

Prorating Overhead and Administrative Costs: An Exercise

1. How many programs do you offer?		50
2. How many total training days exist in one year?		7,400
3. What are the total costs in your budget not allocated to a particular training program?		\$548,061
4. Divide item 3 by item 2 to get the per day cost for unallocated training costs.	\$548,061 / 7,400	\$74
5. What is the total number of training days for the program being evaluated?		3
6. Overhead costs to be allocated to this particular evaluation ----		\$222

You try it.

1. How many programs do you offer?		_____
2. How many total training days exist in one year?		_____
3. What are the total costs in your budget not allocated to a particular training program?		_____
4. Divide item 3 by item 2 to get the per day cost for unallocated training costs.		_____
5. What is the total number of training days for the program being evaluated?		_____
6. Overhead costs to be allocated to this particular evaluation ----		_____

Need more detail? Go to the source:

Phillips, J. J. (2003) *Return on Investment in Training and Performance Improvement Programs*.
 Butterworth-Heinemann (2nd edition), page 186.