	1,330.33	443.44
Utilities	467.00	155.67
Electricity	446.54	148.85
Water	20.46	6.82
Communication	-	-
Equipment and Furniture	316.80	105.60
Other Fixed Cost	180.00	60.00
TOTAL	2,294.12	764.71

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Mayor's Permit: Other Business - Medium

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	4,526.10	Total Collection on Fees and/or Charges	4,500.00	(26.10)	(0.01)	Reasonable
Number of Applications Processed	3	Number of Applications Processed	3			
Average Fee Rate	1,508.70	Average Fee Rates	1,000.00	(508.70)	(0.34)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	4,526.10	Total Revenue	4,500.00	(26.10)	
Total Number of Applicants	3	Number of Applications Processed	3		
Average Fee Rate	1,508.70	Average Fee Rates	1,000.00	(508.70)	

		10,594.00		Total						
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	SPCL-PERSONNEL	STD-VAR	STD-FXD	Cost per Application			
Simple	#DIV/0!		#DIV/0!	[illegible]	463.85	764.71	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[illegible]	463.85	764.71	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

Classification	Allocation	% of Applicants	Number	SPCL-PERSONNEL	STD-VAR	STD-FXD	Cost per Application			
Manufacturer	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!									
Others	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!			#DIV/0!				#DIV/0!		#DIV/0!

Total	0%
	100%

Ok ok

235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
#REF!		-							
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Mayor's Permit: Other Businesses-Medium	1,000.00	1,508.70	-0.34	Propose: 1,500.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive the accomplished Unified Business Application Form together with the documentary requirements for Other Business - Large, and verify the completeness of the requirements.
2	Encode the application in the system and check the correctness of the entries.
3	Prepare and print the Tax Order of Payment.
4	Receive payment and issue Official Receipt.
5	Sign and approve the application by the Municipal Treasurer and BPLO.
6	Prepare and approve Mayor's Permit.
7	Record and release the Mayor's Permit to the applicant.
8	Conduct actual inspection of the business establishment.

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive the accomplished Unified Business Application Form together with the documentary requirements for Other Business - Large, and verify the completeness of the requirements.	BPLO, MTO	Luzviminda Datoy/RCC III, Aileen Rose A. Tantoy/BPLO	Unified Form, Ballpen
2	Encode the application in the system and check the correctness of the entries.	BPLO	Aileen Rose A. Tantoy/BPLO	-
3	Prepare and print the Tax Order of Payment.	MTO	Carmelita M. Palma/AMT	Bondpaper, Ink
4	Receive payment and issue Official Receipt.	MTO	Luzviminda A. Datoy/RCC III	Official Receipt
5	Sign and approve the application by the Municipal Treasurer and BPLO.	BPLO, MTO	Aileen Rose A. Tantoy/BPLO, Carmelita M. Palma/AMT	-
6	Prepare and approve Mayor's Permit.	BPLO, Mayor's Office	Aileen Rose A. Tantoy/BPLO, Nestor S. Valeroso/Mayor, Jhelan Richelle Lipao/Admin Aide I	Linen Paper A4
7	Record and release the Mayor's Permit to the applicant.	MTO	Nora D. Ogdoc/Admin Aide I	Business Plate or sticker, Logbook
8	Conduct actual inspection of the business establishment.	BPLO, MHO, MENRO, MAO, MPDO	Aileen Rose A. Tantoy/BPLO, MHO-Rep(**Maximo D. Guarte/Sanitary Inspector**), Mun. Engineer-Rep(**Joegie E. Cabatuan/Admin. Aide VI**), MPDO-Rep(**Kathleen Jay U. Orozco/Admin. Aide IV**), Mun. Agriculturist-Rep(**Anthony Rengel/Agri'l Technologist**), MENRO-Rep(**Rachel Ontolan/Envi. Mgmt. Specialist**)	Inspection Checklist/Form

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive the accomplished Unified Business Application Form together with the documentary requirements for Other Business - Large, and verify the completeness of the requirements.	BPLO, MTO	Luzviminda Datoy/RCC III, Aileen Rose A. Tantoy/BPLO	Unified Form, Ballpen	Routine
2	Encode the application in the system and check the correctness of the entries.	BPLO	Aileen Rose A. Tantoy/BPLO	-	Routine
3	Prepare and print the Tax Order of Payment.	MTO	Carmelita M. Palma/AMT	Bondpaper, Ink	Routine
4	Receive payment and issue Official Receipt.	MTO	Luzviminda A. Datoy/RCC III	Official Receipt	Routine
5	Sign and approve the application by the Municipal Treasurer and BPLO.	BPLO, MTO	Aileen Rose A. Tantoy/BPLO, Carmelita M. Palma/AMT	-	Routine
6	Prepare and approve Mayor's Permit.	BPLO, Mayor's Office	Aileen Rose A. Tantoy/BPLO, Nestor S. Valeroso/Mayor, Jhelan Richelle Lipao/Admin Aide I	Linen Paper A4	Routine
7	Record and release the Mayor's Permit to the applicant.	MTO	Nora D. Ogdoc/Admin Aide I	Business Plate or sticker, Logbook	Routine
8	Conduct actual inspection of the business establishment.	BPLO, MHO, MENRO, MAO, MPDO	Aileen Rose A. Tantoy/BPLO, MHO-Rep(**Maximo D. Guarte/Sanitary Inspector**), Mun. Engineer-Rep(**Joegie E. Cabatuan/Admin. Aide VI**), MPDO-Rep(**Kathleen Jay U. Orozco/Admin. Aide IV**), Mun. Agriculturist-Rep(**Anthony Rengel/Agri'l Technologist**), MENRO-Rep(**Rachel Ontolan/Envi. Mgmt. Specialist**)	Inspection Checklist/Form	Special

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Mayor's Permit: Other Businesses-Large	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - Acting MT	SG14/S1	27,768.00	333,216.00	253,536.00	469,401.60	0.10%	469.40
Aileen Rose A. Tantoy - LRCO I/BPLO	SG11/S1	22,731.00	272,772.00	93,462.00	292,987.20	0.14%	410.18
Luzviminda A. Datoy - RCC III	SG9/S1	17,420.00	209,040.00	82,840.00	233,504.00	0.12%	280.20
Nora D. Ogdoc - Admin Aide	SG1/S1	10,623.00	127,476.00	69,246.00	157,377.60	0.03%	47.21
Nestor S. Valeroso - Mayor	SG27/S3	106,997.00	1,283,964.00	441,994.00	1,380,766.40	0.01%	138.08
Jhelan Richelle Lipao - Admin Aide	SG1/S1	10,546.00	126,552.00	69,092.00	156,515.20	0.03%	46.95
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	1,392.03

STEP 4.B COST OF TRANSPORTATION

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection
Column 2. Identify the number of vehicles used for inspection.
Column 3. Verify unit cost of vehicle
Column 4. Determine the total cost by multiplying columns 2 and 3
Column 5. Apply the depreciation rate (Note: Economic life of a vehicle is 10 years)
Column 6. Compute for the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Verify from the City Accounting Office the actual amount spent for maintenance of the vehicle used for inspection. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.

Column 8. Determine the frequency of use of the vehicle. In the specific case sample, half day use from February to November is 44/52 weeks x .5 days. Note that the LGUs may devise other method to determine the actual frequency of use of vehicle.
Column 9. Compute the cost of vehicle for inspection by adding columns 6 and 7 thenmultiply the frequency of use in column 8.

Table 5:

Variable Cost - Vehicle

List of Vehicle/s	Number of Vehicles	Unit Cost	Total Cost	Depreciation Rate/Year	Annual Depreciation Cost	Maintenance cost	Percentage of use for inspection per week	Annual cost of vehicle for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)
					-			-
							TOTAL	-

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection
Column 2. Identify the number of vehicles used for inspection
Column 3. Verify the average cost of fuel per liter
Column 4. Check the average weekly consumption in liters
Column 5. There are 52 weeks in one year. Identify the number of weeks the vehicles(s) has been used in a year.
Column 6. Compute for annual cost of fuel for 1 year by multiplying columns 2, 3, 4 and 5.
Column 7. Determine the percentage for the frequency of use of the vehicle for inspection. In the specific case sample, half day use from February to November is 44/52 weeks X .5 days. Note that the LGUs may devise other method to determine the actual percentage for the frequency of use of the vehicle.
Column 8. Compute the cost of fuel for inspection activities by multiplying columns 6 and 7.

Table 6:

Variable Cost - Fuel

List of vehicle/s	Number of Vehicles	Average Cost per liter	Ave. weekly consumption in liters	Number of weeks in one year	Annual Cost of fuel for the vehicle	Percentage of use for inspection per week	Annual cost for Fuel for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
					-		-
						TOTAL	-

If the LGU does not provide vehicles for inspection, but only allows the reimbursement of actual transportation expenses, the annual cost should be computed by determining the monthly reimbursements multiplied by 12

Table 7:

Variable Cost - Allowance/Reimbursement for Fuel

Name and Position	Transportation Cost based on Allowance/Reimbursements		% Time assigned in the delivery of the "Mayor's Permit: Other Businesses-Large"	Annual Cost of the Service
	Average Monthly	Annual Allowance		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)
Aileen Rose A. Tantoy - LBCO I/BPLO	300	1,200	6%	72.00
Maximo D. Guarte- Sanitary Inspector	300	1,200	6%	72.00
Joegie E. Cabatuan-Admin. Aide VI	300	1,200	5%	60.00
Kathleen Jay U. Orozco-Admin Aide IV	300	1,200	5%	60.00
Anthony Rengel-Agri'l Technologist	300	1,200	5%	60.00
Rachel Ontolan-Envi.Mgt. Specialist	300	1,200	5%	60.00
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
			TOTAL	384.00

TOTAL OF VEHICLE AND FUEL:	

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed a approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	3		
Bond paper	9	0.50	4.50
Official Receipts	6	3.40	20.40
Linen Paper A4	3	2.00	6.00
			-
			-
			-
			-
		TOTAL	30.90

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs

	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	3	
Variable Costs		
Routine Personnel	1,392.03	464.01
Travel Reimbursement	384.00	128.00
Other Supplies/Forms/Materials	30.90	10.30
TOTAL	1,806.93	602.31

STEP 5. ALLOCATE THE VARIABLE COST FOR SPECIAL ACTIVITIES

Name and position	SG/Step	Monthly Salary	Annual Salary	Other compensation	Total Annual Compensation	% Time allocated for the service	Annual cost of service for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Aileen Rose A. Tantoy - BFLO Designate	SG11/S1	22,731.00	272,772.00	93,462.00	292,987.20	0.10%	292.99
Maximo D. Oserio - Sanitary Inspector	SG6/S8	19,963.00	239,556.00	87,928.00	261,985.60	0.10%	261.99
Joegie E. Cabatuan - Admin Aide IV	SG6/S3	14,537.00	174,444.00	77,074.00	201,214.40	0.09%	181.09
Kathleen Joy U. Orozco - Admin Aide IV	SG4/S2	12,719.00	152,628.00	73,438.00	180,852.80	0.09%	162.77
Anthony Reagel - Agric'l Technologist	SG10/S1	19,190.00	230,280.00	86,380.00	253,328.00	0.09%	228.00
Rachel Ontolan - Envl.Mgt. Specialist	SG15/S1	30,453.00	365,436.00	108,906.00	379,473.60	0.09%	341.53
			-		-		-
						TOTAL	1,468.35

Instructions in Filling the Form

Column 1 - List the staff assigned to the "Special" Activity/ies.
Column 2 - Match the salary grade for each staff
Column 3 - Fill out the salary rate/month for each staff.
Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months
Column 5. Identify all other remunerations regularly received by the staff. Other benefits include RATA, PERA, year end benefits and other remunerations
Column 6. Sum up columns 4 and 5
Column 7. Estimate the annual % of time each staff performs directly to the issuance of the subject service. The rate shall be provided by the concerned unit head.
Column 8. Get the total cost for the Special Activity by adding the cost for each staff involved in delivering the service.
Proceed to the weight allocation. (The weight allocation may vary depending on the appropriate basis to the scenario within an LGU)

Basis (2) Simple and Complex

CATEGORIES	No. of Personnel	Weight	Allocation
Simple		#DIV/0!	#DIV/0!
Complex		#DIV/0!	#DIV/0!
		#DIV/0!	#DIV/0!

*Here, the weight is equal to the weight allocation based on the combination of the previous two options.

**In here, Manufacturers and Contractors were viewed to have both simple and complex business structures.

***Here, the further breakdown is done on simple and complex within the classification of Manufacturers and Contractors.

Basis (1) Per Business Classification

CLASSIFICATION	Weight	Allocation
Manufacturer		#DIV/0!
Wholesalers		#DIV/0!
Exporters		#DIV/0!
Retailers		#DIV/0!
Contractors		#DIV/0!
Banks and other institutions		#DIV/0!
Peddlers		#DIV/0!
Others		#DIV/0!
	0	#DIV/0!

Weight Allocation According to Complexity and Business Classification

BUSINESS CLASSIFICATION			Simple Weight	Complex Weight	Total	Simple	Complex
With Complex	Manufacturer	#DIV/0!				#DIV/0!	#DIV/0!
	Wholesalers	#DIV/0!				#DIV/0!	
	Exporters	#DIV/0!				#DIV/0!	
	Retailers	#DIV/0!				#DIV/0!	
With Complex	Contractors	#DIV/0!				#DIV/0!	#DIV/0!
	Banks and other inst	#DIV/0!				#DIV/0!	
	Peddlers	#DIV/0!				#DIV/0!	
	Others	#DIV/0!				#DIV/0!	
						#DIV/0!	#DIV/0!

Note: Other basis may be used (e. g. the DTI classification as to Cottage, Small, etc)

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars	Offices involved in the delivery of "Mayor's Permit: Other Businesses-Large" Fee
(col 1)	(col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Mayor's Permit: Other Businesses-Large" (%)	0.43%
Share of Cost attributable to delivering the service (Php)	2,600.18

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars	Offices Involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12

Cost of Electricity	
Particulars	**Offices involved in the delivery of "Mayor's Permit: Other Businesses-Large" Fee**
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	17.07
Kilowatt consumption/hour for the unit delivering the service	5.63
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	202,971.86
Percent of work for the service rendered	0.43%
Net electricity cost attributed to "Subject Service" service	872.78

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13

Cost of Water	
Particulars	**Offices involved in the delivery of "Mayor's Permit: Other Businesses-Large" Fee**
(col 1)	(col 2)
Number of People	10
Water bill per person per month	77.50
Estimated water bill of the office per year	9,300.00
Percent of work for the service rendered	0.43%
Net cost of water attributed to delivery of "Subject Service".	39.99

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14

Cost for Communication	
Particulars	**Offices involved in the delivery of "Mayor's Permit: Other Businesses-Large" Fee**
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	
Rate of subscription per month	
Annual cost of telephone/mobile services	
Percent of work for the service rendered	
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	1%	252
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	1%	360
Photocopier			-		-	-	-		-
								Sub-Total	612
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	1%	12
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	1%	10
								Sub-Total	22
								TOTAL	633.60

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3.

NOTE: Note: The LGU may have other major fixed costs not mentioned in this illustration. When costs are significant, those fixed cost must be identified and added in the template. Conversely, costs that are negligible may be dropped from the calculations.

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for "Mayor's Permit: Other Businesses-Large" Fees	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services	18,000.00	1%	180.00
Regular Office Supplies			-
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	180.00

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	3	
Office Space	2,600.18	866.73
Utilities	912.77	304.26
Electricity	872.78	290.93
Water	39.99	13.33
Communication	-	-
Equipment and Furniture	633.60	211.20
Other Fixed Cost	180.00	60.00
TOTAL	4,326.55	1,442.18

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Mayor's Permit: Other Business - Large

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	7,601.84	Total Collection on Fees and/or Charges	6,000.00	(1,601.84)	(0.21)	Reasonable
Number of Applications Processed	3	Number of Applications Processed	3			
Average Fee Rate	2,533.95	Average Fee Rates	2,000.00	(533.95)	(0.21)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	7,601.84	Total Revenue	6,000.00	(1,601.84)	-21%
Total Number of Applicants	3	Number of Applications Processed	3		
Average Fee Rate	2,533.95	Average Fee Rates	2,000.00	(533.95)	-21%

		10,594.00		Total			Cost per Application			
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	SPCL/PERSONNEL	STD-VAR	STD-FXD				
Simple	#DIV/0!		#DIV/0!	[redacted]	602.31	1,442.18	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	602.31	1,442.18	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

Classification	Allocation	% of Applicants	Number	SPCL/PERSONNEL	STD-VAR	STD-FXD	Cost per Application			
Manufacturer	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!									
Others	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!			#DIV/0!				#DIV/0!		#DIV/0!

Total	0%
	100%

Ok ok

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									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Mayor's Permit: Other Businesses-Large	2,000.00	2,533.95	-0.21	Propose: 2,500.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	[illegible]
2	[illegible]
3	[illegible]
4	[illegible]
5	
6	
7	
8	
9	
10	
11	

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	[illegible]	[illegible]	[illegible]	[illegible]
2	[illegible]	[illegible]	[illegible]	[illegible]
3	[illegible]	[illegible]	[illegible]	[illegible]
4	[illegible]	Treasurer's office	[illegible]	OR
5				
6				
7				
8				
9				
10				
11				

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: It is highly suggested to identify one (1) special step.
- However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.
- It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4	[illegible]	Treasurer's office	[illegible]	OR	[illegible]
5					
6					
7					
8					
9					
10					
11					

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8.Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of the Subject Service	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
			-				-
[redacted]	11	[redacted]	[redacted]	[redacted]	[redacted]	5%	[redacted]
[redacted]	10	[redacted]	[redacted]	[redacted]	[redacted]	5%	[redacted]
[redacted]	18	[redacted]	[redacted]	[redacted]	[redacted]	5%	[redacted]
[redacted]	SHOP	[redacted]	[redacted]	[redacted]	[redacted]	5%	[redacted]
			-				-
						TOTAL	5,570.40

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
[redacted]			
[redacted]	1,000	0.20	200.00
[redacted]	1,000	4.00	4,000.00
[redacted]	1,000	0.70	700.00
[redacted]	1,000	3.00	3,000.00
		TOTAL	8,400.00

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.
Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	1000	
Variable Costs		
Routine Personnel	5,570.48	5.57
Transportation Costs	-	-
Other Supplies/Forms/Materials	8,400.00	8.40
TOTAL	13,970.48	13.97

STEP 6.8 UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity

Particulars	Offices involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	
Kilowatt consumption/hour for the unit delivering the service	
Number of operating hours per day	
Number of days per year	
Electricity cost per year	151,514.06
Percent of work for the service rendered	5%
Net electricity cost attributed to "Subject Service" service	7,575.70

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water

Particulars	Offices involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Number of People	
Water bill per person per month	
Estimated water bill of the office per year	4,200.00
Percent of work for the service rendered	3%
Net cost of water attributed to delivery of "Subject Service".	126.00

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication

Particulars	Offices involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the service	
Rate of subscription per month	
Annual cost of telephone/mobile services	
Percent of work for the service rendered	
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	2	20,000	40,000.00	20%	8,000	-	8,000	5%	150
Computers	1	20,000	20,000.00	20%	4,000	-	4,000	1%	60
	-	-	-		-	-	-		-
								Sub-Total	180
Filing Cabinets	-		-		-	-	-	0%	-
Tables and Chairs	3	1,000	3,000.00	20%	600	-	600	5%	30
								Sub-Total	30
								TOTAL	210.00

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3.

NOTE: Note: The LGU may have other major fixed costs not mentioned in this illustration. When costs are significant, those fixed cost must be identified and added in the template. Conversely, costs that are negligible may be dropped from the calculations.

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for "Subject Service" Fees	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services			
Regular Office Supplies			
Information Tech Team			-
Security Team	792,400	25%	23,100.00
Janitorial Team	792,400	25%	23,100.00
Reception Services			
		Total	46,200.00

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs		
Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	1000	
Office Space	108.00	0.11
Utilities	7,701.70	7.70
Electricity	7,575.70	7.58
Water	126.00	0.13
Communication	-	-
Equipment and Furniture	210.00	0.21
Other Fixed Cost	46,200.00	46.20
TOTAL	54,219.70	54.22

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge:

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remarks:Reasonable/Not Reasonable
Total Cost	68,190.18	Total Collection on Fees and/or Charges	50,000.00	(18,190.18)	(0.27)	
Number of Applications Processed	1,000	Number of Applications Processed	1,000			
Average Fee Rate	68.19	Average Fee Rates	50.00	(18.19)	(0.27)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of Issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	68,190.18	Total Revenue	50,000.00	(18,190.18)	-27%
Total Number of Applicants		Number of Applications Processed			
Average Fee Rate	#DIV/0!	Average Fee Rates	#DIV/0!	#DIV/0!	#DIV/0!

			10,594.00	Total						
Scenario 1	% of Applicants	Number of Applicants	Cost (with variable)		FSD-VAR	FSD-FXD				
Simple	#DIV/0!		#DIV/0!		13.97	54.22		#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!		13.97	54.22		#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

	Allocation	% of Applicants	Number		FSD-VAR	FSD-FXD				
Manufacturers	#DIV/0!							#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!							#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!							#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!							#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!							#DIV/0!	#DIV/0!	#DIV/0!
Banks and other Institutions	#DIV/0!							#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!									
Others	#DIV/0!							#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!			#DIV/0!				#DIV/0!		#DIV/0!
Total	0%									
	100%									

					Ok		ok		
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STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
  * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receives accomplished Unified Business Application Form together with documentary requirements for Annual Cockpit Permit Fee
2	Verifies correctness of the entry of the required documents
3	Encode the application in the system
4	Prepare Tax Order of Payment
5	Issue Official Receipt
6	Approves Mayors Permit
7	Record and release the permit
8	Perform actual inspection of the Cockpit Arena

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
  * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
  * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receives accomplished Unified Business Application Form together with documentary requirements for Annual Cockpit Permit Fee	BPLO, MTO	Nora D. Ogdoc - Admin Aide I Aileen Rose A. Tantoy - BPLO	Unified Form, Bond Paper, Ink, Ballpen
2	Verifies correctness of the entry of the required documents	BPLO, MTO	Aileen Rose A. Tantoy - BPLO	Unified Form
3	Encode the application in the system	BPLO	Aileen Rose A. Tantoy - BPLO	-
4	Prepare Tax Order of Payment	MTO	Carmelita M. Palma - AMT	Bond Paper, Ink, Ballpen
5	Issue Official Receipt	MTO	Luzviminda Datoy - RCC III	Ballpen, Official Receipt
6	Approves Mayors Permit	Mayor's Office	Nestor S. Valeroso - Mayor	Linen Paper A4, ink
7	Record and release the permit	Mayor's Office, MTO	Nora D. Ogdoc - Admin Aide I Jhelan Richelle Lipao-Admin Aide I	Business Plate, Sticker, Logbook
8	Perform actual inspection of the Cockpit Arena	Mayor's Office,BPLO, MHO,MEO, MPDO,MAO	Aileen Rose A. Tantoy - BPLO Designate Municipal Health Officer--**Mary Michelle R. Paganpan** Municipal Engineer-Representative(**Joegie E. Cabatuan/Admin. Aide VI**), Municipal Planning Officer-Representative(**Ray Mark S. Mainit/Admin. Aide IV**), Municipal Agriculturist-Representative(**Anthony C. Rengel/Agri'l Technologist**), Municipal Environment and Natural Resources Officer-Representative(**Rachel Ontolan/Envi. Mgmt. Specialist**)	-

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
  * Routine(same procedure and effort for each applicant)
  * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receives accomplished Unified Business Application Form together with documentary requirements for Annual Cockpit Permit Fee	BPLO, MTO	Nora D. Ogdoc - Admin Aide I Aileen Rose A. Tantoy - BPLO	Unified Form, Bond Paper, Ink, Ballpen	Routine
2	Verifies correctness of the entry of the required documents	BPLO, MTO	Aileen Rose A. Tantoy - BPLO	Unified Form	Routine
3	Encode the application in the system	BPLO	Aileen Rose A. Tantoy - BPLO	-	Routine
4	Prepare Tax Order of Payment	MTO	Carmelita M. Palma - AMT	Bond Paper, Ink, Ballpen	Routine
5	Issue Official Receipt	MTO	Luzviminda Datoy - RCC III	Ballpen, Official Receipt	Routine
6	Approves Mayors Permit	Mayor's Office	Nestor S. Valeroso - Mayor	Linen Paper A4, ink	Routine
7	Record and release the permit	Mayor's Office,	Nora D. Ogdoc - Admin Aide I Jhelan Richelle Lipao-Admin Aide I	Business Plate, Sticker, Logbook	Routine
8	Perform actual inspection of the Cockpit Arena	Mayor's Office,BPLO, MHO,MEO, MPDO,MAO	Aileen Rose A. Tantoy - BPLO Designate Municipal Health Officer--**Mary Michelle R. Paganpan** Municipal Engineer-Representative(**Joegie E. Cabatuan/Admin. Aide VI**), Municipal Planning Officer-Representative(**Ray Mark S. Mainit/Admin. Aide IV**), Municipal Agriculturist-Representative(**Anthony C. Rengel/Agri'l Technologist**), Municipal Environment and Natural Resources Officer-Representative(**Rachel Ontolan/Envi. Mgmt. Specialist**)	-	Special

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Annual Cockpit Permit Fee	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - Acting MT	SG14/S1	27,768	333,216	253,536	469,401.60	0.02%	93.88
Aileen Rose A. Tantoy - LRCO I/BPLO	SG-11/S1	22,731	272,772	93,462	292,987.20	0.08%	234.39
Luzviminda Datoy - RCC III	SG9/S1	17,420	209,040	82,840	233,504.00	0.06%	140.10
Nora D. Ogdoc - Admin Aide	SG6/S1	10,623	127,476	69,246	157,377.60	0.03%	47.21
Nestor S. Valeroso - Mun. Mayor	SG-27/S3	106,997	1,283,964	441,994	1,380,766.40	0.01%	138.08
Jheian Richelle Lipao - Admin Aide I	SG6/S1	10,546	126,552	69,092	156,515.20	0.03%	46.95
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	700.62

STEP 4.B COST OF TRANSPORTATION

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection

Column 2. Identify the number of vehicles used for inspection.

Column 3. Verify unit cost of vehicle

Column 4. Determine the total cost by multiplying columns 2 and 3

Column 5. Apply the depreciation rate (Note: Economic life of a vehicle is 10 years)

Column 6. Compute for the annual depreciation cost by multiplying columns 4 and 5.

Column 7. Verify from the City Accounting Office the actual amount spent for maintenance of the vehicle used for inspection. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.

Column 8. Determine the frequency of use of the vehicle. In the specific case sample, half day use from February to November is 44/52 weeks x .5 days. Note that the LGUs may devise other method to determine the actual frequency of use of vehicle.

Column 9. Compute the cost of vehicle for inspection by adding columns 6 and 7 thenmultiply the frequency of use in column 8.

Table 5:

Variable Cost - Vehicle

List of Vehicle/s	Number of Vehicles	Unit Cost	Total Cost	Depreciation Rate/Year	Annual Depreciation Cost	Maintenance cost	Percentage of use for inspection per week	Annual cost of vehicle for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)
					-			-
							TOTAL	-

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection

Column 2. Identify the number of vehicles used for inspection

Column 3. Verify the average cost of fuel per liter

Column 4. Check the average weekly consumption in liters

Column 5. There are 52 weeks in one year. Identify the number of weeks the vehicles(s) has been used in a year.

Column 6. Compute for annual cost of fuel for 1 year by multiplying columns 2, 3, 4 and 5.

Column 7. Determine the percentage for the frequency of use of the vehicle for inspection. In the specific case sample, half day use from February to November is 44/52 weeks X .5 days. Note that the LGUs may devise other method to determine the actual percentage for the frequency of use of the vehicle.

Column 8. Compute the cost of fuel for inspection activities by multiplying columns 6 and 7.

Table 6:

Variable Cost - Fuel

List of vehicle/s	Number of Vehicles	Average Cost per liter	Ave. weekly consumption in liters	Number of weeks in one year	Annual Cost of fuel for the vehicle	Percentage of use for inspection per week	Annual cost for Fuel for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
					-		-
						TOTAL	-

If the LGU does not provide vehicles for inspection, but only allows the reimbursement of actual transportation expenses, the annual cost should be computed by determining the monthly reimbursements multiplied by 12

Table 7:

Variable Cost - Allowance/Reimbursement for Fuel

Name and Position	Transportation Cost based on Allowance/Reimbursements		% Time assigned in the delivery of the "Annual Cockpit Permit Fee"	Annual Cost of the Service
	Average Monthly	Annual Allowance		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)
Aileen Rose A. Tantoy - LRCO-I/BPLO Designate	100	1,200	0.22%	2.64
Mary Michelle R. Paganpan-Mun. Health Officer	100	1,200	0.22%	2.64
Joegie E. Cabatuan-Admin. Aide VI	100	1,200	0.22%	2.64
Ray Mark S. Mainit- Admin. Aide VI	100	1,200	0.22%	2.64
Anthony C. Rengel - Agri. Tech.	100	1,200	0.22%	2.64
Rachel Ontolan-Envi.Mgt. Specialist	100	1,200	0.22%	2.64
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
			TOTAL	15.84

TOTAL OF VEHICLE AND FUEL:	-

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	1		
Bond paper	4	0.50	2.00
Official receipts	1	3.40	3.40
		TOTAL	5.40

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.
Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs

	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	1	
Variable Costs		
Routine Personnel	700.62	700.62
Travel Reimbursement	15.84	15.84
Other Supplies/Forms/Materials	5.40	5.40
TOTAL	721.86	721.86

STEP 5. ALLOCATE THE VARIABLE COST FOR SPECIAL ACTIVITIES

Name and position	SG/Step	Monthly Salary	Annual Salary	Other compensation	Total Annual Compensation	% Time allocated for the service	Annual cost of service for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Aileen Rose A. Tenteny	SG-11/S1	22,781.00	272,772.00	98,462.00	292,987.20	0.01%	29.30
Mary Michell B. Paganpan	SG24/S2	101,283.00	1,215,396.00	502,066.00	1,373,968.60	0.01%	137.40
Joegie E. Cabotaan	SG6/S3	14,537.00	174,444.00	77,074.00	281,214.40	0.01%	28.12
Ray Mark S. Mainit	SG8/S1	14,324.00	171,888.00	76,648.00	198,828.80	0.01%	19.88
Anthony C. Rangel	SG-10/S1	19,190.00	230,280.00	86,280.00	253,828.00	0.01%	25.33
Rachel Christian	SG15/S1	30,453.00	365,436.00	198,906.00	379,673.60	0.01%	37.95
			-		-		-
						TOTAL	269.98

Instructions in Filling the Form

Column 1- List the staff assigned to the "Special" Activity/ies.
Column 2 - Match the salary grade for each staff
Column 3 - Fill out the salary rate/month for each staff.
Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months
Column 5. Identify all other remunerations regularly received by the staff. Other benefits include RATA, PERA, year end benefits and other remunerations
Column 6. Sum up columns 4 and 5
Column 7.Estimate the annual % of time each staff performs directly to the issuance of the subject service. The rate shall be provided by the concerned unit
Column 8.Get the total cost for the Special Activity by adding the cost for each staff involved in delivering the service.
Proceed to the weight allocation. (The weight allocation may vary depending on the appropriate basis to the scenario within an LGU)

Basis (2) Simple and Complex

CATEGORIES	No. of Personnel	Weight	Allocation
Simple		#DIV/0!	#DIV/0!
Complex		#DIV/0!	#DIV/0!
		#DIV/0!	#DIV/0!

*Here, they chose to analyze the weight allocation based on the combination of the previous two options.

** In here, Manufacturers and Contractors were viewed to have both simple and complex business structures

*** Hence, the further classification as to simple and complex within the classification of Manufacturers and Contractors.

Basis (1) Per Business Classification

CLASSIFICATION	Weight	Allocation
Manufacturer		#DIV/0!
Wholesalers		#DIV/0!
Exporters		#DIV/0!
Retailers		#DIV/0!
Contractors		#DIV/0!
Banks and other institutions		#DIV/0!
Peddlers		#DIV/0!
Others		#DIV/0!
	0	#DIV/0!

Weight Allocation According to Complexity and Business Classification

BUSINESS CLASSIFICATION			Simple Weight	Complex Weight	Total	Simple	Complex
With Complex	Manufacturer	#DIV/0!				#DIV/0!	#DIV/0!
	Wholesalers	#DIV/0!				#DIV/0!	
	Exporters	#DIV/0!				#DIV/0!	
	Retailers	#DIV/0!				#DIV/0!	
With Complex	Contractors	#DIV/0!				#DIV/0!	#DIV/0!
	Banks and other inst	#DIV/0!				#DIV/0!	
	Peddlers	#DIV/0!				#DIV/0!	
	Others	#DIV/0!				#DIV/0!	
						#DIV/0!	#DIV/0!

Note: Other basis may be used (e. g. the DTI classification as to Cottage, Small, etc)

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars	Offices Involved in the delivery of "Annual Cockpit Permit Fee"
(col 1)	(col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Annual Cockpit Permit Fee " (%)	0.23%
Share of Cost attributable to delivering the service (Php)	1,390.80

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars	Offices Involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.22%	55
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.22%	79
Photocopier			-		-	-	-		-
								Sub-Total	135
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.22%	3
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.22%	2
								Sub-Total	5
								TOTAL	139.39

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity

Particulars	Offices Involved in the delivery of "Annual Cockpit Permit Fee"
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	17.07
Kilowatt consumption/hour for the unit delivering the service	5.63
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	202,971.86
Percent of work for the service rendered	0.23%
Net electricity cost attributed to "Subject Service" service	466.84

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water

Particulars	Offices Involved in the delivery of "Annual Cockpit Permit Fee"
(col 1)	(col 2)
Number of People	10
Water bill per person per month	77.50
Estimated water bill of the office per year	9,300.00
Percent of work for the service rendered	0.23%
Net cost of water attributed to delivery of "Subject Service".	21.39

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication

Particulars	Offices Involved in the delivery of "Annual Cockpit Permit Fee"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	1
Rate of subscription per month	599
Annual cost of telephone/mobile services	7,188.00
Percent of work for the service rendered	0.00%
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3.

NOTE: Note: The LGU may have other major fixed costs not mentioned in this illustration. When costs are significant, those fixed cost must be identified and added in the template. Conversely, costs that are negligible may be dropped from the calculations.

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for "Annual Cockpit Permit Fees"	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services	**18,000.00**	**0.23%**	**41.40**
			-
			-
		Total	**41.40**

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs		
Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	1	
Office Space	1,390.80	1,390.80
Utilities	488.23	488.23
Electricity	466.84	466.84
Water	21.39	21.39
Communication	-	-
Equipment and Furniture	139.39	139.39
Other Fixed Cost	41.40	41.40
TOTAL	2,059.81	2,059.81

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Annual Cockpit Permit Fee

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	3,051.65	Total Collection on Fees and/or Charges	1,500.00	(1,551.65)	(0.51)	Reasonable
Number of Applications Processed	1	Number of Applications Processed	1			
Average Fee Rate	3,051.65	Average Fee Rates	1,500.00	(1,551.65)	(0.51)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of Issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	3,051.65	Total Revenue	1,500.00	(1,551.65)	51%
Total Number of Applicants	248	Number of Applications Processed	248		
Average Fee Rate	12.31	Average Fee Rates	1,500.00	1,487.69	12090%

10,594.00 Total

Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[illegible]	STD-VAR	STD-FXD	[illegible]			
Simple	#DIV/0!		#DIV/0!	[illegible]	721.86	2,059.81	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[illegible]	721.86	2,059.81	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

Classification	Allocation	% of Applicants	Number	[illegible]	STD-VAR	STD-FXD	[illegible]			
Manufacturer	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!									
Others	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
Total	0%									
	100%									

Ok ok

235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
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									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Annual Cockpit Permit Fee	1,500.00	3,051.65	-0.51	Proposed: 3,000.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
* Where or when does the process start? Where or when does it end?

2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receives Application Form for Cockpit Personnel Permit Fee-Promoter
2	Checks and verifies the completeness of the submitted requirements
3	Assess the applicable permit fee based on the approved ordinance
4	Issue Official Receipt
5	Validate Payment and prepare the permit
6	Review and approve/sign the permit
7	Release the Mayor's Permit

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
* For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
* This includes those who do the work in the process: suppliers, customers and supervisors.

2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receives Application Form for Cockpit Personnel Permit Fee-Promoter	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	Unified Form, Ballpen
2	Checks and verifies the completeness of the submitted requirements	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	-
3	Assess the applicable permit fee based on the approved ordinance	MTO	Carmelita M. Palma	Bond paper
4	Issue Official Receipt	MTO	Luzviminda A. Datoy	Official Receeipt (OR)
5	Validate Payment and prepare the permit	MTO/BPLO	Aileen Rose A. Tantoy, Carmelita M. Palma	Linen Paper, Ink
6	Review and approve/sign the permit	Mayor's Office	Nestor S. Valeroso, Jheian Richelle Lipao	Official Dry Seal
7	Release the Mayor's Permit	MTO	Nora Ogdoc	Logbook

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
* Routine(same procedure and effort for each applicant)
* Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receives Application Form for Cockpit Personnel Permit Fee-Promoter	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	Unified Form, Ballpen	Routine
2	Checks and verifies the completeness of the submitted requirements	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	-	Routine
3	Assess the applicable permit fee based on the approved ordinance	MTO	Carmelita M. Palma	Bond paper	Routine
4	Issue Official Receipt	MTO	Luzviminda A. Datoy	Official Receeipt (OR)	Routine
5	Validate Payment and prepare the permit	MTO/BPLO	Aileen Rose A. Tantoy, Carmelita M. Palma	Linen Paper, Ink	Routine
6	Review and approve/sign the permit	Mayor's Office	Nestor S. Valeroso, Jheian Richelle Lipao	Official Dry Seal	Routine
7	Release the Mayor's Permit	MTO	Nora Ogdoc	Logbook	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Cockpit Personnel Permit Fee-Promoter	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - AMT	SG14/S1	27,768	333,216	253,536	469,401.60	0.15%	704.10
Aileen Rose A. Tantoy - LRCO-I/BPLO	SG11/S1	22,731	272,772	93,462	292,987.20	0.26%	761.77
Luzviminda A. Datoy - RCC-III	SG9/S1	17,420	209,040	82,840	233,504.00	0.66%	1,541.13
Nora D. Ogdoc - Admin Aide	SG6/S1	10,623	127,476	69,246	157,377.60	0.12%	188.85
Nestor S. Valeroso - Mayor	SG27/S1	106,997	1,283,964	441,994	1,380,766.40	0.10%	1,380.77
Jhelan Richelle Lipao - Admin Aide I	SG6/S1	10,546	126,552	69,092	156,515.20	0.05%	78.26
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	4,654.87

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	1		
Bond paper	1	0.50	0.50
Official Receipt	1	3.40	3.40
Linen Paper A4	1	2.00	2.00
		TOTAL	5.90

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs

	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	1	
Variable Costs		
Routine Personnel	4,654.87	4,654.87
Travel Reimbursement	-	-
Other Supplies/Forms/Materials	5.90	5.90
TOTAL	4,660.77	4,660.77

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars	Offices Involved in the delivery of "Cockpit Personnel Permit Fee-Promoter"
(col 1)	(col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Cockpit Personnel Permit Fee-Promoter " (%)	1.34%
Share of Cost attributable to delivering the service (Php)	8,102.90

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars	Offices Involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	5%	1,260.00
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	5%	1,800.00
Photocopier			-		-	-	-		-
								Sub-Total	**3,060.00**
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	5%	60.00
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	5%	48.00
								Sub-Total	**108.00**
								TOTAL	**3,168.00**

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices involved in the delivery of** "Cockpit Personnel Permit Fee-Promoter"
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	17.07
Kilowatt consumption/hour for the unit delivering the service	5.63
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	202,971.86
Percent of work for the service rendered	1.34%
Net electricity cost attributed to "Subject Service" service	2,719.82

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water	
Particulars	**Offices involved in the delivery of** "Cockpit Personnel Permit Fee-Promoter"
(col 1)	(col 2)
Number of People	10
Water bill per person per month	77.50
Estimated water bill of the office per year	9,300.00
Percent of work for the service rendered	1.34%
Net cost of water attributed to delivery of "Subject Service".	124.62

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication	
Particulars	**Offices involved in the delivery of** "Cockpit Personnel Permit Fee-Promoter"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	1
Rate of subscription per month	0
Annual cost of telephone/mobile services	599.00
Percent of work for the service rendered	0%
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3.

NOTE: Note: The LGU may have other major fixed costs not mentioned in this illustration. When costs are significant, those fixed cost must be identified and added in the template. Conversely, costs that are negligible may be dropped from the calculations.

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for " Cockpit Personnel Permit Fees -Promoter"	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services	**18,000.00**	**7.00%**	**1,260.00**
Regular Office Supplies			-
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**1,260.00**

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	1	
Office Space	8,102.90	8,102.90
Utilities	2,844.44	2,844.44
Electricity	2,719.82	2,719.82
Water	124.62	124.62
Communication	-	-
Equipment and Furniture	3,168.00	3,168.00
Other Fixed Cost	1,260.00	1,260.00
TOTAL	15,375.34	15,375.34

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Permit Fee: Cockpit Personnel - Promoter

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	20,036.12	Total Collection on Fees and/or Charges	350.00	(19,686.12)	(0.98)	Reasonable
Number of Applications Processed	1	Number of Applications Processed	1			
Average Fee Rate	20,036.12	Average Fee Rates	350.00	(19,686.12)	(0.98)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of Issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	20,036.12	Total Revenue	350.00	(19,686.12)	-98%
Total Number of Applicants	1	Number of Applications Processed	1		
Average Fee Rate	20,036.12	Average Fee Rates	350.00	(19,686.12)	-98%

		10,594.00		Total						
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[redacted]	STD-VAR	STD-FXD	[redacted]			
Simple	#DIV/0!		#DIV/0!	[redacted]	4,660.77	15,375.34	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	4,660.77	15,375.34	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

				[redacted]	STD-VAR	STD-FXD	[redacted]			
Classification	Allocation	% of Applicants	Number							
Manufacturer	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!			[redacted]			[redacted]			
Others	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
Total	0%									
	100%									

							Ok		ok	
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
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			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
										#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Permit Fee: Cockpit Personnel - Promoter	350.00	20,036.12	-0.98	Propose: 20,000.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive the application for Cockpit Personnel Permit Fee-Pit Manager together with their cedula
2	Check and verify the submitted application
3	Asses the permit fee based on the approved ordinance
4	Collect the fee and issue official receipt
5	Validate payment and prepare the permit
6	Secure approval/signature
7	Release the permit

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive the application for Cockpit Personnel Permit Fee-Pit Manager together with their cedula	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	Unified Form, Ballpen
2	Check and verify the submitted application	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	-
3	Asses the permit fee based on the approved ordinance	MTO	Carmelita M. Palma	Bond paper
4	Collect the fee and issue official receipt	MTO	Luzviminda A. Datoy	Official Receeipt (OR)
5	Validate payment and prepare the permit	MTO/BPLO	Aileen Rose A. Tantoy, Carmelita M. Palma	Linen Paper, Ink
6	Secure approval/signature	Mayor's Office	Nestor S. Valeroso, Jheian Richelle Lipao	Official Dry Seal
7	Release the permit	MTO	Nora D. Ogdoc	Logbook

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receives Application for Cockpit Personnel Permit Fee-Pit Manager	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	Unified Form, Ballpen	Routine
2	Check and verify the submitted application	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	-	Routine
3	Asses the permit fee based on the approved ordinance	MTO	Carmelita M. Palma	Bond paper	Routine
4	Collect the fee and issue official receipt	MTO	Luzviminda A. Datoy	Official Receeipt (OR)	Routine
5	Validate payment and prepare the permit	MTO/BPLO	Aileen Rose A. Tantoy, Carmelita M. Palma	Linen Paper, Ink	Routine
6	Secure approval/signature	Mayor's Office	Nestor S. Valeroso, Jheian Richelle Lipao	Official Dry Seal	Routine
7	Release the permit	MTO	Nora D. Ogdoc	Logbook	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Cockpit Personnel Permit Fee-Pit Manager	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - AMT	**SG14/S1**	**27,768**	**333,216**	**253,536**	**469,401.60**	**0.02%**	**93.88**
Aileen Rose A. Tantoy - LRCO-I/BPLO	**SG11/S1**	**22,731**	**272,772**	**93,462**	**292,987.20**	**0.05%**	**146.49**
Luzviminda Datoy - RCC III	**SG9/S1**	**17,420**	**209,040**	**82,840**	**233,504.00**	**0.08%**	**186.80**
Nora D. Ogdoc - Admin Aide	**SG6/S1**	**10,623**	**127,476**	**69,246**	**157,377.60**	**0.01%**	**15.74**
Nestor S. Valeroso - Mayor	**SG27/S1**	**106,997**	**1,283,964**	**441,994**	**1,380,766.40**	**0.01%**	**138.08**
Jhelan Richelle Lipao - Admin Aide I	**SG6/S1**	**10,546**	**126,552**	**69,092**	**156,515.20**	**0.01%**	**15.65**
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	**596.64**

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	1		
Bond paper	1	0.50	0.50
Official Receipt	1	3.40	3.40
linen paper A4	1	2.00	2.00
		TOTAL	5.90

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs

	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	1	
Variable Costs		
Routine Personnel	596.64	596.64
Travel Reimbursement	-	-
Other Supplies/Forms/Materials	5.90	5.90
TOTAL	602.54	602.54

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars	Offices involved in the delivery of "Cockpit Personnel Permit Fee-Pit Manager"
(col 1)	(col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Cockpit Personnel Permit Fee-Pit Manager " (%)	0.18%
Share of Cost attributable to delivering the service (Php)	1,088.45

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars	Offices involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.10%	25.20
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.10%	36.00
Photocopier			-		-	-	-		-
								Sub-Total	61.20
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.10%	1.20
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.10%	0.96
								Sub-Total	2.16
								TOTAL	**63.36**

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity

Particulars	Offices involved in the delivery of "Cockpit Personnel Permit Fee-Pit Manager"
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	17.07
Kilowatt consumption/hour for the unit delivering the service	5.63
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	202,971.86
Percent of work for the service rendered	0.18%
Net electricity cost attributed to "Subject Service" service	365.35

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water

Particulars	Offices involved in the delivery of "Cockpit Personnel Permit Fee-Pit Manager"
(col 1)	(col 2)
Number of People	10
Water bill per person per month	77.50
Estimated water bill of the office per year	9,300.00
Percent of work for the service rendered	0.18%
Net cost of water attributed to delivery of "Subject Service".	16.74

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication

Particulars	Offices involved in the delivery of "Cockpit Personnel Permit Fee-Pit Manager"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	0
Rate of subscription per month	599.00
Annual cost of telephone/mobile services	
Percent of work for the service rendered	0%
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3.

NOTE: Note: The LGU may have other major fixed costs not mentioned in this illustration. When costs are significant, those fixed cost must be identified and added in the template. Conversely, costs that are negligible may be dropped from the calculations.

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for " Cockpit Personnel Permit Fees -Pit Manager"	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services	**18000**	**5.00%**	**900.00**
Regular Office Supplies			-
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**900.00**

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs		
Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	1	
Office Space	1,088.45	1,088.45
Utilities	382.09	382.09
Electricity	365.35	365.35
Water	16.74	16.74
Communication	-	-
Equipment and Furniture	63.36	63.36
Other Fixed Cost	900.00	900.00
TOTAL	2,433.90	2,433.90

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Cockpit Personnel Permit Fee: Pit Manager

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	3,036.44	Total Collection on Fees and/or Charges	300.00	(2,736.44)	(0.90)	Reasonable
Number of Applications Processed	1	Number of Applications Processed	1			
Average Fee Rate	3,036.44	Average Fee Rates	300.00	(2,736.44)	(0.90)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	3,036.44	Total Revenue	300.00	(2,736.44)	-90%
Total Number of Applicants	1	Number of Applications Processed	1		
Average Fee Rate	3,036.44	Average Fee Rates	300.00	(2,736.44)	-90%

		10,594.00		Total						
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[redacted]	STD-VAR	STD-FXD	[redacted]			
Simple	#DIV/0!		#DIV/0!	[redacted]	602.54	2,433.90	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	602.54	2,433.90	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

Classification	Allocation	% of Applicants	Number	[redacted]	STD-VAR	STD-FXD	[redacted]			
Manufacturer	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!			[redacted]			[redacted]			
Others	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!

Total	0%
	100%

Ok ok

235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
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Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Permit Fee: Cockpit Personnel- Pit Manager	300.00	3,036.44	-0.90	Propose: 3,000.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive the application for Cockpit Personnel Permit Fee-Referee together with their cedula
2	Check and verify the submitted application
3	Asses the permit fee based on the approved ordinance
4	Collect the fee and issue official receipt
5	Validate payment and prepare the permit
6	Secure approval/signature
7	Release the permit

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive the application for Cockpit Personnel Permit Fee- Referee together with their cedula	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	Unified Form, Ballpen
2	Check and verify the submitted application	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	-
3	Asses the permit fee based on the approved ordinance	MTO	Carmelita M. Palma	Bond paper
4	Collect the fee and issue official receipt	MTO	Luzviminda A. Datoy	Official Receeipt (OR)
5	Validate payment and prepare the permit	MTO/BPLO	Aileen Rose A. Tantoy, Carmelita M. Palma	Linen Paper, Ink
6	Secure approval/signature	Mayor's Office	Nestor S. Valeroso, Jheian Richelle Lipao	Official Dry Seal
7	Release the permit	MTO	Nora D. Ogdoc	Logbook

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive the Application for Cockpit Personnel Permit Fee-Referee together with their cedula	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	Unified Form, Ballpen	Routine
2	Check and verify the submitted application	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	-	Routine
3	Asses the permit fee based on the approved ordinance	MTO	Carmelita M. Palma	Bond paper	Routine
4	Collect the fee and issue official receipt	MTO	Luzviminda A. Datoy	Official Receeipt (OR)	Routine
5	Validate payment and prepare the permit	MTO/BPLO	Aileen Rose A. Tantoy, Carmelita M. Palma	Linen Paper, Ink	Routine
6	Secure approval/signature	Mayor's Office	Nestor S. Valeroso, Jheian Richelle Lipao	Official Dry Seal	Routine
7	Release the permit	MTO	Nora D. Ogdoc	Logbook	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Cockpit Personnel Permit Fee-Referee	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - AMT	SG14/S1	27,768	333,216	253,536	469,401.60	0.01%	46.94
Aileen Rose A. Tantoy - LRCO-I/BPLO	SG11/S1	22,731	272,772	93,462	292,987.20	0.03%	87.90
Luzviminda A. Datoy - RCC III	SG9/S1	17,420	209,040	82,840	233,504.00	0.01%	23.35
Nora D. Ogdoc - Admin Aide	SG6/S1	10,623	127,476	69,246	157,377.60	0.01%	15.74
Nestor S. Valeroso - Mayor	SG27/S1	106,997	1,283,964	441,994	1,380,766.40	0.01%	138.08
Jhelan Richelle Lipao - Admin Aide I	SG6/S1	10,546	126,552	69,092	156,515.20	0.01%	15.65
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	327.65

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	1		
Bond paper	1	0.50	0.50
Official Receipt	1	3.40	3.40
Linen Paper A4	1	2.00	2.00
			-
			-
			-
			-
		TOTAL	5.90

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs

	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	1	
Variable Costs		
Routine Personnel	327.65	327.65
Travel Reimbursement	-	-
Other Supplies/Forms/Materials	5.90	5.90
TOTAL	333.55	333.55

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Cockpit Personnel Permit Fee-Referee" (col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Cockpit Personnel Permit Fee-Referee " (%)	0.08%
Share of Cost attributable to delivering the service (Php)	483.76

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.02%	5.04
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.02%	7.20
Photocopier			-		-	-	-		-
								Sub-Total	**12.24**
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.02%	0.24
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.02%	0.19
								Sub-Total	**0.43**
								TOTAL	**12.67**

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity

Particulars	Offices Involved in the delivery of "Cockpit Personnel Permit Fee-Referee"
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	17.07
Kilowatt consumption/hour for the unit delivering the service	5.63
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	202,971.86
Percent of work for the service rendered	0.08%
Net electricity cost attributed to "Subject Service" service	162.38

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water

Particulars	Offices Involved in the delivery of "Cockpit Personnel Permit Fee-Referee"
(col 1)	(col 2)
Number of People	10
Water bill per person per month	77.50
Estimated water bill of the office per year	9,300.00
Percent of work for the service rendered	0.08%
Net cost of water attributed to delivery of "Subject Service".	7.44

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication

Particulars	Offices Involved in the delivery of "Cockpit Personnel Permit Fee-Referee"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	0
Rate of subscription per month	0
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	0%
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	1	
Office Space	483.76	483.76
Utilities	169.82	169.82
Electricity	162.38	162.38
Water	7.44	7.44
Communication	-	-
Equipment and Furniture	12.67	12.67
Other Fixed Cost	-	-
TOTAL	666.24	666.24

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Cockpit Personnel Permit Fee: Referee

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	999.80	Total Collection on Fees and/or Charges	250.00	(749.80)	(0.75)	Reasonable
Number of Applications Processed	1	Number of Applications Processed	1			
Average Fee Rate	999.80	Average Fee Rates	250.00	(749.80)	(0.75)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	999.80	Total Revenue	250.00	(749.80)	75%
Total Number of Applicants	1	Number of Applications Processed	1		
Average Fee Rate	999.80	Average Fee Rates	250.00	(749.80)	75%

10,594.00 Total

Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	SPCI-PERSONNEL	STD-VAR	STD-FXD	Cost per Application			
Simple	#DIV/0!		#DIV/0!	[illegible]	333.55	666.24	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[illegible]	333.55	666.24	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

Classification	Allocation	% of Applicants	Number	SPCI-PERSONNEL	STD-VAR	STD-FXD	Cost per Application			
Manufacturer	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!									
Others	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
Total	0%									
	100%									
							Ok		ok	
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#REF!		-							
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
										#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Permit Fee: Cockpit Personnel- Referee	250.00	999.80	-0.75	Propose: 1,000.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
* Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive the application for Cockpit Personnel Permit Fee-Bet Taker- "Kristo"/"Llamador" together with their cedula
2	Check and verify the submitted application
3	Asses the permit fee based on the approved ordinance
4	Collect the fee and issue official receipt
5	Validate payment and prepare the permit
6	Secure approval/signature
7	Release the permit

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
* For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
* This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive application for Cockpit Personnel Permit Fee-Bet Taker "Kristo"/ "Llamador" together with their cedula	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	Unified Form, Ballpen
2	Check and verify the submitted application	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	-
3	Asses the permit fee based on the approved ordinance	MTO	Carmelita M. Palma	Bond paper
4	Collect the fee and issue official receipt	MTO	Luzviminda A. Datoy	Official Receeipt (OR)
5	Validate payment and prepare the permit	MTO/BPLO	Aileen Rose A. Tantoy, Carmelita M. Palma	Linen Paper, Ink
6	Secure approval/signature	Mayor's Office	Nestor S. Valeroso, Jheian Richelle Lipao	Official Dry Seal
7	Release the permit	MTO	Nora D. Ogdoc	Logbook

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
* Routine(same procedure and effort for each applicant)
* Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive application for Cockpit Personnel Permit Fee-Bet Taker "Kristo" / "Llamador" together with their cedula	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	Unified Form, Ballpen	Routine
2	Check and verify the submitted application	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	-	Routine
3	Asses the permit fee based on the approved ordinance	MTO	Carmelita M. Palma	Bond paper	Routine
4	Collect the fee and issue official receipt	MTO	Luzviminda A. Datoy	Official Receeipt (OR)	Routine
5	Validate payment and prepare the permit	MTO/BPLO	Aileen Rose A. Tantoy, Carmelita M. Palma	Linen Paper, Ink	Routine
6	Secure approval/signature	Mayor's Office	Nestor S. Valeroso, Jheian Richelle Lipao	Official Dry Seal	Routine
7	Release the permit	MTO	Nora D. Ogdoc	Logbook	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Cockpit Personnel Permit Fee-Bet Taker "Kristo" / "Llamador"	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - AMT	SG14/S1	27,768	333,216	253,536	469,401.60	0.01%	46.94
Aileen Rose A. Tantoy - LRCO-I/BPLO	SG11/S1	22,731	272,772	93,462	292,987.20	0.03%	87.90
Luzviminda A. Datoy - RCC III	SG9/S1	17,420	209,040	82,840	233,504.00	0.01%	23.35
Nora D. Ogdoc - Admin Aide	SG6/S1	10,623	127,476	69,246	157,377.60	0.01%	15.74
Nestor S. Valeroso - Mayor	SG27/S1	106,997	1,283,964	441,994	1,380,766.40	0.01%	138.08
Jheian Richelle Lipao - Admin Aide	SG6/S1	10,546	126,552	69,092	156,515.20	0.01%	15.65
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	327.65

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	1		
Bond paper	1	0.50	0.50
Official Receipt	1	3.40	3.40
Linen Paper A4	1	2.00	2.00
		TOTAL	5.90

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs

	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	1	
Variable Costs		
Routine Personnel	327.65	327.65
Travel Reimbursement	-	-
Other Supplies/Forms/Materials	5.90	5.90
TOTAL	333.55	333.55

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Cockpit Personnel Permit Fee-Bet Taker "Kristo" / "Llamador" (col 2)
Construction Cost (per sq m)	**14,751.85**
Floor area of City Hall (sq m)	**1,080.00**
Building Construction Cost (Php)	**15,913,000.00**
Office Area Occupied (sq. m)	**72.00**
Cost of Office Area Occupied (Php)	**1,060,866.67**
Depreciation Rate (%)	**3%**
Annual Depreciation Expense (Php)	**503,911.66**
Annual Maintenance Cost (Php)	**100,782.33**
Percent of Work for "Cockpit Personnel Permit Fee-Bet Taker "Kristo" **(%)**	**0.08%**
Share of Cost attributable to delivering the service (Php)	**483.76**

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.02%	5.04
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.02%	7.20
Photocopier			-		-	-	-		-
								Sub-Total	12.24
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.02%	0.24
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.02%	0.19
								Sub-Total	0.43
								TOTAL	**12.67**

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices Involved in the delivery of** "Cockpit Personnel Permit Fee-Bet Taker " Kristo" / "Llamador"
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	**17.07**
Kilowatt consumption/hour for the unit delivering the service	**5.63**
Number of operating hours per day	**8.00**
Number of days per year	**264.00**
Electricity cost per year	**202,971.86**
Percent of work for the service rendered	**0.08%**
Net electricity cost attributed to "Subject Service" service	162.38

Table 13:

Cost of Water	
Particulars	**Offices Involved in the delivery of** "Cockpit Personnel Permit Fee-Bet Taker " Kristo" / "Llamador"
(col 1)	(col 2)
Number of People	**10**
Water bill per person per month	**77.50**
Estimated water bill of the office per year	**9,300.00**
Percent of work for the service rendered	**0.08%**
Net cost of water attributed to delivery of "Subject Service".	7.44

Table 14:

Cost for Communication	
Particulars	**Offices Involved in the delivery of** "Cockpit Personnel Permit Fee-Bet Taker " Kristo" / "Llamador"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	**0**
Rate of subscription per month	**0**
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	**0%**
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	1	
Office Space	483.76	483.76
Utilities	169.82	169.82
Electricity	162.38	162.38
Water	7.44	7.44
Communication	-	-
Equipment and Furniture	12.67	12.67
Other Fixed Cost	-	-
TOTAL	666.24	666.24

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Cockpit Personnel Permit Fee - Bet Taker "Kristo"/"Llamador"

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	999.80	Total Collection on Fees and/or Charges	200.00	(799.80)	(0.80)	Reasonable
Number of Applications Processed	1	Number of Applications Processed	1			
Average Fee Rate	999.80	Average Fee Rates	200.00	(799.80)	(0.80)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of Issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	999.80	Total Revenue	200.00	(799.80)	80%
Total Number of Applicants	1	Number of Applications Processed	1		
Average Fee Rate	999.80	Average Fee Rates	200.00	(799.80)	80%

			10,594.00	Total				
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[illegible]	STD-VAR	STD-FXD	[illegible]	
Simple	#DIV/0!		#DIV/0!	[illegible]	333.55	666.24	[illegible]	#DIV/0! #DIV/0! #DIV/0!
Complex	#DIV/0!		#DIV/0!	[illegible]	333.55	666.24	[illegible]	#DIV/0! #DIV/0! #DIV/0!
	#DIV/0!		#DIV/0!					#DIV/0! #DIV/0!

Classification	Allocation	% of Applicants	Number	[illegible]	STD-VAR	STD-FXD	[illegible]	
Manufacturer	#DIV/0!			[illegible]			[illegible]	#DIV/0! #DIV/0! #DIV/0!
Wholesalers	#DIV/0!			[illegible]			[illegible]	#DIV/0! #DIV/0! #DIV/0!
Exporters	#DIV/0!			[illegible]			[illegible]	#DIV/0! #DIV/0! #DIV/0!
Retailers	#DIV/0!			[illegible]			[illegible]	#DIV/0! #DIV/0! #DIV/0!
Contractors	#DIV/0!			[illegible]			[illegible]	#DIV/0! #DIV/0! #DIV/0!
Banks and other institutions	#DIV/0!			[illegible]			[illegible]	#DIV/0! #DIV/0! #DIV/0!
Peddlers	#DIV/0!							
Others	#DIV/0!			[illegible]			[illegible]	#DIV/0! #DIV/0! #DIV/0!
	#DIV/0!			#DIV/0!				#DIV/0! #DIV/0!
Total	0%							
	100%							

Ok ok

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Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Permit Fee: Cockpit Personnel- Bet Taker "Kristo"/ "Llamador"	200.00	999.80	-0.80	Propose: 1,000.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive the application for Cockpit Personnel Permit Fee-Bet Manager "Maciador/Kasador" together with their cedula
2	Check and verify the submitted application
3	Asses the permit fee based on the approved ordinance
4	Collect the fee and issue official receipt
5	Validate payment and prepare the permit
6	Secure approval/signature
7	Release the permit

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive the application for Cockpit Personnel Permit Fee - Bet Manager "Maciador/Kasador" together with their cedula	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	Unified Form, Ballpen
2	Check and verify the submitted application	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	-
3	Asses the permit fee based on the approved ordinance	MTO	Carmelita M. Palma	Bond paper
4	Collect the fee and issue official receipt	MTO	Luzviminda A. Datoy	Official Receeipt (OR)
5	Validate payment and prepare the permit	MTO/BPLO	Aileen Rose A. Tantoy, Carmelita M. Palma	Linen Paper, Ink
6	Secure approval/signature	Mayor's Office	Nestor S. Valeroso, Jheian Richelle Lipao	Official Dry Seal
7	Release the permit	MTO	Nora D. Ogdoc	Logbook

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive the application for Cockpit Personnel Permit Fee - Bet Manager "Maciador/Kasador" together with their cedula	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	Unified Form, Ballpen	Routine
2	Check and verify the submitted application	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	-	Routine
3	Asses the permit fee based on the approved ordinance	MTO	Carmelita M. Palma	Bond paper	Routine
4	Collect the fee and issue official receipt	MTO	Luzviminda A. Datoy	Official Receeipt (OR)	Routine
5	Validate payment and prepare the permit	MTO/BPLO	Aileen Rose A. Tantoy, Carmelita M. Palma	Linen Paper, Ink	Routine
6	Secure approval/signature	Mayor's Office	Nestor S. Valeroso, Jheian Richelle Lipao	Official Dry Seal	Routine
7	Release the permit	MTO	Nora D. Ogdoc	Logbook	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Cockpit Personnel Permit Fee-Bet Manager	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - AMT	SG14/S1	27,768	333,216	253,536	469,401.60	0.01%	46.94
Aileen Rose A. Tantoy - LRCO-I/BPLO	SG11/S1	22,731	272,772	93,462	292,987.20	0.03%	87.90
Luzviminda A. Datoy - RCC III	SG9/S1	17,420	209,040	82,840	233,504.00	0.01%	23.35
Nora D. Ogdoc - Admin Aide	SG6/S1	10,623	127,476	69,246	157,377.60	0.01%	15.74
Nestor S. Valeroso - Mayor	SG27/S1	106,997	1,283,964	441,994	1,380,766.40	0.01%	138.08
Jhelan Richelle Lipao - Admin Aide	SG6/S1	10,546	126,552	69,092	156,515.20	0.01%	15.65
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	327.65

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	1		
Bond paper	1	0.50	0.50
Official Recceipt	1	3.40	3.40
Linen Paper A4	1	2.00	2.00
			-
			-
			-
			-
		TOTAL	5.90

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	**Estimated Routine Variable Cost Per Application**
Annual Number of Applications	**1**	
Variable Costs		
Routine Personnel	**327.65**	**327.65**
Travel Reimbursement	**-**	**-**
Other Supplies/Forms/Materials	**5.90**	**5.90**
TOTAL	**333.55**	**333.55**

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars	Offices Involved in the delivery of "Cockpit Personnel Permit Fee-Pit Manager"
(col 1)	(col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Cockpit Personnel Permit Fee-Bet Manager " (%)	0.08%
Share of Cost attributable to delivering the service (Php)	483.76

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars	Offices Involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.02%	5.04
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.02%	7.20
Photocopier			-		-	-	-		-
								Sub-Total	12.24
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.02%	0.24
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.02%	0.19
								Sub-Total	0.43
								TOTAL	12.67

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices Involved in the delivery of** "Cockpit Personnel Permit Fee-Bet Manager"
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	**17.07**
Kilowatt consumption/hour for the unit delivering the service	**5.63**
Number of operating hours per day	**8.00**
Number of days per year	**264.00**
Electricity cost per year	**202,971.86**
Percent of work for the service rendered	**0.08%**
Net electricity cost attributed to "Subject Service" service	162.38

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water	
Particulars	**Offices Involved in the delivery of** "Cockpit Personnel Permit Fee-Bet Manager"
(col 1)	(col 2)
Number of People	**10**
Water bill per person per month	**77.50**
Estimated water bill of the office per year	**9,300.00**
Percent of work for the service rendered	**0.08%**
Net cost of water attributed to delivery of "Subject Service".	**7.44**

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication	
Particulars	**Offices Involved in the delivery of** "Cockpit Personnel Permit Fee-Bet Manager"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	**0**
Rate of subscription per month	**0**
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	**0%**
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.

Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	248	
Office Space	483.76	1.95
Utilities	169.82	0.68
Electricity	162.38	0.65
Water	7.44	0.03
Communication	-	-
Equipment and Furniture	12.67	0.05
Other Fixed Cost	-	-
TOTAL	666.24	2.69

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Cockpit Personnel Permit Fee: Bet Manager "Maciador/Kasador"

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	999.80	Total Collection on Fees and/or Charges	300.00	(699.80)	(0.70)	Reasonable
Number of Applications Processed	1	Number of Applications Processed	1			
Average Fee Rate	999.80	Average Fee Rates	300.00	(699.80)	(0.70)	

Up the Form

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of Issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	999.80	Total Revenue	300.00	(699.80)	70%
Total Number of Applicants	1	Number of Applications Processed	1		
Average Fee Rate	999.80	Average Fee Rates	300.00	(699.80)	70%

			10,594.00	Total						
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[redacted]	STD-VAR	STD-FXD	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Simple	#DIV/0!		#DIV/0!	[redacted]	333.55	2.69	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	333.55	2.69	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

[redacted]				[redacted]	STD-VAR	STD-FXD	[redacted]			
Classification	Allocation	% of Applicants	Number							
Manufacturer	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!			[redacted]			[redacted]			
Others	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
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										#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Permit Fee: Cockpit Personnel- Bet Manager	300.00	999.80	-0.70	Propose: 1,000.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source. Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive the application for Cockpit Personnel Permit Fee-Gaffer "Mananari" together with their cedula
2	Check and verify the submitted application
3	Asses the permit fee based on the approved ordinance
4	Collect the fee and issue official receipt
5	Validate payment and prepare the permit
6	Secure approval/signature
7	Release the permit

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive the application for Cockpit Personnel Permit Fee-Gaffer "Mananari" together with their cedula	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	Unified Form, Ballpen
2	Check and verify the submitted application	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	-
3	Asses the permit fee based on the approved ordinance	MTO	Carmelita M. Palma	Bond paper
4	Collect the fee and issue official receipt	MTO	Luzviminda A. Datoy	Official Receeipt (OR)
5	Validate payment and prepare the permit	MTO/BPLO	Aileen Rose A. Tantoy, Carmelita M. Palma	Linen Paper, Ink
6	Secure approval/signature	Mayor's Office	Nestor S. Valeroso, Jheian Richelle Lipao	Official Dry Seal
7	Release the permit	MTO	Nora D. Ogdoc	Logbook

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive the application for Cockpit Personnel Permit Fee-Gaffer "Mananari" together with their cedula	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	Unified Form, Ballpen	Routine
2	Check and verify the submitted application	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	-	Routine
3	Asses the permit fee based on the approved ordinance	MTO	Carmelita M. Palma	Bond paper	Routine
4	Collect the fee and issue official receipt	MTO	Luzviminda A. Datoy	Official Receeipt (OR)	Routine
5	Validate payment and prepare the permit	MTO/BPLO	Aileen Rose A. Tantoy, Carmelita M. Palma	Linen Paper, Ink	Routine
6	Secure approval/signature	Mayor's Office	Nestor S. Valeroso, Jheian Richelle Lipao	Official Dry Seal	Routine
7	Release the permit	MTO	Nora D. Ogdoc	Logbook	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Cockpit Personnel Permit Fee-Gaffer "Mananari"	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - AMT	SG14/S1	27,768	333,216	253,536	469,401.60	0.01%	46.94
Aileen Rose A. Tantoy - LRCO I/BPLO	SG11/S1	22,731	272,772	93,462	292,987.20	0.03%	87.90
Luzviminda A. Tantoy - RCC III	SG9/S1	17,420	209,040	82,840	233,504.00	0.01%	23.35
Nora D. Ogdoc - Admin Aide	SG6/S1	10,623	127,476	69,246	157,377.60	0.01%	15.74
Nestor S. Valeroso - Mayor	SG27/S1	106,997	1,283,964	441,994	1,380,766.40	0.01%	138.08
Jhelan Richelle Lipao - Admin Aide	SG6/S1	10,546	126,552	69,092	156,515.20	0.01%	15.65
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	327.65

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	1		
Bond paper	1	0.50	0.50
Official Receipt	1	3.40	3.40
Linen Paper A4	1	2.00	2.00
			-
			-
			-
			-
		TOTAL	5.90

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.
Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	1	
Variable Costs		
Routine Personnel	327.65	327.65
Travel Reimbursement	-	-
Other Supplies/Forms/Materials	5.90	5.90
TOTAL	333.55	333.55

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Cockpit Personnel Permit Fee-Gaffer "Mananari" (col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Cockpit Personnel Permit Fee-Gaffer "Mananari" (%)	0.08%
Share of Cost attributable to delivering the service (Php)	483.76

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.02%	5.04
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.02%	7.20
Photocopier			-		-	-	-		-
								Sub-Total	**12.24**
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.02%	0.24
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.02%	0.19
								Sub-Total	**0.43**
								TOTAL	**12.67**

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity

Particulars	Offices Involved in the delivery of Cockpit Personnel Permit Fee-Gaffer "Mananari"
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	17.07
Kilowatt consumption/hour for the unit delivering the service	5.63
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	202,971.86
Percent of work for the service rendered	0.08%
Net electricity cost attributed to "Subject Service" service	162.38

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water

Particulars	Offices Involved in the delivery of Cockpit Personnel Permit Fee-Gaffer "Mananari"
(col 1)	(col 2)
Number of People	10
Water bill per person per month	77.50
Estimated water bill of the office per year	9,300.00
Percent of work for the service rendered	0.08%
Net cost of water attributed to delivery of "Subject Service".	7.44

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication

Particulars	Offices Involved in the delivery of Cockpit Personnel Permit Fee-Gaffer "Mananari"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	0
Rate of subscription per month	0
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	0%
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	1	
Office Space	483.76	483.76
Utilities	169.82	169.82
Electricity	162.38	162.38
Water	7.44	7.44
Communication	-	-
Equipment and Furniture	12.67	12.67
Other Fixed Cost	-	-
TOTAL	666.24	666.24

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Cockpit Personnel Permit Fee - Gaffer "Mananari"

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	999.80	Total Collection on Fees and/or Charges	200.00	(799.80)	(0.80)	Reasonable
Number of Applications Processed	1	Number of Applications Processed	1			
Average Fee Rate	999.80	Average Fee Rates	200.00	(799.80)	(0.80)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	999.80	Total Revenue	200.00	(799.80)	80%
Total Number of Applicants	1	Number of Applications Processed	1		
Average Fee Rate	999.80	Average Fee Rates	200.00	(799.80)	80%

Scenario 1	% of Applicants	Number of Applicants	10,594.00 Cost (with weight)	Total [redacted]	STD-VAR	STD-FXD	[redacted]
Simple	#DIV/0!		#DIV/0!	[redacted]	333.55	666.24	[redacted]
Complex	#DIV/0!		#DIV/0!	[redacted]	333.55	666.24	[redacted]
	#DIV/0!		#DIV/0!				

Classification	Allocation	% of Applicants	Number	[redacted]	STD-VAR	STD-FXD	[redacted]
Manufacturer	#DIV/0!			[redacted]			[redacted]
Wholesalers	#DIV/0!			[redacted]			[redacted]
Exporters	#DIV/0!			[redacted]			[redacted]
Retailers	#DIV/0!			[redacted]			[redacted]
Contractors	#DIV/0!			[redacted]			[redacted]
Banks and other institutions	#DIV/0!			[redacted]			[redacted]
Peddlers	#DIV/0!			[redacted]			[redacted]
Others	#DIV/0!			[redacted]			[redacted]
	#DIV/0!			#DIV/0!			
Total	0%						
	100%						

235801.42 - - #DIV/0! Ok ok
235801.42 - - #DIV/0!
#REF!
#DIV/0!
#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Permit Fee: Cockpit Personnel- Gaffer "Mananari"	200.00	999.80	-0.80	Propose: 1,000.00

STEP 1: MAP YOUR PROCESS FLOW

Note:

- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive the application for Cockpit Personnel Permit Fee-Cashier together with their cedula
2	Check and verify the submitted application
3	Asses the permit fee based on the approved ordinance
4	Collect the fee and issue official receipt
5	Validate payment and prepare the permit
6	Secure approval/signature
7	Release the permit

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive the application for Cockpit Personnel Permit Fee-Cashier together with their cedula	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	Unified Form, Ballpen
2	Check and verify the submitted application	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	-
3	Asses the permit fee based on the approved ordinance	MTO	Carmelita M. Palma	Bond paper
4	Collect the fee and issue official receipt	MTO	Luzviminda A. Datoy	Official Receeipt (OR)
5	Validate payment and prepare the permit	MTO/BPLO	Aileen Rose A. Tantoy, Carmelita M. Palma	Linen Paper, Ink
6	Secure approval/signature	Mayor's Office	Nestor S. Valeroso, Jheian Richelle Lipao	Official Dry Seal
7	Release the permit	MTO	Nora D. Ogdoc	Logbook

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**

- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive the application for Cockpit Personnel Permit Fee-Cashier together with their cedula	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	Unified Form, Ballpen	Routine
2	Check and verify the submitted application	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	-	Routine
3	Asses the permit fee based on the approved ordinance	MTO	Carmelita M. Palma	Bond paper	Routine
4	Collect the fee and issue official receipt	MTO	Luzviminda A. Datoy	Official Receeipt (OR)	Routine
5	Validate payment and prepare the permit	MTO/BPLO	Aileen Rose A. Tantoy, Carmelita M. Palma	Linen Paper, Ink	Routine
6	Secure approval/signature	Mayor's Office	Nestor S. Valeroso, Jheian Richelle Lipao	Official Dry Seal	Routine
7	Release the permit	MTO	Nora D. Ogdoc	Logbook	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Cockpit Personnel Permit Fee-Cashier	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - AMT	SG14/S1	27,768	333,216	253,536	469,401.60	0.01%	46.94
Aileen Rose A. Tantoy - LRCO I/BPLO	SG11/S1	22,731	272,772	93,462	292,987.20	0.03%	87.90
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Nora D. Ogdoc - Admin Aide	SG6/S1	10,623	127,476	69,246	157,377.60	0.01%	15.74
Nestor S. Valeroso - Mayor	SG27/S1	106,997	1,283,964	441,994	1,380,766.40	0.01%	138.08
Jheian Richelle Lipao - Admin Aide	SG6/S1	10,546	126,552	69,092	156,515.20	0.01%	15.65
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	327.65

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	1		
Bond paper	1	0.50	0.50
Official Receipt	1	3.40	3.40
Linen Paper A4	1	2.00	2.00
			-
			-
			-
			-
		TOTAL	5.90

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.
Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	**Estimated Routine Variable Cost Per Application**
Annual Number of Applications	**1**	
Variable Costs		
Routine Personnel	**327.65**	**327.65**
Travel Reimbursement	**-**	**-**
Other Supplies/Forms/Materials	**5.90**	**5.90**
TOTAL	**333.55**	**333.55**

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Cockpit Personnel Permit Fee- Cashier" (col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Cockpit Personnel Permit Fee- Cashier " (%)	0.08%
Share of Cost attributable to delivering the service (Php)	483.76

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.02%	5.04
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.02%	7.20
Photocopier			-		-	-	-		-
								Sub-Total	**12.24**
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.02%	0.24
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.02%	0.19
								Sub-Total	**0.43**
								TOTAL	**12.67**

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity

Particulars	Offices Involved in the delivery of "Cockpit Personnel Permit Fee- Cashier"
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	17.07
Kilowatt consumption/hour for the unit delivering the service	5.63
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	202,971.86
Percent of work for the service rendered	0.08%
Net electricity cost attributed to "Subject Service" service	162.38

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water

Particulars	Offices Involved in the delivery of "Cockpit Personnel Permit Fee- Cashier"
(col 1)	(col 2)
Number of People	10
Water bill per person per month	77.50
Estimated water bill of the office per year	9,300.00
Percent of work for the service rendered	0.08%
Net cost of water attributed to delivery of "Subject Service".	7.44

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication

Particulars	Offices Involved in the delivery of "Cockpit Personnel Permit Fee- Cashier"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	0
Rate of subscription per month	0
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	0%
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	1	
Office Space	483.76	483.76
Utilities	169.82	169.82
Electricity	162.38	162.38
Water	7.44	7.44
Communication	-	-
Equipment and Furniture	12.67	12.67
Other Fixed Cost	-	-
TOTAL	666.24	666.24

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Cockpit Personnel Permit Fee - Cashier

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	999.80	Total Collection on Fees and/or Charges	200.00	(799.80)	(0.80)	Reasonable
Number of Applications Processed	1	Number of Applications Processed	1			
Average Fee Rate	999.80	Average Fee Rates	200.00	(799.80)	(0.80)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of Issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	999.80	Total Revenue	200.00	(799.80)	80%
Total Number of Applicants	1	Number of Applications Processed	1		
Average Fee Rate	999.80	Average Fee Rates	200.00	(799.80)	80%

			10,594.00	Total						
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	SPCL-PERSONNEL	STD-VAR	STD-FXD	Cost per Application			
Simple	#DIV/0!		#DIV/0!	[illegible]	333.55	666.24	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[illegible]	333.55	666.24	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

Classification	Allocation	% of Applicants	Number	SPCL-PERSONNEL	STD-VAR	STD-FXD	Cost per Application			
Manufacturer	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!									
Others	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
Total	0%									
	100%									

							Ok		ok	
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
#REF!		-								
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
									#DIV/0!	

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Permit Fee: Cockpit Personnel- Cashier	300.00	999.80	-0.80	Propose: 1,000.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive the application for Cockpit Personnel Permit Fee-Derby Matchmaker together with their cedula
2	Check and verify the submitted application
3	Asses the permit fee based on the approved ordinance
4	Collect the fee and issue official receipt
5	Validate payment and prepare the permit
6	Secure approval/signature
7	Release the permit

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive the application for Cockpit Personnel Permit Fee-Derby Matchmaker together with their cedula	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	Unified Form, Ballpen
2	Check and verify the submitted application	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	-
3	Asses the permit fee based on the approved ordinance	MTO	Carmelita M. Palma	Bond paper
4	Collect the fee and issue official receipt	MTO	Luzviminda A. Datoy	Official Receeipt (OR)
5	Validate payment and prepare the permit	MTO/BPLO	Aileen Rose A. Tantoy, Carmelita M. Palma	Linen Paper, Ink
6	Secure approval/signature	Mayor's Office	Nestor S. Valeroso, Jheian Richelle Lipao	Official Dry Seal
7	Release the permit	MTO	Nora D. Ogdoc	Logbook

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive the application for Cockpit Personnel Permit Fee-Derby Matchmaker together with their cedula	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	Unified Form, Ballpen	Routine
2	Check and verify the submitted application	BPLO, MTO	Aileen Rose A. Tantoy, Nora Ogdoc	-	Routine
3	Asses the permit fee based on the approved ordinance	MTO	Carmelita M. Palma	Bond paper	Routine
4	Collect the fee and issue official receipt	MTO	Luzviminda A. Datoy	Official Receeipt (OR)	Routine
5	Validate payment and prepare the permit	MTO/BPLO	Aileen Rose A. Tantoy, Carmelita M. Palma	Linen Paper, Ink	Routine
6	Secure approval/signature	Mayor's Office	Nestor S. Valeroso, Jheian Richelle Lipao	Official Dry Seal	Routine
7	Release the permit	MTO	Nora D. Ogdoc	Logbook	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Cockpit Personnel Permit Fee-Derby Matchmaker	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - AMT	SG14/S1	27,768	333,216	253,536	469,401.60	0.01%	46.94
Aileen Rose A. Tantoy - LRCO I/BPLO	SG11/S1	22,731	272,772	93,462	292,987.20	0.03%	87.90
Luzviminda A. Datoy - RCC III	SG9/S1	17,420	209,040	82,840	233,504.00	0.01%	23.35
Nora D. Ogdoc - Admin Aide	SG6/S1	10,623	127,476	69,246	157,377.60	0.01%	15.74
Nestor S. Valeroso - Mayor	SG27/S1	106,997	1,283,964	441,994	1,380,766.40	0.01%	138.08
Jheian Richelle Lipao - Admin Aide	SG6/S1	10,546	126,552	69,092	156,515.20	0.01%	15.65
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	327.65

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	1		
Bond paper	1	0.50	0.50
Official Receipt	1	3.40	3.40
Linen Paper A4	1	2.00	2.00
			-
			-
			-
			-
		TOTAL	5.90

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.
Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	1	
Variable Costs		
Routine Personnel	327.65	327.65
Travel Reimbursement	-	-
Other Supplies/Forms/Materials	5.90	5.90
TOTAL	333.55	333.55

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Cockpit Personnel Permit Fee-Derby Matchmaker" (col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Cockpit Personnel Permit Fee-Derby Matchmaker " (%)	0.08%
Share of Cost attributable to delivering the service (Php)	483.76

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.02%	5.04
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.02%	7.20
Photocopier			-		-	-	-		-
								Sub-Total	**12.24**
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.02%	0.24
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.02%	0.19
								Sub-Total	**0.43**
								TOTAL	**12.67**

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices Involved in the delivery of** "Cockpit Personnel Permit Fee-Derby Matchmaker"
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	**17.07**
Kilowatt consumption/hour for the unit delivering the service	**5.63**
Number of operating hours per day	**8.00**
Number of days per year	**264.00**
Electricity cost per year	**202,971.86**
Percent of work for the service rendered	**0.08%**
Net electricity cost attributed to "Subject Service" service	162.38

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water	
Particulars	**Offices Involved in the delivery of** "Cockpit Personnel Permit Fee-Derby Matchmaker"
(col 1)	(col 2)
Number of People	**10**
Water bill per person per month	**77.50**
Estimated water bill of the office per year	**9,300.00**
Percent of work for the service rendered	**0.08%**
Net cost of water attributed to delivery of "Subject Service".	7.44

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication	
Particulars	**Offices Involved in the delivery of** "Cockpit Personnel Permit Fee-Derby Matchmaker"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	**0**
Rate of subscription per month	**0**
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	**0%**
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	1	
Office Space	483.76	483.76
Utilities	169.82	169.82
Electricity	162.38	162.38
Water	7.44	7.44
Communication	-	-
Equipment and Furniture	12.67	12.67
Other Fixed Cost	-	-
TOTAL	666.24	666.24

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Permit Fee: Cockpit Personnel - Derby Matchmaker

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	999.80	Total Collection on Fees and/or Charges	200.00	(799.80)	(0.80)	Reasonable
Number of Applications Processed	1	Number of Applications Processed	1			
Average Fee Rate	999.80	Average Fee Rates	200.00	(799.80)	(0.80)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of Issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	999.80	Total Revenue	200.00	(799.80)	80%
Total Number of Applicants	1	Number of Applications Processed	1		
Average Fee Rate	999.80	Average Fee Rates	200.00	(799.80)	80%

10,594.00 Total

Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	SPCL-PERSONNEL	STD-VAR	STD-FXD	Cost per Application			
Simple	#DIV/0!		#DIV/0!	#DIV/0!	333.55	666.24	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	#DIV/0!	333.55	666.24	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!				#DIV/0!			#DIV/0!

Classification	Allocation	% of Applicants	Number	SPCL-PERSONNEL	STD-VAR	STD-FXD	Cost per Application			
Manufacturer	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!									
Others	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!

Total 0%
100%

Ok ok

235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
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			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Permit Fee: Cockpit Personnel- Derby Matchmaker	200.00	999.80	-0.80	Propose: 1,000.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
  * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive the application for Special Permit Fee - Special Cockfights (Pintakasi) together with the approved Ordinance authorizing the conduct of special cockfight
2	Verify the authenticity and completeness of the submitted requirements
3	Assess the applicable permit fee based on the approved ordinance
4	Issue Official Receipt
5	Forward the application and proof of payment the Office of the Municipal Mayor
6	Prepare the permit
7	Secure the approval/signature of the authorized official
8	Release the permit

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
  * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
  * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive the application for Special Permit Fee - Special Cockfights (Pintakasi) together with the approved Ordinance authorizing the conduct of special cockfight	MTO	Luzviminda A. Datoy	Bond Paper
2	Verify the authenticity and completeness of the submitted requirements	MTO	Carmelita M. Palma	-
3	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-
4	Issue Official Receipt	MTO	Luzviminda A. Datoy	Official Receipt
5	Forward the application and proof of payment the Office of the Municipal Mayor	MTO, Mayor's Office	Carmelita M. Palma, Jheian Richelle Lipao	Routing Slip
5	Prepare the permit	Mayor's Office	Jheian Richelle Lipao	Bond Paper, Ink
6	Secure the approval/signature of the authorized official	Mayor's Office	Nestor S. Valeroso	Ballpen, Official Seal
7	Release the permit	Mayor's Office	Jheian Richelle Lipao	Log Book

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
  * Routine(same procedure and effort for each applicant)
  * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive the application for Special Permit Fee - Special Cockfights (Pintakasi) together with the approved Ordinance authorizing the conduct of special cockfight	MTO	Luzviminda A. Datoy	Bond Paper	Routine
2	Verify the authenticity and completeness of the submitted requirements	MTO	Carmelita M. Palma	-	Routine
3	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-	Routine
4	Issue Official Receipt	MTO	Luzviminda A. Datoy	Official Receipt	Routine
5	Forward the application and proof of payment the Office of the Municipal Mayor	MTO, Mayor's Office	Carmelita M. Palma, Jheian Richelle Lipao	Routing Slip	Routine
6	Prepare the permit	Mayor's Office	Jheian Richelle Lipao	Bond Paper, Ink	Routine
7	Secure the approval/signature of the authorized official	Mayor's Office	Nestor S. Valeroso	Ballpen, Official Seal	Routine
8	Release the permit	Mayor's Office	Jheian Richelle Lipao	Log Book	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Special Permit Fee- Special Cockfights (Pintakasi)	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - AMT	**SG14/S1**	**27,768**	**333,216**	**253,536**	**469,401.60**	**0.15%**	**704.10**
Luzviminda A. Datoy - RCC III	**SG9/S1**	**17,420**	**209,040**	**82,840**	**233,504.00**	**0.34%**	**793.91**
Nestor S. Valeroso-Mayor	**SG27/S1**	**106,997**	**1,283,964**	**377,304**	**1,329,014.40**	**0.10%**	**1,329.01**
Jhelan Richelle Lipao-Admin Aide	**SG6/S1**	**10,546**	**126,552**	**57,424**	**147,180.80**	**0.15%**	**220.77**
							-
							-
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	3,047.80

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully process approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	5		
Bond paper	10	0.50	5.00
Official Receipt	5	3.40	17.00
			-
			-
			-
			-
			-
		TOTAL	22.00

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	**Estimated Routine Variable Cost Per Application**
Annual Number of Applications	**5**	
Variable Costs		
Routine Personnel	**3,047.80**	**609.56**
Travel Reimbursement	**-**	**-**
Other Supplies/Forms/Materials	**22.00**	**4.40**
TOTAL	**3,069.80**	**613.96**

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars	Offices Involved in the delivery of "Special Permit Fee-Special Cockfights (Pintakasi)"
(col 1)	(col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Special Permit Fee-Special Cockfights (Pintakasi) " (%)	0.74%
Share of Cost attributable to delivering the service (Php)	**4,474.74**

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars	Offices Involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices Involved in the delivery of** "Special Permit Fee -Special Cockfights (Pintakasi)"
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	**17.07**
Kilowatt consumption/hour for the unit delivering the service	**5.63**
Number of operating hours per day	**8.00**
Number of days per year	**264.00**
Electricity cost per year	**202,971.86**
Percent of work for the service rendered	**0.74%**
Net electricity cost attributed to "Subject Service" service	1,501.99

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water	
Particulars	**Offices Involved in the delivery of** "Special Permit Fee -Special Cockfights (Pintakasi)"
(col 1)	(col 2)
Number of People	**10**
Water bill per person per month	**77.50**
Estimated water bill of the office per year	**9,300.00**
Percent of work for the service rendered	**0.74%**
Net cost of water attributed to delivery of "Subject Service".	68.82

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication	
Particulars	**Offices Involved in the delivery of** "Special Permit Fee -Special Cockfights (Pintakasi)"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	**0**
Rate of subscription per month	**0**
Annual cost of telephone/mobile services	**599.00**
Percent of work for the service rendered	
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	6%	1,512.00
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	5%	1,800.00
Photocopier			-		-	-	-		-
								Sub-Total	3,312.00
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	5%	60.00
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	5%	48.00
								Sub-Total	108.00
								TOTAL	**3,420.00**

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.

Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	5	
Office Space	4,474.74	894.95
Utilities	1,570.81	314.16
Electricity	1,501.99	300.40
Water	68.82	13.76
Communication	-	-
Equipment and Furniture	3,420.00	684.00
Other Fixed Cost	-	-
TOTAL	9,465.55	1,893.11

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Special Permit Fee : Special Cockfight (Pintakasi)

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	12,535.35	Total Collection on Fees and/or Charges	7,500.00	(5,035.35)	(0.40)	Reasonable
Number of Applications Processed	5	Number of Applications Processed	5			
Average Fee Rate	2,507.07	Average Fee Rates	1,500.00	(1,007.07)	(0.40)	

Up the Form

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	12,535.35	Total Revenue	7,500.00	(5,035.35)	40%
Total Number of Applicants	5	Number of Applications Processed	5		
Average Fee Rate	2,507.07	Average Fee Rates	1,500.00	(1,007.07)	40%

			10,594.00	Total						
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[redacted]	STD-VAR	STD-FXD	[redacted]			
Simple	#DIV/0!		#DIV/0!	[redacted]	613.96	1,893.11	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	613.96	1,893.11	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

[redacted]				[redacted]	STD-VAR	STD-FXD	[redacted]			
Classification	Allocation	% of Applicants	Number							
Manufacturer	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!			[redacted]						
Others	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
Total	0%									
	100%									

						Ok		ok	
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
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			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Special Permit Fee: Special Cockfights (Pintakasi)	1,500.00	2,507.07	-0.40	Propose: 2,500.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive the application forSpecial Derby (Two-Cock) together with the approved ordinance authorizing the conduct of derby
2	Verify the authenticity and completeness of the submitted requirements
3	Assess the applicable permit fee based on the approved ordinance
4	Issue Official Receipt
5	Forward the application and proof of payment the Office of the Municipa
6	Prepare the permit
7	Secure the approval/signature of the authorized official
8	Release the permit

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive the application forSpecial Derby (Two-Cock) together with the approved ordinance authorizing the conduct of derby	MTO	Luzviminda A. Datoy	Bond Paper
2	Verify the authenticity and completeness of the submitted requirements	MTO	Carmelita M. Palma	-
3	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-
4	Issue Official Receipt	MTO	Luzviminda A. Datoy	Official Receipt
5	Forward the application and proof of payment the Office of the Municipal Mayor	MTO, Mayor's Office	Carmelita M. Palma, Jheian Richelle Lipao	Routing Slip
6	Prepare the permit	Mayor's Office	Jheian Richelle Lipao	Bond Paper, Ink
7	Secure the approval/signature of the authorized official	Mayor's Office	Nestor S. Valeroso	Ballpen, Official Seal
8	Release the permit	Mayor's Office	Jheian Richelle Lipao	Log Book

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive the application forSpecial Derby (Two-Cock) together with the approved ordinance authorizing the conduct of derby	MTO	Luzviminda A. Datoy	Bond Paper	Routine
2	Verify the authenticity and completeness of the submitted requirements	MTO	Carmelita M. Palma	-	Routine
3	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-	Routine
4	Issue Official Receipt	MTO	Luzviminda A. Datoy	Official Receipt	Routine
5	Forward the application and proof of payment the Office of the Municipal Mayor	MTO, Mayor's Office	Carmelita M. Palma, Jheian Richelle Lipao	Routing Slip	Routine
6	Prepare the permit	Mayor's Office	Jheian Richelle Lipao	Bond Paper, Ink	Routine
7	Secure the approval/signature of the authorized official	Mayor's Office	Nestor S. Valeroso	Ballpen, Official Seal	Routine
8	Release the permit	Mayor's Office	Jheian Richelle Lipao	Log Book	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Special Derby(Two-Cock)	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - AMT	**SG14/S1**	**27,768**	**333,216**	**253,536**	**469,401.60**	**0.20%**	**938.80**
Luzviminda A. Datoy - RCC III	**SG9/S1**	**17,420**	**209,040**	**82,840**	**233,504.00**	**0.44%**	**1,027.42**
Nestor S. Valeroso-Mayor	**SG27/S1**	**106,997**	**1,283,964**	**377,304**	**1,329,014.40**	**0.12%**	**1,594.82**
Jhelen Richelle Lipao-Admin Aide	**SG6/S1**	**10,546**	**126,552**	**57,424**	**147,180.80**	**0.18%**	**264.93**
							-
							-
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	3,825.96

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	10		
Bond paper	20	0.50	10.00
Official Receipt	10	3.40	34.00
			-
			-
			-
			-
			-
		TOTAL	44.00

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	**Estimated Routine Variable Cost Per Application**
Annual Number of Applications	**10**	
Variable Costs		
Routine Personnel	**3,825.96**	**382.60**
Travel Reimbursement	**-**	**-**
Other Supplies/Forms/Materials	**44.00**	**4.40**
TOTAL	**3,869.96**	**387.00**

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars	Offices Involved in the delivery of "Special Derby (Two Cocks)"
(col 1)	(col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Special Derby (Two Cocks) " (%)	0.94%
Share of Cost attributable to delivering the service (Php)	5,684.12

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars	Offices Involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	6.00%	1,512.00
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	6.00%	2,160.00
Photocopier			-		-	-	-		-
								Sub-Total	3,672.00
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	5.00%	60.00
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	5.00%	48.00
								Sub-Total	108.00
								TOTAL	3,780.00

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity

Particulars	Offices Involved in the delivery of "Special Derby(Two Cocks)"
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	17.07
Kilowatt consumption/hour for the unit delivering the service	5.63
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	202,971.86
Percent of work for the service rendered	0.94%
Net electricity cost attributed to "Subject Service" service	1,907.94

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water

Particulars	Offices Involved in the delivery of "Special Derby(Two Cocks)"
(col 1)	(col 2)
Number of People	10
Water bill per person per month	77.50
Estimated water bill of the office per year	9,300.00
Percent of work for the service rendered	0.94%
Net cost of water attributed to delivery of "Subject Service".	87.42

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication

Particulars	Offices Involved in the delivery of "Special Derby(Two Cocks)"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	0
Rate of subscription per month	0
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	0%
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.

Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	10	
Office Space	5,684.12	568.41
Utilities	1,995.36	199.54
Electricity	1,907.94	190.79
Water	87.42	8.74
Communication	-	-
Equipment and Furniture	3,780.00	378.00
Other Fixed Cost	-	-
TOTAL	11,459.48	1,145.95

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Permit Fee: Special Derby (Two-Cock)

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	15,329.44	Total Collection on Fees and/or Charges	6,000.00	(9,329.44)	(0.61)	Reasonable
Number of Applications Processed	10	Number of Applications Processed	10			
Average Fee Rate	1,532.94	Average Fee Rates	600.00	(932.94)	(0.61)	

Up the Form

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of Issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	15,329.44	Total Revenue	6,000.00	(9,329.44)	-61%
Total Number of Applicants	10	Number of Applications Processed	10		
Average Fee Rate	1,532.94	Average Fee Rates	600.00	(932.94)	-61%

		10,594.00		Total						
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[redacted]	STD-VAR	STD-FXD	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Simple	#DIV/0!		#DIV/0!	[redacted]	387.00	1,145.95	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	387.00	1,145.95	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

[redacted]				[redacted]	STD-VAR	STD-FXD	[redacted]			
Classification	Allocation	% of Applicants	Number							
Manufacturer	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!			[redacted]			[redacted]			
Others	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
Total	0%									
	100%									

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			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
									#DIV/0!	

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Permit Fee: Special Derby (Two-Cock)	600.00	1,532.94	-0.61	Propose: 1,500.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive the application for Special Derby (Three-Cock) together with the approved ordinance authorizing the conduct of derby
2	Verify the authenticity and completeness of the submitted requirements
3	Assess the applicable permit fee based on the approved ordinance
4	Issue Official Receipt
5	Forward the application and proof of payment the Office of the
6	Prepare the permit
7	Secure the approval/signature of the authorized official
8	Release the permit

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive the application for Special Derby (Three-Cock) together with the approved ordinance authorizing the conduct of derby	MTO	Luzviminda A. Datoy	Bond Paper
2	Verify the authenticity and completeness of the submitted requirements	MTO	Carmelita M. Palma	-
3	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-
4	Issue Official Receipt	MTO	Luzviminda A. Datoy	Official Receipt
5	Forward the application and proof of payment the Office of the Municip	MTO, Mayor's	Carmelita M. Palma, Jheian	Routing Slip
6	Prepare the permit	Mayor's Office	Jheian Richelle Lipao	Bond Paper, Ink
7	Secure the approval/signature of the authorized official	Mayor's Office	Nestor S. Valeroso	Ballpen, Official Seal
8	Release the permit	Mayor's Office	Jheian Richelle Lipao	Log Book

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive the application for Special Derby (Three-Cock) together with the approved ordinance authorizing the conduct of derby	MTO	Luzviminda A. Datoy	Bond Paper	Routine
2	Verify the authenticity and completeness of the submitted requirements	MTO	Carmelita M. Palma	-	Routine
3	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-	Routine
4	Issue Official Receipt	MTO	Luzviminda A. Datoy	Official Receipt	Routine
5	Forward the application and proof of payment the Office of the Municipal Mayor	MTO, Mayor's Office	Carmelita M. Palma, Jheian Richelle Lipao	Routing Slip	Routine
6	Prepare the permit	Mayor's Office	Jheian Richelle Lipao	Bond Paper, Ink	Routine
7	Secure the approval/signature of the authorized official	Mayor's Office	Nestor S. Valeroso	Ballpen, Official Seal	Routine
8	Release the permit	Mayor's Office	Jheian Richelle Lipao	Log Book	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Special Derby(Three Cocks)	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - AMT	**SG14/S1**	**27,768**	**333,216**	**253,536**	**469,401.60**	**0.05%**	**234.70**
Luzviminda A. Datoy - RCC III	**SG9/S1**	**17,420**	**209,040**	**82,840**	**233,504.00**	**0.12%**	**280.20**
Nestor S. Valeroso-Mayor	**SG27/S1**	**106,997**	**1,283,964**	**377,304**	**1,329,014.40**	**0.05%**	**664.51**
Jheian Richelle Lipao-Admin Aide	**SG6/S1**	**10,546**	**126,552**	**57,424**	**147,180.80**	**0.08%**	**117.74**
							-
							-
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	1,297.16

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	2		
Bond paper	**4**	**0.50**	**2.00**
Official Receipt	**3**	**3.40**	**11.56**
			-
			-
			-
			-
			-
		TOTAL	13.56

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.
Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	2	
Variable Costs		
Routine Personnel	1,297.16	648.58
Travel Reimbursement	-	-
Other Supplies/Forms/Materials	13.56	6.78
TOTAL	1,310.72	655.36

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars	Offices Involved in the delivery of "Special Derby (Three Cocks)"
(col 1)	(col 2)
Construction Cost (per sq m)	**14,751.85**
Floor area of City Hall (sq m)	**1,080.00**
Building Construction Cost (Php)	**15,913,000.00**
Office Area Occupied (sq. m)	**72.00**
Cost of Office Area Occupied (Php)	**1,060,866.67**
Depreciation Rate (%)	**3%**
Annual Depreciation Expense (Php)	**503,911.66**
Annual Maintenance Cost (Php)	**100,782.33**
Percent of Work for "Special Derby (Three Cocks) " (%)	**0.30%**
Share of Cost attributable to delivering the service (Php)	**1,814.08**

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars	Offices Involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.50%	126.00
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.50%	180.00
Photocopier			-		-	-	-		-
								Sub-Total	306.00
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.50%	6.00
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.50%	4.80
								Sub-Total	10.80
								TOTAL	316.80

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity

Particulars	Offices Involved in the delivery of "Special Derby(3 Cocks)"
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	17.07
Kilowatt consumption/hour for the unit delivering the service	5.63
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	202,971.86
Percent of work for the service rendered	0.30%
Net electricity cost attributed to "Subject Service" service	608.92

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water

Particulars	Offices Involved in the delivery of "Special Derby(3 Cocks)"
(col 1)	(col 2)
Number of People	10
Water bill per person per month	77.50
Estimated water bill of the office per year	9,300.00
Percent of work for the service rendered	0.30%
Net cost of water attributed to delivery of "Subject Service".	27.90

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication

Particulars	Offices Involved in the delivery of "Special Derby(3 Cocks)"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	0
Rate of subscription per month	0
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	0%
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.

Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	2	
Office Space	1,814.08	907.04
Utilities	636.82	318.41
Electricity	608.92	304.46
Water	27.90	13.95
Communication	-	-
Equipment and Furniture	316.80	158.40
Other Fixed Cost	-	-
TOTAL	2,767.70	1,383.85

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Special Permit Fee: Three-Cock Derby

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	4,078.41	Total Collection on Fees and/or Charges	1,300.00	(2,778.41)	(0.68)	Reasonable
Number of Applications Processed	2	Number of Applications Processed	2			
Average Fee Rate	2,039.21	Average Fee Rates	650.00	(1,389.21)	(0.68)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	4,078.41	Total Revenue	1,300.00	(2,778.41)	68%
Total Number of Applicants	2	Number of Applications Processed	2		
Average Fee Rate	2,039.21	Average Fee Rates	650.00	(1,389.21)	68%

		10,594.00		Total						
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	SPCL-PERSONNEL	STD-VAR	STD-FXD	Cost per Application			
Simple	#DIV/0!		#DIV/0!	#DIV/0!	655.36	1,383.85	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	#DIV/0!	655.36	1,383.85	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!				#DIV/0!			#DIV/0!

Classification	Allocation	% of Applicants	Number	SPCL-PERSONNEL	STD-VAR	STD-FXD	Cost per Application			
Manufacturer	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!									
Others	#DIV/0!			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!			#DIV/0!			#DIV/0!
Total	0%									
	100%									

							Ok		ok	
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
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			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
										#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Permit Fee: Special Derby (Three Cocks)	650.00	2,039.21	-0.68	Propose: 2,000.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
  * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive the application for Special Derby (Four-Cock) together with the approved ordinance authorizing the conduct of derby
2	Verify the authenticity and completeness of the submitted requirements
3	Assess the applicable permit fee based on the approved ordinance
4	Issue Official Receipt
5	Forward the application and proof of payment the Office of the
6	Prepare the permit
7	Secure the approval/signature of the authorized official
8	Release the permit

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
  * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
  * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive the application for Special Derby (Four-Cock) together with the approved ordinance authorizing the conduct of derby	MTO	Luzviminda A. Datoy	Bond Paper
2	Verify the authenticity and completeness of the submitted requirements	MTO	Carmelita M. Palma	-
3	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-
4	Issue Official Receipt	MTO	Luzviminda A. Datoy	Official Receipt
5	Forward the application and proof of payment the Office of the Municipal Mayor	MTO, Mayor's Office	Carmelita M. Palma, Jheian Richelle Lipao	Routing Slip
6	Prepare the permit	Mayor's Office	Jheian Richelle Lipao	Bond Paper, Ink
7	Secure the approval/signature of the authorized official	Mayor's Office	Nestor S. Valeroso	Ballpen, Official Seal
8	Release the permit	Mayor's Office	Jheian Richelle Lipao	Log Book

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
  * Routine(same procedure and effort for each applicant)
  * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive the application for Special Derby (Four-Cock) together with the approved ordinance authorizing the conduct of derby	MTO	Luzviminda A. Datoy	Bond Paper	Routine
2	Verify the authenticity and completeness of the submitted requirements	MTO	Carmelita M. Palma	-	Routine
3	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-	Routine
4	Issue Official Receipt	MTO	Luzviminda A. Datoy	Official Receipt	Routine
5	Forward the application and proof of payment the Office of the Municipal Mayor	MTO, Mayor's Office	Carmelita M. Palma, Jheian Richelle Lipao	Routing Slip	Routine
6	Prepare the permit	Mayor's Office	Jheian Richelle Lipao	Bond Paper, Ink	Routine
7	Secure the approval/signature of the authorized official	Mayor's Office	Nestor S. Valeroso	Ballpen, Official Seal	Routine
8	Release the permit	Mayor's Office	Jheian Richelle Lipao	Log Book	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Special Derby(Four Cocks)	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - AMT	**SG14/S1**	**27,768**	**333,216**	**253,536**	**469,401.60**	**0.02%**	**93.88**
Luzviminda A. Datoy - RCC III	**SG9/S1**	**17,420**	**209,040**	**82,840**	**233,504.00**	**0.12%**	**280.20**
Nestor S. Valeroso-Mayor	**SG27/S1**	**106,997**	**1,283,964**	**377,304**	**1,329,014.40**	**0.02%**	**265.80**
Jhelan Richelle Lipao-Admin Aide	**SG6/S1**	**10,546**	**126,552**	**57,424**	**147,180.80**	**0.04%**	**58.87**
							-
							-
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	698.76

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	1		
Bond paper	2	0.50	1.00
Official Receipt	1	3.40	3.40
			-
			-
			-
			-
			-
		TOTAL	4.40

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	**Estimated Routine Variable Cost Per Application**
Annual Number of Applications	**1**	
Variable Costs		
Routine Personnel	**698.76**	**698.76**
Travel Reimbursement	**-**	**-**
Other Supplies/Forms/Materials	**4.40**	**4.40**
TOTAL	**703.16**	**703.16**

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars (col 1)	Offices involved in the delivery of "Special Derby (Four Cocks)" (col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Special Derby (Four Cocks) " (%)	0.20%
Share of Cost attributable to delivering the service (Php)	1,209.39

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.26%	65.52
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.26%	93.60
Photocopier			-		-	-	-		-
								Sub-Total	159.12
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.26%	3.12
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.26%	2.50
								Sub-Total	5.62
								TOTAL	**164.74**

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices Involved in the delivery of** "Special Derby(4 Cocks)"
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	17.07
Kilowatt consumption/hour for the unit delivering the service	5.69
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	202,971.86
Percent of work for the service rendered	0.20%
Net electricity cost attributed to "Subject Service" service	405.94

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water	
Particulars	**Offices Involved in the delivery of** "Special Derby(4 Cocks)"
(col 1)	(col 2)
Number of People	10
Water bill per person per month	77.50
Estimated water bill of the office per year	9,300.00
Percent of work for the service rendered	0.20%
Net cost of water attributed to delivery of "Subject Service".	18.60

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication	
Particulars	**Offices Involved in the delivery of** "Special Derby(4 Cocks)"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	0
Rate of subscription per month	0
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	0%
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.

Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	1	
Office Space	1,209.39	1,209.39
Utilities	424.54	424.54
Electricity	405.94	405.94
Water	18.60	18.60
Communication	-	-
Equipment and Furniture	164.74	164.74
Other Fixed Cost	-	-
TOTAL	1,798.67	1,798.67

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Permit Fee: Special Derby (Four-Cock)

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	2,501.83	Total Collection on Fees and/or Charges	850.00	(1,651.83)	(0.66)	Reasonable
Number of Applications Processed	1	Number of Applications Processed	1			
Average Fee Rate	2,501.83	Average Fee Rates	850.00	(1,651.83)	(0.66)	

Up the Form

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of Issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	2,501.83	Total Revenue	850.00	(1,651.83)	66%
Total Number of Applicants	1	Number of Applications Processed	1		
Average Fee Rate	2,501.83	Average Fee Rates	850.00	(1,651.83)	66%

		10,594.00		Total						
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[redacted]	STD-VAR	STD-FXD	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Simple	#DIV/0!		#DIV/0!	[redacted]	703.16	1,798.67	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	703.16	1,798.67	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

[redacted]				[redacted]	STD-VAR	STD-FXD				
Classification	Allocation	% of Applicants	Number				[redacted]			
Manufacturer	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!			[redacted]						
Others	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
	Total	0%								
		100%								

						Ok		ok	
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
#REF!		-							
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Permit Fee: Special Derby (Four Cocks)	850.00	2,501.83	-0.66	Propose: 2,500.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
  * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receives Application for Special Derby(Five Cocks)
2	Signify the application, approves payment then issue Official Receipt
3	Issue, approves, record and release Mayor's Permit Fee
4	
5	

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
  * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
  * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receives Application for Special Derby(Five Cocks)	MTO,MO	MO Personnel, Mun. Treasurer, LRCO-II	Application Form, Bond Paper, Ink, Ballpen
2	Signify the application, approves payment then issue Official Receipt	MO, MTO	MO Personnel, Municipal Mayor,Mun. Treas., LRCO-II	Ballpen, Official Receipt
3	Issue, approves, record and release Mayor's Permit Fee	Mayor's Office, MTO	MO Personnel, Municipal Mayor	Bond Paper, Ballpen, ink, Logbook
4	-			
5	-			

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
  * Routine(same procedure and effort for each applicant)
  * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receives Application for Special Derby(Five Cocks)	MTO,MO	MO Personnel, Mun. Treasurer, LRCO-II	Application Form, Bond Paper, Ink, Ballpen	Routine
2	Signify the application, approves payment then issue Official Receipt	MO, MTO	MO Personnel, Municipal Mayor,Mun. Treas., LRCO-II	Ballpen, Official Receipt	Routine
3	Issue, approves, record and release Mayor's Permit Fee	Mayor's Office, MTO	MO Personnel, Municipal Mayor	Bond Paper, Ballpen, ink, Logbook	Routine
4		-			

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8.Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Special Derby(Five Cocks)	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Marilou A. Aspril-Mun. Treas.	SG24/S2	62,897	754,764	291,794	837,246.40	0.01%	83.72
Mary Jane C. Cantutay-AMT/BPLO	SG22/S1	48,974	587,688	221,948	647,708.80	0.00%	-
Jopred M. Reyes	SG5/S1	11,136	133,632	75,614	167,396.80	0.20%	334.79
Nora D. Ogdoc-Admin Aide	SG1/S1	8,762	105,144	57,424	130,054.40	0.00%	-
Jane V. Plaza-Mun. Mayor	SG27/S3	93,052	1,116,624	377,304	1,195,142.40	0.01%	119.51
Minda R. Cosmiano-Admin Aide	SG6/S8	11,964	143,568	64,928	166,796.80	0.00%	-
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	538.03

STEP 4.B COST OF TRANSPORTATION

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection

Column 2. Identify the number of vehicles used for inspection.

Column 3. Verify unit cost of vehicle

Column 4. Determine the total cost by multiplying columns 2 and 3

Column 5. Apply the depreciation rate (Note: Economic life of a vehicle is 10 years)

Column 6. Compute for the annual depreciation cost by multiplying columns 4 and 5.

Column 7. Verify from the City Accounting Office the actual amount spent for maintenance of the vehicle used for inspection. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.

Column 8. Determine the frequency of use of the vehicle. In the specific case sample, half day use from February to November is 44/52 weeks x .5 days. Note that the LGUs may devise other method to determine the actual frequency of use of vehicle.

Column 9. Compute the cost of vehicle for inspection by adding columns 6 and 7 thenmultiply the frequency of use in column 8.

Table 5:

Variable Cost - Vehicle

List of Vehicle/s	Number of Vehicles	Unit Cost	Total Cost	Depreciation Rate/Year	Annual Depreciation Cost	Maintenance cost	Percentage of use for inspection per week	Annual cost of vehicle for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)
					-			-
							TOTAL	-

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection

Column 2. Identify the number of vehicles used for inspection

Column 3. Verify the average cost of fuel per liter

Column 4. Check the average weekly consumption in liters

Column 5. There are 52 weeks in one year. Identify the number of weeks the vehicles(s) has been used in a year.

Column 6. Compute for annual cost of fuel for 1 year by multiplying columns 2, 3, 4 and 5.

Column 7. Determine the percentage for the frequency of use of the vehicle for inspection. In the specific case sample, half day use from February to November is 44/52 weeks X .5 days. Note that the LGUs may devise other method to determine the actual percentage for the frequency of use of the vehicle.

Column 8. Compute the cost of fuel for inspection activities by multiplying columns 6 and 7.

Table 6:

Variable Cost - Fuel

List of vehicle/s	Number of Vehicles	Average Cost per liter	Ave. weekly consumption in liters	Number of weeks in one year	Annual Cost of fuel for the vehicle	Percentage of use for inspection per week	Annual cost for Fuel for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
					-		-
						TOTAL	-

If the LGU does not provide vehicles for inspection, but only allows the reimbursement of actual transportation expenses, the annual cost should be computed by determining the monthly reimbursements multiplied by 12

Table 7:

Variable Cost - Allowance/Reimbursement for Fuel

Name and Position	Transportation Cost based on Allowance/Reimbursements		% Time assigned in the delivery of the " Special Derby(Five Cocks)"	Annual Cost of the Service
	Average Monthly	Annual Allowance	(col 4)	
(col 1)	(col 2)	(col 3)		(col 5)
Mary Jane C. Cantutay-Asst. Mun. Treas./BPLO Designate	0	-	0%	-
Mary Michelle R. Paganpan-Mun. Health Officer	0	-	0%	-
Joegie E. Cabatuan-Admin. Aide VI	0	-	0%	-
Ray Mark S. Mainit- Admin. Aide VI	0	-	0%	-
Queven P. Tisbe-Agri'l Technologist	0	-	0%	-
Rachel Ontolan-Envi.Mgt. Specialist	0	-	0%	-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
			TOTAL	-

TOTAL OF VEHICLE AND FUEL:	-

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed a approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	1		
Bond paper	1	0.50	0.50
business plate	-	250.00	-
sticker	1	30.00	30.00
official receipts	1	5.10	5.10
logbook	0.005	205.00	1.03
linen paper A4	0	2.00	-
Ballpen	1	7.50	7.50
		TOTAL	44.13

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.
Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	**Estimated Routine Variable Cost Per Application**
Annual Number of Applications	**1**	
Variable Costs		
Routine Personnel	**538.03**	**538.03**
Travel Reimbursement	**-**	**-**
Other Supplies/Forms/Materials	**44.13**	**44.13**
TOTAL	**582.16**	**582.16**

STEP 5. ALLOCATE THE VARIABLE COST FOR SPECIAL ACTIVITIES

Name and position	SG/Step	Monthly Salary	Annual Salary	Other compensation	Total Annual Compensation	% time allocated for the service	Annual cost of service for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
							-
							-
							-
							-
							-
							-
			-		-		-
						TOTAL	-

Instructions in Filling the Form

Column 1 - List the staff assigned to the "Special" Activity/ies.
Column 2 - Match the salary grade for each staff
Column 3 - Fill out the salary rate/month for each staff.
Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months
Column 5. Identify all other remunerations regularly received by the staff. Other benefits include RATA, PERA, year end benefits and other remunerations received
Column 6. Sum up columns 4 and 5
Column 7. Estimate the annual % of time each staff performs directly to the issuance of the subject service. The rate shall be provided by the concerned unit head.
Column 8. Get the total cost for the Special Activity by adding the cost for each staff involved in delivering the service.
Proceed to the weight allocation. (The weight allocation may vary depending on the appropriate basis to the scenario within an LGU)

Basis (2) Simple and Complex

CATEGORIES	No. of Personnel	Weight	Allocation
Simple		#DIV/0!	#DIV/0!
Complex		#DIV/0!	#DIV/0!
		#DIV/0!	#DIV/0!

*Here, the choice to impose the weight allocation **based on the combination of the previous two options**.

**Note: Manufacturers and Contractors were viewed to have both simple and complex business structures

***Hence, the further identification as to simple and complex within the classification of Manufacturers and Contractors.

Basis (1) Per Business Classification

CLASSIFICATION	Weight	Allocation
Manufacturer		#DIV/0!
Wholesalers		#DIV/0!
Exporters		#DIV/0!
Retailers		#DIV/0!
Contractors		#DIV/0!
Banks and other institutions		#DIV/0!
Peddlers		#DIV/0!
Others		#DIV/0!
	0	#DIV/0!

Weight Allocation According to Complexity and Business Classification

BUSINESS CLASSIFICATION			Simple Weight	Complex Weight	Total	Simple	Complex
With Complex	Manufacturer	#DIV/0!				#DIV/0!	#DIV/0!
	Wholesalers	#DIV/0!				#DIV/0!	
	Exporters	#DIV/0!				#DIV/0!	
	Retailers	#DIV/0!				#DIV/0!	
With Complex	Contractors	#DIV/0!				#DIV/0!	#DIV/0!
	Banks and other inst	#DIV/0!				#DIV/0!	
	Peddlers	#DIV/0!				#DIV/0!	
	Others	#DIV/0!				#DIV/0!	
						#DIV/0!	#DIV/0!

Note: Other basis may be used (e. g. the DTI classification as to Cottage, Small, etc)

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)	
Particulars	**Offices Involved in the delivery of** "Special Derby (Five Cocks)"
(col 1)	**(col 2)**
Construction Cost (per sq m)	**14,751.85**
Floor area of City Hall (sq m)	**1,080.00**
Building Construction Cost (Php)	**15,913,000.00**
Office Area Occupied (sq. m)	**72.00**
Cost of Office Area Occupied (Php)	**1,060,866.67**
Depreciation Rate (%)	**3%**
Annual Depreciation Expense (Php)	**503,911.66**
Annual Maintenance Cost (Php)	**100,782.33**
Percent of Work for "Special Derby (Five Cocks) " **(%)**	**0.22%**
Share of Cost attributable to delivering the service (Php)	**1,330.33**

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)	
Particulars	**Offices Involved in the delivery of "Subject Service" Fee**
(col 1)	**(col 2)**
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	10%	10,500	2,100	12,600	0.02%	3
Computers	3	50,000	150,000.00	5%	7,500	1,500	9,000	0.02%	2
Photocopier			-		-	-	-		-
								Sub-Total	4
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	3%	300	60	360	0.02%	0
Tables and Chairs	4	2,000	8,000.00	3%	240	48	288	0.02%	0
								Sub-Total	0
								TOTAL	4.45

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity

Particulars	Offices involved in the delivery of "Special Derby(5 Cocks)"
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	17.07
Kilowatt consumption/hour for the unit delivering the service	5.63
Number of operating hours per day	8.00
Number of days per year	250.00
Electricity cost per year	192,208.20
Percent of work for the service rendered	0.22%
Net electricity cost attributed to "Subject Service" service	422.86

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water

Particulars	Offices involved in the delivery of "Special Derby(5 Cocks)"
(col 1)	(col 2)
Number of People	6
Water bill per person per month	35
Estimated water bill of the office per year	9,300.00
Percent of work for the service rendered	0.22%
Net cost of water attributed to delivery of "Subject Service".	20.46

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication

Particulars	Offices involved in the delivery of "Special Derby(5 Cocks)"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	0
Rate of subscription per month	0
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	0%
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3.

NOTE: Note: The LGU may have other major fixed costs not mentioned in this illustration. When costs are significant, those fixed cost must be identified and added in the template. Conversely, costs that are negligible may be dropped from the calculations.

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for " Special Derby (Five Cocks)"	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services	**0**	**0.00%**	-
Regular Office Supplies			-
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	-

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	1	
Office Space	1,330.33	1,330.33
Utilities	443.32	443.32
Electricity	422.86	422.86
Water	20.46	20.46
Communication	-	-
Equipment and Furniture	4.45	4.45
Other Fixed Cost	-	-
TOTAL	**1,778.09**	**1,778.09**

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge:

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	2,360.25	Total Collection on Fees and/or Charges	1,500.00	(860.25)	(0.36)	Reasonable
Number of Applications Processed	1	Number of Applications Processed	1			
Average Fee Rate	2,360.25	Average Fee Rates	1,500.00	(860.25)	(0.36)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	2,360.25	Total Revenue	1,500.00	(860.25)	-36%
Total Number of Applicants	1	Number of Applications Processed	1		
Average Fee Rate	2,360.25	Average Fee Rates	1,500.00	(860.25)	-36%

10,594.00 Total

Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[redacted]	STD-VAR	STD-FXD	[redacted]			
Simple	#DIV/0!		#DIV/0!	[redacted]	582.16	1,778.09	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	582.16	1,778.09	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

[redacted] Classification	Allocation	% of Applicants	Number	[redacted]	STD-VAR	STD-FXD	[redacted]			
Manufacturer	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!			[redacted]						
Others	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
Total	0%									
	100%									

Ok ok

235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
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			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Permit Fee: Special Derby (Five Cocks)	1,500.00	2,360.25	-0.36	2,500.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive the application for Permit Fee for Ordinary Hackfight (Local Fiesta & Brgy. Sponsored) together with the approved ordinance authorizing its conduct
2	Verify the authenticity and completeness of the submitted requirements
3	Assess the applicable permit fee based on the approved ordinance
4	Issue Official Receipt
5	Forward the application and proof of payment the Office of the Municipa
6	Prepare the permit
7	Secure the approval/signature of the authorized official
8	Release the permit

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive the application for Permit Fee for Ordinary Hackfight (Local Fiesta & Brgy. Sponsored) together with the approved ordinance authorizing its conduct	MTO	Luzviminda A. Datoy	Bond Paper
2	Verify the authenticity and completeness of the submitted requirements	MTO	Carmelita M. Palma	-
3	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-
4	Issue Official Receipt	MTO	Luzviminda A. Datoy	Official Receipt
5	Forward the application and proof of payment the Office of the Municipal Mayor	MTO, Mayor's Office	Carmelita M. Palma, Jheian Richelle Lipao	Routing Slip
6	Prepare the permit	Mayor's Office	Jheian Richelle Lipao	Bond Paper, Ink
7	Secure the approval/signature of the authorized official	Mayor's Office	Nestor S. Valeroso	Ballpen, Official Seal
8	Release the permit	Mayor's Office	Jheian Richelle Lipao	Log Book

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive the application for Permit Fee for Ordinary Hackfight (Local Fiesta & Brgy. Sponsored) together with the approved ordinance authorizing its conduct	MTO	Luzviminda A. Datoy	Bond Paper	Routine
2	Verify the authenticity and completeness of the submitted requirements	MTO	Carmelita M. Palma	-	Routine
3	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-	Routine
4	Issue Official Receipt	MTO	Luzviminda A. Datoy	Official Receipt	Routine
5	Forward the application and proof of payment the Office of the Municipal Mayor	MTO, Mayor's Office	Carmelita M. Palma, Jheian Richelle Lipao	Routing Slip	Routine
6	Prepare the permit	Mayor's Office	Jheian Richelle Lipao	Bond Paper, Ink	Routine
7	Secure the approval/signature of the authorized official	Mayor's Office	Nestor S. Valeroso	Ballpen, Official Seal	Routine
8	Release the permit	Mayor's Office	Jheian Richelle Lipao	Log Book	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Permit Fee for Ordinary Hackfight (Local Fiesta & brgy. Sponsored)	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Carmelita M. Palma - AMT	**SG14/S1**	**27,768**	**333,216**	**253,536**	**469,401.60**	**0.04%**	**187.76**
Luzviminda A. Datoy - RCC III	**SG9/S1**	**17,420**	**209,040**	**82,840**	**233,504.00**	**0.13%**	**303.56**
Nestor S. Valeroso-Mayor	**SG27/S1**	**106,997**	**1,283,964**	**377,304**	**1,329,014.40**	**0.04%**	**531.61**
Jhelan Richelle Lipao-Admin Aide	**SG6/S1**	**10,546**	**126,552**	**57,424**	**147,180.80**	**0.02%**	**29.44**
							-
							-
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	1,052.36

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	3		
Bond paper	6	0.50	3.00
Official Receipt	3	3.40	10.20
			-
			-
			-
			-
			-
		TOTAL	13.20

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	3	
Variable Costs		
Routine Personnel	1,052.36	350.79
Travel Reimbursement	-	-
Other Supplies/Forms/Materials	13.20	4.40
TOTAL	1,065.56	355.19

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars	Offices Involved in the delivery of "Permit Fee for Ordinary Hackfight (Local Fiesta & brgy. Sponsored)"
(col 1)	(col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Permit Fee for Ordinary Hackfight (Local Fiesta & Brgy. Sponsored)" (%)	0.23%
Share of Cost attributable to delivering the service (Php)	1,390.80

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars	Offices Involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.10%	25.20
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.10%	36.00
Photocopier			-		-	-	-		-
								Sub-Total	61.20
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.10%	1.20
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.10%	0.96
								Sub-Total	2.16
								TOTAL	**63.36**

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices involved in the delivery of** "Permit Fee for Ordinary Hackfight (Local Fiesta & brgy. Sponsored)"
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	17.07
Kilowatt consumption/hour for the unit delivering the service	5.63
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	202,971.86
Percent of work for the service rendered	0.23%
Net electricity cost attributed to "Subject Service" service	466.84

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water	
Particulars	**Offices involved in the delivery of** "Permit Fee for Ordinary Hackfight (Local Fiesta & brgy. Sponsored)"
(col 1)	(col 2)
Number of People	10
Water bill per person per month	77.50
Estimated water bill of the office per year	9,300.00
Percent of work for the service rendered	0.23%
Net cost of water attributed to delivery of "Subject Service".	21.39

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication	
Particulars	**Offices involved in the delivery of** "Permit Fee for Ordinary Hackfight (Local Fiesta & brgy. Sponsored)"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	0
Rate of subscription per month	0
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	0%
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.

Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	3	
Office Space	1,390.80	463.60
Utilities	488.23	162.74
Electricity	466.84	155.61
Water	21.39	7.13
Communication	-	-
Equipment and Furniture	63.36	21.12
Other Fixed Cost	-	-
TOTAL	1,942.38	647.46

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Permit Fee for Ordinary Hackfight (Local Fiesta & Brgy. Sponsored)

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	3,007.94	Total Collection on Fees and/or Charges	1,200.00	(1,807.94)	(0.60)	Reasonable
Number of Applications Processed	3	Number of Applications Processed	3			
Average Fee Rate	1,002.65	Average Fee Rates	400.00	(602.65)	(0.60)	

Up the Form

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of Issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	3,007.94	Total Revenue	1,200.00	(1,807.94)	60%
Total Number of Applicants	3	Number of Applications Processed	3		
Average Fee Rate	1,002.65	Average Fee Rates	400.00	(602.65)	60%

		10,594.00		Total						
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[redacted]	STD-VAR	STD-FXD	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Simple	#DIV/0!		#DIV/0!	[redacted]	355.19	647.46	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	355.19	647.46	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

[redacted]				[redacted]	STD-VAR	STD-FXD	[redacted]			
Classification	Allocation	% of Applicants	Number							
Manufacturer	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!			[redacted]			[redacted]			
Others	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
Total	0%									
	100%									

							Ok		ok	
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
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				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
										#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Permit Fee for Ordinary Hackfight (Local Fiesta & Brgy. Sponsored)	400.00	1,002.65	-0.60	Propose: 1,000.00

STEP 1: MAP YOUR PROCESS FLOW

Note:

- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive payment for Permit Fee per Sultador Aplinary
2	Assess the applicable permit fee based on the approved ordinance
3	Issue Official Receipt
4	Record the Collection

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive payment for Permit Fee per Sultador Aplinary	MTO	Luzviminda A. Datoy	-
2	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-
3	Issue Official Receipt	MTO	Luzviminda A. Datoy	-
4	Record the Collection	MTO	Luzviminda A. Datoy	Official Receipt

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**

- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive payment for Permit Fee per Sultador Aplinary	MTO	Luzviminda A. Datoy	-	Routine
2	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-	Routine
3	Issue Official Receipt	MTO	Luzviminda A. Datoy	-	Routine
4	Record the Collection	MTO	Luzviminda A. Datoy	Official Receipt	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Permit Fee per Sultador Aplinary	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Luzviminda A. Datoy - RCC III	**SG9/S1**	**17,420**	**209,040**	**82,840**	**233,504.00**	**1.00%**	**2,335.04**
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	2,335.04

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	50		
Official Receipt	50	3.40	170.00
			-
			-
			-
			-
			-
			-
		TOTAL	170.00

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	**Estimated Routine Variable Cost Per Application**
Annual Number of Applications	**50**	
Variable Costs		
Routine Personnel	**2,335.04**	**46.70**
Travel Reimbursement	**-**	**-**
Other Supplies/Forms/Materials	**170.00**	**3.40**
TOTAL	**2,505.04**	**50.10**

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars	Offices Involved in the delivery of "Permit Fee per Sultador Aplinary"
(col 1)	(col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Permit Fee per Sultador Aplinary " (%)	1.00%
Share of Cost attributable to delivering the service (Php)	6,046.94

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars	Offices Involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.01%	3
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.01%	4
Photocopier			-		-	-	-		-
								Sub-Total	6
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.01%	0
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.01%	0
								Sub-Total	0
								TOTAL	**6.34**

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices Involved in the delivery of** "Permit Fee per Sultador Aplinary "
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	**17.07**
Kilowatt consumption/hour for the unit delivering the service	**5.63**
Number of operating hours per day	**8.00**
Number of days per year	**264.00**
Electricity cost per year	**202,971.86**
Percent of work for the service rendered	**1.00%**
Net electricity cost attributed to "Subject Service" service	2,029.72

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water	
Particulars	**Offices Involved in the delivery of** "Permit Fee per Sultador Aplinary "
(col 1)	(col 2)
Number of People	**10**
Water bill per person per month	**77.50**
Estimated water bill of the office per year	**9,300.00**
Percent of work for the service rendered	**1.00%**
Net cost of water attributed to delivery of "Subject Service".	93.00

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication	
Particulars	**Offices Involved in the delivery of** "Permit Fee per Sultador Aplinary"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	**0**
Rate of subscription per month	**0**
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	**0%**
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.

Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	50	
Office Space	6,046.94	120.94
Utilities	2,122.72	42.45
Electricity	2,029.72	40.59
Water	93.00	1.86
Communication	-	-
Equipment and Furniture	6.34	0.13
Other Fixed Cost	-	-
TOTAL	8,175.99	163.52

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Permit Fee per Sultador Aplinary

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	10,681.03	Total Collection on Fees and/or Charges	2,500.00	(8,181.03)	(0.77)	Reasonable
Number of Applications Processed	50	Number of Applications Processed	50			
Average Fee Rate	213.62	Average Fee Rates	50.00	(163.62)	(0.77)	

Up the Form

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of Issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	10,681.03	Total Revenue	2,500.00	(8,181.03)	-77%
Total Number of Applicants	50	Number of Applications Processed	50		
Average Fee Rate	213.62	Average Fee Rates	50.00	(163.62)	-77%

			10,594.00	Total						
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[illegible]	STD-VAR	STD-FXD	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Simple	#DIV/0!		#DIV/0!	[illegible]	50.10	163.52	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[illegible]	50.10	163.52	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

[illegible]				[illegible]	STD-VAR	STD-FXD				
Classification	Allocation	% of Applicants	Number				[illegible]			
Manufacturer	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!									
Others	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
	Total	0%								
		100%								

						Ok		ok	
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
#REF!		-							
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Permit Fee per Sultador Aplinary	50.00	213.62	-0.77	Propose: 200.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
* Where or when does the process start? Where or when does it end?

2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive payment for Fee per Sultada on Special Derby
2	Assess the applicable permit fee based on the approved ordinance
3	Issue Official Receipt
4	Record the Collection

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
* For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
* This includes those who do the work in the process: suppliers, customers and supervisors.

2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive payment for Fee per Sultada on Special Derby	MTO	Luzviminda A. Datoy	-
2	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-
3	Issue Official Receipt	MTO	Luzviminda A. Datoy	-
4	Record the Collection	MTO	Luzviminda A. Datoy	Official Receipt

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
* Routine(same procedure and effort for each applicant)
* Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive payment for Fee per Sultada on Special Derby	MTO	Luzviminda A. Datoy	-	Routine
2	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-	Routine
3	Issue Official Receipt	MTO	Luzviminda A. Datoy	-	Routine
4	Record the Collection	MTO	Luzviminda A. Datoy	Official Receipt	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of "Fee per Sultada on Special Derby"	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Luzviminda A. Datoy - RCC III	**SG9/S1**	**17,420**	**209,040**	**82,840**	**233,504.00**	**3.50%**	**8,172.64**
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	8,172.64

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	200		
Official Receipt	200	3.40	680.00
			-
			-
			-
			-
			-
			-
		TOTAL	680.00

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	**Estimated Routine Variable Cost Per Application**
Annual Number of Applications	**200**	
Variable Costs		
Routine Personnel	**8,172.64**	**40.86**
Travel Reimbursement	**-**	**-**
Other Supplies/Forms/Materials	**680.00**	**3.40**
TOTAL	**8,852.64**	**44.26**

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Permit Fee per Sultada during Special Derby" (col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Fee per Sultada on Special Derby" (%)	3.50%
Share of Cost attributable to delivering the service (Php)	21,164.29

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.01%	2.52
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.01%	3.60
Photocopier			-		-	-	-		-
								Sub-Total	6.12
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.01%	0.12
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.01%	0.10
								Sub-Total	0.22
								TOTAL	6.34

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.

Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	200	
Office Space	21,164.29	105.82
Utilities	-	-
Electricity	-	-
Water	-	-
Communication	-	-
Equipment and Furniture	6.34	0.03
Other Fixed Cost	-	-
TOTAL	21,170.63	105.85

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Fee per Sultada on Special Derby

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	30,023.27	Total Collection on Fees and/or Charges	20,000.00	(10,023.27)	(0.33)	Reasonable
Number of Applications Processed	200	Number of Applications Processed	200			
Average Fee Rate	150.12	Average Fee Rates	100.00	(50.12)	(0.33)	

Up the Form

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of Issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	30,023.27	Total Revenue	20,000.00	(10,023.27)	-33%
Total Number of Applicants	80	Number of Applications Processed	80		
Average Fee Rate	375.29	Average Fee Rates	100.00	(275.29)	-73%

			10,594.00	Total						
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[redacted]	STD-VAR	STD-FXD	[redacted]			
Simple	#DIV/0!		#DIV/0!	[redacted]	44.26	105.85	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	44.26	105.85	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

				[redacted]	STD-VAR	STD-FXD	[redacted]			
Classification	Allocation	% of Applicants	Number							
Manufacturer	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!			[redacted]			[redacted]			
Others	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
Total	0%									
	100%									

Ok ok

235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
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			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Fee per Sultada on Special Derby	100.00	150.12	-0.33	Propose: 150.00

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive payment for Fee per Sultada on Ordinary Hackfight
2	Assess the applicable permit fee based on the approved ordinance
3	Issue Official Receipt
4	Record the Collection

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive payment for Fee per Sultada on Ordinary Hackfight	MTO	Luzviminda A. Datoy	-
2	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-
3	Issue Official Receipt	MTO	Luzviminda A. Datoy	-
4	Record the Collection	MTO	Luzviminda A. Datoy	Official Receipt

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive payment for Fee per Sultada on Ordinary Hackfight	MTO	Luzviminda A. Datoy	-	Routine
2	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-	Routine
3	Issue Official Receipt	MTO	Luzviminda A. Datoy	-	Routine
4	Record the Collection	MTO	Luzviminda A. Datoy	Official Receipt	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Fee per Sultada on Ordinary Hackfight	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Luzviminda A. Datoy - RCC III	**SG9/51**	**17,420**	**209,040**	**82,840**	**233,504.00**	**5.10%**	**11,908.70**
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	11,908.70

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	200		
Official Receipt	200	3.40	680.00
			-
			-
			-
			-
			-
			-
		TOTAL	680.00

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	**Estimated Routine Variable Cost Per Application**
Annual Number of Applications	**200**	
Variable Costs		
Routine Personnel	**11,908.70**	**59.54**
Travel Reimbursement	**-**	**-**
Other Supplies/Forms/Materials	**680.00**	**3.40**
TOTAL	**12,588.70**	**62.94**

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars	Offices Involved in the delivery of "Fee pero Sultada on Ordinary Hackfight"
(col 1)	(col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Fee per Sultada on Ordinary Hackfight " (%)	4.50%
Share of Cost attributable to delivering the service (Php)	**27,211.23**

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars	Offices Involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.02%	5.04
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.02%	7.20
Photocopier			-		-	-	-		-
								Sub-Total	12.24
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.02%	0.24
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.02%	0.19
								Sub-Total	0.43
								TOTAL	**12.67**

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
	200		
Official Receipt	200	3.40	680.00
			-
			-
			-
			-
			-
			-
		TOTAL	680.00

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	200	
Variable Costs		
Routine Personnel	11,908.70	59.54
Travel Reimbursement	-	-
Other Supplies/Forms/Materials	680.00	3.40
TOTAL	12,588.70	62.94

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Fee pero Sultada on Ordinary Hackfight" (col 2)
Construction Cost (per sq m)	14,751.85
Floor area of City Hall (sq m)	1,080.00
Building Construction Cost (Php)	15,913,000.00
Office Area Occupied (sq. m)	72.00
Cost of Office Area Occupied (Php)	1,060,866.67
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	503,911.66
Annual Maintenance Cost (Php)	100,782.33
Percent of Work for "Fee per Sultada on Ordinary Hackfight " (%)	4.50%
Share of Cost attributable to delivering the service (Php)	**27,211.23**

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	3	35,000	105,000.00	20%	21,000	4,200	25,200	0.02%	5.04
Computers	3	50,000	150,000.00	20%	30,000	6,000	36,000	0.02%	7.20
Photocopier			-		-	-	-		-
								Sub-Total	12.24
B. Furniture									
Filing Cabinets	2	5,000	10,000.00	10%	1,000	200	1,200	0.02%	0.24
Tables and Chairs	4	2,000	8,000.00	10%	800	160	960	0.02%	0.19
								Sub-Total	0.43
								TOTAL	**12.67**

Republic of the Philippines
Province of Surigao del Sur
MUNICIPALITY OF CARMEN

BAGONG PILIPINAS

OFFICE OF THE MUNICIPAL MAYOR

PROGRAM OF EXPENDITURES FOR SUPPORT TO SUSTAINABLE LIVELIHOOD PROGRAM

Appropriation ---------- **P 1,000,000.00**
Source of Funds ---------- **Capital Outlay (20% LDF) (1-07-99-990)**

Carmen SMAW Association
380,000.00

Training on Food Delicacy and Provision of Starter Kits Production for 4P's Active Households
300,000.00

Training on Pastry Production and Provision of Starter Kits for 4P's Graduated Households
320,000.00

OVER ALL TOTAL..... P 1,000,000.00

Prepared by:

CATHERINE A. ARIENZA
Administrative Officer IV/HRMO Designate

OK AS TO APPROPRIATION:

JENELITA EVANGELINE A. VENOYA
Acting Mun. Budget Officer

OK AS TO FUNDS AVAILABLE:

CARMELITA M. PALMA
Acting Municipal Treasurer

NATHANIEL G. GARAS, CPA
Municipal Accountant

APPROVED:

NESTOR S. VALEROSO
Municipal Mayor

Republic of the Philippines
Province of Surigao del Sur
MUNICIPALITY OF CARMEN

BAGONG PILIPINAS

OFFICE OF THE MUNICIPAL MAYOR

PROGRAM OF EXPENDITURES FOR SUPPORT TO SUSTAINABLE LIVELIHOOD PROGRAM

Appropriation ---------- **P 1,000,000.00**
Source of Funds ---------- **Capital Outlay (20% LDF)**
(1-07-99-990)

• **Carmen Shielded Metal Arc Welding (SMAW) Association**	**380,000.00**
• **Training on Food Delicacy and Provision of Starter Kits Production for 4P's Active Households**	**300,000.00**
• **Training on Pastry Production and Provision of Starter Kits for 4P's Graduated Households**	**320,000.00**
OVER ALL TOTAL.....	**P 1,000,000.00**

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CARMELITA M. PALMA
Acting Municipal Treasurer

NATHANIEL G. GARAS, CPA
Municipal Accountant

APPROVED:

Sharon Fe A. Tisang	- MSWDO, GAD Focal, Member;
Dr. Mary Michelle R. Paganpan	- MHO, Member;
Laury P. Lauron	- Mun. Agriculturist, Member
Engr. Jhonamie S. Manawatao	- Municipal Engineer, Member;
Isabelita C. Ansing	- Municipal Budget Officer, Member;
Marilou A. Aspril	- Municipal Treasurer, Member;
Sylvi A. Sumod-ong	- Municipal Local Registrar, Member;
Nathaniel G. Garas	- Municipal Accountant, Member;
Belinda R. Dico	- Municipal Assessor, Member;
Alain P. Cabanilla	- MENRO, Member;
Julieto O. Curayag	- MLGOO, Member;
Evangeline A. Caratao, Phd	- Principal III, District Supervisor DepEd, Member;
PCpt. Gilbert L. Calope	- ACOP-PNP, Member;
SFO3 Ryard R. Santos	- Mun. Fire Marshal-BFP, Member;
LTC. Joselito B. Ante Jr.	- CO 36IB, 4ID, AFP
PO3 Junee B. Abrea	- Sub-Station Commander- Phil. Coast Guard
Hon. Judie M. Arreza	- Punong Barangay-Cancavan Member;
Hon. Blandena V. Sugian	- President, Association of Barangay Captains
Hon. Renen L. Palacio	- Punong Barangay Poblacion, Member;
Hon. Jonathan P. Orozco	- Punong Barangay Sta. Cruz, Member;
Hon. Joy B. Valeroso	- Punong Barangay Puyat, Member;
Hon. Emmanuel Q. Pie	- Punong Barangay Antao, Member;
Hon. Jeffrey P. Suazo	- Punong Barangay Esperanza, Member;
Hon. Eugenio R. Yagao	- Punong Barangay Hinapoyan, Member;
Domingo D. Roluna	- Pres. Carmen Farmers Fed. Assoc., Member
James Yala	- Station Manager, Habagat FM, Member
June E. Jaramillo	- LDRRMO II, Member;
Ptr. Jovanni Talatayod	- Religious Sector, Member;
Engr. Bernardo Reyes	- Board of Director, SURSECO, Member;
Engr. Julberto C. Tupas	- Gen. Mngr., Carmen Water District, Member;
Juanito Tumampos	- President, CASTODA, Member
Hon. Ricardo S. Iligan	- Mun. IPMR Representative, Member;
Rovencio A. Pame	- Pres. Esperanza Farmers Marketing Coop.
Florabel P. Ravelo	- Pres. Mun. Agriculture & Fishery Council
Shane D. Palacal	- Pres. Carmen Business Club
Zendel M. Hernandez	- Chapter Administrator, Phil. Red Cross- SDS
Florence Anthon Jade B. Caperig	- Livestock Inspector II/Veterinary –Designate

Section 3. Functions- The MDRRMC shall have the following functions:

1. Approve, monitor, and evaluate the implementation of the LDRRMP and annually review, test, and develop a plan consistent with other national and local planning programs;

2. Ensure the integration of disaster risk reduction and climate change adaptation into local development plans, programs, and budgets as a strategy in sustainable development and poverty reduction;

3. Recommend the implementation of forced or preemptive evacuation of residents, if necessary; and

4. Convene the local council once every three months or as necessary.

Section 4. Municipal Disaster Risk Reduction and Management Office (MDRRMO)

The MDRRMO shall be headed by June E. Jaramillo, MCDRM, OIC-LDRRM Officer II, and staff responsible for:

a. Administration and Training - Engr. Zairha Pude- Agricultural Engineer
b. Research and Planning – Rachel Ontolan- EMS II

PROPOSED ADDITIONAL POSITIONS TO THE PLANTILLA OF LGU PERSONNEL

CARMEN, SURIGAO DEL SUR

(BASED ON DTP 2022-2024)

OFFICE	2026	2027	2028	
1. Municipal Agriculture Office **(MAO)**				Assist
2. Municipal Human Resources Management Office **(HRMO)**	**HRMO Dept. Head**			H A
3. Municipal Disaster Risk Reduction Management Office **(MDRRMO)**	**MDRRMO Dept. Head**		LDRRMO I	
4. Municipal Mayor's Office **(MO)**	**Internal Auditor II**	Supervising Officer (PESO)	**Tourism Operations Officer II** **MCDO**	B
5. Municipal Environment & Natural Resources Office **(MENRO)**		Forest Management Officer II	**Computer Operator II**	Assist
6. Municipal Health Office **(MHO)**	Midwife I	Midwife I	**PHN ***	A
7. Municipal Engineering Office **(MEO)**		Engineering Aide II	**Assistant Municipal Engineer**	
8. Municipal Planning and Development Office **(MPDO)**	Planning Officer II	IT Personnel		
9. Municipal Social Welfare and Development Office**(MSWDO)**	Driver I – Build Scrap – Admin Aide IV	Senior Citizens Affairs Youth Development Officer	Assistant MSWDO	
11. Municipal Budget Office **(MBO)**	Bookbinder – Build Budgeting Aide – Scrap	Admin Officer IV (Budget Officer I)		
12. Municipal Economic Enterprise and Development Office **(MEEDO)**			**Municipal Economic Enterprise Officer**	
13. Municipal Assessor's Office **(MASSO)**			Draftsman I	
14. Municipal Treasurer's Office **(MTO)**		Computer Operator IV	**BPLO**	
15. Municipal Accounting Office **(MAccO)**		Assistant Municipal Accountant		
10. Office of the Sangguniang Bayan Secretary **(SB Sec)**				L C
Total no. of positions	6	1	5 2	

OVERALL ACCOMPLISHMENT

TOTAL PPAs: 214

COMPLETED	36
ON-GOING	64
FOR IMPLEMENTATION	92
FOR REPROGRAM	17
REPROGRAMMED	5

Financial % : 24.95
Physical % : 34.02

TOTAL ALLOCATION : **P63,029,089.17**
Total Cost Incurred to Date: **P15,725,861.21**

TOTAL PPAs: 214

COMPLETED	36
ON-GOING	64
FOR IMPLEMENTATION	92
FOR REPROGRAM	17
REPROGRAMMED	5

Financial % : 24.95

Physical % : 34.02

TOTAL ALLOCATION : **P63,029,089.17**

Total Cost Incurred to Date: **P15,725,861.21**

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	2	20,000	40,000.00	20%	8,000	-	8,000	3%	240
Computers	1	20,000	20,000.00	10%	2,000	-	2,000	3%	60
					-	-	-		
								Sub-Total	300
B. Furniture									
Filing Cabinets	1	5,000	5,000.00	5%	250		250	3%	8
Tables and Chairs	3	1,000	3,000.00	10%	300	-	300	5%	15
								Sub-Total	23
								TOTAL	322.50

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
1. APPLICATION FORM	20	4.00	80.00
2. INSPECTION FORM	20	0.00	-
3. OR	20	6.00	120.00
4. CLEARANCE CERTIFICATE	20	4.00	80.00
			-
			-
		TOTAL	280.00

STEP 4.B COST OF TRANSPORTATION

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection
Column 2. Identify the number of vehicles used for inspection.
Column 3. Verify unit cost of vehicle
Column 4. Determine the total cost by multiplying columns 2 and 3
Column 5. Apply the depreciation rate (Note: Economic life of a vehicle is 10 years)
Column 6. Compute for the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Verify from the City Accounting Office the actual amount spent for maintenance of the vehicle used for inspection. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.

Column 8. Determine the frequency of use of the vehicle. In the specific case sample, half day use from February to November is 44/52 weeks x .5 days. Note that the LGUs may devise other method to determine the actual frequency of use of vehicle.
Column 9. Compute the cost of vehicle for inspection by adding columns 6 and 7 thenmultiply the frequency of use in column 8.

Table 5:

Variable Cost - Vehicle

List of Vehicle/s	Number of Vehicles	Unit Cost	Total Cost	Depreciation Rate/Year	Annual Depreciation Cost	Maintenance cost	Percentage of use for inspection per week	Annual cost of vehicle for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)
			-		-			-
							TOTAL	

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection
Column 2. Identify the number of vehicles used for inspection
Column 3. Verify the average cost of fuel per liter
Column 4. Check the average weekly consumption in liters
Column 5. There are 52 weeks in one year. Identify the number of weeks the vehicles(s) has been used in a year.
Column 6. Compute for annual cost of fuel for 1 year by multiplying columns 2, 3, 4 and 5.
Column 7. Determine the percentage for the frequency of use of the vehicle for inspection. In the specific case sample, half day use from February to November is 44/52 weeks X .5 days. Note that the LGUs may devise other method to determine the actual percentage for the frequency of use of the vehicle.
Column 8. Compute the cost of fuel for inspection activities by multiplying columns 6 and 7.

Table 6:

Variable Cost - Fuel

List of vehicle/s	Number of Vehicles	Average Cost per liter	Ave. weekly consumption in liters	Number of weeks in one year	Annual Cost of fuel for the vehicle	Percentage of use for inspection per week	Annual cost for Fuel for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
					-		-
						TOTAL	

If the LGU does not provide vehicles for inspection, but only allows the reimbursement of actual transportation expenses, the annual cost should be computed by determining the monthly reimbursements multiplied by 12

Table 7:

Variable Cost - Allowance/Reimbursement for Fuel

Name and Position	Transportation Cost based on Allowance/Reimbursements		% Time assigned in the delivery of the "[illegible]"	Annual Cost of the Service
	Average Monthly	Annual Allowance		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)
		-		-
		-		-
		-		-

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8.Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of the Subject Service	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
			-		-		-
FLORENCE ANTHON JADE CAPERIG	LI-II	15,401	184,812	67,750	228,062.00	0%	1,140.31
FLORENCE ANTHON JADE CAPERIG	LI-II	15,401	184,812	67,750	228,062.00	1%	2,280.62
FLORENCE ANTHON JADE CAPERIG	LI-II	15,401	184,812	67,750	228,062.00	0%	1,140.31
FLORENCE ANTHON JADE CAPERIG	LI-II	15,401	184,812	67,750	228,062.00	0%	1,140.31
FLORENCE ANTHON JADE CAPERIG	LI-II	15,401	184,812	67,750	228,062.00	3%	6,841.86
FLORENCE ANTHON JADE CAPERIG	LI-II	15,401	184,812	67,750	228,062.00	0%	1,140.31
LAURY P. LAURON	MA	71,751	861,012	233,867	1,094,879.00	0%	4,589.39
JOEFRED M. REYES	LRCO	12,904	154,848	47,000	201,848.00	0%	1,009.24
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	19,282.35

Carabao

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flows of the concerned office (for standard compliance)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	REVIEW APPLICATION
2	VERIFY BRGY. CERTIFICATION
3	REVIEW AND ATTACHED SUPPORTING DOCUMENTS
4	SCHEDULE APPLICATION FOR PROCESSING
5	PERFORM ACTUAL INSPECTION AND VERIFICATION
6	REVIEW AND ATTACHED SUPPORTING DOCUMENTS
7	RECEIVE PAYMENT/ CHARGES
8	RELEASE APPROVED CLEARANCE
9	
10	
11	

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   For clarification, base the information on the Citizen's Charter or the duly authorized process flows for the said procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	REVIEW APPLICATION	Agriculture	Florence Anthon Jade Caperig	Application
2	VERIFY BRGY. CERTIFICATION	Agriculture	Florence Anthon Jade Caperig	
3	REVIEW AND ATTACHED SUPPORTING DOCUMENTS	Agriculture	Florence Anthon Jade Caperig	
4	SCHEDULE APPLICATION FOR PROCESSING	Agriculture	Florence Anthon Jade Caperig	
5	PERFORM ACTUAL INSPECTION AND VERIFICATION	Agriculture	Florence Anthon Jade Caperig	Inspection form
6	REVIEW AND ATTACHED SUPPORTING DOCUMENTS	Agriculture	Florence Anthon Jade Caperig	
7	RECEIVE PAYMENT/ CHARGES	Agriculture	JOSEPH A. CHATO	OR
8	RELEASE APPROVED CLEARANCE	Agriculture	Florence Anthon Jade Caperig	Clearance form
9	-			
10	-			
11	-			

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   Routine/same procedure or activity for every application
   Special/modify the other part of the process and varies depending on the type, nature or circumstance of the applicant
Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	RECEIVE APPLICATION	Agriculture	Florence Anthon Jade Caperig	Application	routine
2	VERIFY BRGY CERTIFICATION	Agriculture	Florence Anthon Jade Caperig		routine
3	REVIEW ATTACHED SUPPORTING DOCUMENTS	Agriculture	Florence Anthon Jade Caperig		routine
4	SCHEDULE APPLICATION FOR PROCESSING	Treasurer	Florence Anthon Jade Caperig		routine
5	PERFORM ACTUAL INSPECTION AND VERIFICATION	Agriculture	Florence Anthon Jade Caperig	INSPECTION FORM	routine
6	REVIEW ATTACHED SUPPORTING DOCUMENTS	Agriculture	Florence Anthon Jade Caperig		routine
7	RECEIVED PAYMENTS/ CHARGES	Treasurer	JOEFRED M. REYES	OR	routine
8	RELEASE APPROVED CLEARANCE	Agriculture	LAURY P. LAURON	CLEARANCE FORM	routine
9	-	-	-	-	
10	-	-	-	-	
11	-	-	-	-	

Received Jeffrey
9/19/18

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Fee per Sultada on Ordinary Hackfight	50.00	199.06	-0.75	Propose: 200.00

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge: Fee per Sultada on Ordinary Hackfight

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	*39,812.61*	Total Collection on Fees and/or Charges	*10,000.00*	(29,812.61)	(0.75)	Reasonable
Number of Applications Processed	*200*	Number of Applications Processed	*200*			
Average Fee Rate	*199.06*	Average Fee Rates	*50.00*	(149.06)	(0.75)	

Up the Form

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of Issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	*39,812.61*	Total Revenue	*10,000.00*	(29,812.61)	75%
Total Number of Applicants	*5*	Number of Applications Processed	*5*		
Average Fee Rate	*7,962.52*	Average Fee Rates	*150.00*	(7,812.52)	-98%

		10,594.00		Total					
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[redacted]	STD-VAR	STD-FXD	[redacted]		
Simple	#DIV/0!		#DIV/0!	[redacted]	62.94	136.12	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	62.94	136.12	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

				[redacted]	STD-VAR	STD-FXD	[redacted]			
Classification	Allocation	% of Applicants	Number							
Manufacturer	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!			[redacted]			[redacted]			
Others	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
Total	0%									
	100%									

							Ok		ok	
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
#REF!		-							
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.

Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	200	
Office Space	27,211.23	136.06
Utilities	-	-
Electricity	-	-
Water	-	-
Communication	-	-
Equipment and Furniture	12.67	0.06
Other Fixed Cost	-	-
TOTAL	**27,223.90**	**136.12**

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices involved in the delivery of** "Fee per Sultada on Ordinary Hackfight"
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	17.07
Kilowatt consumption/hour for the unit delivering the service	5.63
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	202,971.86
Percent of work for the service rendered	0.00%
Net electricity cost attributed to "Subject Service" service	-

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water	
Particulars	**Offices involved in the delivery of** "Fee per Sultada on Ordinary Hackfight"
(col 1)	(col 2)
Number of People	10
Water bill per person per month	77.50
Estimated water bill of the office per year	9,300.00
Percent of work for the service rendered	0.00%
Net cost of water attributed to delivery of "Subject Service".	-

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a percentage of the total responsibilities of the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication	
Particulars	**Offices involved in the delivery of** "Fee per Sultada on Ordinary Hackfight"
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the	0
Rate of subscription per month	0
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	0%
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of Fee per Sultada on Ordinary Hackfight	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Luzviminda A. Datoy - RCC III	**SG9/S1**	**17,420**	**209,040**	**82,840**	**233,504.00**	**5.10%**	**11,908.70**
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	11,908.70

STEP 1: MAP YOUR PROCESS FLOW

Note:

- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Receive payment for Fee per Sultada on Ordinary Hackfight
2	Assess the applicable permit fee based on the approved ordinance
3	Issue Official Receipt
4	Record the Collection

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Receive payment for Fee per Sultada on Ordinary Hackfight	MTO	Luzviminda A. Datoy	-
2	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-
3	Issue Official Receipt	MTO	Luzviminda A. Datoy	-
4	Record the Collection	MTO	Luzviminda A. Datoy	Official Receipt

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**

- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receive payment for Fee per Sultada on Ordinary Hackfight	MTO	Luzviminda A. Datoy	-	Routine
2	Assess the applicable permit fee based on the approved ordinance	MTO	Luzviminda A. Datoy	-	Routine
3	Issue Official Receipt	MTO	Luzviminda A. Datoy	-	Routine
4	Record the Collection	MTO	Luzviminda A. Datoy	Official Receipt	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1 - Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8.Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of the Subject Service	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
			-		-		-
FLORENCE ANTHON JADE CAPERIG	LI-II	15,401	184,812	67,750	252,562.00	0%	1,260.31
FLORENCE ANTHON JADE CAPERIG	LI-II	15,401	184,812	67,750	252,562.00	1%	2,520.62
FLORENCE ANTHON JADE CAPERIG	LI-II	15,401	184,812	67,750	252,562.00	0%	1,260.31
FLORENCE ANTHON JADE CAPERIG	LI-II	15,401	184,812	67,750	252,562.00	0%	1,260.31
FLORENCE ANTHON JADE CAPERIG	LI-II	15,401	184,812	67,750	252,562.00	0%	1,260.31
FLORENCE ANTHON JADE CAPERIG	LI-II	15,401	184,812	67,750	252,562.00	0%	5,474.39
LAURY P. LAURON	MA	71,751	861,012	233,867	1,094,879.00	0%	1,129.24
JOEFRED M. REYES	LRCO						-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	15,425.00

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
1. INK	960	0.35	336.00
2. BOND PAPER	960	0.50	480.00
3. BALLPEN	960	0.10	96.00
4.OR	960	3.00	2,880.00
5.CLEARANCE CERTIFICATE	960	0.35	336.00
			-
		TOTAL	4,128.00

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.
Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	**Estimated Routine Variable Cost Per Application**
Annual Number of Applications	**960**	
Variable Costs		
Routine Personnel	**15,425.00**	**16.07**
Transportation Costs	**-**	**-**
Other Supplies/Forms/Materials	**4,128.00**	**4.30**
TOTAL	19,553.00	20.37

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	12,500.00
Floor area of City Hall (sq m)	160.00
Building Construction Cost (Php)	2,000,000.00
Office Area Occupied (sq. m)	80.00
Cost of Office Area Occupied (Php)	1,000,000.00
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	30,000.00
Annual Maintenance Cost (Php)	6,000.00
Percent of Work for "Subject Service" (%)	1%
Share of Cost attributable to delivering the service (Php)	360.00

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	2	20,000	40,000.00	20%	8,000	-	8,000	3%	240
Computers	1	20,000	20,000.00	10%	2,000	-	2,000	3%	60
Mobile load	1	1,800	1,800.00		-	-	-		180
								Sub-Total	480
B. Furniture									
Filing Cabinets	1	5,000	5,000.00	5%	250		250	3%	8
Tables and Chairs	3	1,000	3,000.00	10%	300	-	300	5%	15
								Sub-Total	23
								TOTAL	502.50

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3.

NOTE: Note: The LGU may have other major fixed costs not mentioned in this illustration. When costs are significant, those fixed cost must be identified and added in the template. Conversely, costs that are negligible may be dropped from the calculations.

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for "Subject Service" Fees	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services			
Regular Office Supplies	**46,000.00**	**15%**	**6,900.00**
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	6,900.00

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	960	
Office Space	360.00	0.38
Utilities	158,112.00	164.70
Electricity	151,512.00	157.83
Water	4,800.00	5.00
Communication	1,800.00	1.88
Equipment and Furniture	502.50	0.52
Other Fixed Cost		-
TOTAL	158,974.50	165.60

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge:

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remarks:Reasonable/Not Reasonable
Total Cost		Total Collection on Fees and/or Charges		(106,527.50)	(0.60)	
Number of Applications Processed		Number of Applications Processed				
Average Fee Rate		Average Fee Rates		(110.97)	(0.60)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE

Compare Fee with Cost of Delivering Services			
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates	
Total Cost		Total Revenue	(106,527.50)
Total Number of Applicants		Number of Applications Processed	
Average Fee Rate		Average Fee Rates	#DIV/0!

10,594.00

Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	[illegible]	STD-VAR	STD-FXD	[illegible]			
Simple	#DIV/0!		#DIV/0!	[illegible]	20.37	165.60	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[illegible]	20.37	165.60	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		#DIV/0!					#DIV/0!		#DIV/0!

Scenario 2				[illegible]	STD-VAR	STD-FXD	[illegible]			
Classification	Allocation	% of Applicants	Number							
Manufacturer	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other financial institutions	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!			[illegible]			[illegible]			
Others	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!			#DIV/0!				#DIV/0!		#DIV/0!
	Total	0%								

Ok ok

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#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
  * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
  * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
  * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
  * Routine(same procedure and effort for each applicant)
  * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: It is highly suggested to identify one (1) special step.
- However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.
- It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8.Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of the Subject Service	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
[redacted]							
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
						TOTAL	₱1,133.03

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
[redacted]			
[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]
		TOTAL	9,913.20

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.
Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	792	
Variable Costs		
Routine Personnel	41,133.03	51.94
Transportation Costs	-	-
Other Supplies/Forms/Materials	9,913.20	12.52
TOTAL	51,046.23	64.45

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be comput by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Shar Equipment and Fur
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
Computer	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
Water Dispenser	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
			-		-		-		
								Sub-Total	
B. Tools & Equipment									
Dehairing table	1	15,000.00	15,000.00	20%	3,000		3,000	30%	
Stunning machine	1	75,000.00	75,000.00	20%	15,000		15,000	30%	
kawa/boiler	1	10,000.00	10,000.00	20%	2,000		2,000	30%	
Sand stone	1	500.00	500.00	10%	50		50	30%	
Butcher knife	3	1,000.00	3,000.00	10%	300		300	30%	
Forceps Set	1	2,000.00	2,000.00	10%	300		300	30%	
Platform Weighing scale	1	15,000.00	15,000.00	20%	3,000		3,000	30%	
Swab suit	2	3,000.00	6,000.00	10%	600		600	30%	
								Sub-total	
B. Furniture									
Filing Cabinets	[illegible]	[illegible]	-	[illegible]	-	[illegible]	-	[illegible]	
Tables and Chairs	[illegible]	1,000	3,000.00	20%	600	[illegible]	600	[illegible]	
								Sub-Total	
								TOTAL	1,585.

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices involved in the delivery of "Subject Service" Fee**
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	
Kilowatt consumption/hour for the unit delivering the service	
Number of operating hours per day	
Number of days per year	
Electricity cost per year	48,000.00
Percent of work for the service rendered	20%
Net electricity cost attributed to "Subject Service" service	9,600.00

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water	
Particulars	**Offices involved in the delivery of "Subject Service" Fee**
(col 1)	(col 2)
Number of People	
Water bill per person per month	
Estimated water bill of the office per year	5,250.00
Percent of work for the service rendered	20%
Net cost of water attributed to delivery of "Subject Service".	1,050.00

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number telephone lines available in the Office and the monthly subscription rate pe month. The annual cost of telephone services is the number of telephone l multiplied by the monthly subscription rate over a period of twelve months The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Sul

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication	
Particulars	**Offices involved in the delivery of "Subje Service" Fee**
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the service	
Rate of subscription per month	
Annual cost of telephone/mobile services	
Percent of work for the service rendered	
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	792	
Office Space	108.00	0.14
Utilities	10,650.00	13.45
Electricity	9,600.00	12.12
Water	1,050.00	1.33
Communication	-	-
Equipment and Furniture	7,585.00	9.58
Other Fixed Cost	-	-
TOTAL	18,343.00	23.16

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge:

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remarks/Reasonable/Not Reasonable
Total Cost	69,389.23	Total Collection on Fees and/or Charges	66,000.00	(3,389.23)	(0.05)	
Number of Applications Processed	782	Number of Applications Processed	782			
Average Fee Rate	87.83	Average Fee Rates	84.40	(87.63)	(0.43)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 20%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	69,389.23	Total Revenue	66,000.00	(3,389.23)	-5%
Total Number of Applicants		Number of Applications Processed			
Average Fee Rate	#DIV/0!	Average Fee Rates	#DIV/0!	#DIV/0!	#DIV/0!

Scenario 1	% of Applicants	Number of Applicants	16,394.68 Cost (with rebate)	Total	STD-WA	STD-PW			
Simple	#DIV/0!		#DIV/0!		86.45	79.14	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!		84.45	23.35	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!				#DIV/0!		#DIV/0!

Classification	Allocation	% of Applicants	Number		STD-WA	STD-PW			
Manufacturer	#DIV/0!						#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!						#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!						#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!						#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!						#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!						#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!								
Others	#DIV/0!						#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!			#DIV/0!			#DIV/0!	-	#DIV/0!

Year	Rate
	100%

						Or		or
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	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
								#DIV/0!

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
[illegible]			
1. Stickers (Motorcycles)	450	25.00	11,250.00
2. OR	450	6.00	2,700.00
3. Franchise, OR/CR, Reg Fee	450	250.00	114,750.00
			-
			-
		TOTAL	128,700.00

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, th can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cos	Total Annual Cost	% Used for delivering the Service	Annual Cost Equipme Furnit
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 1
A. Equipment									
Air Condition	2	20,000	40,000.00	20%	8,000	-	8,000	3%	
Computers	1	20,000	20,000.00	10%	2,000	-	2,000	3%	
			-		-	-	-		
								Sub-Total	
B. Furniture									
Filing Cabinets									
Tables and Chairs	3	1,000	3,000.00	10%	300	-	300	5%	
								Sub-Total	
								TOTAL	31

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices involved in the delivery of "Subject Service" Fee**
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	
Kilowatt consumption/hour for the unit delivering the service	
Number of operating hours per day	
Number of days per year	
Electricity cost per year	85,811.16
Percent of work for the service rendered	2%
Net electricity cost attributed to "Subject Service" service	1,716.22

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issúance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water	
Particulars	**Offices involved in the delivery of "Subject Service" Fee**
(col 1)	(col 2)
Number of People	
Water bill per person per month	
Estimated water bill of the office per year	4,800.00
Percent of work for the service rendered	2%
Net cost of water attributed to delivery of "Subject Service".	96.00

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number telephone lines available in the Office and the monthly subscription rate pe month. The annual cost of telephone services is the number of telephone l multiplied by the monthly subscription rate over a period of twelve month: The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Sul

Column 2 - Apply the formula described above for the office involved in th delivery of the "Subject Service".

Table 14:

Cost for Communication	
Particulars	**Offices involved in the delivery of "Subje Service" Fee**
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the service	
Rate of subscription per month	
Annual cost of telephone/mobile services	
Percent of work for the service rendered	
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	450	
Office Space	8,280.00	18.40
Utilities	1,812.22	4.03
Electricity	1,716.22	3.81
Water	96.00	0.21
Communication	-	-
Equipment and Furniture	315.00	0.70
Other Fixed Cost	-	-
TOTAL	10,407.22	23.13

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge:

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remarks/Reasonable/Not Reasonable
Total Cost	146,758.50	Total Collection on Fees and/or Charges	112,500.00	(34,258.50)	(0.23)	
Number of Applications Processed	469	Number of Applications Processed	420			
Average Fee Rate	P312.18	Average Fee Rates	250.00	(76.13)	(0.23)	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	146,758.50	Total Revenue	112,500.00	(34,258.50)	-25%
Total Number of Applicants		Number of Applications Processed			
Average Fee Rate	#DIV/0!	Average Fee Rates	#DIV/0!	#DIV/0!	#DIV/0!

Scenario 1	% of Applicants	Number of Applicants	10,584.00 Cost (with rebate)	Total	STD-MIN	STD-MAX			
Simple	#DIV/0!		#DIV/0!		300.45	29.13	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!		300.45	29.13	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!				#DIV/0!		#DIV/0!

Classification	Allocation	% of Applicants	Number		STD-MIN	STD-MAX			
Manufacturer	#DIV/0!						#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!						#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!						#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!						#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!						#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!						#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!								
Others	#DIV/0!						#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!			#DIV/0!	-	#DIV/0!

Total 0% 100%

Ok ok

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STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	Inquiry of Schedule
2	File Application for Occupancy of training
3	Booking/ Reservation
4	Receive payment/charges
5	Approved Request
6	Posting of Schedule for client approved

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVI

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Inquiry of Schedule	Agriculture	Vilma O. Abanilla	
2	File Application for Occupancy of training	Agriculture	Vilma O. Abanilla	logbook
3	Booking/ Reservation	Agriculture	Vilma O. Abanilla	Whiteboard Ink
4	Receive payment/charges	Agriculture	Luzviminda A. Datoy	OR
5	Approved Request	Agriculture	Laury P. Lauron	
6	Posting of Schedule for client approved	Agriculture	Vilma O. Abanilla	Whiteboard Ink

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPI

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: **It is highly suggested to identify one (1) special step.**
- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	Inquiry of Schedule (Request)	Agriculture	Vilma O. Abanilla	Whiteboard
2	Booking/ Reservation	Agriculture	Vilma O. Abanilla	Whiteboard/ Ink
3	Receive payment/charges	Treasurer	Joepred M. Reyes	OR
4	Approval/ Posting of Schedule	Agriculture	Vilma O. Abanilla	Whiteboard Ink
7				
8				
9				
10				
11				

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of the Subject Service	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
			-		-		-
Vilma O.Abanilla	FS/MAO	15,401	184,812	48,245	233,057.00	0%	1,165.29
Vilma O.Abanilla	FS/MAO	15,401	184,812	48,245	233,057.00	0%	1,165.29
Joepred M. Reyes	LRCO/ MTO	12,904	154,848	47,000	201,848.00	0%	1,009.24
Vilma O.Abanilla	FS/MAO	15,401	184,812	48,245	233,057.00	0%	1,165.29
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	4,505.10

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
1. Whiteboard	144	2.00	288.00
2 . Whiteboard/ Ink	144	2.50	360.00
3. Whiteboard	144	2.00	288.00
4.OR	144	3.00	432.00
6. Whiteboard,	144	2	288.00
7. Air Freshener	144	4.8	691.20
8. Zonrox	144	1	144.00
9. Detergent powder	144	1.5	216.00
10. Hand soap	144	1.86	272.16
11. Pen	144	1.20	172.80
			3,152.16

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.
Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	144	
Variable Costs		
Routine Personnel	4,505.10	31.29
Transportation Costs	-	-
Other Supplies/Forms/Materials	3,152.16	21.89
TOTAL	7,657.26	53.18

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices involved in the delivery of "Subject Service" Fee**
(col 1)	**(col 2)**
Electricity rate per kilowatt hour (Php)	
Kilowatt consumption/hour for the unit delivering the service	
Number of operating hours per day	
Number of days per year	
Electricity cost per year	**151,512.00**
Percent of work for the service rendered	**25%**
Net electricity cost attributed to "Subject Service" service	[illegible]

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water	
Particulars	**Offices involved in the delivery of "Subject Service" Fee**
(col 1)	**(col 2)**
Number of People	
Water bill per person per month	
Estimated water bill of the office per year	**4,800.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	[illegible]

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication	
Particulars	**Offices involved in the delivery of "Subject Service" Fee**
(col 1)	**(col 2)**
Number of telephone/cellphone lines in the Office delivering the service	
Rate of subscription per month	
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	1	20,000	20,000.00	20%	4,000	-	4,000	3%	120
Computers	1	20,000	20,000.00	10%	2,000	-	2,000	3%	60
Sound System	1	45,000	45,000.00	20%	2,800		2,800	50%	1,600
Microphone	2	1,500	3,000.00	20%	600		600	50%	300
Tables	20	4,600	92,000.00	20%	18,400		18,400	70%	12,880
Chairs	120	600	72,000.00	20%	14,400		14,400	70%	10,080
Batteries	4	150	600.00	20%	120		120	50%	60
Air Conditioner	1	150,000	150,000.00	10%	15,000	3,000	18,000	50%	9,000
								Sub-Total	34,100
B. Furniture									
Filing Cabinets	1	5,000	5,000.00	20%	1,000		1,000	3%	30
Tables	20	4,600	92,000.00	20%	18,400		18,400	70%	12,880
Chairs	120	600	72,000.00	20%	14,400		14,400	70%	10,080
Water Dispenser	1	10,000	10,000.00	20%	2,000		2,000	70%	1,400
Venitian Blinds	12	2,800	33,600.00	20%	6,720	6,720	6,720	50%	3,360
Tables and Chairs	3	1,000	3,000.00	10%	300	-	300	5%	15
								Sub-Total	27,765
								TOTAL	61,865.00

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3.

NOTE: Note: The LGU may have other major fixed costs not mentioned in this illustration. When costs are significant, those fixed cost must be identified and added in the template. Conversely, costs that are negligible may be dropped from the calculations.

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for "Subject Service" Fees	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services			
Regular Office Supplies			-
Information Tech Team			-
Security Team			
Janitorial Team	92,400	30%	27,720.00
Reception Services			
		Total	27,720.00

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge:

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	264,954.26	Total Collection on Fees and/or Charges	86,400.00	(178,554.26)	(0.67)	
Number of Applications Processed	144	Number of Applications Processed	144			
Average Fee Rate	1,839.96	Average Fee Rates	600.00	600.00	0.33	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services				
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates		
Total Cost	264,954.26	Total Revenue	86,400.00	(178,554.26)
Total Number of Applicants	144	Number of Applications Processed	144	
Average Fee Rate	1,839.96	Average Fee Rates	600.00	(1,239.96)

10,594.00

Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	Total [illegible]	STD-VAR	STD-FXD	Cost per Application
Simple	#DIV/0!		#DIV/0!	[illegible]	53.18	1,786.78	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[illegible]	53.18	1,786.78	#DIV/0!
	#DIV/0!	-	#DIV/0!				

Classification	Allocation	% of Applicants	Number	[illegible]	STD-VAR	STD-FXD	Cost per Application
Manufacturer	#DIV/0!			[illegible]			[illegible]
Wholesalers	#DIV/0!			[illegible]			[illegible]
Exporters	#DIV/0!			[illegible]			[illegible]
Retailers	#DIV/0!			[illegible]			[illegible]
Contractors	#DIV/0!			[illegible]			[illegible]
Banks and other institutions	#DIV/0!			[illegible]			[illegible]
Peddlers	#DIV/0!						
Others	#DIV/0!			[illegible]			[illegible]
	#DIV/0!		-	#DIV/0!			
	Total	0%					

Ok

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			#DIV/0!			#DIV/0!
			#DIV/0!			#DIV/0!

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- **Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)**

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES
1	[illegible]
2	[illegible]
3	[illegible]
4	SCHEDULE APPLICATION FOR PROCESSING
5	PERFORM ACTUAL INSPECTION AND VERIFICATION
6	[illegible]
7	[illegible]
8	[illegible]
9	
10	
11	

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1	[illegible]	Agriculture	[illegible]	Application
2	[illegible]	Agriculture	[illegible]	
3	[illegible]	Agriculture	[illegible]	
4	SCHEDULE APPLICATION FOR PROCESSING	Agriculture	[illegible]	
5	PERFORM ACTUAL INSPECTION AND VERIFICATION	Agriculture	[illegible]	Inspection form
6	[illegible]	Agriculture	[illegible]	
7	[illegible]	Agriculture	JOSEPH A. CUNTO	OR
8	[illegible]	Agriculture	[illegible]	Clearance form
9				
10				
11				

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:
   * Routine(same procedure and effort for each applicant)
   * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: It is highly suggested to identify one (1) special step.
- However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.
- It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.

Table 3:

	ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	[illegible]	Agriculture	[illegible]	Application	routine
2	[illegible]	Agriculture	[illegible]		routine
3	[illegible]	Agriculture	[illegible]		routine
4	SCHEDULE APPLICATION FOR PROCESSING	Treasurer	[illegible]		routine
5	PERFORM ACTUAL INSPECTION AND VERIFICATION	Agriculture	[illegible]	INSPECTION FORM	routine
6	[illegible]	Agriculture	[illegible]		routine
7	[illegible]	Treasurer	JOSEPH M. ARIS	OR	routine
8	[illegible]	Agriculture	LAURY P. LAURON	CLEARANCE FORM	routine
9					
10					
11					

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Compensation					% Time assigned in the delivery of the Subject Service	Annual Cost of the Service
	SG-Step	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
			-				
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
			-				-
			-				-
			-				-
			-				-
			-				-
						TOTAL	13,500.80

STEP 4.B COST OF TRANSPORTATION

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection
Column 2. Identify the number of vehicles used for inspection.
Column 3. Verify unit cost of vehicle
Column 4. Determine the total cost by multiplying columns 2 and 3
Column 5. Apply the depreciation rate (Note: Economic life of a vehicle is 10 years)
Column 6. Compute for the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Verify from the City Accounting Office the actual amount spent for maintenance of the vehicle used for inspection. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.

Column 8. Determine the frequency of use of the vehicle. In the specific case sample, half day use from February to November is 44/52 weeks x .5 days. Note that the LGUs may devise other method to determine the actual frequency of use of vehicle.
Column 9. Compute the cost of vehicle for inspection by adding columns 6 and 7 thenmultiply the frequency of use in column 8.

Table 5:

Variable Cost - Vehicle

List of Vehicle/s	Number of Vehicles	Unit Cost	Total Cost	Depreciation Rate/Year	Annual Depreciation Cost	Maintenance cost	Percentage of use for inspection per week	Annual cost of vehicle for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)
			-		-			-
							TOTAL	-

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection
Column 2. Identify the number of vehicles used for inspection
Column 3. Verify the average cost of fuel per liter
Column 4. Check the average weekly consumption in liters
Column 5. There are 52 weeks in one year. Identify the number of weeks the vehicles(s) has been used in a year.
Column 6. Compute for annual cost of fuel for 1 year by multiplying columns 2, 3, 4 and 5.
Column 7. Determine the percentage for the frequency of use of the vehicle for inspection. In the specific case sample, half day use from February to November is 44/52 weeks X .5 days. Note that the LGUs may devise other method to determine the actual percentage for the frequency of use of the vehicle.
Column 8. Compute the cost of fuel for inspection activities by multiplying columns 6 and 7.

Table 6:

Variable Cost - Fuel

List of vehicle/s	Number of Vehicles	Average Cost per liter	Ave. weekly consumption in liters	Number of weeks in one year	Annual Cost of fuel for the vehicle	Percentage of use for inspection per week	Annual cost for Fuel for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
					-		-
							-
						TOTAL	-

If the LGU does not provide vehicles for inspection, but only allows the reimbursement of actual transportation expenses, the annual cost should be computed by determining the monthly reimbursements multiplied by 12

Table 7:

Variable Cost - Allowance/Reimbursement for Fuel

Name and Position	Transportation Cost based on Allowance/Reimbursements		% Time assigned in the delivery of the "Subject Service"	Annual Cost of the Service
	Average Monthly	Annual Allowance	(col 4)	
(col 1)	(col 2)	(col 3)		(col 5)
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
			TOTAL	-

TOTAL OF VEHICLE AND FUEL:	

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
1. APPLICATION FORM	30	4.00	120.00
2. INSPECTION FORM	30	0.00	-
3. OR	30	4.00	120.00
4. PERFORMANCE CERTIFICATE	30	4.00	120.00
			-
			-
		TOTAL	420.00

STEP 5. ALLOCATE THE VARIABLE COST FOR SPECIAL ACTIVITIES

Name and position	SG/Step	Monthly Salary	Annual Salary	Other compensation	Total Annual Compensation	% Time allocated for the service	Annual cost of service for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
			-		-		-
						TOTAL	-

Instructions in Filling the Form

Column 1- List the staff assigned to the "Special" Activity/ies.
Column 2 - Match the salary grade for each staff
Column 3 - Fill out the salary rate/month for each staff.
Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months
Column 5. Identify all other remunerations regularly received by the staff. Other benefits include RATA, PERA, year end benefits and other remunerations
Column 6. Sum up columns 4 and 5
Column 7. Estimate the annual % of time each staff performs directly to the issuance of the subject service. The rate shall be provided by the concerned unit head.
Column 8. Get the total cost for the Special Activity by adding the cost for each staff involved in delivering the service.
Proceed to the weight allocation. (The weight allocation may vary depending on the appropriate basis to the scenario within an LGU)

Basis (2) Simple and Complex

CATEGORIES	No. of Personnel	Weight	Allocation
Simple		#DIV/0!	#DIV/0!
Complex		#DIV/0!	#DIV/0!
		#DIV/0!	#DIV/0!

*Here, they chose to analyse the weight allocation based on the combination of the previous two options.
** In here, Manufacturers and Contractors were viewed to have both simple and complex business structures
*** Hence, the further classification as to simple and complex within the classification of Manufacturers and Contractors.

Basis (1) Per Business Classification

CLASSIFICATION	Weight	Allocation
Manufacturer		#DIV/0!
Wholesalers		#DIV/0!
Exporters		#DIV/0!
Retailers		#DIV/0!
Contractors		#DIV/0!
Banks and other institutions		#DIV/0!
Peddlers		#DIV/0!
Others		#DIV/0!
	0	#DIV/0!

Weight Allocation According to Complexity and Business Classification

	BUSINESS CLASSIFICATION		Simple Weight	Complex Weight	Total	Simple	Complex
With Complex	Manufacturer	#DIV/0!				#DIV/0!	#DIV/0!
	Wholesalers	#DIV/0!				#DIV/0!	
	Exporters	#DIV/0!				#DIV/0!	
	Retailers	#DIV/0!				#DIV/0!	
With Complex	Contractors	#DIV/0!				#DIV/0!	#DIV/0!
	Banks and other inst	#DIV/0!				#DIV/0!	
	Peddlers	#DIV/0!				#DIV/0!	
	Others	#DIV/0!				#DIV/0!	
						#DIV/0!	#DIV/0!

Note: Other basis may be used (e. g. the DTI classification as to Cottage, Small, etc)

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	12,000.00
Floor area of City Hall (sq m)	100.00
Building Construction Cost (Php)	2,000,000.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	1,800,000.00
Depreciation Rate (%)	4%
Annual Depreciation Expense (Php)	30,000.00
Annual Maintenance Cost (Php)	6,000.00
Percent of Work for "Subject Service" (%)	1%
Share of Cost attributable to delivering the service (Php)	360.00

Instructions for Filling Up the Form

Column 1 - Determine the monthly rental rate and multiply by the number of months the office space was rented to know the annual cost for rental. Add actual cost for maintaining the Office space. If the actual data is not available add 20% of the annual cost of rental to determine the annual cost for rented office space. The annual fixed cost for rented office space attributable to rendering the service is the annual cost of rented office space multiplied by the proportion of time used for "Subject Service" services in relation to the total responsibility of the Office delivering the service

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 11:

Fixed Cost - Office Space (Rented by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Rental rate per month	
Number of months use	
Annual cost of rental	-
Maintenance Cost	-
Annual cost of rented office space	-
Percentage of time used for the delivery of the service in relation to the responsibility of the Office	
Annual fixed cost (rented office space) attributable to delivering the service	-

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	2	20,000	40,000.00	20%	8,000	-	8,000	1%	80
Computers	1	20,000	20,000.00	10%	2,000	-	2,000	1%	20
					-	-	-		
								Sub-Total	100
B. Furniture									
Filing Cabinets	1	5,000	5,000.00	5%	250		250	1%	3
Tables and Chairs	3	1,000	3,000.00	10%	300	-	300	1%	3
								Sub-Total	6
								TOTAL	105.50

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices involved in the delivery of "Subject Service" Fee**
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	
Kilowatt consumption/hour for the unit delivering the service	
Number of operating hours per day	
Number of days per year	
Electricity cost per year	85,811.16
Percent of work for the service rendered	1%
Net electricity cost attributed to "Subject Service" service	858.11

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 13:

Cost of Water	
Particulars	**Offices involved in the delivery of "Subject Service" Fee**
(col 1)	(col 2)
Number of People	
Water bill per person per month	
Estimated water bill of the office per year	4,200.00
Percent of work for the service rendered	1%
Net cost of water attributed to delivery of "Subject Service".	42.00

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 14:

Cost for Communication	
Particulars	**Offices involved in the delivery of "Subject Service" Fee**
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the service	
Rate of subscription per month	
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3.

NOTE: Note: The LGU may have other major fixed costs not mentioned in this illustration. When costs are significant, those fixed cost must be identified and added in the template. Conversely, costs that are negligible may be dropped from the calculations.

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for "Subject Service" Fees	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services			
Regular Office Supplies	46,000.00	1%	460.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	460.00

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.
Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	30	
Office Space	8,280.00	276.00
Utilities	900.11	30.00
Electricity	858.11	28.60
Water	42.00	1.40
Communication		-
Equipment and Furniture	105.50	3.52
Other Fixed Cost		-
TOTAL	9,285.61	309.52

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge:

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remarks/Reasonable/Not Reasonable
Total Cost	23,286.41	Total Collection on Fees and/or Charges		(23,286.41)	(1.00)	
Number of Applications Processed	30	Number of Applications Processed				
Average Fee Rate	776.21	Average Fee Rates	#DIV/0!	#DIV/0!	#DIV/0!	

Instructions for Filling

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.

(3) Input the results in a summary form using Table 25 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services					
Fee Rate Estimation using Costs of issuing permits plus cost of surveillance		Comparison with Current Fee Rates			
Total Cost	23,286.41	Total Revenue	-	(23,286.41)	-100%
Total Number of Applicants		Number of Applications Processed			
Average Fee Rate	#DIV/0!	Average Fee Rates	#DIV/0!	#DIV/0!	#DIV/0!

10,504.00 Total

Scenario 1	% of Applicants	Number of Applicants	Cost (with weights)		STD-VAR	STD-FXD				
Simple	#DIV/0!		#DIV/0!		466.69	308.52		#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!		466.69	308.52		#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!		#DIV/0!

Classification	Allocation	% of Applicants	Number		STD-VAR	STD-FXD				
Manufacturer	#DIV/0!							#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!							#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!							#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!							#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!							#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institutions	#DIV/0!							#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!									
Others	#DIV/0!							#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-		#DIV/0!			#DIV/0!		#DIV/0!
Total	0%									
	100%									

Ok ok

235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
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Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Issuance of Transport Clearance	200.00	774.00	1	700.00