

APPENDIX 24-A

General and Administrative Rate Calculations

Following are examples of how to calculate general and administrative (G&A) overhead rates using different scenarios.

1. Civil Only Mission

Consolidated Technical and Facility  
Operating Budgets FYXX  
\$000

Expense Type	Direct Expense	Indirect Expense	Total Expense
Base Labor	25,000	5,000	30,000
Benefits	11,000	2,350	13,350
Overtime	5,000	100	5,100
Contracts	99,500	100	99,600
IT	0	600	600
SLUC (GSA Rent)	0	2,000	2,000
Travel	800	300	1,100
Miscellaneous	300	150	450
Total Budget	141,600	10,600	152,200

Consolidated G&A  
Operating Budget  
FYXX  
\$000

Expense Type	Direct Expense	Indirect Expense	Total Expense
Base Labor	1,200	7,000	8,200
Benefits	564	3,290	3,854
Overtime	0	50	50
IT	0	900	900
Civil Funded Officers	0	150	150
SLUC (GSA Rent)	0	1,200	1,200
Travel	0	50	50
Miscellaneous	0	50	50
Total Budget	1,764	12,690	14,454

G&A Rate Calculation       $\frac{\text{Total Indirect G\&A Expense}}{\text{Total Direct Labor Base}} = \frac{12,690}{42,764} = 29.68\%$

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2. Civil and Military Missions - There are two approaches that can be used to calculate the civil and military G&A overhead rates. One where civil and military indirect costs are looked at jointly and there is an add on to the civil proportion to compensate for civil GSA rent and civil funded military officers. The second approach requires civil and military indirect expenses to be budgeted for separately. Both approaches will yield the same results.

a. Indirect Expenses Budgeted Jointly

Consolidated Technical and Facility  
 Operating Budgets FYXX  
 \$000

Expense Type	Direct Expense	Div Dir Expense	Mil Dir Expense	Indirect Expense	Total Expense
Base Labor	25,000	11,250	13,750	5,000	30,000
Benefits	11,000	4,950	6,050	2,350	13,350
Overtime	5,000	2,250	2,750	100	5,100
Contracts	99,500	44,775	54,725	100	99,600
IT	0	0	0	600	600
SLUC (GSA Rent)	0	0	0	2,000	2,000
Travel	800	360	440	300	1,100
Miscellaneous	300	135	165	150	450
Total Budget	141,600	63,720	77,880	10,600	152,200

Consolidated G&A  
 Operating Budget FYXX  
 \$000

Expense Type	Dir Mil Expense	Joint Ind Expense	Ind Civ Expense	Ind Mil Expense	Total Expense
Base Labor	1,200	7,000	0	0	8,200
Benefits	564	3,290	0	0	3,854
Overtime	0	50	0	0	50
IT	0	900	0	0	900
Civ Fund Off	0	0	150	0	150
SLUC (GSA Rent)	0	0	1,200	0	1,200
Travel	0	50	0	0	150
Miscellaneous	0	50	0	0	50
Total Budget	1,764	11,340	1,350	0	14,454

G&A Overhead Rate Calculations:

1. Base Rate =  $\frac{\text{Joint Indirect Expenses}}{\text{Total Direct Base Labor} + \text{Benefits} + \text{Overtime}} = \frac{11,340}{42,764} = 26.52\%$
2. Add on for Civil Funded =  $\frac{\text{GSA Rent} + \text{Civ Funded Officers}}{\text{Officers \& GSA Rent} + \text{Civil Base Labor} + \text{Benefits} + \text{OT}} = \frac{1,350}{18,450} = 7.32\%$
3. Military Rate Base Rate + Mil Indirect Add On 26.52% + 0 = 26.52%
4. Civil Rate Base Rate + Civil Indirect Add On 26.52% + 7.3% = 33.84%

b. Indirect Expenses Budgeted Separately

Consolidated G&A  
 Operating Budget FYXX  
 \$000

Expense Type	Dir Mil Expense	Indirect Expense	Ind Civ Expense	Ind Mil Expense	Total Expense
Base Labor	1,200	7,000	3,020	3,980	8,200
Benefits	564	3,290	1,420	1,870	3,854
Overtime	0	50	22	28	50
IT	0	900	389	511	900
Civ Fund Off	0	150	150	0	150
SLUC (GSA Rent)	0	1,200	1,200	0	1,200
Travel	0	50	22	28	50
Miscellaneous	0	50	22	28	50
Total Budget	1,764	12,690	6,245	6,445	14,454

G&A Overhead Rate Calculations:

1. Civil G&A Rate  $\frac{\text{Civil Indirect Expenses}}{\text{Civil Base Labor} + \text{OT} + \text{Benefits}} = \frac{6,245}{18,450} = 33.84\%$
2. Military G&A Rate  $\frac{\text{Military Indirect Expenses}}{\text{Military Base Labor} + \text{OT} + \text{Benefits}} = \frac{6,445}{24,314} = 26.52\%$