

**THE
HEALTHCARE
MANAGER'S
FINANCIAL TOOL KIT
OF
BUDGET FORMS,
WORKSHEETS
&
CHECKLISTS**

ABOUT THE “HEALTHCARE MANAGER’S FINANCIAL TOOL KIT”

The “Healthcare Manager’s Financial Tool Kit” is a user friendly set of budget forms, worksheets, and instructional guide for planning and preparing budgets for salary, non labor, and capital both at the department and divisional levels of a healthcare facility.

ABOUT THE AUTHOR

Frank Capone, CPA, MBA, FHFMA, is a seasoned financial training consultant who has taken 18 years experience as a healthcare CFO and 20 years of designing and conducting financial management workshops for thousands of financial and non financial healthcare professionals and designed a user friendly set of budgeting forms and worksheets with instructional guides for an easy 1-2-3 implementation of a budget program.

ABOUT THE CONTENTS

The “Healthcare Manager’s Financial Tool Kit” contains the following budgeting forms, worksheets, and accompanying software spreadsheets:

| Name of Form | Form or File Name | Available In Disk/CD | Recommended For Use By | | |
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Budget Planning Forms, Worksheets & Checklists

P-2 Budget Timetable (BT)

The timetable is a recommended format for displaying deadlines for management: (1) corporate planning; (2) capital budget; (3) salary budget; (4) expense budget ; (5) master budget

P-6 Statistical Budget Worksheet (SBW)

The worksheet is recommended for use by each financial staff -- now financial or now managers in the calculation of budget periods statistical ---- utilizing base period data adjusted for internal and external changes from the base period to the budget period.

P-3 Materiality Threshold Worksheet (MTW)

This worksheet is recommended for use by senior management in the defining of minimum thresholds and dollar caps for cost center materiality , capital expenditure justification, variance analysis, and operating expense budget validations.

P-8 Budget Assumption Worksheet (BAW)

This form is recommended for use by cost center managers in the budget planning process of documenting in writing the underlying assumptions for the salary, expense, and capital budgets.

P-10 Questions to Ask On Accounting Practices (QAP)

This checklist of essential accounting principles is needed to build budgets and understand reports, and is recommended for preparation by financial staff and for use by non financial cost center managers. Key factors of this checklist include accrual vs cash accounting by revenue and expense types, classification of hours for FTE groupings, components of capital expenditures, and materiality thresholds.

P-11 Salary Budget Checklist (SBC)

This checklist is recommended for use by non financial cost center managers in the planning and preparation of salary budgets to assure that essential questions and information has been resolved.

P-12 Expense Budget Checklist (EBC)

This checklist is recommended for use by non financial cost center managers in the planning and preparation of expense budgets assure that essential questions and information has been involved.

P-13 Capital Budget Checklist (CBC)

This checklist is recommended for use by non financial cost center managers in the planning and preparation of capital budgets to assure that essential question and information has been resolved.

P-1 Budget Planning Checklist (BPC)

This checklist is recommended for use by executive management and fiscal staff in the initial planning of the next fiscal period budget

Budget Planning Forms, Worksheets & Checklists

B-4 **Position Justification Worksheet (PJW)**

This worksheet is recommended for use by cost center managers when processing requests for new and replacement positions either budgeted or not yet budgeted requiring supporting documentation in order to maintain fiscal responsibility.

B-8 **Impact Analysis Worksheet (IAW)**

This worksheet is recommended for use by either financial staff or cost center managers in separately quantifying in financial and statistical terms the impact of new or revised programs or projects.

P-5 **Organizational Goals and Objectives Budget Worksheet (OGO BW)**

This form is recommended for use by executive management as part of the budget planning process and for distribution to cost center managers in their planning of specific cost center goals and objectives for consistency with organizational goals and objectives

P-7 **Department Goals and Objectives Budget Worksheet (DGO BW)**

This form is recommended for use by cost center managers as part of the budget planning process

R-1 **Requests for Capital Expenditures (RCE)**

This worksheet is recommended for use by financial staff in the compilation process by listing each of the capital requests and related detail elements from the individual 'Capital Budget Worksheet' forms completed by cost center managers. The worksheet is also recommended for use in the budget review process whereby senior managers on budget committees can analyze all capital requests on one single summary worksheet.

B-1 **Capital Budget Worksheet (CBW)**

This worksheet is recommended for use by cost center managers either in the budget preparation process of submitting capital expenditure requests or during the operating year when submitting actual requests as supporting documentation to purchase requisitions. This worksheet includes the following features:

- reason for request
- priority rating and ranking
- replacement disposition
- type of capital expenditure
- classification of capital expenditure
- month requested
- estimated cost details
- estimated incremental expenses
- estimated incremental savings and revenue
- calculation of payback and rate of return

B-2

Salary Budget Worksheet (SBW)

This worksheet is recommended for cost center managers who prepare salary budgets for hours, FTE, and dollars between management and staff and by fixed and variable cost behavioral breakdowns. By simply entering minimal base period data and budget year assumptions, the worksheet automatically calculates budget period data along with comparatives unit indicators for financial analysis.

Budget Planning Forms, Worksheets & Checklists

B-6 Non Labor Budget Worksheet (NLBW)

This worksheet is recommended for use by a manager preparing a cost center budget for non salary expenses such as supplies, film, food, pharmaceuticals, rent, etc. The worksheet features the ability to input a specific unit of measure, base period cost and volume, inflationary factors, and budget volume, and produce the calculated budget in dollars along with a variance analysis in both price and volume between the base period and the budget period.

B-5 Financial Justification Worksheet (FJW)

This worksheet is recommended at any time when a manager is required to justify in financial terms increase requests due to changes in volume with resulting impact in revenue and expense. This worksheet allows for a high vs low calculation of bottom line profit or loss based on the varying levels of volume.

R-2 Nursing Service Budget Summary (NSBS)

This worksheet is a highlighted summary of the salary, FTE, and hours budget presented in a summary format displaying the key features of the 'Nursing Salary Budget Worksheet' of each nursing unit in a side by side comparative format. This worksheet is recommended for use as part of the budget review process between the nursing unit manager and the nursing director.

P-4 Cost Center Mapping Planner (CCMP)

This worksheet planner is used to determine the following:

- material to vs immaterial cost centers
- cost centers to which a unit of measure (unweighted vs weighted) should be assigned
- cost centers to which budget form types (long form vs short form) should be assigned
- cost centers to which report form types (detailed vs summarized) should be assigned

B-3 Nursing Salary Budget Worksheet (NSBW)

This worksheet is recommended for nursing unit managers who prepare unit staffing budgets and require an analysis of the data in the form of ratios, FTE's, hours, and dollars by position classification and based on either unweighted or weighted patient statistics. The same worksheet can be easily used for 'what if' scenarios during the budget year in order to determine what the flexible budget should be based on the actual patient data.

R-3 Cost Center Budget Summary Worksheet (CCBSW)

This worksheet is a highlighted summary of the salary and expense budget provided in a summary format displaying 9 key indicators in addition to the justification changes being requested by the manager preparing the budget. This worksheet is recommended for use as part of the budget review process between the manager and their supervisor.

Budget Planning Forms, Worksheets & Checklists

P-9 **Budget Planning Worksheet (BPW)**

This worksheet is recommended to cost center managers for planning future period budgets and justifying explanations to budget variances of the current year. This worksheet is used for capturing all items which cross the desk of cost center managers and have justifiable impact on operations currently or in the future such as new or revised policies, procedures, regulations, articles in newspapers, journals, or the internet, or new information learned at a seminar conference.

R-4 **Explanation of Budget Variance (EBV)**

This form is recommended for use by cost center managers in explaining in writing causes to budget variances in price and efficiency along with action taken or recommended.

B-7 **Unit Cost Budgeting Worksheet (UCBW)**

Similar to the format of the computerized 'Non Labor Budget Worksheet', this worksheet is a form to be used by cost center managers in the manual calculation of non salary and non fringe benefit expenses such as supplies, film, pharmaceuticals, food, rent, etc. The worksheet features the ability to input specific unites of measure, base period sent and volume, inflationary factors, and budget volume. The form also provides for a calculation of the price and volume variance between base period and budget period.

R-5 **Budget Review Checklist (BRC)**

This checklist is recommended for use by both cost center managers and their supervisors as part of the budget submissions and review process. The checklist should be completed initially by the cost center manager to assure the key issues and questions have been addressed in the budget planning and preparation process prior to senior management review.