

PLA FY21-24 Proposed Operating Agreement Overhead Scenarios

Current Operating Agreement				
Overhead assessment at 26.5% rate with publishing at 13.25%; and a number of OH exemptions (membership dues, sponsorship revenue)				
PLA	2021 Actual	2022 Actual	2023 Budget	2024 Budget
Total Revenue	748,667	3,773,731	797,748	3,935,937
Total Expenses (before Overhead)	877,950	2,191,047	1,179,944	2,587,360
OH%	3.83%	20.02%	4.17%	19.82%
OH Paid	28,672	755,579	33,280	780,102
Total Expenses	906,622	2,946,626	1,213,224	3,367,462
Net	(157,955)	827,105	(415,476)	568,475

Scenario 1: ICR Assessed on Revenue				
Assessment on all revenue at 18.92%, rate determined by organization-wide average of ICR as % of total revenue.				
PLA	2021 Actual	2022 Actual	2023 Budget	2024 Budget
Total Revenue	748,667	3,773,731	797,748	3,935,937
Total Expenses (before Overhead)	877,950	2,191,047	1,179,944	2,587,360
ICR %	18.92%	18.92%	18.92%	18.92%
ICR Paid	141,648	713,990	150,934	744,679
Total Expenses	1,019,598	2,905,037	1,330,878	3,332,039
Net	(270,931)	868,694	(533,130)	603,898

Scenario 2: ICR Assessed on Expenses				
Assessment on all expenses at 19.6%, rate determined by organization-wide average of ICR as % of total expenses.				
PLA	2021 Actual	2022 Actual	2023 Budget	2024 Budget
Total Revenue	748,667	3,773,731	797,748	3,935,937
Total Expenses (before Indirect Cost)	877,950	2,191,047	1,179,944	2,587,360
ICR %	19.60%	19.60%	19.60%	19.60%
ICR Paid	172,078	429,445	231,269	507,123
Total Expenses	1,050,028	2,620,492	1,411,213	3,094,483
Net	(301,361)	1,153,239	(613,465)	841,454

Scenario 3: ICR Assessed on Net Surplus				
Assessment on Net Surplus at 84.62%, rate determined by organization-wide average as % of total net.				
PLA	2021 Actual	2022 Actual	2023 Budget	2024 Budget
Total Revenue	748,667	3,773,731	797,748	3,935,937
Total Expenses	877,950	2,191,047	1,179,944	2,587,360
Net	(129,283)	1,582,684	(382,196)	1,348,577
ICR %	84.62%	84.62%	84.62%	84.62%
ICR Paid	0	1,339,267	0	1,141,166
Net after overhead	(129,283)	243,417	(382,196)	207,411

Scenario 4: ICR Assessed on Sliding Scale				
Assesment % determined by division net according to predetermined sliding scale (see example to right)				
PLA	2021 Actual	2022 Actual	2023 Budget	2024 Budget
Total Revenue	748,667	3,773,731	797,748	3,935,937
Total Expenses	877,950	2,191,047	1,179,944	2,587,360
Net	(129,283)	1,582,684	(382,196)	1,348,577
ICR %	0.00%	89.00%	0.00%	89.00%
ICR Paid	0	1,408,589	0	1,200,234
Net after overhead	(129,283)	174,095	(382,196)	148,343

Example of sliding scale bracket:	
0.00% if NET is less than \$0	
10.00% on NET from \$1 to \$20K	
65.00% on NET from \$20K to \$100K	
80.00% on NET for \$100K to \$500K	
89.00% on NET over \$500K	