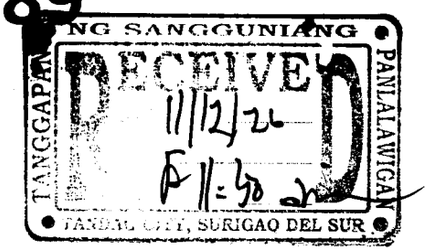
ORDINANCE NO. 89
Series of 2026



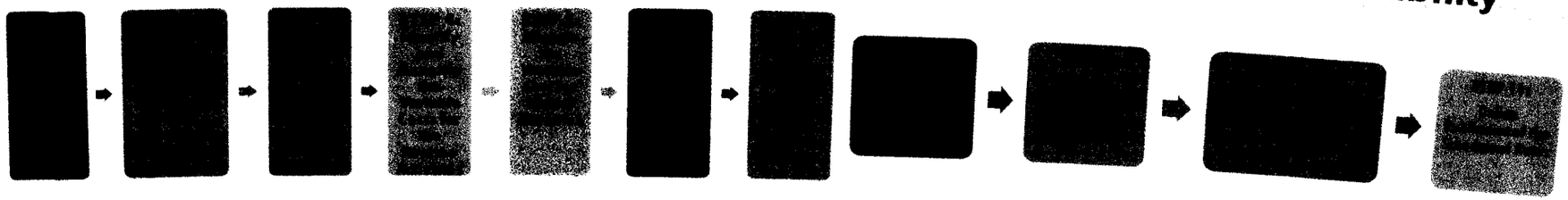
"AN ORDINANCE ADOPTING THE REVISED REVENUE CODE 2026 OF THE MUNICIPALITY OF CARMEN, PROVINCE OF SURIGAO DEL SUR"

(TOOLKIT 4)

MUNICIPALITY OF CARMEN
SURIGAO DEL SUR

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

White boxes cells shall not be edited or moved.

Yellow cells shall be the only cells where the user can edit or input the necessary data.

Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	ISSUANCE OF ORDER OF PAYMENT
4	DENTAL TREATMENT
5	GIVING OF POSTOPERATIVE INSTRUCTION
6	PAYMENT
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	STHETOSCOPE,
3	ISSUANCE OF ORDER OF PAYMENT	RHU	JEANNETTE B. GARAY, DMD	REQUEST FORM
4	DENTAL TREATMENT	MTO	JEANNETTE B GARAYLEIZL C. BANTUGAN	INTSRUMENT TRAY,ESTHETIC HAND INSTRUMENT ,GLASS IONOMER SELFCURED MATERIAL,SEALANT,EXPLORER,MOUTH MIRROR,COTTON BALLS,CIGARETTE BALLS,ANTISEPTIC,HI-SPEED ,ABRASIVE DIAMOND BURS,DIPOSABLE GLASS,DISPOSABLE GLOVES,HEADCAPS,MASK,PPE GOWN FINISHING BARS,CELLOLOID MATRIX,LIGHTCURE MACHINE,DENTAL CHAIR,COMPRESSOR
5	GIVING OF POSTOPERATIVE INSTRUCTION	RHU	JEANNETTE B. GARAY/LEIZL C. BANTUGAN	DENTAL CERTIFICATE
6	PAYMENT		JOSEPH CHATO	OFFICIAL RECEIPT
7				
8				
9				
10				
11				
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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	STHETOSCOPE,	ROUTINE
3	ISSUANCE OF ORDER OF PAYMENT	RHU	JEANNETTE B. GARAY, DMD	REQUEST FORM	ROUTINE
4	DENTAL TREATMENT	MTO	JEANNETTE B GARAYLEIZL C. BANTUGAN	##########	ROUTINE
5	GIVING OF POSTOPERATIVE INSTRUCTION	RHU	JEANNETTE B. GARAY/LEIZL C. BANTUGAN	PRESCRIPTION AND MEDICATION	ROUTINE
6	PAYMENT		JOSEPH CHATO	OFFICIAL RECEIPT	
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)
JEANNETTE B. GARAY,DMD	17/8	44,833	537,996	283,575	657,256.80	30%	65,725.68
EMILIA S. TRILLANES, RM	13/2	30,427	365,124	237,334	481,966.40	3%	14,458.99
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	3%	9,792.86
LEIZL C. BANTUGAN	4/2	15,109	181,308		145,046.40	25%	36,261.60
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	126,239.14

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)
b			-		-			-
							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) ITR FORM	960	100.00	96,000.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6. DENTAL MIRROR	1	150	150.00
7.DENTAL EXPLORER	1	159	159.00
8.INSTRUMENT TRAY	1	250	250.00
10.CELLOLOID MATRIX	2	10	10.00
11.GUM SEPARATOR	2	150	300.00
13.DISPOSABLE GLASS	1.5	1.5	2.25
14.GLASS IONOMER FUJI IX SELFCURED FILLING	1	3800	3,800.00
16.DISPOSABLE HEADCAPS	3	15	45.00
17.DISPOSABLE GLOVES	3	10	30.00
18.DENTAL BONDING AGENT	1	20	20.00
HI-SPEED HANDPIECE	1	3500	3,500.00
20.COTTON BALLS	5	5	5.00
21.PEANUT BALLS	2	2	4.00
22.FINISHING BURS	2	1500	3,000.00
18.COTTON PLIER	1	150	150.00
19.ABRASIVE DIAMOND BURS	3	250	750.00
20.SEALANT	1	100	100.00
21. OR	1	100.00	100.00
		TOTAL	115,325.25

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	**126,239.14**	**131.50**
Transportation Costs	**-**	**-**
Other Supplies/Forms/Materials	**115,325.25**	**120.13**
TOTAL	**241,564.39**	**251.63**

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)
JEANNETTE B, GARAY	2	44.00	528.00		422.40		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						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
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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	**1,448.28**

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
Dental Chair	1	350,000	350,000.00	10%	35,000	7,000	42,000	5%	2,100
DENTAL COMPRESS	1	25,000	25,000.00	10%	2,500	500	3,000	5%	150
Photocopier	1	12,000	25,000.00	5%	1,250	250	1,500	5%	75
								Sub-Total	2,703
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	2,955.00

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 "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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	**33,038.14**

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 "Subject Service" Fee**
(col 1)	**(col 2)**
Number of People	
Water bill per person per month	
Estimated water bill of the office per year	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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 "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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**22,392.00**

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 cel 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	1,448.28	1.51
Utilities	34,163.74	35.59
Electricity	33,038.14	34.41
Water	1,125.60	1.17
Communication	-	-
Equipment and Furniture	2,955.00	3.08
Other Fixed Cost	22,392.00	23.33
TOTAL	60,959.02	63.50

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	*241,564.39*	Total Collection on Fees and/or Charges	*96,000.00*	(145,564.39)	(0.60)	Reasonable
Number of Applications Processed	*960*	Number of Applications Processed	*960*			
Average Fee Rate	*251.63*	Average Fee Rates	*100.00*	(151.63)	(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	*241,564.39*	Total Revenue	*96,000.00*	(145,564.39)	-60%
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 weight)	[redacted]	STD-VAR	STD-FXD	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Simple	#DIV/0!		#DIV/0!	[redacted]	251.63	63.50	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	251.63	63.50	[redacted]	#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!									
Others	#DIV/0!			[redacted]			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
Total		0%								
		100%								

Ok ok

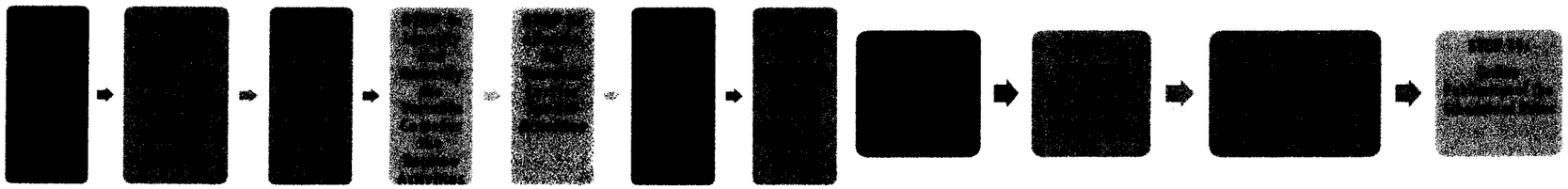
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
#REF!		-								
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
									#DIV/0!	

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
issuance of Dental certificate	100	200	0.47	increase and adopt the toolkit
dental extraction perm tooth	100	300	3	increase and adopt the toolkit
dental extraction temp tooth	60	100		
dental prophylaxis children	250	300		
dental prophylaxis adult	500	600		
lightcure filling perm tooth	250	300		
lightcure filling temp tooth	100	200		
sealant application	100	100		5 years old and above only
topical fluoride application	100	100		5 years old and above only
temp filling adult	250	300		
temp filling children	100	150		
difficult extraction	500	600		

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	ISSUANCE OF ORDER OF PAYMENT
4	DENTAL TREATMENT
5	GIVING OF POSTOPERATIVE INSTRUCTION
6	PAYMENT
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	STHETOSCOPE,
3	ISSUANCE OF ORDER OF PAYMENT	RHU	JEANNETTE B. GARAY, DMD	REQUEST FORM
4	DENTAL TREATMENT	MTO	JEANNETTE B GARAYLEIZL C. BANTUGAN	INTSRUMENT TRAY,ESTHETIC HAND INSTRUMENT ,GLASS IONOMER SELFCURED MATERIAL,SEALANT,EXPLORER,MOUTH MIRROR,COTTON BALLS,CIGARETTE BALLS,ANTISEPTIC,HI-SPEED ,ABRASIVE DIAMOND BURS,DIPOSABLE GLASS,DISPOSABLE GLOVES,HEADCAPS,MASK,PPE GOWN FINISHING BARS,CELLOLOID MATRIX,LIGHTCURE MACHINE,DENTAL CHAIR,COMPRESSOR
5	GIVING OF POSTOPERATIVE INSTRUCTION	RHU	JEANNETTE B. GARAY/LEIZL C. BANTUGAN	DENTAL CERTIFICATE
6	PAYMENT		JOSEPH CHATO	OFFICIAL RECEIPT
7				
8				
9				
10				
11				
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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	STHETOSCOPE,	ROUTINE
3	ISSUANCE OF ORDER OF PAYMENT	RHU	JEANNETTE B. GARAY, DMD	REQUEST FORM	ROUTINE
4	DENTAL TREATMENT	MTO	JEANNETTE B GARAYLEIZL C. BANTUGAN	INTSRUMENT TRAY,ESTHETIC HAND INSTRUMENT ,GLASS IONOMER SELFCURED MATERIAL,SEALANT,EXPLORER,MOUTH MIRROR,COTTON BALLS,CIGARETTE BALLS,ANTISEPTIC,HI-SPEED ,ABRASIVE DIAMOND BURS,DIPOSABLE GLASS,DISPOSABLE GLOVES,HEADCAPS,MASK,PPE GOWN FINISHING BARS,CELLOLOID MATRIX,LIGHTCURE MACHINE,DENTAL CHAIR,COMPRESSOR	ROUTINE
5	GIVING OF POSTOPERATIVE INSTRUCTION	RHU	JEANNETTE B. GARAY/LEIZL C. BANTUGAN	PRESCRIPTION AND MEDICATION	ROUTINE
6	PAYMENT		JOSEPH CHATO	OFFICIAL RECEIPT	
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)
JEANNETTE B. GARAY,DMD	17/8	44,833	537,996	283,575	657,256.80	45%	65,725.68
EMILIA S. TRILLANES, RM	13/2	30,427	365,124	237,334	481,966.40	3%	14,458.99
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	3%	9,792.86
LEIZL C. BANTUGAN	4/2	15,109	181,308		145,046.40	15%	21,756.96
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	111,734.50

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) ITR FORM	960	100.00	96,000.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6. DENTAL MIRROR	1	150	150.00
7.DENTAL EXPLORER	1	159	159.00
8.INSTRUMENT TRAY	1	250	250.00
9.DENTAL PASTE	1	10	10.00
11.GUM SEPARATOR	2	150	300.00
13.DISPOSABLE GLASS	1.5	1.5	2.25
14.ULTRASONIC SCALER	1	45000	45,000.00
16.DISPOSABLE HEADCAPS	3	15	45.00
17.DISPOSABLE GLOVES	3	10	30.00
18.DENTAL BONDING AGENT	1	20	20.00
HI-SPEED HANDPIECE	1	3500	3,500.00
20.COTTON BALLS	5	5	5.00
21.PEANUT BALLS	2	2	4.00
22.FINISHING BURS	2	1500	3,000.00
18.COTTON PLIER	1	150	150.00
19.ABRASIVE DIAMOND BURS	3	250	750.00
20.SEALANT	1	100	100.00
21. OR	1	100.00	100.00
		TOTAL	156,525.25

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	111,734.50	116.39
Transportation Costs	-	-
Other Supplies/Forms/Materials	156,525.25	163.05
TOTAL	268,259.75	279.44

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)
JEANNETTE B, GARAY	2	44.00	528.00		422.40		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						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
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 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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	**1,448.28**

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
Dental Chair	1	350,000	350,000.00	10%	35,000	7,000	42,000	5%	2,100
DENTAL COMPRESS	1	25,000	25,000.00	10%	2,500	500	3,000	5%	150
WATER DISPENSER	1	6,500	6,500.00	10%	650	130	780	5%	39
Photocopier	1	12,000	25,000.00	5%	1,250	250	1,500	5%	75
								Sub-Total	2,742
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	2,994.00

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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	33,038.14

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	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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"

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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	22,392.00

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	1,448.28	1.51
Utilities	34,163.74	35.59
Electricity	33,038.14	34.41
Water	1,125.60	1.17
Communication	-	-
Equipment and Furniture	2,994.00	3.12
Other Fixed Cost	22,392.00	23.33
TOTAL	60,998.02	63.54

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	*268,259.75*	Total Collection on Fees and/or Charges	*96,000.00*	(172,259.75)	(0.64)	Reasonable
Number of Applications Processed	*960*	Number of Applications Processed	*960*			
Average Fee Rate	*279.44*	Average Fee Rates	*100.00*	(179.44)	(0.64)	

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	*268,259.75*	**Total Revenue**	*96,000.00*	**(172,259.75)**	-64%	
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

Scenario 1	**% of Applicants**	**Number of Applicants**	**Cost (with weight)**	**Total [redacted]**	**STD-VAR**	**STD-FXD**	**Cost per Application**			
Simple	**#DIV/0!**		**#DIV/0!**	[redacted]	**279.44**	**63.54**	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	**#DIV/0!**		**#DIV/0!**	[redacted]	**279.44**	**63.54**	[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**	**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!			[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

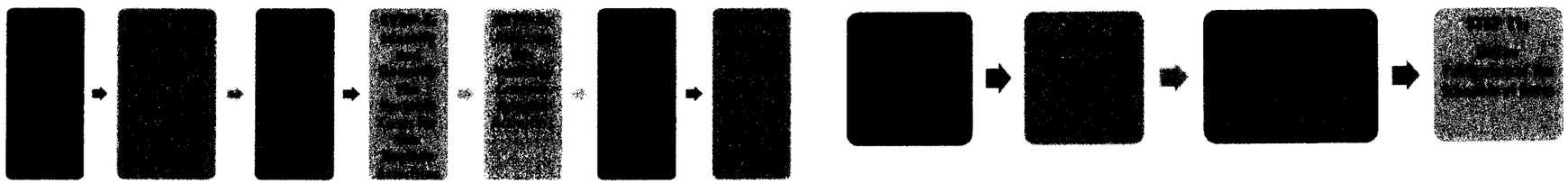
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
#REF!		-							
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
issuance of Dental certificate	100	200	0.47	increase and adopt the toolkit
dental extraction perm tooth	100	300	3	increase and adopt the toolkit
dental extraction temp tooth	60	100		
dental prophylaxis children	250	300		
dental prophylaxis adult	500	600		
lightcure filling perm tooth	250	300		
lightcure filling temp tooth	100	200		
sealant application	100	100		5 years old and above only
topical fluoride application	100	100		5 years old and above only
temp filling adult	250	300		
temp filling children	100	150		
difficult extraction	500	600		

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

	White boxes cells shall not be edited or moved.
	Yellow cells shall be the only cells where the user can edit or input the necessary data.
	Blue cells signify the steps in the Toolkit.

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	CIRCUMSION
2	ISSUANCE OF ORDER OF PAYMENT
3	PAYMENT
4	ISSUANCE OF PRESCRIPTIONS
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	CIRCUMSION	RHU	REMA D. ALAS, RM	NEEDLE HOLDER, SURGICAL NEEDLE, SURGICAL SCISSOR, TISSUE FORCEP, SCAPEL, SCAPEL BLADE, AND AUTOCLAVE SUPPLIES: BETADINE, SURGICAL GLOVES, SURGICAL MASK, COTTON, GAUZE, HYDROGEN PEROXIDE, ALCOHOL, ANESTHESIA, PLASTER

2	ISSUANCE OF ORDER OF PAYMENT	RHU	MARY MICHELLE R. PAGANPAN, MD	REQUEST FORM
3	PAYMENT	MTO	JOSEPH CHATO	OR
4	ISSUANCE OF PRESCRIPTIONS	RHU	MARY MICHELLE R. PAGANPAN, MD	RX FORM
5	DISPENSE MEDICINE	RHU	LORDSON S. CLOMA	MEDICINES
6				
7				
8				
9				
10				

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	CIRCUMSION	RHU	REMA D. ALAS, RM	NEEDLE HOLDER, SURGICAL NEEDLE, SURGICAL SCISSOR, TISSUE FORCEP, SCAPEL, SCAPEL BLADE, AND AUTOCLAVE SUPPLIES: BETADINE, SURGICAL GLOVES, SURGICAL MASK, COTTON, GAUZE, HYDROGEN PEROXIDE, ALCOHOL, ANESTHESIA, PLASTER	ROUTINE
2	ISSUANCE OF ORDER OF PAYMENT	RHU	MARY MICHELLE R. PAGANPAN, MD	REQUEST FORM	ROUTINE
3	PAYMENT	MTO	JOSEPH CHATO	OR	ROUTINE
4	ISSUANCE OF PRESCRIPTIONS	RHU	MARY MICHELLE R. PAGANPAN, MD	RX FORM	ROUTINE
5					
6	-	-	-	-	
7	-	-	-	-	
8	-	-	-	-	
9	-	-	-	-	
10	-				

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)
MARY MICHELLE R. PAGANPAN, MD	24	89,853	1,078,236	283,575	1,089,448.80	2%	21,788.98
REMA D. ALAS , RM	11/2	25,723	308,676	237,334	436,808.00	4%	17,472.32
LORDSON S. CLOMA	JO	6,600	79,200	5,000	67,360.00	1%	673.60
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	2%	6,528.58
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	46,463.47

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)
		-		-
		-		-
		-		-

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. BETADINE	2	1,500.00	3,000.00
2. SURGICAL GLOVES	6	250.00	1,500.00
3. COTTON	20	80.00	1,600.00
4. STERILE GUAZE	30	350.00	10,500.00
5. HYDROGEN PEROXIDE	10	125.00	1,250.00
6. ALCOHOL	20	390.00	7,800.00
7. LEUKOPLAST TAPE	2	350.00	700.00
8. CIDEX	2	1,500.00	3,000.00
9. ANESTHESIA	10	695.00	6,950.00
10.SCAPEL BLADE	3	350.00	1,050.00
11. NEEDLE HOLDER	3	300.00	900.00
12.SURGICAL NEEDLE	15	650.00	9,750.00
13. SURGICAL SCISSOR	3	160.00	480.00
14. SYRINGE	3	400.00	1,200.00
			49,680.00

TOTAL	49,680.00

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	300	
Variable Costs		
Routine Personnel	46,463.47	154.88
Transportation Costs	-	-
Other Supplies/Forms/Materials	49,680.00	165.60
TOTAL	96,143.47	320.48

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 MICHELLE R. PAGANPAN, MD	24	89,853	1,078,236	283,575	1,089,448.80	2%	21,788.98
REMA D. ALAS , RM	11/2	25,723	308,676	237,334	436,808.00	4%	17,472.32
LORDSON S. CLOMA	JO	6,600	79,200	5,000	67,360.00	1%	673.60
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	2%	6,528.58
			-		-		-
						TOTAL	46,463.47

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 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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	1,448.28

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.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	**14400**	**18%**	**2592**
Regular Office Supplies	**150000**	**18%**	**27,000.00**
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**29,592.00**

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, 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	5	28,000.00	140,000.00	10%	14,000	2,800	16,800	5%	840
Pick up forcep	5	235.00	1,175.00	10%	118	24	141	5%	7
Dressing forcep	5	240.00	1,200.00	10%	120	24	144	5%	7
Dressing Cart	1	18,000.00	18,000.00	10%	1,800	360	2,160	5%	108
LED Adjustable Surgical lamp with stand	1	29,680.00	29,680.00	10%	2,968	594	3,562	5%	178
Instrument tray	5	250.00	1,250.00	10%	125	25	150	5%	8
Examining Table	1	15,000.00	15,000.00	10%	1,500	300	1,800	5%	90
								Sub-Total	1,238
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
								TOTAL	1,237.83

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

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	165,190.68
Percent of work for the service rendered	20%
Net electricity cost attributed to "Subject Service" service	33,038.14

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

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	5,628.00
Percent of work for the service rendered	20%
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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 "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"	-

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	1500	
Office Space	1,448.28	0.97
Utilities	34,163.74	22.78
Electricity	33,038.14	22.03
Water	1,125.60	0.75
Communication	-	-
Equipment and Furniture	1,237.83	0.83
Other Fixed Cost	29,592.00	19.73
TOTAL	66,441.85	44.29

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	*209,048.79*	Total Collection on Fees and/or Charges	*60,000.00*	(149,048.79)	(0.71)	Reasonable
Number of Applications Processed	*300*	Number of Applications Processed	*300*			
Average Fee Rate	*696.83*	Average Fee Rates	*200.00*	(496.83)	(0.71)	

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	*209,048.79*	**Total Revenue**	*120,000.00*	**(89,048.79)**	-43%
Total Number of Applicants	*600*	**Number of Applications Processed**	*600*		
Average Fee Rate	*348.41*	**Average Fee Rates**	*200.00*	**(148.41)**	-43%

		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]	**320.48**	**44.29**	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	**#DIV/0!**		**#DIV/0!**	[illegible]	**320.48**	**44.29**	[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!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Others	#DIV/0!			[illegible]			[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
	Total	0%								
		100%								

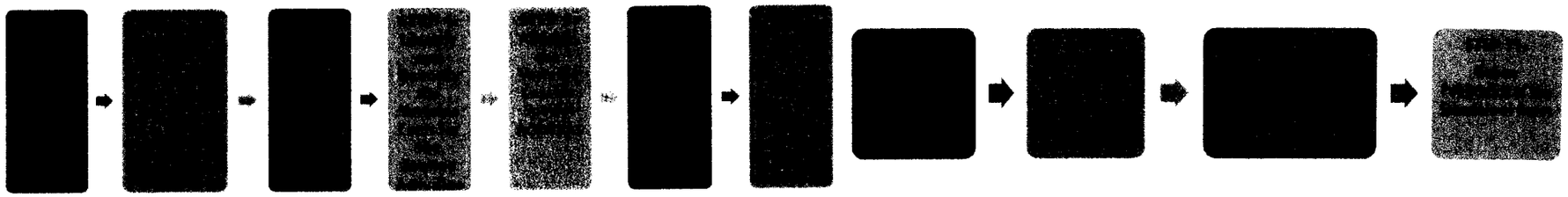
						Ok			ok	
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#REF!		-							
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
										#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Circumcision	200.00	696.83	(0.71)	

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

	White boxes cells shall not be edited or moved.
	Yellow cells shall be the only cells where the user can edit or input the necessary data.
	Blue cells signify the steps in the Toolkit.

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	DOCTOR REQUEST FOR EXHUMATION
2	RSI SURVEY THE AREA
3	ISSUANCE OF ORDER OF PAYMENT
4	PAYMENT
5	ENCODING AND RELEASING OF EXHUMATION CERTIFICATE
6	
7	
8	
9	
10	
11	
12	

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	DOCTOR REQUEST FOR EXHUMATION	RHU	MARY MICHELLE R. PAGANPAN, MD	REQUEST FORM
2	RSI SURVEY THE AREA	RHU	MAXIMO D. GUARTE, RSI 1	BLACK GARBAGE BAG, SANITARY GLOVE FOR HANDLING CADAVER, N95 MASK

3	ISSUANCE OF ORDER OF PAYMENT	RHU	MAXIMO D. GUARTE, RSI 1	REQUEST FORM
4	PAYMENT	MTO	JOSEPH CHATO	OR
5	ENCODING AND RELEASING OF EXHUMATION	RHU	LORDSON S. CLOMA	EXHUMATION CERTIFICATE
6				
7				
8				
9				
10				
11				
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	DOCTOR REQUEST FOR EXHUMATION	RHU	MARY MICHELLE R. PAGANPAN, MD	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	RSI SURVEY THE AREA	RHU	MAXIMO D. GUARTE, RSI 1	BLACK GARBAGE BAG, SANITARY GLOVE FOR HANDLING CADAVER, N95 MASK	ROUTINE
3	ISSUANCE OF ORDER OF PAYMENT	RHU	MAXIMO D. GUARTE, RSI 1	REQUEST FORM	ROUTINE
4	PAYMENT	MTO	JOSEPH CHATO	OR	ROUTINE
5	ENCODING AND RELEASING OF EXHUMATION CERTIFICAT	RHU	LORDSON S. CLOMA	EXHUMATION CERTIFICATE	ROUTINE
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)
MARY MICHELLE R. PAGANPAN, MD	24	89,853	1,078,236	283,575	1,089,448.80	0%	-
MAXIMO D. GUARTE, RSI 1	8	17,553	210,636	237,334	358,376.00	0%	-
LORDSON S. CLOMA	JO	6,600	79,200	5,000	67,360.00	0%	-
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	3%	9,792.86
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	9,792.86

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)
		-		-
		-		-
		-		-

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)
BLACK GARBAGE BAG	3	55.00	165.00
SANITARY GLOVES FOR HANDLING CADAVER	1	550.00	550.00
N 95 MASK	1	550.00	550.00
EXHUMATION CERTIFICATE	20	100.00	2,000.00
Bondpaper	1	235.00	235.00
Ink	4	325.00	1,300.00
Stapler	1	120.00	120.00
			4,920.00
		TOTAL	4,920.00

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	20	
Variable Costs		
Routine Personnel	9,792.86	489.64
Transportation Costs	-	-
Other Supplies/Forms/Materials	4,920.00	246.00
TOTAL	14,712.86	735.64

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 MICHELLE R. PAGANPAN, MD	24	89,853	1,078,236	283,575	1,089,448.80	0%	-
MAXIMO D. GUARTE, RSI 1	8	17,553	210,636	237,334	358,376.00	6%	21,502.56
LORDSON S. CLOMA	JO	6,600	79,200	5,000	67,360.00	0%	-
JOSEPH CHATO	15/1	23,503	282,096	126,000	326,428.80	3%	9,792.86
			-		-		-
						TOTAL	31,295.42

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 received by the staff
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 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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	1,448.28

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.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	14400	18%	2592
Regular Office Supplies	150000	18%	27,000.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**29,592.00**

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, 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	5	28,000	140,000.00	10%	14,000	2,800	16,800	5%	840
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
EPSON PRINTER 3 IN 1	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
								Sub-Total	1,122
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	1,374.00

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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	33,038.14

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

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	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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 "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"	-

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	1500	
Office Space	1,448.28	0.97
Utilities	34,163.74	22.78
Electricity	33,038.14	22.03
Water	1,125.60	0.75
Communication	-	-
Equipment and Furniture	1,374.00	0.92
Other Fixed Cost	29,592.00	19.73
TOTAL	66,578.02	44.39

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	*112,586.31*	Total Collection on Fees and/or Charges	*2,000.00*	(110,586.31)	(0.98)	Reasonable
Number of Applications Processed	*20*	Number of Applications Processed	*20*			
Average Fee Rate	*5,629.32*	Average Fee Rates	*100.00*	(5,529.32)	(0.98)	

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	*112,586.31*	**Total Revenue**	*2,000.00*	**(110,586.31)**	-98%
Total Number of Applicants	*20*	**Number of Applications Processed**	*20*		
Average Fee Rate	*5,629.32*	**Average Fee Rates**	*100.00*	**(5,529.32)**	-98%

		10,594.00		Total						
Scenario 1	**% of Applicants**	**Number of Applicants**	**Cost (with weight)**	[illegible]	**STD-VAR**	**STD-FXD**	**Cost per Application**			
Simple	**#DIV/0!**		**#DIV/0!**	[illegible]	**735.64**	**44.39**	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	**#DIV/0!**		**#DIV/0!**	[illegible]	**735.64**	**44.39**	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	**#DIV/0!**					#DIV/0!		#DIV/0!

				[illegible]	STD-VAR	STD-FXD				
Classification	**Allocation**	**% of Applicants**	**Number**				**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%								

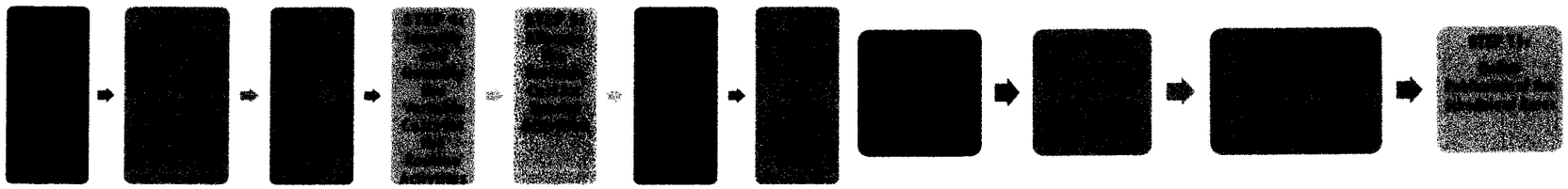
						Ok			ok	
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#REF!		-							
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
										#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Issuance of EXHUMATION Certificate	100	5,629.32	-98%	

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

White boxes cells shall not be edited or moved.
Yellow cells shall be the only cells where the user can edit or input the necessary data.
Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	ISSUANCE OF ORDER OF PAYMENT
4	DENTAL TREATMENT
5	GIVING OF POSTOPERATIVE INSTRUCTION
6	PAYMENT
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	STHETOSCOPE,
3	ISSUANCE OF ORDER OF PAYMENT	RHU	JEANNETTE B. GARAY, DMD	REQUEST FORM
4	DENTAL TREATMENT	MTO	JEANNETTE B GARAYLEIZL C. BANTUGAN	INTSRUMENT TRAY,ESTHETIC HAND INSTRUMENT ,LIGHTCURE FILLING MATERIAL,SEALANT,EXPLORER,MOUTH MIRROR,COTTON BALLS,CIGARETTE BALLS,ANTISEPTIC,HI-SPEED ,ABRASIVE DIAMOND BURS,DIPOSABLE GLASS,DISPOSABLE GLOVES,HEADCAPS,MASK,PPE GOWN FINISHING BARS,CELLOLOID MATRIX,LIGHTCURE MACHINE,DENTAL CHAIR,COMPRESSOR
5	GIVING OF POSTOPERATIVE INSTRUCTION	RHU	JEANNETTE B. GARAY/LEIZL C. BANTUGAN	DENTAL CERTIFICATE
6	PAYMENT		JOSEPH CHATO	OFFICIAL RECEIPT
7				
8				
9				
10				
11				
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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	STHETOSCOPE,	ROUTINE
3	ISSUANCE OF ORDER OF PAYMENT	RHU	JEANNETTE B. GARAY, DMD	REQUEST FORM	ROUTINE
4	DENTAL TREATMENT	MTO	JEANNETTE B GARAYLEIZL C. BANTUGAN	INTSRUMENT TRAY,ESTHETIC HAND INSTRUMENT ,LIGHTCURE FILLING MATERIAL,SEALANT,EXPLORER,MOUTH MIRROR,COTTON BALLS,CIGARETTE BALLS,ANTISEPTIC,HI-SPEED ,ABRASIVE DIAMOND BURS,DIPOSABLE GLASS,DISPOSABLE GLOVES,HEADCAPS,MASK,PPE GOWN FINISHING BARS,CELLOLOID MATRIX,LIGHTCURE MACHINE,DENTAL CHAIR,COMPRESSOR	ROUTINE
5	GIVING OF POSTOPERATIVE INSTRUCTION	RHU	JEANNETTE B. GARAY/LEIZL C. BANTUGAN	PRESCRIPTION AND MEDICATION	ROUTINE
6	PAYMENT		JOSEPH CHATO	OFFICIAL RECEIPT	
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)
JEANNETTE B. GARAY,DMD	17/8	44,833	537,996	283,575	657,256.80	40%	65,725.68
EMILIA S. TRILLANES, RM	13/2	30,427	365,124	237,334	481,966.40	3%	14,458.99
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	3%	9,792.86
LEIZL C. BANTUGAN	4/2	15,109	181,308		145,046.40	25%	36,261.60
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	126,239.14

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) ITR FORM	960	100.00	96,000.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6. DENTAL MIRROR	1	150	150.00
7.DENTAL EXPLORER	1	159	159.00
8.INSTRUMENT TRAY	1	250	250.00
10.CELLOLOID MATRIX	2	10	10.00
11.GUM SEPARATOR	2	150	300.00
12.DENTAL SYRINGE	1	3500	3,500.00
13.DISPOSABLE GLASS	1.5	1.5	2.25
14.LIGHTCURE MACHINE	1	78000	78,000.00
15.LIGHTCURE FILLING	1	100	100.00
16.DISPOSABLE HEADCAPS	3	15	45.00
17.DISPOSABLE GLOVES	3	10	30.00
18.DENTAL BONDING AGENT	1	20	20.00
HI-SPEED HANDPIECE	1	3500	3,500.00
20.COTTON BALLS	5	5	5.00
21.PEANUT BALLS	2	2	4.00
22.FINISHING BURS	2	1500	3,000.00
18.COTTON PLIER	1	150	150.00
19.ABRASIVE DIAMOND BURS	3	250	750.00
20.SEALANT	1	100	100.00
21. OR	1	100.00	100.00
		TOTAL	193,125.25

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	126,239.14	131.50
Transportation Costs	-	-
Other Supplies/Forms/Materials	193,125.25	201.17
TOTAL	319,364.39	332.67

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)
JEANNETTE B, GARAY	2	44.00	528.00		422.40		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						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
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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	**1,448.28**

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
Dental Chair	1	350,000	350,000.00	10%	35,000	7,000	42,000	5%	2,100
DENTAL COMPRESS	1	25,000	25,000.00	10%	2,500	500	3,000	5%	150
Photocopier	1	12,000	25,000.00	5%	1,250	250	1,500	5%	75
								Sub-Total	2,703
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	2,955.00

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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	33,038.14

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	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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"

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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	22,392.00

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	1,448.28	1.51
Utilities	34,163.74	35.59
Electricity	33,038.14	34.41
Water	1,125.60	1.17
Communication	-	-
Equipment and Furniture	2,955.00	3.08
Other Fixed Cost	22,392.00	23.33
TOTAL	60,959.02	63.50

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	319,364.39	Total Collection on Fees and/or Charges	96,000.00	(223,364.39)	(0.70)	Reasonable
Number of Applications Processed	960	Number of Applications Processed	960			
Average Fee Rate	332.67	Average Fee Rates	100.00	(232.67)	(0.70)	

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	319,364.39	Total Revenue	96,000.00	(223,364.39)	-70%
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 weight)	[redacted]	STD-VAR	STD-FXD	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Simple	#DIV/0!		#DIV/0!	[redacted]	332.67	63.50	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	332.67	63.50	[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%									

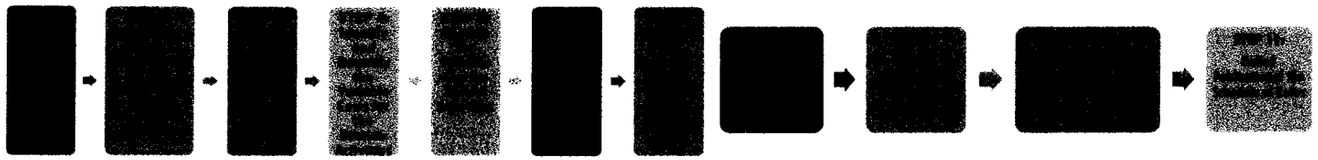
							Ok		ok	
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#REF!		-							
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
										#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
issuance of Dental certificate	100	200	0.47	increase and adopt the toolkit
dental extraction perm tooth	100	300	3	increase and adopt the toolkit
dental extraction temp tooth	60	100		
dental prophylaxis children	250	300		
dental prophylaxis adult	500	600		
lightcure filling perm tooth	250	300		
lightcure filling temp tooth	100	200		
sealant application	100	100		5 years old and above only
topical fluoride application	100	100		5 years old and above only
temp filling adult	250	300		
temp filling children	100	150		
difficult extraction	500	600		

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	PAYMENT
4	ENCODING AND RELEASING OF PLATELET COUNT
5	
6	
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,
3	PAYMENT	MTO	JOSEPH CHATO	OR
4	ENCODING AND RELEASING OF PLATELET COUNT RESU	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM
5	-			
6	-			
7				
8				
9				
10				
11				

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,	ROUTINE
3	PAYMENT	MTO	JOSEPH CHATO	OR	ROUTINE
4	ENCODING AND RELEASING OF PLATELET COUNT RESU	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM	ROUTINE
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)
MARY MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	2%	23,817.04
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	0%	-
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	4%	15,752.42
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	2%	6,528.58
						TOTAL	46,098.03

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 "Subject Service"	Annual Cost of the Service
	Average Monthly	Annual Allowance		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)
		-		-
		-		-
		-		-

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) ITR FORM	60	5.00	300.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6.RESULT FORM	60	2	120.00
7. COTTON BALLS	120	20	2,400.00
8. ALCOHOL	4	175	700.00
9. CAPILLARY TUBES	60	150	9,000.00
10. GLASS SLIDES	60	140	8,400.00
11. HEMAQUICK STAIN	1	45	(45.00)
12. IMMERSION OIL	1	20	20.00
12. LANCET	60	5	300.00
13. OR	60	5.00	300.00
		TOTAL	28,445.00

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	**46,098.03**	**46.10**
Transportation Costs	**-**	**-**
Other Supplies/Forms/Materials	**28,445.00**	**28.45**
TOTAL	**74,543.03**	**74.54**

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 MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	2%	23,817.04
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	0%	-
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	4%	15,752.42
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	2%	6,528.58
			-		-		-
						TOTAL	46,098.03

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
With Complex	Manufacturer	#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!
	Banks and other inst	#DIV/0!				#DIV/0!
	Peddlers	#DIV/0!				#DIV/0!
	Others	#DIV/0!				#DIV/0!
						#DIV/0!

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

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)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	1,448.28

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
MICROSCOPE	1	1,500,000	1,500,000.00	10%	150,000	30,000	180,000	5%	9,000
								Sub-Total	9,378
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	9,630.00

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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	33,038.14

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	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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"

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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	22,392.00

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	600	
Office Space	1,448.28	2.41
Utilities	34,163.74	56.94
Electricity	33,038.14	55.06
Water	1,125.60	1.88
Communication	-	-
Equipment and Furniture	9,630.00	16.05
Other Fixed Cost	22,392.00	37.32
TOTAL	67,634.02	112.72

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	*188,275.08*	Total Collection on Fees and/or Charges	*60,000.00*	(128,275.08)	(0.68)	
Number of Applications Processed	*1,000*	Number of Applications Processed	*1,000*			
Average Fee Rate	*188.28*	Average Fee Rates	*60.00*	(128.28)	(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	*188,275.08*	**Total Revenue**	*60,000.00*	**(128,275.08)**	-68%
Total Number of Applicants	*200*	**Number of Applications Processed**	*200*		
Average Fee Rate	*941.38*	**Average Fee Rates**	*300.00*	**(641.38)**	-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!	74.54	112.72	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	#DIV/0!	74.54	112.72	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	#DIV/0!					#DIV/0!	

				SPCL-PERSONNEL	**STD-VAR**	**STD-FXD**			
Classification	**Allocation**	**% of Applicants**	**Number**				**Cost per Application**		
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!	
	Total	0%							
		100%							

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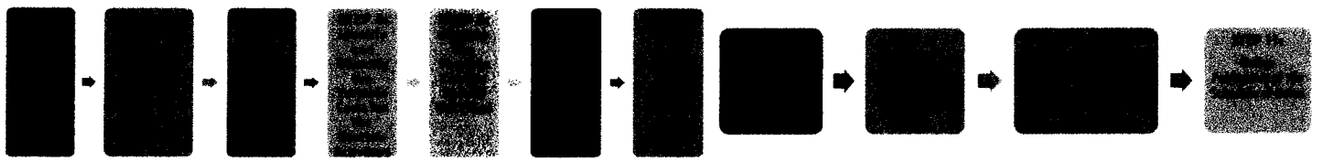
Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
PLATELET	60.00	188.28	(0.68)	increase and adopt the toolkit

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	PAYMENT
4	ENCODING AND RELEASING OF SGPT RESULT
5	
6	
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,
3	PAYMENT	MTO	JOSEPH CHATO	OR
4	ENCODING AND RELEASING OF SGPT RESULT	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM
5				
6				
7				
8				
9				
10				
11				

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,	ROUTINE
3	PAYMENT	MTO	JOSEPH CHATO	OR	ROUTINE
4	ENCODING AND RELEASING OF SGPT RESULT	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM	ROUTINE
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)
MARY MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	1%	11,908.52
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	7%	27,566.73
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	47,348.42

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)
		-		-
		-		-
		-		-

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) ITR FORM	77	5.00	385.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6.RESULT FORM	77	2	154.00
7. COTTON BALLS	264	3	792.00
8. ALCOHOL	4	5	20.00
9. RED TUBES	51	50	2,550.00
SYRINGE	51	10	510.00
PLASTER	51	10	(510.00)
YELLOW TIP	100	5	(500.00)
SGPT AND SGOT	80	20	1,600.00
DISTILLED WATER	1	12	12.00
PIPETTE	2	30	60.00
BLUE TIPS	20	10	200.00
TEST TUBES	77	20	1,540.00
GLOVES	51	10	(510.00)
TOURNIQUET	1	20	20.00
13. OR	51	5.00	255.00
		TOTAL	13,528.00

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	**400**	
Variable Costs		
Routine Personnel	**47,348.42**	**118.37**
Transportation Costs	**-**	**-**
Other Supplies/Forms/Materials	**13,528.00**	**33.82**
TOTAL	**60,876.42**	**152.19**

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 MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	1%	11,908.52
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	7%	27,566.73
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
						TOTAL	47,348.42

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, 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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	**1,448.28**

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
CHEMISTRY ANALYZ	1	320,000	320,000.00	10%	32,000	6,400	38,400	5%	1,920
								Sub-Total	2,298
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	2,550.00

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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	**33,038.14**

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	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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"

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	**14400**	**18%**	**2592**
Regular Office Supplies	**110000**	**18%**	**19,800.00**
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**22,392.00**

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 cel 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	600	
Office Space	1,448.28	2.41
Utilities	34,163.74	56.94
Electricity	33,038.14	55.06
Water	1,125.60	1.88
Communication	-	-
Equipment and Furniture	2,550.00	4.25
Other Fixed Cost	22,392.00	37.32
TOTAL	60,554.02	100.92

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	*168,778.87*	Total Collection on Fees and/or Charges	*200,000.00*	31,221.13	0.18	
Number of Applications Processed	*400*	Number of Applications Processed	*1,000*			
Average Fee Rate	*421.95*	Average Fee Rates	*200.00*	(221.95)	(0.53)	

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	168,778.87	Total Revenue	200,000.00
Total Number of Applicants		Number of Applications Processed	
Average Fee Rate	#DIV/0!	Average Fee Rates	#DIV/0!

31,221.13 18%

#DIV/0! #DIV/0!

Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	Total	STD-VAR	STD-FXD	Cost per Applicant
Simple	#DIV/0!	10,594.00	#DIV/0!	[illegible]			[illegible]
Complex	#DIV/0!		#DIV/0!	[illegible]	152.19	100.92	[illegible]
	#DIV/0!	-	#DIV/0!	[illegible]	152.19	100.92	[illegible]

Classification	Allocation	% of Applicants	Number	[illegible]	STD-VAR	STD-FXD	[illegible]
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!			[illegible]			[illegible]
Others	#DIV/0!			[illegible]			[illegible]
	#DIV/0!						
Total		0%	-	#DIV/0!			
		100%					

235801.42
235801.42
#REF!

Ok ok

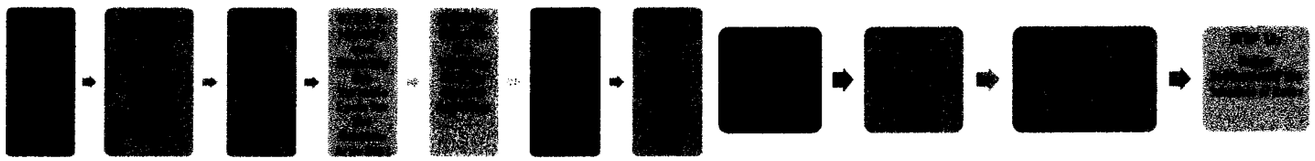
#DIV/0! #DIV/0!
#DIV/0! #DIV/0!
#DIV/0! #DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
SGPT	200.00	421.95	0.47	increase and adopt the toolkit

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	PAYMENT
4	ENCODING AND RELEASING OF TOTAL CHOLESTEROL
5	
6	
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,
3	PAYMENT	MTO	JOSEPH CHATO	OR
4	ENCODING AND RELEASING OF TOTAL CHOLESTEROL A	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM
5	-			
6	-			
7				
8				
9				
10				
11				

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,	ROUTINE
3	PAYMENT	MTO	JOSEPH CHATO	OR	ROUTINE
4	ENCODING AND RELEASING OF TOTAL CHOLESTEROL A	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM	ROUTINE
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)
MARY MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	2%	23,817.04
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	7%	27,566.73
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
						TOTAL	59,256.94

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)
		-		-
		-		-
		-		-

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) ITR FORM	77	5.00	385.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6.RESULT FORM	77	2	154.00
7. COTTON BALLS	264	3	792.00
8. ALCOHOL	4	5	20.00
9. RED TUBES	51	50	2,550.00
SYRINGE	51	10	510.00
PLASTER	51	10	510.00
YELLOW TIP	100	5	500.00
HDL AND LDL REAGENT	51	20	1,020.00
DISTILLED WATER	1	12	12.00
PIPETTE	2	30	60.00
BLUE TIPS	20	10	200.00
TEST TUBES	77	20	1,540.00
GLOVES	51	10	510.00
TOURNIQUET	1	20	20.00
13. OR	51	5.00	255.00
		TOTAL	15,988.00

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	**59,256.94**	**59.26**
Transportation Costs	**-**	**-**
Other Supplies/Forms/Materials	**15,988.00**	**15.99**
TOTAL	**75,244.94**	**75.24**

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 MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	1%	139,492.95
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	7%	27,566.73
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
						TOTAL	174,932.85

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 insl	#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)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	**1,448.28**

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
CHEMISTRY ANALYZ	1	320,000	320,000.00	10%	32,000	6,400	38,400	5%	1,920
								Sub-Total	2,298
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	2,550.00

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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	33,038.14

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	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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"

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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	22,392.00

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 cel 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	600	
Office Space	1,448.28	2.41
Utilities	34,163.74	56.94
Electricity	33,038.14	55.06
Water	1,125.60	1.88
Communication	-	-
Equipment and Furniture	2,550.00	4.25
Other Fixed Cost	22,392.00	37.32
TOTAL	60,554.02	100.92

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	*310,731.82*	Total Collection on Fees and/or Charges	*200,000.00*	(110,731.82)	(0.36)	
Number of Applications Processed	*1,000*	Number of Applications Processed	*1,000*			
Average Fee Rate	*310.73*	Average Fee Rates	*200.00*	(110.73)	(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	*310,731.82*	**Total Revenue**	*200,000.00*	**(110,731.82)**	-36%
Total Number of Applicants	*1,000*	**Number of Applications Processed**	*1,000*		
Average Fee Rate	*310.73*	**Average Fee Rates**	*200.00*	**(110.73)**	-36%

		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]	75.24	100.92	[illegible]
Complex	#DIV/0!		#DIV/0!	[illegible]	75.24	100.92	[illegible]
	#DIV/0!	-	#DIV/0!				

				[illegible]	STD-VAR	STD-FXD	
Classification	**Allocation**	**% of Applicants**	**Number**				[illegible]
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!			[illegible]			[illegible]
Others	#DIV/0!			[illegible]			[illegible]
	#DIV/0!		-	#DIV/0!			
	Total	0%					
		100%					

Ok

ok

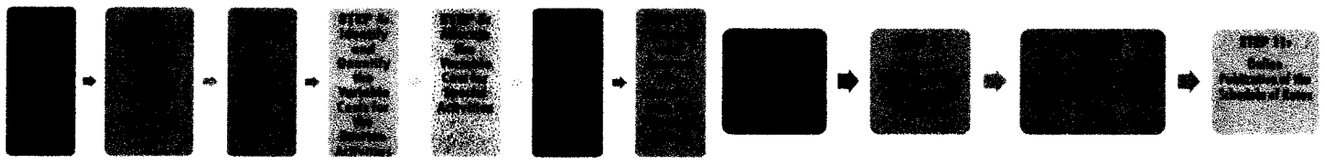
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
#REF!		-							
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
LDL (BAD CHOLESTEROL)	200.00	310.73	0.47	increase and adopt the toolkit

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

White boxes cells shall not be edited or moved.

Yellow cells shall be the only cells where the user can edit or input the necessary data.

Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	PAYMENT
4	ENCODING AND RELEASING OF HEMOGLOBIN RESULT
5	
6	
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,
3	PAYMENT	MTO	JOSEPH CHATO	OR
4	ENCODING AND RELEASING OF HEMOGLOBIN RESULT	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM
5	-			
6	-			
7				
8				
9				
10				
11				
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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,	ROUTINE
3	PAYMENT	MTO	JOSEPH CHATO	OR	ROUTINE
4	ENCODING AND RELEASING OF HEMOGLOBIN RESULT	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM	ROUTINE
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)
MARY MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	2%	23,817.04
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	0%	-
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	6%	23,628.62
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	50,709.95

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) ITR FORM	600	5.00	3,000.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6.RESULT FORM	600	2	1,200.00
7. COTTON BALLS	1200	3	3,600.00
8. ALCOHOL	4	5	20.00
9. CAPILLARY TUBES	600	5	3,000.00
12. LANCET	600	5	3,000.00
13. OR	600	5.00	3,000.00
		TOTAL	23,770.00

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	1300	
Variable Costs		
Routine Personnel	50,709.95	39.01
Transportation Costs	-	-
Other Supplies/Forms/Materials	23,770.00	18.28
TOTAL	74,479.95	57.29

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 MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	5%	59,542.60
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	2%	9,217.78
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	6%	23,628.62
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
						TOTAL	95,653.29

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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	1,448.28

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
CENTRIFUGE	1	350,000	350,000.00	10%	35,000	7,000	42,000	5%	2,100
HEMOGLOBIN READ	1	500	500.00	10%	50	10	60	5%	3
Photocopier	1	12,000	12,000.00	5%	600	120	720	5%	36
								Sub-Total	2,517
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	2,769.00

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

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	165,190.68
Percent of work for the service rendered	20%
Net electricity cost attributed to "Subject Service" service	33,038.14

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	5,628.00
Percent of work for the service rendered	20%
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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"

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	**14400**	**18%**	**2592**
Regular Office Supplies	**110000**	**18%**	**19,800.00**
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**22,392.00**

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 cel 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	600	
Office Space	1,448.28	2.41
Utilities	34,163.74	56.94
Electricity	33,038.14	55.06
Water	1,125.60	1.88
Communication	-	-
Equipment and Furniture	2,769.00	4.62
Other Fixed Cost	22,392.00	37.32
TOTAL	60,773.02	101.29

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	*230,906.26*	Total Collection on Fees and/or Charges	*26,000.00*	(204,906.26)	(0.89)	
Number of Applications Processed	*1,300*	Number of Applications Processed	*1,300*			
Average Fee Rate	*177.62*	Average Fee Rates	*20.00*	(157.62)	(0.89)	

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	*230,906.26*	**Total Revenue**	*26,000.00*	**(204,906.26)**	-89%
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 weight)**	[redacted]	**STD-VAR**	**STD-FXD**	[redacted]		
Simple	**#DIV/0!**		**#DIV/0!**	[redacted]	**57.29**	**101.29**	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	**#DIV/0!**		**#DIV/0!**	[redacted]	**57.29**	**101.29**	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	**#DIV/0!**					#DIV/0!		#DIV/0!

				[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!								-	-
Others	#DIV/0!			#DIV/0!			[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		#DIV/0!
Total		0%								
		100%								

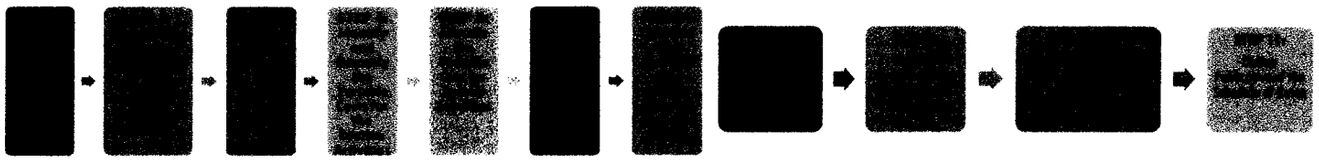
					Ok			ok	
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
#REF!		-							
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
HEMOGLOBIN	20.00	177.62	0.47	Increase and adopt the toolkit

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	PAYMENT
4	ENCODING AND RELEASING OF TOTAL CHOLESTEROL
5	
6	
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,
3	PAYMENT	MTO	JOSEPH CHATO	OR
4	ENCODING AND RELEASING OF TOTAL CHOLESTEROL A	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM
5	-			
6	-			
7				
8				
9				
10				
11				
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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,	ROUTINE
3	PAYMENT	MTO	JOSEPH CHATO	OR	ROUTINE
4	ENCODING AND RELEASING OF TOTAL CHOLESTEROL A	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM	ROUTINE
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)
MARY MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	2%	23,817.04
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	7%	27,566.73
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	59,256.94

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 1)	(col 2)	(col 3)	(col 4)	(col 5)
		-		-
		-		-
		-		-

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) ITR FORM	77	5.00	385.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6.RESULT FORM	77	2	154.00
7. COTTON BALLS	264	3	792.00
8. ALCOHOL	4	5	20.00
9. RED TUBES	51	50	2,550.00
SYRINGE	51	10	510.00
PLASTER	51	10	510.00
YELLOW TIP	100	5	500.00
HDL AND LDL REAGENT	51	20	1,020.00
DISTILLED WATER	1	12	12.00
PIPETTE	2	30	60.00
BLUE TIPS	20	10	200.00
TEST TUBES	77	20	1,540.00
GLOVES	51	10	510.00
TOURNIQUET	1	20	20.00
13. OR	51	5.00	255.00
		TOTAL	15,988.00

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	51	
Variable Costs		
Routine Personnel	59,256.94	1,161.90
Transportation Costs	-	-
Other Supplies/Forms/Materials	15,988.00	313.49
TOTAL	75,244.94	1,475.39

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 MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	1%	139,492.95
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	7%	27,566.73
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
						TOTAL	174,932.85

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 Insl	#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)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	**1,448.28**

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
CHEMISTRY ANALYZ	1	320,000	320,000.00	10%	32,000	6,400	38,400	5%	1,920
								Sub-Total	2,298
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	2,550.00

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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	33,038.14

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	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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"

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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	22,392.00

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 cel 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	600	
Office Space	1,448.28	2.41
Utilities	34,163.74	56.94
Electricity	33,038.14	55.06
Water	1,125.60	1.88
Communication	-	-
Equipment and Furniture	2,550.00	4.25
Other Fixed Cost	22,392.00	37.32
TOTAL	60,554.02	100.92

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	*310,731.82*	Total Collection on Fees and/or Charges	*200,000.00*	(110,731.82)	(0.36)	
Number of Applications Processed	*1,000*	Number of Applications Processed	*1,000*			
Average Fee Rate	*310.73*	Average Fee Rates	*200.00*	(110.73)	(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	*310,731.82*	**Total Revenue**	*200,000.00*	**(110,731.82)**	-36%
Total Number of Applicants	*1,000*	**Number of Applications Processed**	*1,000*		
Average Fee Rate	*310.73*	**Average Fee Rates**	*200.00*	**(110.73)**	-36%

		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]	1,475.39	100.92	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	1,475.39	100.92	[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!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
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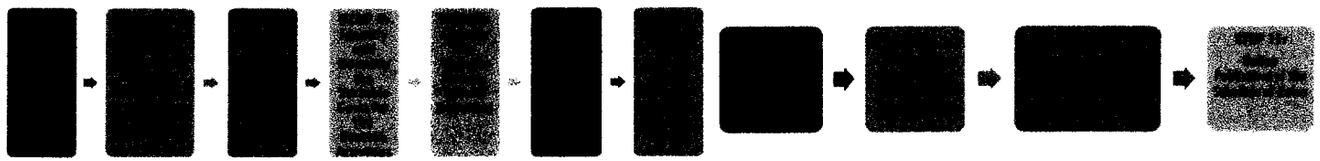
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
										#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
TOTAL CHOLESTEROL	200.00	310.73	0.47	increase and adopt the toolkit

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	PAYMENT
4	ENCODING AND RELEASING OF FBS RESULT
5	
6	
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,
3	PAYMENT	MTO	JOSEPH CHATO	OR
4	ENCODING AND RELEASING OF FBS RESULT	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM
5	-			
6	-			
7				
8				
9				
10				
11				

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,	ROUTINE
3	PAYMENT	MTO	JOSEPH CHATO	OR	ROUTINE
4	ENCODING AND RELEASING OF FBS RESULT	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM	ROUTINE
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)
MARY MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	1%	11,908.52
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	7%	27,566.73
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-	TOTAL	47,348.42

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)
		-		-
		-		-
		-		-

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) ITR FORM	137	5.00	685.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6.RESULT FORM	137	2	274.00
7. COTTON BALLS	264	3	792.00
8. ALCOHOL	4	5	20.00
9. RED TUBES	137	50	6,850.00
SYRINGE	137	10	1,370.00
PLASTER	137	10	(1,370.00)
YELLOW TIP	200	5	(1,000.00)
FBS REAGENT	137	20	2,740.00
DISTILLED WATER	1	12	12.00
PIPETTE	2	30	60.00
BLUE TIPS	5	10	50.00
GLOVES	264	10	(2,640.00)
TOURNIQUET	1	20	20.00
13. OR	600	5.00	3,000.00
		TOTAL	17,813.00

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	**47,348.42**	**47.35**
Transportation Costs	**-**	**-**
Other Supplies/Forms/Materials	**17,813.00**	**17.81**
TOTAL	**65,161.42**	**65.16**

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)
MARY MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	1%	11,908.52
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	7%	27,566.73
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
						TOTAL	47,348.42

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, 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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	1,448.28

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
CHEMISTRY ANALYZ	1	320,000	320,000.00	10%	32,000	6,400	38,400	5%	1,920
								Sub-Total	2,298
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	2,550.00

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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	33,038.14

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	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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"

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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	22,392.00

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 cel 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	600	
Office Space	1,448.28	2.41
Utilities	34,163.74	56.94
Electricity	33,038.14	55.06
Water	1,125.60	1.88
Communication	-	-
Equipment and Furniture	2,550.00	4.25
Other Fixed Cost	22,392.00	37.32
TOTAL	60,554.02	100.92

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	*173,063.87*	Total Collection on Fees and/or Charges	*150,000.00*	(23,063.87)	(0.13)	
Number of Applications Processed	*1,000*	Number of Applications Processed	*1,000*			
Average Fee Rate	*173.06*	Average Fee Rates	*150.00*	(23.06)	(0.13)	

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	*173,063.87*	**Total Revenue**	*150,000.00*	**(23,063.87)**	-13%
Total Number of Applicants	*1,000*	**Number of Applications Processed**	*1,000*		
Average Fee Rate	*173.06*	**Average Fee Rates**	*150.00*	**(23.06)**	-13%

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]	65.16	100.92	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	65.16	100.92	[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

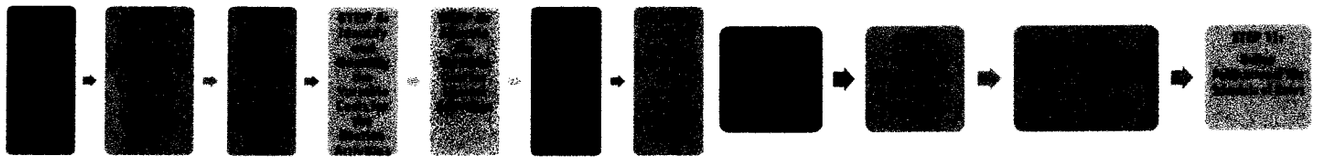
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
#REF!		-							
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
FBS	150	173.06	0.47	increase and adopt the toolkit

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	PAYMENT
4	ENCODING AND RELEASING OF TSH RESULT
5	
6	
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,
3	PAYMENT	MTO	JOSEPH CHATO	OR
4	ENCODING AND RELEASING OF TSH RESULT	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM
5	-			
6	-			
7				
8				
9				
10				
11				

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,	ROUTINE
3	PAYMENT	MTO	JOSEPH CHATO	OR	ROUTINE
4	ENCODING AND RELEASING OF TSH RESULT	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM	ROUTINE
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)
MARY MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	5%	59,542.60
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	7%	27,566.73
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	2%	6,528.58
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	98,246.79

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)
		-		-
		-		-
		-		-

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) ITR FORM	77	5.00	385.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6.RESULT FORM	77	2	154.00
7. COTTON BALLS	264	3	792.00
8. ALCOHOL	4	5	20.00
9. RED TUBES	51	50	2,550.00
SYRINGE	51	10	510.00
PLASTER	51	10	(510.00)
YELLOW TIP	100	5	(500.00)
TSH	4	100	400.00
DISTILLED WATER	1	12	12.00
PIPETTE	2	30	60.00
BLUE TIPS	20	10	200.00
TEST TUBES	77	20	1,540.00
GLOVES	51	10	(510.00)
TOURNIQUET	1	20	20.00
13. OR	51	5.00	255.00
		TOTAL	12,328.00

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	600	
Variable Costs		
Routine Personnel	98,246.79	163.74
Transportation Costs	-	-
Other Supplies/Forms/Materials	12,328.00	20.55
TOTAL	110,574.79	184.29

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 MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,929	1,190,852.00	5%	59,542.60
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	7%	27,566.73
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
						TOTAL	94,982.50

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 insl	#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)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	1,448.28

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
IMMUNOASSAY	1	220,000	220,000.00	10%	22,000	4,400	26,400	5%	1,320
								Sub-Total	1,698
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	1,950.00

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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	33,038.14

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	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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"

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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	22,392.00

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	600	
Office Space	1,448.28	2.41
Utilities	34,163.74	56.94
Electricity	33,038.14	55.06
Water	1,125.60	1.88
Communication	-	-
Equipment and Furniture	1,950.00	3.25
Other Fixed Cost	22,392.00	37.32
TOTAL	59,954.02	99.92

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	*265,511.31*	Total Collection on Fees and/or Charges	*240,000.00*	(25,511.31)	(0.10)	
Number of Applications Processed	*600*	Number of Applications Processed	*600*			
Average Fee Rate	*442.52*	Average Fee Rates	*400.00*	(42.52)	(0.10)	

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	*265,511.31*	**Total Revenue**	*240,000.00*	**(25,511.31)**	-10%
Total Number of Applicants	*1,000*	**Number of Applications Processed**	*1,000*		
Average Fee Rate	*265.51*	**Average Fee Rates**	*240.00*	**(25.51)**	-10%

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]	**184.29**	**99.92**	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	**#DIV/0!**		**#DIV/0!**	[redacted]	**184.29**	**99.92**	[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

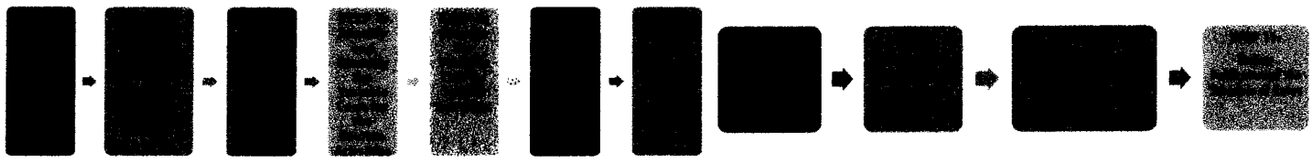
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
#REF!		-							
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
TSH	400.00	442.52	0.47	increase and adopt the toolkit

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	PAYMENT
4	ENCODING AND RELEASING OF FECALYSIS RESULT
5	
6	
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,
3	PAYMENT	MTO	JOSEPH CHATO	OR
4	ENCODING AND RELEASING OF FECALYSIS RESULT	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM
5	-			
6	-			
7				
8				

9				
10				
11				
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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,	ROUTINE
3	PAYMENT	MTO	JOSEPH CHATO	OR	ROUTINE
4	ENCODING AND RELEASING OF FECALYSIS RESULT	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM	ROUTINE
5	-	-	-		
6	-		-	-	
7	-	-	-	-	
8	-	-	-	-	
9	-	-	-	-	
10	-	-	-	-	

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)
MARY MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	3%	35,725.56
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	4%	15,752.42
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
						TOTAL	59,351.15

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)
		-		-
		-		-
		-		-

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) ITR FORM	10	5.00	50.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6.RESULT FORM	10	2	20.00
7.STOOL CONTAINER	10	20	200.00
10. GLASS SLIDES	10	10	100.00
11. NSS SOLUTION	1	25	25.00
APPLICATOR STICK	10	15	150.00
13.GLOVES	1	550	550.00
14. OR	10	5.00	50.00
		TOTAL	8,095.00

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	**900**	
Variable Costs		
Routine Personnel	**59,351.15**	**65.95**
Transportation Costs	**-**	**-**
Other Supplies/Forms/Materials	**8,095.00**	**8.99**
TOTAL	**67,446.15**	**74.94**

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 this service	Annual cost of service for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
MARY MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	3%	35,725.56
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	4%	15,752.42
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
						TOTAL	59,351.15

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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	1,448.28

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
MICROSCOPE	1	1,500,000	1,500,000.00	5%	75,000	15,000	90,000	5%	4,500
								Sub-Total	4,878
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	5,130.00

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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	33,038.14

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	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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"

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	**14400**	**18%**	**2592**
Regular Office Supplies	**110000**	**18%**	**19,800.00**
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**22,392.00**

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 cel 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	600	
Office Space	1,448.28	2.41
Utilities	34,163.74	56.94
Electricity	33,038.14	55.06
Water	1,125.60	1.88
Communication	-	-
Equipment and Furniture	5,130.00	8.55
Other Fixed Cost	22,392.00	37.32
TOTAL	63,134.02	105.22

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 (-/+)	Remaks:Reasonable/Not Reasonable
Total Cost	*189,931.32*	Total Collection on Fees and/or Charges	*18,000.00*	(171,931.32)	(0.91)	
Number of Applications Processed	*900*	Number of Applications Processed	*900*			
Average Fee Rate	*211.03*	Average Fee Rates	*20.00*	(191.03)	(0.91)	

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	*189,931.32*	**Total Revenue**	*18,000.00*	**(171,931.32)**	-91%
Total Number of Applicants	*1,000*	**Number of Applications Processed**	*1,000*		
Average Fee Rate	*189.93*	**Average Fee Rates**	*18.00*	**(171.93)**	-91%

		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]	**74.94**	**105.22**	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	**#DIV/0!**		**#DIV/0!**	[illegible]	**74.94**	**105.22**	[illegible]	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	-	**#DIV/0!**					#DIV/0!		#DIV/0!

				SPCL-PERSONNEL	**STD-VAR**	**STD-FXD**				
Classification	**Allocation**	**% of Applicants**	**Number**				**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!			[illegible]			[illegible]		-	-
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
FECALYSIS	20.00	211.03	0.47	increase and adopt the toolkit

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	PAYMENT
4	ENCODING AND RELEASING OF URIC ACID RESULT
5	
6	
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,
3	PAYMENT	MTO	JOSEPH CHATO	OR
4	ENCODING AND RELEASING OF URIC ACID RESULT	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM
5	-			
6	-			
7				
8				
9				
10				
11				

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,	ROUTINE
3	PAYMENT	MTO	JOSEPH CHATO	OR	ROUTINE
4	ENCODING AND RELEASING OF URIC ACID RESULT	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM	ROUTINE
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)
MARY MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	1%	139,492.95
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	7%	27,566.73
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	174,932.85

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)
		-		-
		-		-
		-		-

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) ITR FORM	77	5.00	385.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6.RESULT FORM	77	2	154.00
7. COTTON BALLS	264	3	792.00
8. ALCOHOL	4	5	20.00
9. RED TUBES	51	50	2,550.00
SYRINGE	51	10	510.00
PLASTER	51	10	(510.00)
YELLOW TIP	100	5	(500.00)
URIC ACID	61	20	1,220.00
DISTILLED WATER	1	12	12.00
PIPETTE	2	30	60.00
BLUE TIPS	20	10	200.00
TEST TUBES	77	20	1,540.00
GLOVES	51	10	(510.00)
TOURNIQUET	1	20	20.00
13. OR	51	5.00	255.00
		TOTAL	13,148.00

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	174,932.85	174.93
Transportation Costs	-	-
Other Supplies/Forms/Materials	13,148.00	13.15
TOTAL	188,080.85	188.08

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 MICHELLE R. PAGANPAN, MD	24/2	89,859	1,078,296	410,329	1,190,852.00	1%	139,492.99
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	7%	27,566.73
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
						TOTAL	174,932.85

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 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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	**1,448.28**

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
CHEMISTRY ANALYZ	1	320,000	320,000.00	10%	32,000	6,400	38,400	5%	1,920
								Sub-Total	2,298
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	2,550.00

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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	33,038.14

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	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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"

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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	22,392.00

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	600	
Office Space	1,448.28	2.41
Utilities	34,163.74	56.94
Electricity	33,038.14	55.06
Water	1,125.60	1.88
Communication	-	-
Equipment and Furniture	2,550.00	4.25
Other Fixed Cost	22,392.00	37.32
TOTAL	60,554.02	100.92

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	*423,567.73*	Total Collection on Fees and/or Charges	*200,000.00*	(223,567.73)	(0.53)	
Number of Applications Processed	*1,000*	Number of Applications Processed	*1,000*			
Average Fee Rate	*423.57*	Average Fee Rates	*200.00*	(223.57)	(0.53)	

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	*423,567.73*	**Total Revenue**	*200,000.00*	**(223,567.73)**	-53%
Total Number of Applicants	*1,000*	**Number of Applications Processed**	*1,000*		
Average Fee Rate	*423.57*	**Average Fee Rates**	*200.00*	**(223.57)**	-53%

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]	188.08	100.92	[redacted]
Complex	#DIV/0!		#DIV/0!	[redacted]	188.08	100.92	[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%					

Ok

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

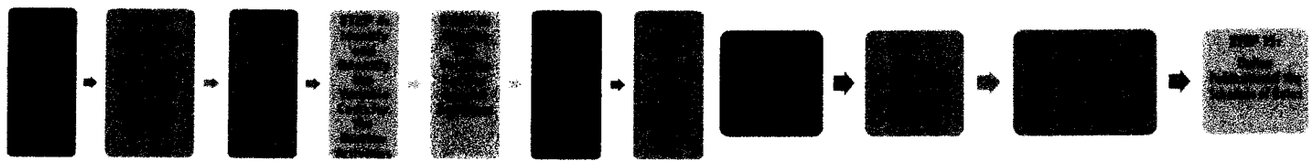
ok

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Uric Acid	200.00	423.57	0.47	increase and adopt the toolkit

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	PAYMENT
4	ENCODING AND RELEASING OF TRIGLYCERIDES RESULT
5	
6	
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,
3	PAYMENT	MTO	JOSEPH CHATO	OR
4	ENCODING AND RELEASING OF TRIGLYCERIDES RESULT	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM
5				
6				
7				
8				
9				
10				
11				
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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,	ROUTINE
3	PAYMENT	MTO	JOSEPH CHATO	OR	ROUTINE
4	ENCODING AND RELEASING OF TRIGLYCERIDES RESULT	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM	ROUTINE
5	-	-	-		
6	-		-	-	
7	-	-	-	-	
8	-	-	-	-	
9	-	-	-	-	
10	-	-	-	-	
11	-	-	-	-	

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 1)	(col 2)	(col 3)	(col 4)	(col 5)
		-		-
		-		-
		-		-

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) ITR FORM	77	5.00	385.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6.RESULT FORM	77	2	154.00
7. COTTON BALLS	264	3	792.00
8. ALCOHOL	4	5	20.00
9. RED TUBES	77	50	3,850.00
SYRINGE	77	10	770.00
PLASTER	77	10	(770.00)
YELLOW TIP	100	5	(500.00)
TOTAL CHOLESTEEROL AND TRIGLYCERIDES REAGENT	77	20	1,540.00
DISTILLED WATER	1	12	12.00
PIPETTE	2	30	60.00
BLUE TIPS	20	10	200.00
TEST TUBES	77	20	1,540.00
GLOVES	77	10	(770.00)
TOURNIQUET	1	20	20.00
13. OR	77	5.00	385.00
		TOTAL	14,638.00

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	**174,932.85**	**174.93**
Transportation Costs	**-**	**-**
Other Supplies/Forms/Materials	**14,638.00**	**14.64**
TOTAL	**189,570.85**	**189.57**

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 MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	1%	139,492.95
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	7%	27,566.73
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
						TOTAL	174,932.85

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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	1,448.28

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
CHEMISTRY ANALYZ	1	320,000	320,000.00	10%	32,000	6,400	38,400	5%	1,920
								Sub-Total	2,298
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	2,550.00

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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	33,038.14

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	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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"

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	**14400**	**18%**	**2592**
Regular Office Supplies	**110000**	**18%**	**19,800.00**
Information Tech Team			
Security Team			
Janitorial Team			
Reception Services			
		Total	**22,392.00**

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	600	
Office Space	1,448.28	2.41
Utilities	34,163.74	56.94
Electricity	33,038.14	55.06
Water	1,125.60	1.88
Communication	-	-
Equipment and Furniture	2,550.00	4.25
Other Fixed Cost	22,392.00	37.32
TOTAL	60,554.02	100.92

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	*425,057.73*	Total Collection on Fees and/or Charges	*220,000.00*	(205,057.73)	(0.48)	
Number of Applications Processed	*1,000*	Number of Applications Processed	*1,000*			
Average Fee Rate	*425.06*	Average Fee Rates	*220.00*	(205.06)	(0.48)	

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	*425,057.73*	**Total Revenue**	*220,000.00*	**(205,057.73)**	-48%
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 weight)**	[redacted]	**STD-VAR**	**STD-FXD**	[redacted]		
Simple	**#DIV/0!**		**#DIV/0!**	[redacted]	**189.57**	**100.92**	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	**#DIV/0!**		**#DIV/0!**	[redacted]	**189.57**	**100.92**	[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

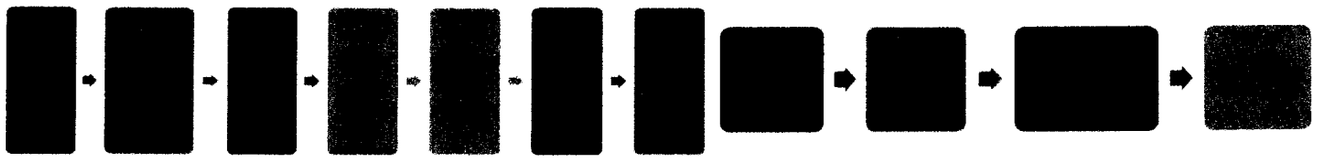
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
#REF!		-							
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
TRIGLYCERIDE	220.00	425.06	0.47	increase and adopt the toolkit

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	PAYMENT
4	ENCODING AND RELEASING OF BLOOD TYPING
5	
6	
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,
3	PAYMENT	MTO	JOSEPH CHATO	OR
4	ENCODING AND RELEASING OF BLOOD TYPING	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM
5	-			
6	-			
7				
8				
9				
10				
11				
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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,	ROUTINE
3	PAYMENT	MTO	JOSEPH CHATO	OR	ROUTINE
4	ENCODING AND RELEASING OF BLOOD TYPING	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM	ROUTINE
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)
MARY MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	1%	11,908.52
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	2%	7,876.21
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	0%	-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-	TOTAL	24,393.62

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 "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) ITR FORM	1,500	5.00	7,500.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6.RESULT FORM	1500	5	7,500.00
7. COTTON BALLS	190	20	3,800.00
8. ALCOHOL	5	175	875.00
9. CAPILLARY TUBES	150	150	22,500.00
10. GLASS SLIDES	150	140	21,000.00
ANTI SERA (A,B AND RH)	5	1200	6,000.00
APPLICATOR STICK	6	150	900.00
GLOVES	6	500	3,000.00
12. LANCET	6	565	3,390.00
		TOTAL	83,415.00

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)
MARY MICHELLE R. PAGANPAN, MD	24/2	89,858	1,078,296	410,329	1,190,852.00	1%	11,908.52
EMILIA S. TRILLANES, RM	11/8	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	196,995	309,810.40	2%	7,875.21
JOSEPH CHATO	15/1	23,508	282,096	126,000	326,428.80	0%	-
			-		-		-
						TOTAL	24,393.62

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 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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	1,448.28

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
MICROSCOPE	1				-				
								Sub-Total	378
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	630.00

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	500	
Variable Costs		
Routine Personnel	24,393.62	48.79
Transportation Costs	-	-
Other Supplies/Forms/Materials	83,415.00	166.83
TOTAL	107,808.62	215.62

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

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	165,190.68
Percent of work for the service rendered	20%
Net electricity cost attributed to "Subject Service" service	33,038.14

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	5,628.00
Percent of work for the service rendered	20%
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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

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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**22,392.00**

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	600	
Office Space	1,448.28	2.41
Utilities	34,163.74	56.94
Electricity	33,038.14	55.06
Water	1,125.60	1.88
Communication	-	-
Equipment and Furniture	630.00	1.05
Other Fixed Cost	22,392.00	37.32
TOTAL	58,634.02	97.72

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	*190,836.25*	Total Collection on Fees and/or Charges	*50,000.00*	(140,836.25)	(0.74)	
Number of Applications Processed	*500*	Number of Applications Processed	*500*			
Average Fee Rate	*381.67*	Average Fee Rates	*100.00*	(281.67)	(0.74)	

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	*190,836.25*	**Total Revenue**	*50,000.00*	**(140,836.25)**	-74%
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 weight)**	[redacted]	**STD-VAR**	**STD-FXD**	[redacted]		
Simple	**#DIV/0!**		**#DIV/0!**		**215.62**	**97.72**		#DIV/0!	#DIV/0!	#DIV/0!
Complex	**#DIV/0!**		**#DIV/0!**		**215.62**	**97.72**		#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!							#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!							#DIV/0!	#DIV/0!	#DIV/0!
Others	#DIV/0!							#DIV/0!		#DIV/0!
	#DIV/0!		-	#DIV/0!				#DIV/0!		
	Total	0%								
		100%								

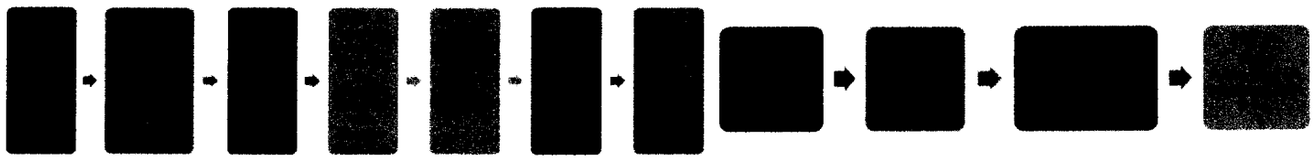
							Ok		ok	
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#REF!		-							
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
										#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
blood type	100.00	381.67	(0.74)	increase and adopt the toolkit

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	PAYMENT
4	ENCODING AND RELEASING OF COMPLETE BLOOD
5	
6	
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,
3	PAYMENT	MTO	JOSEPH CHATO	OR
4	ENCODING AND RELEASING OF COMPLETE BLOOD COU	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM
5	-			
6	-			

7				
8				
9				
10				
11				
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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,	ROUTINE
3	PAYMENT	MTO	JOSEPH CHATO	OR	ROUTINE
4	ENCODING AND RELEASING OF COMPLETE BLOOD COU	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM	ROUTINE
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)
MARY MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	1%	11,908.52
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	2%	9,217.78
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	5%	19,690.52
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
						TOTAL	44,081.10

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) ITR FORM	600	5.00	3,000.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6.RESULT FORM	600	5	3,000.00
7. COTTON BALLS	30	20	600.00
8. ALCOHOL	4	175	700.00
9. CAPILLARY TUBES	150	150	22,500.00
10. GLASS SLIDES	150	140	21,000.00
11. HEMAQUICK STAIN	1	135	135.00
12.GLOVES	6	500	3,000.00
13. LANCET	5	565	2,825.00
		TOTAL	63,710.00

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	1300	
Variable Costs		
Routine Personnel	44,081.10	33.91
Transportation Costs	-	-
Other Supplies/Forms/Materials	63,710.00	49.01
TOTAL	107,791.10	82.92

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 MICHELLE R. PAGANPAN, MD	24/2	89,858	1,078,296	410,329	1,190,852.00	1%	11,908.52
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	2%	9,217.78
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	369,810.40	5%	18,490.52
JOSEPH CHATO	15/1	23,908	282,096	126,009	326,428.80	1%	3,264.29
			-		-		-
						TOTAL	44,081.10

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 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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	1,448.28

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.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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	**33,038.14**

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	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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

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	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
MICROSCOPE	1	1,500,000	1,500,000.00	10%	150,000	30,000	180,000	5%	9,000
WBC PIPETE	5	1,500	7,500.00	10%	750	150	900	5%	45
HEMACYTOMETER	1	2,400	2,400.00	10%	240	48	288	5%	14
WBC DILUENT	1	500	500.00	10%	50	10	60	5%	3
Photocopier	1	12,000	12,000.00	5%	600	120	720	5%	36
								Sub-Total	9,476
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	9,728.40

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	**14400**	**18%**	**2592**
Regular Office Supplies	**110000**	**18%**	**19,800.00**
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**22,392.00**

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	600	
Office Space	1,448.28	2.41
Utilities	34,163.74	56.94
Electricity	33,038.14	55.06
Water	1,125.60	1.88
Communication	-	-
Equipment and Furniture	9,728.40	16.21
Other Fixed Cost	22,392.00	37.32
TOTAL	67,732.42	112.89

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	*219,604.63*	Total Collection on Fees and/or Charges	*78,000.00*	(141,604.63)	(0.64)	
Number of Applications Processed	*1,300*	Number of Applications Processed	*1,300*			
Average Fee Rate	*168.93*	Average Fee Rates	*60.00*	(108.93)	(0.64)	

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	*219,604.63*	**Total Revenue**	*78,000.00*	**(141,604.63)**	-64%
Total Number of Applicants	*600*	**Number of Applications Processed**	*600*		
Average Fee Rate	*366.01*	**Average Fee Rates**	*130.00*	**(236.01)**	-64%

		10,594.00		Total			
Scenario 1	**% of Applicants**	**Number of Applicants**	**Cost (with weight)**		**STD-VAR**	**STD-FXD**	
Simple	#DIV/0!		#DIV/0!		82.92	112.89	
Complex	#DIV/0!		#DIV/0!		82.92	112.89	
	#DIV/0!	-	#DIV/0!				

Classification	**Allocation**	**% of Applicants**	**Number**		**STD-VAR**	**STD-FXD**
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!					
	#DIV/0!		-	#DIV/0!		
	Total	0%				
		100%				

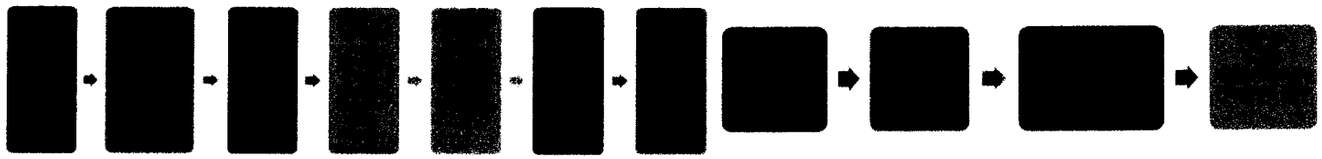
						Ok		ok
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!
	#REF!		-					
				#DIV/0!			#DIV/0!	#DIV/0!
				#DIV/0!			#DIV/0!	#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
Complete Blood Count	60.00	168.93	0.47	increase and adopt the toolkit

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	PAYMENT
4	ENCODING AND RELEASING OF CREATININE RESULT
5	
6	
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,
3	PAYMENT	MTO	JOSEPH CHATO	OR
4	ENCODING AND RELEASING OF CREATININE RESULT	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM
5	-			
6	-			
7				
8				
9				
10				
11				
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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	MARY MICHELLE R. PAGANPAN, MD	STHETOSCOPE,	ROUTINE
3	PAYMENT	MTO	JOSEPH CHATO	OR	ROUTINE
4	ENCODING AND RELEASING OF CREATININE RESULT	RHU	JEANETH B. ALFANTA,RMT	RESULT FORM	ROUTINE
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)
MARY MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	1%	139,492.95
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,439	305,268	186,995	393,810.40	7%	27,566.73
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	174,932.85

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) ITR FORM	77	5.00	385.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6.RESULT FORM	77	2	154.00
7. COTTON BALLS	264	3	792.00
8. ALCOHOL	4	5	20.00
9. RED TUBES	51	50	2,550.00
SYRINGE	51	10	510.00
PLASTER	51	10	(510.00)
YELLOW TIP	100	5	(500.00)
CREATININE	81	20	1,620.00
DISTILLED WATER	1	12	12.00
PIPETTE	2	30	60.00
BLUE TIPS	20	10	200.00
TEST TUBES	77	20	1,540.00
GLOVES	51	10	(510.00)
TOURNIQUET	1	20	20.00
13. OR	51	5.00	255.00
		TOTAL	13,548.00

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	**174,932.85**	**174.93**
Transportation Costs	**-**	**-**
Other Supplies/Forms/Materials	**13,548.00**	**13.55**
TOTAL	**188,480.85**	**188.48**

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 MICHELLE R. PAGANPAN, MD	24/2	89,853	1,078,236	410,329	1,190,852.00	1%	139,492.95
EMILIA S. TRILLANES, RM	11/3	30,427	365,124	210,987	460,888.80	1%	4,608.89
JEANETH B. ALFANTA,RMT	11/1	25,499	305,268	186,985	385,810.40	7%	27,566.73
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	1%	3,264.29
			-		-		-
						TOTAL	174,932.85

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 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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	1,448.28

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.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

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	165,190.68
Percent of work for the service rendered	20%
Net electricity cost attributed to "Subject Service" service	33,038.14

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	5,628.00
Percent of work for the service rendered	20%
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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

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	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
CHEMISTRY ANALYZ	1	320,000	320,000.00	10%	32,000	6,400	38,400	5%	1,920
								Sub-Total	2,298
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	2,550.00

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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	22,392.00

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	600	
Office Space	1,448.28	2.41
Utilities	34,163.74	56.94
Electricity	33,038.14	55.06
Water	1,125.60	1.88
Communication	-	-
Equipment and Furniture	2,550.00	4.25
Other Fixed Cost	22,392.00	37.32
TOTAL	60,554.02	100.92

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	*423,967.73*	Total Collection on Fees and/or Charges	*150,000.00*	(273,967.73)	(0.65)	
Number of Applications Processed	*1,000*	Number of Applications Processed	*1,000*			
Average Fee Rate	*423.97*	Average Fee Rates	*150.00*	(273.97)	(0.65)	

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	*423,967.73*	**Total Revenue**	*150,000.00*	**(273,967.73)**	-65%
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 weight)**	[redacted]	**STD-VAR**	**STD-FXD**	[redacted]		
Simple	#DIV/0!		#DIV/0!	[redacted]	**188.48**	**100.92**	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	**188.48**	**100.92**	[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

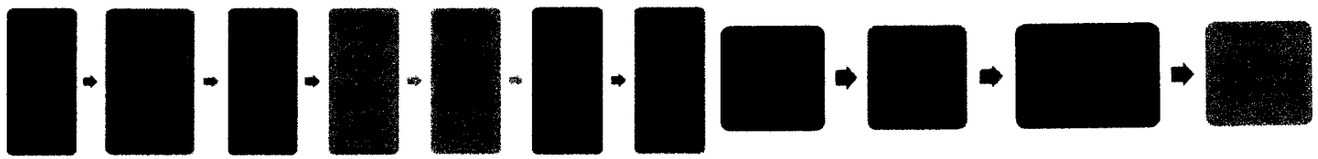
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
#REF!		-							
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
									#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
CREATININE	150.00	423.97	0.47	increase and adopt the toolkit

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	DENTAL EXTRACTION UPPER AND LOWER INCISORS ADULT
4	GIVING PRESCRIPTION AND POSTOPERATIVE INSTRUCTION
5	PAYMENT
6	PHARMACY FOR MEDICATION
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	STHETOSCOPE,
3	DENTAL EXTRACTION UPPER AND LOWER INCISORS AD	RHU	JEANNETTE B. GARAY, DMD/LEIZL C. BANTUGAN	DENTAL CHAIR,DENTAL STOOL,DENTAL FORCEPS,COTTON PLIER,GUM SEPARATOR,COTTON,GAUZE,COTTON AND GAUZE HOLDER,INSTRUMENT TRAY,DISP BIBS,DISP GLASS,DISPGLOVES.DISP MASK,PPE GOWN,ANESTHETIC SOLUTION,TOPICAL ANESTHESIA,DENTAL ELEVATOR,ANTISEPTIC,DISP HEADCAP,WATER DISPENSER,AUTOCLAVE STERELIZER
4	GIVING PRESCRIPTION AND POSTOPERATIVE INSTRUCTION	RHU	JEANNETTE B. GARAY/LEIZL C. BANTUGAN	RX FOR MEDICATION,ANTIBIOTIC FOR 7 DAYS,PAIN RELIEVER,TRANEXAMIC ACID
5	PAYMENT	MTO	JOSEPH CHATO	OFFICIAL RECEIPT
6	PHARMACY FOR MEDICATION	RHU	RENO VIADEMIR ARREZA,RN.	PRESCRIBED ANTIBIOTIC,HEMOSTATIC AND PAIN RELIEVER
7				
8				
9				
10				
11				
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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	STHETOSCOPE,	ROUTINE
3	DENTAL EXTRACTION UPPER AND LOWER INCISORS ADULT	RHU	JEANNETTE B. GARAY, DMD/LEIZL C. BANTUGAN	DENTAL CHAIR,DENTAL STOOL,DENTAL FORCEPS,COTTON PLIER,GUM SEPARATOR,COTTON,GAUZE,COTTON AND GAUZE HOLDER,INSTRUMENT TRAY,DISP BIBS,DISP GLASS,DISPGLOVES.DISP MASK,PPE GOWN,ANESTHETIC SOLUTION,TOPICAL ANESTHESIA,DENTAL ELEVATOR,ANTISEPTIC,DISP HEADCAP,WATER DISPENSER,AUTOCLAVE STERELIZER	ROUTINE
4	GIVING PRESCRIPTION AND POSTOPERATIVE INSTRUCTION	RHU	JEANNETTE B. GARAY/LEIZL C. BANTUGAN	RX FOR MEDICATION,ANTIBIOTIC FOR 7 DAYS,PAIN RELIEVER,TRANEXAMIC ACID	ROUTINE
5	PAYMENT	MTO	JOSEPH CHATO	DENTAL CERTICATE	ROUTINE
6	PHARMACY FOR MEDICATION		RENO VIADEMIR ARREZA,RN.	PRESCRIBED ANTIBIOTIC,HEMOSTATIC AND PAIN RELIEVER	ROUTINE
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)
JEANNETTE B. GARAY,DMD	17/8	44,833	537,996	283,575	657,256.80	20%	65,725.68
EMILIA S. TRILLANES, RM	13/2	30,427	365,124	237,334	481,986.40	2%	9,639.33
JOSEPH CHATO	15/1	23,508	282,096	126,000	326,428.80	3%	9,792.86
LEIZL C. BANTUGAN	4/2	15,109	181,308	135,345	253,322.40	8%	20,265.79
RENO VLADEMIR A. ARREZA	17/1	41,966	503,592	275,364	623,164.80	2%	12,463.30
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	117,886.96

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 1)	(col 2)	(col 3)	(col 4)	(col 5)
		-		-
		-		-
		-		-

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	117,886.96	122.80
Transportation Costs	-	-
Other Supplies/Forms/Materials	174,060.94	181.31
TOTAL	291,947.90	304.11

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) ITR FORM	960	100.00	96,000.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6. DENTAL MIRROR	1	150	150.00
7.DENTAL EXPLORER	1	159	159.00
8.INSTRUMENT TRAY	1	250	250.00
10.DENTAL FORCEP	2	4500	9,000.00
11.GUM SEPARATOR	2	150	300.00
12.DENTAL SYRINGE	1	3500	3,500.00
13.PPE GOWN	2	350	700.00
14.ANTIBIOTIC	21	10	210.00
15.PAIN RELIEVER	6	48	48.00
16.HEMOSTATIC	4	15	60.00
13.DISPOSABLE GLASS	1.5	16	24.00
14.DENTAL ANESTHETIC	1	45	45.00
15.TOPICAL ANESTHETIC	1	20	20.00
16.DISPOSABLE HEADCAPS	3	15	45.00
17.DISPOSABLE GLOVES	3	10	30.00
18.DENTAL NEEDLE	1	10	10.00
19.DENTAL ELEVATOR	1	2500	2,500.00
20.COTTON BALLS	5	5	5.00
21.PEANUT BALLS	2	2	4.00
18.COTTON PLIER	1	150	150.00
10. OR	1	100.00	100.00
11.AUTOCLAVE STERILIZER	1	47300.94	47,300.94
12.WATER DISPENSER	1	6500.00	6,500.00
		TOTAL	174,060.94

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)
JEANNETTE B, GARAY	2	44.00	528.00		422.40		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						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, 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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	1,448.28

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.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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	**33,038.14**

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

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	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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 "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	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
Dental Chair	1	350,000	350,000.00	10%	35,000	7,000	42,000	5%	2,100
DENTAL COMPRESS	1	25,000	25,000.00	10%	2,500	500	3,000	5%	150
Photocopier	1	12,000	25,000.00	5%	1,250	250	1,500	5%	75
								Sub-Total	2,703
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
DENTAL STOOL	1	41,000	41,000.00	10%	4,100	820	4,920	5%	246
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									498
								TOTAL	3,201.00

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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**22,392.00**

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	1,448.28	1.51
Utilities	34,163.74	35.59
Electricity	33,038.14	34.41
Water	1,125.60	1.17
Communication	-	-
Equipment and Furniture	3,201.00	3.33
Other Fixed Cost	22,392.00	23.33
TOTAL	61,205.02	63.76

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	*298,114.21*	Total Collection on Fees and/or Charges	*96,000.00*	(202,114.21)	(0.68)	Reasonable
Number of Applications Processed	*960*	Number of Applications Processed	*960*			
Average Fee Rate	*310.54*	Average Fee Rates	*100.00*	(210.54)	(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	*298,114.21*	Total Revenue	*96,000.00*	(202,114.21)	-68%
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 weight)	[redacted]	STD-VAR	STD-FXD	[redacted]		
Simple	#DIV/0!		#DIV/0!	[redacted]	304.11	63.76	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	304.11	63.76	[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

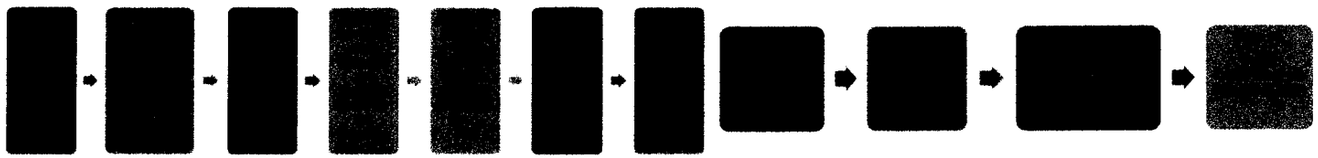
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#REF!		-							
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
										#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
issuance of Dental certificate	100	200	0.47	increase and adopt the toolkit
dental extraction perm tooth	100	300	3	increase and adopt the toolkit
dental extraction temp tooth	60	100		
dental prophylaxis children	250	300		
dental prophylaxis adult	500	600		
lightcure filling perm tooth	250	300		
lightcure filling temp tooth	100	200		
sealant application	100	100		5 years old and above only
topical fluoride application	100	100		5 years old and above only
temp filling adult	250	300		
temp filling children	100	150		
difficult extraction	500	600		

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	DENTAL EXTRACTION AND TREATMENT
4	GIVING PRESCRIPTION AND POST OPERATIVE INSTRUCT
5	PAYMENT
6	PHARMACY FOR MEDICATION
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,STHETOSCOPE
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	DENTAL FORM AND ITR
3	DENTAL EXTRACTION AND TREATMENT	RHU	JEANNETTE B. GARAY, DMD/LEIZL C. BANTUGAN	DENTAL CHAIR,DENTAL FORCEPS,GUM SEPARATOR,COTTON PLIER,DENTAL ELEVATOR,GAUZE AND COTTON ,GAUZE AND COTTON HOLDER,TOPICAL,LIQUID SOAP,DISINFECTANT ANESTHETIC,ANESTHETIC,LIQUID SOAP SOLUTION,DISP GLASS,NEEDLE,DENTAL SYRINGE,DISP GLOVES,HEADCAPS,BIBS,PPE GOWN,ANTISEPTIC
4	GIVING PRESCRIPTION AND POST OPERATIVE INSTRUCT	RHU	JEANNETTE B GARAY,DMD	RX OF ANTIBIOTIC,PAIN RELIEVER,HEMOSTAT
5	PAYMENT	MTO	JOSEPH CHATO	DENTAL CERTIFICATE
6	PHARMACY FOR MEDICATION	RHU	RENO VIADEMER A. ARREZA,RN.	PRESCRIBED MEDICINES
7				

8				
9				
10				
11				
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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	DENTAL FORM AND ITR	ROUTINE
3	DENTAL EXTRACTION AND TREATMENT	RHU	JEANNETTE B. GARAY, DMD/LEIZL C. BANTUGAN	##	ROUTINE
4	GIVING PRESCRIPTION AND POST OPERATIVE INSTRUC	RHU	JEANNETTE B GARAY,DMD	RX OF ANTIBIOTIC,PAIN RELIEVER,HEMOSTAT	ROUTINE
5	PAYMENT	MTO	JOSEPH CHATO	OFFICIAL RECIEPT	ROUTINE
6	PHARMACY FOR MEDICATION		RENO VIADEMER A. ARREZA,RN.	PRESCRIBED MEDICINES	
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)
JEANNETTE B. GARAY,DMD	17/8	44,833	537,996	283,575	657,256.80	40%	65,725.68
EMILIA S. TRILLANES, RM	13/2	30,427	365,124	237,334	481,966.40	2%	9,639.33
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	3%	9,792.86
LEIZL C. BANTUGAN	4/2	15,109	181,308	135,345	253,322.40	25%	63,330.60
RENO VIADEMER A. ARREZA	17/1	41,966	503,592	269,630	618,577.60	2%	12,371.55
			-		-		-
			-		-		-
			-		-		-
						TOTAL	160,860.02

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)
		-		-
		-		-
		-		-

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) ITR FORM	960	100.00	96,000.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6. DENTAL MIRROR	1	150	150.00
7.DENTAL EXPLORER	1	159	159.00
8.INSTRUMENT TRAY	1	250	250.00
10.DENTAL FORCEP	2	4500	9,000.00
11.GUM SEPARATOR	2	150	300.00
12.DENTAL SYRINGE	1	3500	3,500.00
13.DISPOSABLE GLASS	1.5	1.5	2.25
14.DENTAL ANESTHETIC	1	45	45.00
15.TOPICAL ANESTHETIC	1	20	20.00
16.DISPOSABLE HEADCAPS	3	15	45.00
17.DISPOSABLE GLOVES	3	10	30.00
18.DENTAL NEEDLE	1	10	10.00
19.DENTAL ELEVATOR	1	2500	2,500.00
22.COTTON BALLS	5	5	5.00
23.PEANUT BALLS	2	2	4.00
24.COTTON PLIER	1	150	150.00
25.CHROMIC SUTURE WITH NEEDLE	1	200	200.00
26.ANTISEPTIC GARGLE	10 ML	50	50.00
27.BONE RONGUER	1	2500	2,500.00
28.BONE FILE	1	250	250.00
30.PPE GOWN	2	350	700.00
31.ANTIBIOTIC	21	10	210.00
32.HEMOSTASTIC DRUGS	6	15	90.00
32.PAIN RELIEVER	6	8	48.00
29.HI-SPEED HANDPIECE	1	100.00	100.00
		TOTAL	123,268.25

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:

Routine Personnel	**160,860.02**	**167.56**
Transportation Costs	**-**	**-**
Other Supplies/Forms/Materials	**123,268.25**	**128.40**
TOTAL	**284,128.27**	**295.97**

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)
JEANNETTE B, GARAY	2	44.00	528.00		422.40		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						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, 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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	1,448.28

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
Dental Chair	1	350,000	350,000.00	10%	35,000	7,000	42,000	5%	2,100
DENTAL COMPRESS	1	25,000	25,000.00	10%	2,500	500	3,000	5%	150
WATER DISPENSER	1	6,500	6,500.00	10%	650	130	780	5%	39
AUTOCLAVE STERILI	1	47,301	47,300.94	10%	4,730	946	5,676	5%	284
Photocopier	1	12,000	25,000.00	5%	1,250	250	1,500	5%	75
								Sub-Total	3,026
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	3,277.81

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

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	165,190.68
Percent of work for the service rendered	20%
Net electricity cost attributed to "Subject Service" service	33,038.14

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	5,628.00
Percent of work for the service rendered	20%
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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

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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**22,392.00**

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	1,448.28	1.51
Utilities	34,163.74	35.59
Electricity	33,038.14	34.41
Water	1,125.60	1.17
Communication	-	-
Equipment and Furniture	3,277.81	3.41
Other Fixed Cost	22,392.00	23.33
TOTAL	61,281.82	63.84

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	*337,581.21*	Total Collection on Fees and/or Charges	*96,000.00*	(241,581.21)	(0.72)	NOT Reasonable
Number of Applications Processed	*960*	Number of Applications Processed	*960*			
Average Fee Rate	*351.65*	Average Fee Rates	*100.00*	(251.65)	(0.72)	

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	*337,581.21*	**Total Revenue**	*96,000.00*	**(241,581.21)**	-72%
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 weight)**	[redacted]	**STD-VAR**	**STD-FXD**	[redacted]			
Simple	**#DIV/0!**		**#DIV/0!**	[redacted]	**295.97**	**63.84**	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	**#DIV/0!**		**#DIV/0!**	[redacted]	**295.97**	**63.84**	[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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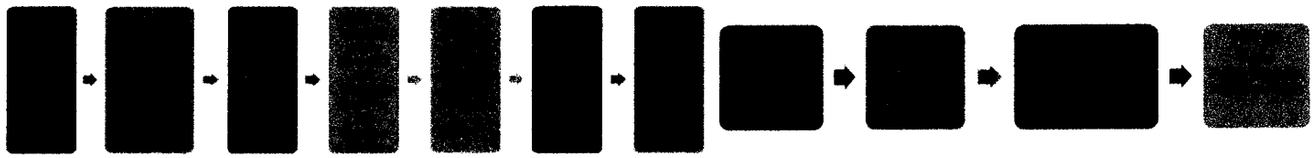
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
									#DIV/0!	

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
issuance of Dental certificate	100	200	0.47	increase and adopt the toolkit
dental extraction perm tooth	100	300	3	increase and adopt the toolkit
dental extraction temp tooth	60	100		
dental prophylaxis children	250	300		
dental prophylaxis adult	500	600		
lightcure filling perm tooth	250	300		
lightcure filling temp tooth	100	200		
sealant application	100	100		5 years old and above only
topical fluoride application	100	100		5 years old and above only
temp filling adult	250	300		
temp filling children	100	150		
difficult extraction	500	600		

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	DENTAL EXTRACTION UPPER AND LOWER INCISORS
4	GIVING PRESCRIPTION AND POSTOPERATIVE INSTRUCTION
5	PAYMENT
6	PHARMACY FOR MEDICATION
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	STHETOSCOPE,
3	EXTRACTION OF UPPER AND LOWER BICUSPIDS UPPER	RHU	JEANNETTE B. GARAY, DMD/LEIZL C. BANTUGAN	DENTAL CHAIR,DENTAL STOOL,DENTAL FORCEPS,COTTON PLIER,GUM SEPARATOR,COTTON,GAUZE,COTTON AND GAUZE HOLDER,INSTRUMENT TRAY,DISP BIBS,DISP GLASS,DISPGLOVES.DISP MASK,PPE GOWN,ANESTHETIC SOLUTION,TOPICAL ANESTHESIA,DENTAL ELEVATOR,ANTISEPTIC,DISP HEADCAP,WATER DISPENSER,AUTOCLAVE STERELIZER
4	GIVING PRESCRIPTION AND POSTOPERATIVE INSTRUCT	RHU	JEANNETTE B. GARAY/LEIZL C. BANTUGAN	RX FOR MEDICATION,ANTIBIOTIC FOR 7 DAYS,PAIN RELIEVER,TRANEXAMIC ACID
5	PAYMENT	MTO	JOSEPH CHATO	OFFICIAL RECEIPT
6	PHARMACY FOR MEDICATION	RHU	RENO VIADEMIR ARREZA,RN.	PRESCRIBED ANTIBIOTIC,HEMOSTATIC AND PAIN RELIEVER
7				
8				
9				
10				
11				
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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	STHETOSCOPE,	ROUTINE
3	DENTAL EXTRACTION OF BICUSPIDS, UPPER AND LOWE	RHU	JEANNETTE B. GARAY, DMD/LEIZL C. BANTUGAN	DENTAL CHAIR,DENTAL STOOL,DENTAL FORCEPS,COTTON PLIER,GUM SEPARATOR,COTTON,GAUZE,COTTON AND GAUZE HOLDER,INSTRUMENT TRAY,DISP BIBS,DISP GLASS,DISPGLOVES.DISP MASK,PPE GOWN,ANESTHETIC SOLUTION,TOPICAL ANESTHESIA,DENTAL ELEVATOR,ANTISEPTIC,DISP HEADCAP,WATER DISPENSER,AUTOCLAVE STERELIZER	ROUTINE
4	GIVING PRESCRIPTION AND POSTOPERATIVE INSTRUCT	RHU	JEANNETTE B. GARAY/LEIZL C. BANTUGAN	RX FOR MEDICATION,ANTIBIOTIC FOR 7 DAYS,PAIN RELIEVER,TRANEXAMIC ACID	ROUTINE
5	PAYMENT	MTO	JOSEPH CHATO	DENTAL CERTICATE	ROUTINE
6	PHARMACY FOR MEDICATION		RENO VIADEMIR ARREZA,RN.	PRESCRIBED ANTIBIOTIC,HEMOSTATIC AND PAIN RELIEVER	ROUTINE
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)
JEANNETTE B. GARAY,DMD	17/8	44,833	537,996	283,575	657,256.80	35%	65,725.68
EMILIA S. TRILLANES, RM	13/2	30,427	365,124	237,334	481,966.40	2%	9,639.33
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	3%	9,792.86
LEIZL C. BANTUGAN	4/2	15,109	181,308	135,345	253,322.40	20%	50,664.48
RENO VIADEMIR A. ARREZA	17/1	41,966	503,592	275,364	623,164.80	2%	12,463.30
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	148,285.65

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 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) ITR FORM	960	100.00	96,000.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6. DENTAL MIRROR	1	150	150.00
7.DENTAL EXPLORER	1	159	159.00
8.INSTRUMENT TRAY	1	250	250.00
10.DENTAL FORCEP	2	4500	9,000.00
11.GUM SEPARATOR	2	150	300.00
12.DENTAL SYRINGE	1	3500	3,500.00
13.DISPOSABLE GLASS	1.5	1.5	2.25
14.DENTAL ANESTHETIC	1	45	45.00
15.TOPICAL ANESTHETIC	1	20	20.00
16.DISPOSABLE HEADCAPS	3	15	45.00
17.DISPOSABLE GLOVES	3	10	30.00
18.DENTAL NEEDLE	1	10	10.00
19.ANTIBIOTIC	21	10	210.00
20.PAIN RELIEVER	6	8	48.00
21.HEMOSTATIC	4	15	60.00
19.DENTAL ELEVATOR	1	2500	2,500.00
20.COTTON BALLS	5	5	5.00
21.PEANUT BALLS	2	2	4.00
22.PPE WD GOWN	2	750	1,600.00
18.COTTON PLIER	1	150	150.00
10. OR	1	100.00	100.00
11.AUTOCLAVE STERILIZER	1	47300.94	47,300.94
12.WATER DISPENSER	1	6500.00	6,500.00
		TOTAL	174,939.19

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	148,285.65	154.46
Transportation Costs	-	-
Other Supplies/Forms/Materials	174,939.19	182.23
TOTAL	323,224.84	336.69

STEP 5. ALLOCATE THE VARIABLE COST FOR SPECIAL ACTIVITIES

Name and position	SG/Step	Monthly Salary	Annual Salary	Other compensation	Total Annual Compensation	% Time 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)
JEANNETTE B, GARAY	2	44.00	528.00		422.40		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						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, 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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	**1,448.28**

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
Dental Chair	1	350,000	350,000.00	10%	35,000	7,000	42,000	5%	2,100
DENTAL COMPRESS	1	25,000	25,000.00	10%	2,500	500	3,000	5%	150
AUTOCLAVE STERILI	1	47,301	47,300.94	10%	4,730	946	5,676	10%	568
WATER DISPENSER	1	6,500	6,500.00	10%	650	130	780	10%	78
Photocopier	1	12,000	25,000.00	5%	1,250	250	1,500	5%	75
								Sub-Total	3,349
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
DENTAL STOOL	1	41,000	41,000.00	10%	4,100	820	4,920	5%	246
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									498
								TOTAL	3,846.61

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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	33,038.14

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	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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

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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**22,392.00**

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	1,448.28	1.51
Utilities	34,163.74	35.59
Electricity	33,038.14	34.41
Water	1,125.60	1.17
Communication	-	-
Equipment and Furniture	3,846.61	4.01
Other Fixed Cost	22,392.00	23.33
TOTAL	61,850.63	64.43

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	*323,224.84*	Total Collection on Fees and/or Charges	*96,000.00*	(227,224.84)	(0.70)	NOT Reasonable
Number of Applications Processed	*960*	Number of Applications Processed	*960*			
Average Fee Rate	*336.69*	Average Fee Rates	*100.00*	(236.69)	(0.70)	

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	*323,224.84*	Total Revenue	*96,000.00*	(227,224.84)	-70%
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 weight)**	[redacted]	**STD-VAR**	**STD-FXD**	[redacted]			
Simple	#DIV/0!		#DIV/0!	[redacted]	**336.69**	**64.43**	[redacted]	#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!	[redacted]	**336.69**	**64.43**	[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%								

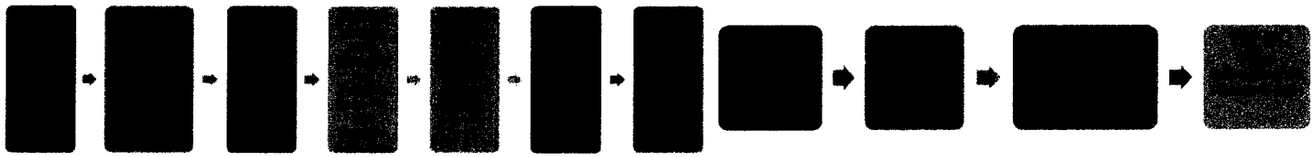
							Ok		ok	
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#REF!		-							
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
										#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
issuance of Dental certificate	100	200	0.47	increase and adopt the toolkit
dental extraction perm tooth	100	300	3	increase and adopt the toolkit
dental extraction temp tooth	60	100		
dental prophylaxis children	250	300		
dental prophylaxis adult	500	600		
lightcure filling perm tooth	250	300		
lightcure filling temp tooth	100	200		
sealant application	100	100		5 years old and above only
topical fluoride application	100	100		5 years old and above only
temp filling adult	250	300		
temp filling children	100	150		
difficult extraction	500	600		

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	ISSUANCE OF ORDER OF PAYMENT
4	DENTAL TREATMENT
5	GIVING OF POSTOPERATIVE INSTRUCTION
6	PAYMENT
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	STHETOSCOPE,
3	ISSUANCE OF ORDER OF PAYMENT	RHU	JEANNETTE B. GARAY, DMD	REQUEST FORM
4	DENTAL TREATMENT	MTO	JEANNETTE B GARAY, LEIZL C. BANTUGAN	INTSRUMENT TRAY,ESTHETIC HAND INSTRUMENT ,GLASS IONOMER SELFCURED MATERIAL,SEALANT,EXPLORER,MOUTH MIRROR,COTTON BALLS,CIGARETTE BALLS,ANTISEPTIC,HI-SPEED ,ABRASIVE DIAMOND BURS,DIPOSABLE GLASS,DISPOSABLE GLOVES,HEADCAPS,MASK,PPE GOWN FINISHING BARS,CELLOLOID MATRIX,LIGHTCURE MACHINE,DENTAL CHAIR,COMPRESSOR
5	GIVING OF POSTOPERATIVE INSTRUCTION	RHU	JEANNETTE B. GARAY/LEIZL C. BANTUGAN	DENTAL CERTIFICATE
6	PAYMENT		JOSEPH CHATO	OFFICIAL RECEIPT
7				

8				
9				

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	STHETOSCOPE,	ROUTINE
3	ISSUANCE OF ORDER OF PAYMENT	RHU	JEANNETTE B. GARAY, DMD	REQUEST FORM	ROUTINE
4	DENTAL TREATMENT	MTO	JEANNETTE B GARAY, LEIZL C. BANTUGAN	INTSRUMENT TRAY,ESTHETIC HAND INSTRUMENT ,GLASS IONOMER SELFCURED MATERIAL,SEALANT,EXPLORER,MOUTH MIRROR,COTTON BALLS,CIGARETTE BALLS,ANTISEPTIC,HI-SPEED ,ABRASIVE DIAMOND BURS,DIPOSABLE GLASS,DISPOSABLE GLOVES,HEADCAPS,MASK,PPE GOWN FINISHING BARS,CELLOLOID MATRIX,LIGHTCURE MACHINE,DENTAL CHAIR,COMPRESSOR	ROUTINE
5	GIVING OF POSTOPERATIVE INSTRUCTION	RHU	JEANNETTE B. GARAY/LEIZL C. BANTUGAN	PRESCRIPTION AND MEDICATION	ROUTINE
6	PAYMENT		JOSEPH CHATO	OFFICIAL RECEIPT	
7	-	-	-	-	
8	-	-	-	-	
9	-	-	-	-	

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)
JEANNETTE B. GARAY,DMD	17/8	44,833	537,996	283,575	657,256.80	30%	65,725.68
EMILIA S. TRILLANES, RM	13/2	30,427	365,124	237,334	481,966.40	3%	14,458.99
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	3%	9,792.86
LEIZL C. BANTUGAN	4/2	15,109	181,308		145,046.40	15%	21,756.96
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	111,734.50

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) ITR FORM	960	100.00	96,000.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6. DENTAL MIRROR	1	150	150.00
7.DENTAL EXPLORER	1	159	159.00
8.INSTRUMENT TRAY	1	250	250.00
9.PROPHYLACTIC DENTAL PASTE	1	350	350.00
11.GUM SEPARATOR	2	150	300.00
13.DISPOSABLE GLASS	1.5	1.5	2.25
14.ULTRASONIC SCALER	1	45000	45,000.00
16.DISPOSABLE HEADCAPS	3	15	45.00
17.DISPOSABLE GLOVES	3	10	30.00
18.HYDROGEN PEROXIDE 3%	1	80	80.00
20.COTTON BALLS	5	5	5.00
21.PEANUT BALLS	2	2	4.00
22.FINISHING BURS	2	1500	3,000.00
18.COTTON PLIER	1	150	150.00
21. OR	1	100.00	100.00
		TOTAL	152,575.25

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	111,734.50	116.39
Transportation Costs	-	-
Other Supplies/Forms/Materials	152,575.25	158.93
TOTAL	264,309.75	275.32

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)
JEANNETTE B, GARAY	2	44.00	528.00		422.40		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						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, 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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	1,448.28

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
Dental Chair	1	350,000	350,000.00	10%	35,000	7,000	42,000	5%	2,100
DENTAL COMPRESS	1	25,000	25,000.00	10%	2,500	500	3,000	5%	150
WATER DISPENSER	1	6,500	6,500.00	10%	650	130	780	5%	39
Photocopier	1	12,000	25,000.00	5%	1,250	250	1,500	5%	75
								Sub-Total	2,742
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	2,994.00

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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	33,038.14

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 "Subject Service" Fee**
(col 1)	(col 2)
Number of People	
Water bill per person per month	
Estimated water bill of the office per year	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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 "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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	**22,392.00**

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	1,448.28	1.51
Utilities	34,163.74	35.59
Electricity	33,038.14	34.41
Water	1,125.60	1.17
Communication	-	-
Equipment and Furniture	2,994.00	3.12
Other Fixed Cost	22,392.00	23.33
TOTAL	60,998.02	63.54

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	*264,309.75*	Total Collection on Fees and/or Charges	*96,000.00*	(168,309.75)	(0.64)	Reasonable
Number of Applications Processed	*960*	Number of Applications Processed	*960*			
Average Fee Rate	*275.32*	Average Fee Rates	*100.00*	(175.32)	(0.64)	

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	*264,309.75*	**Total Revenue**	*96,000.00*	**(168,309.75)**	-64%
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 weight)**	[redacted]	**STD-VAR**	**STD-FXD**	[redacted]		
Simple	#DIV/0!		#DIV/0!		275.32	63.54		#DIV/0!	#DIV/0!	#DIV/0!
Complex	#DIV/0!		#DIV/0!		275.32	63.54		#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!							#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%									

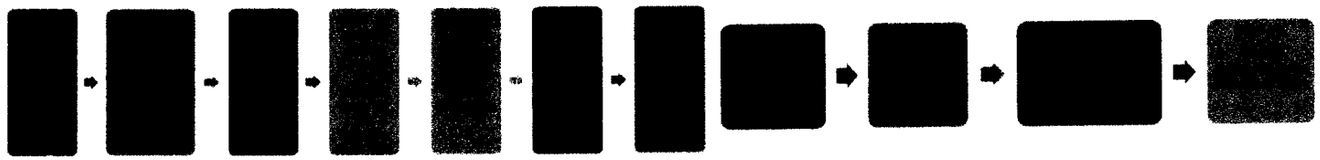
							Ok		ok	
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#REF!		-							
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
				#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
										#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
issuance of Dental certificate	100	200	0.47	increase and adopt the toolkit
dental extraction perm tooth	100	300	3	increase and adopt the toolkit
dental extraction temp tooth	60	100		
dental prophylaxis children	250	300		
dental prophylaxis adult	500	600		
lightcure filling perm tooth	250	300		
lightcure filling temp tooth	100	200		
sealant application	100	100		5 years old and above only
topical fluoride application	100	100		5 years old and above only
temp filling adult	250	300		
temp filling children	100	150		
difficult extraction	500	600		

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	ISSUANCE OF ORDER OF PAYMENT
4	DENTAL TREATMENT
5	GIVING OF POSTOPERATIVE INSTRUCTION
6	PAYMENT
7	
8	
9	
10	
11	
12	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	STHETOSCOPE,
3	ISSUANCE OF ORDER OF PAYMENT	RHU	JEANNETTE B. GARAY, DMD	REQUEST FORM
4	DENTAL TREATMENT	MTO	JEANNETTE B GARAY/ LEIZL C. BANTUGAN	INTSRUMENT TRAY,ESTHETIC HAND INSTRUMENT ,LIGHTCURE FILLING MATERIAL,SEALANT,EXPLORER,MOUTH MIRROR,COTTON BALLS,CIGARETTE BALLS,ANTISEPTIC,HI-SPEED ,ABRASIVE DIAMOND BURS,DIPOSABLE GLASS,DISPOSABLE GLOVES,HEADCAPS,MASK,PPE GOWN FINISHING BARS,CELLOLOID MATRIX,LIGHTCURE MACHINE,DENTAL CHAIR,COMPRESSOR
5	GIVING OF POSTOPERATIVE INSTRUCTION	RHU	JEANNETTE B. GARAY/LEIZL C. BANTUGAN	DENTAL CERTIFICATE
6	PAYMENT		JOSEPH CHATO	OFFICIAL RECEIPT
7				

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	STHETOSCOPE,	ROUTINE
3	ISSUANCE OF ORDER OF PAYMENT	RHU	JEANNETTE B. GARAY, DMD	REQUEST FORM	ROUTINE
4	DENTAL TREATMENT	MTO	JEANNETTE B GARAY/ LEIZL C. BANTUGAN	INTSRUMENT TRAY,ESTHETIC HAND INSTRUMENT ,LIGHTCURE FILLING MATERIAL,SEALANT,EXPLORER,MOUTH MIRROR,COTTON BALLS,CIGARETTE BALLS,ANTISEPTIC,HI-SPEED ,ABRASIVE DIAMOND BURS,DIPOSABLE GLASS,DISPOSABLE GLOVES,HEADCAPS,MASK,PPE GOWN FINISHING BARS,CELLOLOID MATRIX,LIGHTCURE MACHINE,DENTAL CHAIR,COMPRESSOR	ROUTINE
5	GIVING OF POSTOPERATIVE INSTRUCTION	RHU	JEANNETTE B. GARAY/LEIZL C. BANTUGAN	PRESCRIPTION AND MEDICATION	ROUTINE
6	PAYMENT		JOSEPH CHATO	OFFICIAL RECEIPT	
7					

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)
JEANNETTE B. GARAY,DMD	17/8	44,833	537,996	283,575	657,256.80	40%	65,725.68
EMILIA S. TRILLANES, RM	13/2	30,427	365,124	237,334	481,966.40	3%	14,458.99
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	3%	9,792.86
LEIZL C. BANTUGAN	4/2	15,109	181,308		145,046.40	25%	36,261.60
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	126,239.14

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) ITR FORM	960	100.00	96,000.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6. DENTAL MIRROR	1	150	150.00
7.DENTAL EXPLORER	1	159	159.00
8.INSTRUMENT TRAY	1	250	250.00
10.CELLOLOID MATRIX	2	10	10.00
11.GUM SEPARATOR	2	150	300.00
12.DENTAL SYRINGE	1	3500	3,500.00
13.DISPOSABLE GLASS	1.5	1.5	2.25
14.LIGHTCURE MACHINE	1	78000	78,000.00
15.LIGHTCURE FILLING	1	100	100.00
16.DISPOSABLE HEADCAPS	3	15	45.00
17.DISPOSABLE GLOVES	3	10	30.00
18.DENTAL BONDING AGENT	1	20	20.00
HI-SPEED HANDPIECE	1	3500	3,500.00
20.COTTON BALLS	5	5	5.00
21.PEANUT BALLS	2	2	4.00
22.FINISHING BURS	2	1500	3,000.00
18.COTTON PLIER	1	150	150.00
19.ABRASIVE DIAMOND BURS	3	250	750.00
20.SEALANT	1	100	100.00
21. OR	1	100.00	100.00
		TOTAL	193,125.25

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	126,239.14	131.50
Transportation Costs	-	-
Other Supplies/Forms/Materials	193,125.25	201.17
TOTAL	319,364.39	332.67

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)
JEANNETTE B, GARAY	2	44.00	528.00		422.40		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						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, 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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	**1,448.28**

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
Dental Chair	1	350,000	350,000.00	10%	35,000	7,000	42,000	5%	2,100
DENTAL COMPRESS	1	25,000	25,000.00	10%	2,500	500	3,000	5%	150
Photocopier	1	12,000	25,000.00	5%	1,250	250	1,500	5%	75
								Sub-Total	2,703
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	2,955.00

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

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	**165,190.68**
Percent of work for the service rendered	**20%**
Net electricity cost attributed to "Subject Service" service	**33,038.14**

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	**5,628.00**
Percent of work for the service rendered	**20%**
Net cost of water attributed to delivery of "Subject Service".	**1,125.60**

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

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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	22,392.00

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	1,448.28	1.51
Utilities	34,163.74	35.59
Electricity	33,038.14	34.41
Water	1,125.60	1.17
Communication	-	-
Equipment and Furniture	2,955.00	3.08
Other Fixed Cost	22,392.00	23.33
TOTAL	60,959.02	63.50

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	*319,364.39*	Total Collection on Fees and/or Charges	*96,000.00*	(223,364.39)	(0.70)	Reasonable
Number of Applications Processed	*960*	Number of Applications Processed	*960*			
Average Fee Rate	*332.67*	Average Fee Rates	*100.00*	(232.67)	(0.70)	

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	*319,364.39*	**Total Revenue**	*96,000.00*	**(223,364.39)**	-70%
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 weight)**	[redacted]	**STD-VAR**	**STD-FXD**	[redacted]		
Simple	**#DIV/0!**		**#DIV/0!**		**332.67**	**63.50**		#DIV/0!	#DIV/0!
Complex	**#DIV/0!**		**#DIV/0!**		**332.67**	**63.50**		#DIV/0!	#DIV/0!
	#DIV/0!	-	**#DIV/0!**					#DIV/0!	

				[redacted]	STD-VAR	STD-FXD	[redacted]			
Classification	**Allocation**	**% of Applicants**	**Number**							
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!							#DIV/0!	#DIV/0!	#DIV/0!
Others	#DIV/0!							#DIV/0!		
	#DIV/0!		-	#DIV/0!				#DIV/0!		
	Total	0%								
		100%								

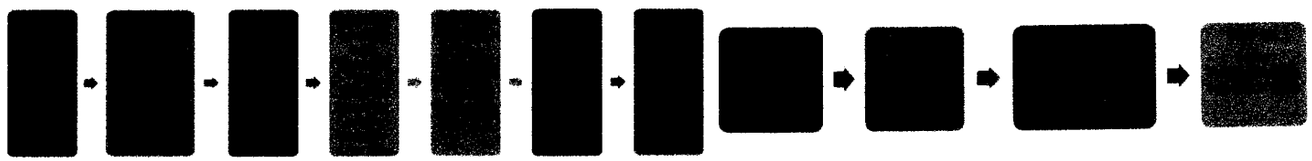
						Ok			ok	
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!		#DIV/0!
235801.42	-	-	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!		#DIV/0!
#REF!		-								
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!		#DIV/0!
			#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!		#DIV/0!
										#DIV/0!

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
issuance of Dental certificate	100	200	0.47	increase and adopt the toolkit
dental extraction perm tooth	100	300	3	increase and adopt the toolkit
dental extraction temp tooth	60	100		
dental prophylaxis children	250	300		
dental prophylaxis adult	500	600		
lightcure filling perm tooth	250	300		
lightcure filling temp tooth	100	200		
sealant application	100	100		5 years old and above only
topical fluoride application	100	100		5 years old and above only
temp filling adult	250	300		
temp filling children	100	150		
difficult extraction	500	600		

STANDARD COSTING FRAMEWORK

SUBSEQUENT STEPS – Reporting and Accountability



General Instructions:

- White boxes cells shall not be edited or moved.
- Yellow cells shall be the only cells where the user can edit or input the necessary data.
- Blue cells signify the steps in the Toolkit.

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	INDIVIDUAL TREATMENT RECORD (ITR)
2	DOCTOR'S CONSULTATION
3	ISSUANCE OF ORDER OF PAYMENT
4	DENTAL TREATMENT
5	GIVING OF POSTOPERATIVE INSTRUCTION
6	PAYMENT
7	
8	
9	
10	

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	STHETOSCOPE,
3	ISSUANCE OF ORDER OF PAYMENT	RHU	JEANNETTE B. GARAY, DMD	REQUEST FORM
4	DENTAL TREATMENT	MTO	JEANNETTE B GARAYLEIZL C. BANTUGAN	INTSRUMENT TRAY,ESTHETIC HAND INSTRUMENT ,GLASS IONOMER SELFCURED MATERIAL,SEALANT,EXPLORER,MOUTH MIRROR,COTTON BALLS,CIGARETTE BALLS,ANTISEPTIC,HI-SPEED ,ABRASIVE DIAMOND BURS,DIPOSABLE GLASS,DISPOSABLE GLOVES,HEADCAPS,MASK,PPE GOWN FINISHING BARS,CELLOLOID MATRIX,LIGHTCURE MACHINE,DENTAL CHAIR,COMPRESSOR
5	GIVING OF POSTOPERATIVE INSTRUCTION	RHU	JEANNETTE B. GARAY/LEIZL C. BANTUGAN	DENTAL CERTIFICATE
6	PAYMENT		JOSEPH CHATO	OFFICIAL RECEIPT
7				
8				
9				

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	INDIVIDUAL TREATMENT RECORD (ITR)	RHU	EMILIA S. TRILLANES	ITR FORM, BP APPARATUS, WEIGHING SCALE, THERMOMETER,	ROUTINE
2	DOCTOR'S CONSULTATION	RHU	JEANNETTE B. GARAY,DMD	STHETOSCOPE,	ROUTINE
3	ISSUANCE OF ORDER OF PAYMENT	RHU	JEANNETTE B. GARAY, DMD	REQUEST FORM	ROUTINE
4	DENTAL TREATMENT	MTO	JEANNETTE B GARAYLEIZL C. BANTUGAN	INTSRUMENT TRAY,ESTHETIC HAND INSTRUMENT ,GLASS IONOMER SELFCURED MATERIAL,SEALANT,EXPLORER,MOUTH MIRROR,COTTON BALLS,CIGARETTE BALLS,ANTISEPTIC,HI-SPEED ,ABRASIVE DIAMOND BURS,DIPOSABLE GLASS,DISPOSABLE GLOVES,HEADCAPS,MASK,PPE GOWN FINISHING BARS,CELLOLOID MATRIX,LIGHTCURE MACHINE,DENTAL CHAIR,COMPRESSOR	ROUTINE
5	GIVING OF POSTOPERATIVE INSTRUCTION	RHU	JEANNETTE B. GARAY/LEIZL C. BANTUGAN	PRESCRIPTION AND MEDICATION	ROUTINE
6	PAYMENT		JOSEPH CHATO	OFFICIAL RECEIPT	
7	-	-	-	-	
8	-	-	-	-	
9	-	-	-	-	

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)
JEANNETTE B. GARAY,DMD	17/8	44,833	537,996	283,575	657,256.80	30%	65,725.68
EMILIA S. TRILLANES, RM	13/2	30,427	365,124	237,334	481,966.40	3%	14,458.99
JOSEPH CHATO	15/1	23,503	282,036	126,000	326,428.80	3%	9,792.86
LEIZL C. BANTUGAN	4/2	15,109	181,308		145,046.40	25%	36,261.60
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						TOTAL	126,239.14

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 1)	(col 2)	(col 3)	(col 4)	(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) ITR FORM	960	100.00	96,000.00
2) BP APPARATUS	1	1500.00	1,500.00
3)WEIGHING SCALE	1	3500.00	3,500.00
4) THERMOMETER	1	150	150.00
5.STHETOSCOPE	1	1800	1,800.00
6. DENTAL MIRROR	1	150	150.00
7.DENTAL EXPLORER	1	159	159.00
8.INSTRUMENT TRAY	1	250	250.00
10.CELLOLOID MATRIX	2	10	10.00
11.GUM SEPARATOR	2	150	300.00
13.DISPOSABLE GLASS	1.5	1.5	2.25
14.GLASS IONOMER FUJI IX SELFCURED FILLING	1	3800	3,800.00
16.DISPOSABLE HEADCAPS	3	15	45.00
17.DISPOSABLE GLOVES	3	10	30.00
18.DENTAL BONDING AGENT	1	20	20.00
HI-SPEED HANDPIECE	1	3500	3,500.00
20.COTTON BALLS	5	5	5.00
21.PEANUT BALLS	2	2	4.00
22.FINISHING BURS	2	1500	3,000.00
18.COTTON PLIER	1	150	150.00
19.ABRASIVE DIAMOND BURS	3	250	750.00
20.SEALANT	1	100	100.00
21. OR	1	100.00	100.00
		TOTAL	115,325.25

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	126,239.14	131.50
Transportation Costs	-	-
Other Supplies/Forms/Materials	115,325.25	120.13
TOTAL	241,564.39	251.63

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)
JEANNETTE B, GARAY	2	44.00	528.00		422.40		-
			-		-		-
			-		-		-
			-		-		-
			-		-		-
						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, 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 (col 1)	Offices Involved in the delivery of "Subject Service" Fee (col 2)
Construction Cost (per sq m)	8,940.01
Floor area of City Hall (sq m)	600.00
Building Construction Cost (Php)	5,364,006.00
Office Area Occupied (sq. m)	90.00
Cost of Office Area Occupied (Php)	804,600.90
Depreciation Rate (%)	3%
Annual Depreciation Expense (Php)	24,138.03
Annual Maintenance Cost (Php)	4,827.61
Percent of Work for "Subject Service" (%)	5%
Share of Cost attributable to delivering the service (Php)	**1,448.28**

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	1	28,000	28,000.00	10%	2,800	560	3,360	5%	168
Computers	1	35,000	35,000.00	10%	3,500	700	4,200	5%	210
Dental Chair	1	350,000	350,000.00	10%	35,000	7,000	42,000	5%	2,100
DENTAL COMPRESS	1	25,000	25,000.00	10%	2,500	500	3,000	5%	150
Photocopier	1	12,000	25,000.00	5%	1,250	250	1,500	5%	75
								Sub-Total	2,703
B. Furniture									
Filing Cabinets	1	12,000	12,000.00	10%	1,200	240	1,440	5%	72
Tables and Chairs	3	10,000	30,000.00	10%	3,000	600	3,600	5%	180
									252
								TOTAL	2,955.00

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

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	165,190.68
Percent of work for the service rendered	20%
Net electricity cost attributed to "Subject Service" service	33,038.14

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	5,628.00
Percent of work for the service rendered	20%
Net cost of water attributed to delivery of "Subject Service".	1,125.60

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

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	14400	18%	2592
Regular Office Supplies	110000	18%	19,800.00
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	22,392.00

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	1,448.28	1.51
Utilities	34,163.74	35.59
Electricity	33,038.14	34.41
Water	1,125.60	1.17
Communication	-	-
Equipment and Furniture	2,955.00	3.08
Other Fixed Cost	22,392.00	23.33
TOTAL	60,959.02	63.50

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	*241,564.39*	Total Collection on Fees and/or Charges	*96,000.00*	(145,564.39)	(0.60)	Reasonable
Number of Applications Processed	*960*	Number of Applications Processed	*960*			
Average Fee Rate	*251.63*	Average Fee Rates	*100.00*	(151.63)	(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	*241,564.39*	**Total Revenue**	*96,000.00*	**(145,564.39)**	-60%
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

Scenario 1	**% of Applicants**	**Number of Applicants**	**Cost (with weight)**	[redacted]	**STD-VAR**	**STD-FXD**	[redacted]
Simple	**#DIV/0!**		**#DIV/0!**	[redacted]	**251.63**	**63.50**	[redacted]
Complex	**#DIV/0!**		**#DIV/0!**	[redacted]	**251.63**	**63.50**	[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%					

Ok

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Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks/Recommended Rate
issuance of Dental certificate	100	200	0.47	increase and adopt the toolkit
dental extraction perm tooth	100	300	3	increase and adopt the toolkit
dental extraction temp tooth	60	100		
dental prophylaxis children	250	300		
dental prophylaxis adult	500	600		
lightcure filling perm tooth	250	300		
lightcure filling temp tooth	100	200		
sealant application	100	100		5 years old and above only
topical fluoride application	100	100		5 years old and above only
temp filling adult	250	300		
temp filling children	100	150		
difficult extraction	500	600		