Activity-Based Costing Analysis At a Glance
For a complete how-to, access the User Guide at cfinsights.org

Take some important steps to ensure success before you begin.
Read the User Guide, assign a champion who will have key responsibilities for moving the analysis forward, determine how and when to involve your Board and staff, and frame key questions you are looking to answer.

Total Time to Complete: Approximately 2 – 4 months, depending on the amount of time staff has available to devote to data collection and analysis

1 Set project goals and timeline with staff and board

2 Define products to analyze and discuss methodological considerations

3 Collect data (activity and assets info for all products, costs, revenues)

4 Conduct staff time survey

5 Assemble the model

6 Analyze data and present findings

Tools to Help:
- Sample Project Timeline
- Kickoff Memo to Staff
- Kickoff Presentation to Staff and Board

Tools to Help:
- See the user guide for best practices on product identification

Tools to Help:
- See the user guide for a complete list of data you will need

Tools to Help:
- Staff Time Survey
- Staff Survey Instructions
- Staff Survey Overview Presentation

Tools to Help:
- Staff Survey Compiler or Allo-gator (for members only)
- ABC Model

Tools to Help:
- Results Presentation Tool
- Peer data from CF Insights database

Access the tools at cfinsights.org
CF Insights offers all CF Insights members technical assistance through this process

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*There are three customizable spreadsheets you will use for this analysis.
See the User Guide for a complete list of data you will need.*

Excel Workbook	Workbook Purpose	Inputs	Outputs	Next Step
Staff Time Survey	Staff uses to allocate 100% of time over one year to activities and then to products where possible	Staff time – as %	One timesheet for each staff member	Enter individual time sheets into Allo-gator
Allo-gator*	Serves three purposes: • Allocates staff time to products where staff were unable to do so • Converts % of time to $ • Aggregates individual staff time into Total Staff Costs by Department and Total Foundation Staff Costs	Staff time survey spreadsheets from each member of staff Personnel cost for each staff person (salary + benefits) Product-level data (e.g. assets, gifts, grants, etc.)	Total Foundation Staff Costs by Product and Activity (allocated by staff and by allocation rules)	Enter Total Foundation Staff Costs into ABC Model
ABC Model	Combines all types of cost and revenue data by product in one place, for the whole CF and for each individual product	Total Staff Costs Direct Costs by Product and Activity Total Indirect Costs (e.g., rent) Product-level data (e.g. assets, gifts, grants, etc.) Total Revenue by Product	Final Results on Calculations Tab	Analyze Results! See Results Presentation Tool for some ideas

Clarity on Product-Level Data - The model requires the collection of 20 product-specific data points, including assets, gifts, grants, number of funds, etc. that drive the **allocation rules in the Allo-gator**. Each activity has a suggested allocation rule, which is used to spread time assigned to an activity to products where staff were unable to do so. For example, it would be difficult for the Finance team to determine how to spread their time for the activity "Providing General Accounting to the Foundation" to products. Thus, the allocation rule will proportionally spread the time assigned to the activity by staff to the products based on (in this case) the assets of each product. The CF's product that has the most assets will have the most time assigned to it for this activity. If, however, the staff is able to spread the time for an activity to products, then the rule is overwritten. The product-level data is also used to **calculate specific metrics in the ABC Model** for each product on the Calculations tab, such as average fund size, fee revenue per funds, # of grants/gifts per fund, etc.

*Only CF Insights members have access to this tool. Non-members have access to the Staff Time Compiler, which aggregates staff time, but does not allocate staff time to products based on the allocation rules