

Table 1 summarizes appropriate allocation methods for various situations. For questions regarding the proper allocation of shared costs, please contact PFD’s Customer Service Center at [PFD-LTSS@hhs.texas.gov](mailto:PFD-LTSS@hhs.texas.gov).

**Table 1. Appropriate Allocation Methods for Reporting.**

**Shared Administrative Costs that cannot be reasonably direct costed.**

<b>Makeup of Controlling Entity's Business Components</b>	Multiple Contracts of the Same (Equivalent) Type of Service	Various Business Components - All Labor-Intensive	Various Business Components - All with Programmatic-or Residential-Building Costs	Mixed Business Components - Some with Programmatic-or Residential-Building Costs and Some Labor-Intensive	Shared Administrative Personnel Performing Different Duties for Different Business Components (not in Direct Care)	Functional Methods
<b>Allowable Allocation Methods</b>	Units of Service	Cost-to-Cost Labor Costs Salaries	Cost-to-Cost Total-Cost-Less-Facility-Cost^ Labor Costs Salaries	Total-Cost-Less-Facility-Cost^ Labor Costs	Time Study*	Payroll Department - Number of payroll checks issued for each business component during the reporting period.  Purchasing Department - Number of purchase orders processed during the reporting period for each business component

Providers may use any of the methods listed as appropriate for the makeup of their business organization. If one of the approved methods does not reasonably reflect the provider's actual operations, the provider must use a method that does. If none of the listed methods reasonably reflects the provider's actual operations, contact PFD's Customer Service Center at [PFD-LTSS@hhs.texas.gov](mailto:PFD-LTSS@hhs.texas.gov) for further instructions.

When using the total-cost-less-facility-cost allocation method, the building (facility) costs to be removed from the cost calculation include Lease/Rental of Building/Facility/Building Equipment; Insurance for those items; Utilities, Maintenance, and Contract Services of those items; Mortgage Interest; Ad Valorem Taxes; and Depreciation for Building/Facility/Building Equipment/Land/Leasehold Improvements.

**Regardless of whether the supporting documentation is system-generated, it must always be in a spreadsheet format (i.e., Excel).** PDFs and images are not acceptable forms of documentation.

### **Units of Service Allocation**

Adjusted Trial Balance – (enter full provider name)

As of (enter begin and end dates)

<b>Expenses</b>	<b>Total Costs</b>	<b>Allowed</b>	<b>Direct Costs – Austin</b>	<b>Direct Costs – San Antonio</b>	<b>Shared Costs</b>	<b>Allocated Shared Costs – Austin (55.69%)</b>	<b>Allocated Shared Costs – San Antonio (44.31%)</b>
<b>Salaries – Admin</b>	\$ 125,347.28				\$ 125,347.28	\$ 69,805.90	\$ 55,541.38
<b>Salaries – Non-Admin A</b>	\$ 45,288.47		\$ 25,361.54	\$ 19,926.93			
<b>Salaries – Non-Admin B</b>	\$ 33,254.88		\$ 25,458.97	\$ 7,795.91			
<b>Salaries – Non-Admin C</b>	\$ 82,588.92		\$ 51,205.13	\$ 31,383.79			
<b>Contracted Admin</b>	\$ 65,000.00				\$ 65,000.00	\$ 36,198.50	\$ 28,801.50
<b>FICA/ Medicare</b>	\$ 21,915.69		\$ 7,804.96	\$ 4,521.66	\$ 9,589.07	\$ 5,340.15	\$ 4,248.92
<b>State &amp; Federal Unemployment</b>	\$ 5,156.63		\$ 1,270.51	\$ 554.46	\$ 3,331.66	\$ 1,855.40	\$ 1,476.26
<b>Workers' Compensation</b>	\$ 0.00		\$ 0.00	\$ 0.00			
<b>Employee Benefits/ Insurance</b>	\$ 4,847.25		\$ 1,254.01	\$ 889.47	\$ 2,703.77	\$ 1,505.73	\$ 1,198.04
<b>Office Lease</b>	\$ 9,000.00		\$ 2,400.00	\$ 2,100.00	\$ 4,500.00	\$ 2,506.05	\$ 1,993.95
<b>Utilities</b>	\$ 8,945.67		\$ 2,385.51	\$ 2,087.32	\$ 4,472.84	\$ 2,490.92	\$ 1,981.91
<b>Telecommunications</b>	\$ 3,008.16		\$ 401.68	\$ 333.75	\$ 2,272.73	\$ 1,265.68	\$ 1,007.05
<b>Office Supplies</b>	\$ 1,501.80				\$ 1,501.80	\$ 836.35	\$ 665.45
<b>Other Operations Supplies</b>	\$ 874.64				\$ 874.64	\$ 487.09	\$ 387.55
<b>Insurance – General Liability</b>	\$ 1,254.00				\$ 1,254.00	\$ 698.35	\$ 555.65

<b>Expenses</b>	<b>Total Costs</b>	<b>Allowed</b>	<b>Direct Costs – Austin</b>	<b>Direct Costs – San Antonio</b>	<b>Shared Costs</b>	<b>Allocated Shared Costs – Austin (55.69%)</b>	<b>Allocated Shared Costs – San Antonio (44.31%)</b>
<b>Insurance – Malpractice</b>	\$ 1,050.87				\$ 1,050.87	\$ 585.23	\$ 465.64
<b>Travel</b>	\$ 387.98	\$ 237.65	\$ 54.36	\$ 35.74	\$ 60.23	\$ 33.54	\$ 26.69
<b>Advertising</b>	\$ 402.87	\$ 104.97			\$ 297.90	\$ 165.90	\$ 132.00
<b>Miscellaneous</b>	\$ 601.47	\$ 254.74			\$ 346.73	\$ 193.09	\$ 153.64
<b>Total</b>	<b>\$410,426.58</b>	<b>\$ 597.36</b>	<b>\$117,596.68</b>	<b>\$69,629.03</b>	<b>\$222,603.51</b>	<b>\$123,967.90</b>	<b>\$98,635.62</b>

<b>Units of Service Allocation Percentages</b>	<b>Units of Service</b>	<b>Percentage</b>
<b>Austin</b>	9,961.00	55.69%
<b>San Antonio</b>	7,924.00	44.31%
<b>Total</b>	<b>17,885.00</b>	<b>100.00%</b>

### Cost-to-Cost Allocation

Adjusted Trial Balance – (enter full provider name)

As of (enter begin and end dates)

Expenses	Total Costs	Disallowed	Direct Costs – Austin	Direct Costs – Houston	Direct Costs – Dallas	Shared Costs	Allocated Shared Costs – Austin (41.48%)	Allocated Shared Costs – Houston (30.72%)	Allocated Shared Costs – Dallas (27.80%)
<b>Salaries – Administrative</b>	\$ 125,347.28					\$ 125,347.28	\$ 51,994.05	\$ 38,506.68	\$ 34,846.54
<b>Salaries – CBA Attendants</b>	\$ 87,434.22		\$87,434.22						
<b>Salaries – CLASS Habilitation Attendants</b>	\$ 65,238.41			\$ 65,238.41					
<b>Salaries – PHC Attendants</b>	\$ 54,975.15				\$ 54,975.15				
<b>Salaries – Supervisors</b>	\$ 33,254.88		\$13,528.48	\$ 9,467.85	\$ 10,258.55				
<b>Salaries – Speech Therapists</b>	\$ 249.85		\$ 249.85						
<b>Salaries – CPR Instructor</b>	\$ 2,500.00					\$ 2,500.00	\$ 1,037.00	\$ 768.00	\$ 695.00
<b>FICA/ Medicare</b>	\$ 28,018.12		\$ 7,723.65	\$ 5,715.03	\$ 5,009.49	\$ 9,569.95	\$ 3,969.62	\$ 2,939.89	\$ 2,660.45

<b>Expenses</b>	<b>Total Costs</b>	<b>Disallowed</b>	<b>Direct Costs – Austin</b>	<b>Direct Costs – Houston</b>	<b>Direct Costs – Dallas</b>	<b>Shared Costs</b>	<b>Allocated Shared Costs – Austin (41.48%)</b>	<b>Allocated Shared Costs – Houston (30.72%)</b>	<b>Allocated Shared Costs – Dallas (27.80%)</b>
<b>State &amp; Federal Unemployment</b>	\$ 6,592.50		\$ 2,524.07	\$ 1,494.13	\$ 978.51	\$ 1,595.79	\$ 661.93	\$ 490.23	\$ 443.63
<b>Employee Benefits/ Insurance</b>	\$ 4,847.25		\$ 1,254.01	\$ 889.47	\$ 1,358.41	\$ 1,345.36	\$ 558.06	\$ 413.29	\$ 374.01
<b>Office Lease</b>	\$ 9,000.00		\$ 2,400.00	\$ 2,100.00	\$ 2,500.00	\$ 2,000.00	\$ 829.60	\$ 614.40	\$ 556.00
<b>Utilities</b>	\$ 8,945.67		\$ 2,385.51	\$ 2,087.32	\$ 2,484.91	\$ 1,987.93	\$ 824.59	\$ 610.69	\$ 552.64
<b>Telecommunications</b>	\$ 3,008.16		\$ 401.68	\$ 333.75	\$ 554.37	\$ 1,718.36	\$ 712.78	\$ 527.88	\$ 477.70
<b>Office Supplies</b>	\$ 1,501.80					\$ 1,501.80	\$ 622.95	\$ 461.35	\$ 417.50
<b>Medical Supplies</b>	\$ 874.64				\$ 874.64				
<b>Insurance – General Liability</b>	\$ 1,254.00					\$ 1,254.00	\$ 520.16	\$ 385.23	\$ 348.61
<b>Insurance – Malpractice</b>	\$ 1,050.87					\$ 1,050.87	\$ 435.90	\$ 322.83	\$ 292.14
<b>Travel</b>	\$ 387.98	\$ 204.65	\$ 54.36	\$ 35.74	\$ 84.97	\$ 8.26	\$ 3.43	\$ 2.54	\$ 2.30
<b>Advertising</b>	\$ 402.87	\$ 104.97				\$ 297.90	\$ 123.57	\$ 91.51	\$ 82.82
<b>Miscellaneous</b>	\$ 601.47	\$ 254.74				\$ 346.73	\$ 143.82	\$ 106.52	\$ 96.39
<b>Total</b>	<b>\$ 435,485.12</b>	<b>\$ 564.36</b>	<b>\$ 117,955.83</b>	<b>\$ 87,361.70</b>	<b>\$ 79,079.00</b>	<b>\$ 150,524.23</b>	<b>\$ 62,437.45</b>	<b>\$ 46,241.04</b>	<b>\$ 41,845.74</b>

<b>Cost-to-Cost Allocation Percentages</b>	<b>Total Costs</b>	<b>Percentage</b>
<b>Total Healthy Care Austin</b>	\$ 117,955.83	41.48%
<b>Total Healthy Care Houston</b>	\$ 87,361.70	30.72%
<b>Total Healthy Care Dallas</b>	\$ 79,079.00	27.80%
<b>Total</b>	<b>\$ 284,396.53</b>	<b>100.00%</b>

## Salaries Method Allocation

Adjusted Trial Balance – (enter full provider name)

As of (enter begin and end dates)

Expenses	Total Costs	Disallowed	Direct Costs – Austin	Direct Costs – Dallas	Direct Costs – San Antonio	Shared Costs	Allocated Shared Costs – Austin (22.87%)	Allocated Shared Costs – Dallas (50.59%)	Allocated Shared Costs – San Antonio (26.54%)
<b>Salaries – Administrative</b>	\$ 125,347.28					\$ 125,347.28	\$ 28,666.92	\$ 63,413.19	\$ 33,267.17
<b>Salaries – Attendants</b>	\$ 87,434.22		\$19,286.35	\$ 46,289.32	\$ 21,858.55				
<b>Salaries – RNs</b>	\$ 44,295.84		\$10,352.45	\$ 22,576.36	\$ 11,367.03				
<b>Salaries – Therapists</b>	\$ 54,975.15		\$12,094.53	\$ 29,136.83	\$ 13,743.79				
<b>Contracted RN</b>	\$ 70,000.00		\$15,299.99	\$ 28,145.20	\$ 19,221.57	\$ 7,333.24	\$ 1,677.11	\$ 3,709.89	\$ 1,946.24
<b>Dietitian</b>	\$ 2,400.00					\$ 2,400.00	\$ 548.88	\$ 1,214.16	\$ 636.96
<b>FICA/ Medicare</b>	\$ 28,018.12		\$ 7,723.65	\$ 5,715.03	\$ 5,009.49	\$ 9,569.95	\$ 2,188.65	\$ 4,841.44	\$ 2,539.86
<b>State &amp; Federal Unemployment</b>	\$ 6,592.50		\$ 2,524.07	\$ 1,494.13	\$ 978.51	\$ 1,595.79	\$ 364.96	\$ 807.31	\$ 423.52
<b>Employee Benefits/ Insurance</b>	\$ 4,847.25		\$ 1,254.01	\$ 889.47	\$ 1,358.41	\$ 1,345.36	\$ 307.68	\$ 680.62	\$ 357.06
<b>Office Lease</b>	\$ 9,000.00		\$ 2,400.00	\$ 2,100.00	\$ 2,500.00	\$ 2,000.00	\$ 457.40	\$ 1,011.80	\$ 530.80
<b>Utilities</b>	\$ 8,945.67		\$ 2,385.51	\$ 2,087.32	\$ 2,484.91	\$ 1,987.93	\$ 454.64	\$ 1,005.69	\$ 527.60
<b>Telecommunications</b>	\$ 3,008.16		\$ 401.68	\$ 333.75	\$ 554.37	\$ 1,718.36	\$ 392.99	\$ 869.32	\$ 456.05



<b>Expenses</b>	<b>Total Costs</b>	<b>Disallowed</b>	<b>Direct Costs – Austin</b>	<b>Direct Costs – Dallas</b>	<b>Direct Costs – San Antonio</b>	<b>Shared Costs</b>	<b>Allocated Shared Costs – Austin (22.87%)</b>	<b>Allocated Shared Costs – Dallas (50.59%)</b>	<b>Allocated Shared Costs – San Antonio (26.54%)</b>
<b>Office Supplies</b>	\$ 1,501.80					\$ 1,501.80	\$ 343.46	\$ 759.76	\$ 398.58
<b>Medical Supplies</b>	\$ 874.64				\$ 487.39	\$ 387.25	\$ 88.56	\$ 195.91	\$ 102.78
<b>Insurance – General Liability</b>	\$ 1,254.00					\$ 1,254.00	\$ 286.79	\$ 634.40	\$ 332.81
<b>Insurance – Malpractice</b>	\$ 1,050.87					\$ 1,050.87	\$ 240.33	\$ 531.64	\$ 278.90
<b>Travel</b>	\$ 387.98	\$ 204.65	\$ 54.36	\$ 35.74	\$ 84.97	\$ 8.26	\$ 1.89	\$ 4.18	\$ 2.19
<b>Advertising</b>	\$ 402.87	\$ 104.97				\$ 297.90	\$ 68.13	\$ 150.71	\$ 79.06
<b>Miscellaneous</b>	\$ 601.47	\$ 254.74				\$ 346.73	\$ 79.30	\$ 175.41	\$ 92.02
<b>Total</b>	<b>\$ 450,937.82</b>	<b>\$ 564.36</b>	<b>\$73,776.60</b>	<b>138,803.15</b>	<b>\$79,648.99</b>	<b>158,144.72</b>	<b>\$ 36,167.70</b>	<b>\$80,005.41</b>	<b>\$41,971.61</b>

<b>Salaries Method Allocation Percentages</b>	<b>Total Costs</b>	<b>Percentage</b>
<b>Total Austin</b>	\$ 57,033.32	22.87%
<b>Total Dallas</b>	\$ 126,147.71	50.59%
<b>Total San Antonio</b>	\$ 66,190.94	26.54%
<b>Total</b>	<b>\$ 249,371.97</b>	<b>100.00%</b>

### Labor Method Allocation

Adjusted Trial Balance – (enter full provider name)

As of (enter begin and end dates)

Expenses	Total Costs	Disallowed	Direct Costs – CLASS	Direct Costs – PHC	Direct Costs – DAHS	Shared Costs	Allocated Shared Costs – CLASS (41.80%)	Allocated Shared Costs – PHC (21.85%)	Allocated Shared Costs – DAHS (36.35%)
Salaries – Administrative	\$ 125,347.28					\$ 125,347.28	\$ 52,395.16	\$ 27,388.38	\$ 45,563.74
Salaries – RNs	\$ 195,028.62		\$87,434.22		\$ 65,200.22	\$ 42,394.18	\$ 17,720.77	\$ 9,263.13	\$ 15,410.28
Salaries – Field Super-visors	\$ 65,238.41			\$ 65,238.41					
Salaries – Facility Administrator	\$ 54,975.15				\$ 54,975.15				
Salaries – Attendants	\$ 33,254.88		\$13,528.48	\$ 9,467.85	\$ 10,258.55				
Salaries – Physical Therapists	\$ 45,572.08		\$45,572.08						
Salaries – CPR Instructor	\$ 2,500.00					\$ 2,500.00	\$ 1,045.00	\$ 546.25	\$ 908.75
FICA/Medicare	\$ 28,018.12		\$ 8,073.41	\$ 5,715.03	\$ 4,990.38	\$ 9,239.30	\$ 3,862.03	\$ 2,018.79	\$ 3,358.49
State & Federal Unemployment	\$ 6,592.50		\$ 2,524.07	\$ 1,494.13	\$ 978.51	\$ 1,595.79	\$ 667.04	\$ 348.68	\$ 580.07
Employee Benefits/ Insurance	\$ 4,847.25		\$ 1,254.01	\$ 889.47	\$ 1,358.41	\$ 1,345.36	\$ 562.36	\$ 293.96	\$ 489.04

Expenses	Total Costs	Disallowed	Direct Costs – CLASS	Direct Costs – PHC	Direct Costs – DAHS	Shared Costs	Allocated Shared Costs – CLASS (41.80%)	Allocated Shared Costs – PHC (21.85%)	Allocated Shared Costs – DAHS (36.35%)
<b>Workers Compensation</b>	\$ 0.00								
<b>Office Lease</b>	\$ 9,000.00		\$ 2,400.00	\$ 2,100.00	\$ 2,500.00	\$ 2,000.00	\$ 836.00	\$ 437.00	\$ 727.00
<b>Utilities</b>	\$ 8,945.67		\$ 2,385.51	\$ 2,087.32	\$ 2,484.91	\$ 1,987.93	\$ 830.95	\$ 434.36	\$ 722.61
<b>Telecommunications</b>	\$ 3,008.16		\$ 401.68	\$ 333.75	\$ 554.37	\$ 1,718.36	\$ 718.27	\$ 375.46	\$ 624.62
<b>Office Supplies</b>	\$ 1,501.80					\$ 1,501.80	\$ 627.75	\$ 328.14	\$ 545.90
<b>Medical Supplies</b>	\$ 874.64				\$ 487.39	\$ 387.25	\$ 161.87	\$ 84.61	\$ 140.77
<b>Insurance – Malpractice</b>	\$ 1,050.87					\$ 1,050.87	\$ 439.26	\$ 229.62	\$ 381.99
<b>Travel</b>	\$ 387.98	\$ 204.65	\$ 54.36	\$ 35.74	\$ 84.97	\$ 8.26	\$ 3.45	\$ 1.80	\$ 3.00
<b>Advertising</b>	\$ 402.87	\$ 104.97				\$ 297.90	\$ 124.52	\$ 65.09	\$ 108.29
<b>Miscellaneous</b>	\$ 601.47	\$ 254.74				\$ 346.73	\$ 144.93	\$ 75.76	\$ 126.04
<b>Total</b>	<b>\$ 587,147.75</b>	<b>\$ 564.36</b>	<b>\$ 163,627.82</b>	<b>\$ 143,872.86</b>	<b>\$ 191,721.01</b>	<b>\$ 80,139.38</b>	<b>\$ 41,891.04</b>	<b>\$ 69,690.59</b>	

Labor Method Allocation Percentages	Total Costs	Percentage
<b>CLASS</b>	\$ 158,386.27	41.80%
<b>PHC</b>	\$ 82,804.89	21.58%
<b>DAHS</b>	\$ 137,761.22	36.35%
<b>Total</b>	<b>\$ 378,952.38</b>	<b>100.00%</b>

**Total Costs, Less Facility Costs Allocation**

Adjusted Trial Balance – (enter full provider name)

As of (enter begin and end dates)

<b>Expenses</b>	<b>Total Costs</b>	<b>Disallowed</b>	<b>Direct Costs – Home Health (PHC)</b>	<b>Direct Costs – Adult Day Care (DAHS)</b>	<b>Shared Costs</b>	<b>Allocated Shared Costs – PHC (57.22%)</b>	<b>Allocated Shared Costs – DAHS (42.78%)</b>
<b>Salaries – Administrative</b>	\$ 125,347.28				\$ 125,347.28	\$ 71,723.71	\$ 53,623.57
<b>Salaries – PHC Attendants</b>	\$ 87,434.22		\$ 87,434.22				
<b>Salaries – Adult Day Care Attendants</b>	\$ 33,254.88			\$ 33,254.88			
<b>Salaries – Adult Day Care Drivers</b>	\$ 25,492.12			\$ 25,492.12			
<b>Contracted Nurse</b>	\$ 9,482.66			\$ 9,482.66			
<b>FICA/ Medicare</b>	\$ 18,821.78		\$ 8,843.84	\$ 5,219.57	\$ 4,758.37	\$ 2,722.74	\$ 2,035.63
<b>State &amp; Federal Unemployment</b>	\$ 4,428.65		\$ 2,822.33	\$ 665.10	\$ 941.23	\$ 538.57	\$ 402.66
<b>Employee Benefits/ Insurance</b>	\$ 4,847.25		\$ 1,254.01	\$ 889.47	\$ 2,703.77	\$ 1,547.10	\$ 1,156.67
<b>Office Lease</b>	\$ 9,000.00		\$ 2,400.00	\$ 2,100.00	\$ 4,500.00	\$ 2,574.90	\$ 1,925.10
<b>Utilities</b>	\$ 8,945.67		\$ 2,385.51	\$ 2,087.32	\$ 4,472.84	\$ 2,559.36	\$ 1,913.48
<b>Ad Valorem Taxes</b>	\$ 3,256.88		\$ 842.64	\$ 1,834.64	\$ 579.60	\$ 331.65	\$ 247.95

<b>Expenses</b>	<b>Total Costs</b>	<b>Disallowed</b>	<b>Direct Costs – Home Health (PHC)</b>	<b>Direct Costs – Adult Day Care (DAHS)</b>	<b>Shared Costs</b>	<b>Allocated Shared Costs – PHC (57.22%)</b>	<b>Allocated Shared Costs – DAHS (42.78%)</b>
<b>Maintenance &amp; Repairs</b>	\$ 1,846.74		\$ 246.25	\$ 1,041.67	\$ 558.82	\$ 319.76	\$ 239.06
<b>Telecommunications</b>	\$ 3,008.16		\$ 401.68	\$ 333.75	\$ 2,272.73	\$ 1,300.46	\$ 972.27
<b>Office Supplies</b>	\$ 1,501.80				\$ 1,501.80	\$ 859.33	\$ 642.47
<b>Medical Supplies</b>	\$ 874.64				\$ 874.64	\$ 500.47	\$ 374.17
<b>Insurance – General Liability</b>	\$ 1,254.00				\$ 1,254.00	\$ 717.54	\$ 536.46
<b>Insurance – Malpractice</b>	\$ 1,050.87				\$ 1,050.87	\$ 601.31	\$ 449.56
<b>Travel</b>	\$ 387.98	\$ 237.65	\$ 54.36	\$ 35.74	\$ 60.23	\$ 34.46	\$ 25.77
<b>Advertising</b>	\$ 402.87	\$ 104.97			\$ 297.90	\$ 170.46	\$ 127.44
<b>Miscellaneous</b>	\$ 601.47	\$ 254.74			\$ 346.73	\$ 198.40	\$ 148.33
<b>Total</b>	<b>\$ 341,239.93</b>	<b>\$ 597.36</b>	<b>\$ 106,684.84</b>	<b>\$ 82,436.92</b>	<b>\$ 151,520.81</b>	<b>\$ 86,700.21</b>	<b>\$ 64,820.60</b>

<b>Allocation Percentages</b>	<b>Total Costs</b>	<b>Facility Costs</b>	<b>Total Costs, Less Facility Costs</b>	<b>Percentage</b>
<b>PHC</b>	\$ 106,684.84	\$ 5,874.40	\$ 100,810.44	57.22%
<b>DAHS</b>	\$ 82,436.92	\$ 7,063.63	\$ 75,373.29	42.78%
<b>Total</b>	<b>\$ 189,121.76</b>	<b>\$ 12,938.03</b>	<b>\$ 176,183.73</b>	<b>100.00%</b>