Law Firm Overhead Calculation Model

Weight Association

Template

ROLES	FTE'S		ASSIGNED WEIGHTS		WEIGHT ASSOCIATED TO ROLE
Role 1	FTE Count 1	x	Weight 1	=	Full Weight Role 1
Role 2	FTE Count 2	x	Weight 2	=	Full Weight Role 2
Role 3	FTE Count 3	x	Weight 3	=	Full Weight Role 3
	FTE Summary				*Weight Total*

Example

ROLES	FTE'S		ASSIGNED WEIGHTS		WEIGHT ASSOCIATED TO ROLE
Partners	2	x	1	=	2
Associates	3	x	0.5	=	1.5
Paralegals	2	x	0.25	=	0.5
	7				*4*

Overhead by Role

Template

WEIGHT ASSOCIATED TO ROLE			% APPLIED TO ROLE		OVERHEAD TO ALLOCATE		OVERHEAD ASSIGNED TO ROLE
Full Weight Role 1	*/Weight Total*	=	Share Role 1	x	Total Expenses - (Secretarial and Timekeeper Salaries and Benefits)	=	Overhead Assigned to Role 1
Full Weight Role 2	*/Weight Total*	=	Share Role 2	x		=	Overhead Assigned to Role 2
Full Weight Role 3	*/Weight Total*	=	Share Role 3	x		=	Overhead Assigned to Role 3
Weight Total							

Example

WEIGHT ASSOCIATED TO ROLE			% APPLIED TO ROLE		OVERHEAD TO ALLOCATE		OVERHEAD ASSIGNED TO ROLE
2	*/4 total*	=	50%	x	$800,000	=	$400,000
1.5	*/4 total*	=	38%	x		=	$300,000
0.5	*/4 total*	=	13%	x		=	$100,000
4							

Overhead by Individual

Template

OVERHEAD ASSIGNED TO ROLE		INDIVIDUAL OVERHEAD % TO BE ALLOCATED						INDIVIDUAL OVERHEAD % TO BE ALLOCATED
Overhead assigned to role 1	x	Individual A FTE	/	FTE Count Role 1	=	Individual A Overhead %	=	Overhead Assigned to Individual A in Role 1
Overhead assigned to role 2	x	Individual B FTE	/	FTE Count Role 2	=	Individual B Overhead %	=	Overhead Assigned to Individual B in Role 2
Overhead assigned to role 3	x	Individual C FTE	/	FTE Count Role 3	=	Individual C Overhead %	=	Overhead Assigned to Individual C in Role 3

Example

OVERHEAD ASSIGNED TO ROLE		INDIVIDUAL OVERHEAD % TO BE ALLOCATED						INDIVIDUAL OVERHEAD % TO BE ALLOCATED
$400,000	x	Jane 1	/	2	=	0.5	=	Jane $200,000
$300,000	x	Jim 1	/	3	=	0.3	=	Jim $100,000
$100,000	x	Jackie 1	/	2	=	0.5	=	Jackie $50,000