

AVERAGE COST OF CARE

Consistency in the reporting of data by religious institutes is a value to NRRO. Increasing the accuracy of data enables a more consistent distribution of grants, helps identify services that will benefit institutes with specific needs, and gives a more accurate representation of the institutes' total net resources.

Varying organizational and management styles in religious institutes necessitates the modification of the standard form used to calculate cost of care. Along with the original form, two modifications are included to assist with the calculation of cost of care, breaking the cost down by levels of care. The style of the institute will determine which form or forms to use to calculate cost of care.

If an institute has developed internal processes for the ongoing calculation of cost of care into levels of care, and parallels the expense categories of the NRRO forms, this process can also be used to generate the information needed to complete the eligibility form.

Each form has the same intent: 1) to find the average cost of care for members age 70 years and above by care level, 2) to standardize the calculation of the average cost of care among religious institutes, 3) to assist persons responsible for the stewardship of community resources to consider all factors that impact the cost of care, and 4) to provide the information needed for effective long range planning.

FORM C may be used by institutes to collect data from individual houses where the central finance office does not have detailed financial data from each local house. This form may be distributed to representative local houses with members age 70 and above, for calculation at the local level. The central office may need to include directions and some specific costs, e.g. health insurance premiums. The data can then be compiled at the institute's central finance office. This compilation is used to determine independent living expenses for missions.

FORM C
AVERAGE COST OF CARE
INDIVIDUAL HOUSES

LOCATION:

- V. Total census at this location
- Y. Census at this location ≥ 70
- Z. Total annual dollar amount in cost category (varies for each line item)

Complete all applicable categories for this location

PART I GENERAL HOUSE EXPENSES

Total Dollar
amount (Z)

- 1. LOCAL ADMINISTRATION EXPENSES
- 2. PERSONAL LIVING COSTS
 - A. Personal needs
 - B. Housing
 - C. Staff salaries and benefits
- 3. AVERAGE ANNUAL UPKEEP EXPENDITURES FOR LOCATION
 - A. Building Improvements
 - B. Equipment
 - C. Automobiles
- 4. TOTAL EXPENSES
- 5. TOTAL CENSUS ("V" above)
- 6. AVERAGE GENERAL EXPENSE ($4 / 5 = 6$)

1.		
2A.		
2B.		
2C.		
3A.		
3B.		
3C.		
4.		
5.		0
6.	#DIV/0!	

PART II MEMBERS ≥ 70 YEARS

- 7. MEDICAL EXPENSES
 - A. Total of insurance premiums for members age 70+
 - B. Medical costs for members age 70 and above (after direct payments from SSI, Medicare, Private health insurance)
- 8. TOTAL MEDICAL EXPENSES ($7.A + 7.B = 8$)
- 9. CENSUS ≥ 70 YEARS ("Y" above)
- 10. AVERAGE MEDICAL EXPENSES ($8 / 9 = 10$)
- 11. AVERAGE COST FOR MEMBERS AGE 70 AND ABOVE AT LOCATION ($6 + 10 = 11$)

7A.		
7B.		
8.		\$0
9.		0
10.	#DIV/0!	
11.	#DIV/0!	

PART III CENTRAL OFFICE USE

- 12. AVERAGE PER PERSON INSTITUTE ADMINISTRATION EXPENSE CALCULATED FROM FORM A
- 13. GRAND TOTAL PER PERSON ($11 + 12 = 13$)
- 14. TOTAL DOLLARS EXPENDED ("Y" X 13)
(TRANSFERRED TO SUMMARY SHEET)

12.		
13.	#DIV/0!	
14.	#DIV/0!	

Definition

1. **Local Administration INCLUDES**

Insurance
Travel of administrators
Office and library expenses
Meeting expenses
Retreats / chaplain / sacristy

1. **Local Administration Excludes**

Education
Formation / Vocation
Development
Charity
Ministry expenses (e.g. altar bread)
FICA payments

2A. **Personal needs INCLUDES**

Food
Clothing
Supplies & personal items
Recreation
Travel

2B. **Housing INCLUDES**

Utilities
Maintenance & Repairs
Rent if applicable
House / supplies and laundry

2C. **Staff salaries and benefits INCLUDE**

Personnel who are employees of the religious institute.

Staff salaries and benefits EXCLUDES

Personnel whose employer is the parish or other source.

3. **Average Upkeep Expenditures INCLUDE**

Average annual cash outlay at this location for building improvements, equipment and automobiles.

Average Upkeep Expenditures EXCLUDES

New buildings or extraordinary costs.
Amortize large capital expenses / improvements on a depreciation scale.