

# [Good example of critical thinking on healthcare economics and financial managemen...](https://assignbuster.com/good-example-of-critical-thinking-on-healthcare-economics-and-financial-management/)

[Economics](https://assignbuster.com/essay-subjects/economics/), [Budget](https://assignbuster.com/essay-subjects/economics/budget/)

The FTE values were gotten by taking the values for the first quarter then multiplying by 3 which is the number of months for the first quarter. Then to get the FY 2003 budget value, one needs to multiply the value of the first quarter by 4. The values are subsequently added to get the gross value within that given fiscal year.
For the side of the last column of the spreadsheet, the total calculation is gotten by multiplying the last value, which is the value of the Q1 by 4 to the get the total amount that could have been used for that year by a given department. Some amounts are valued on a monthly basis whereas some are given per hour. This also tends to affects the value of the FTE when calculations are made. For instance, when making the calculating the expenses for a given department, the department will have to spend a lot in such circumstances as compared to the whole month which is relatively cheap.
Some items tend to have almost the same price for nearly across the year. For like the whole year, some items needed by the departments have same price which implies they find it easy to balance their books of the account in that case. In the calculation of the FTE also, there are some items which are non-personnel. These values are also added in the final calculation of the FTE, without which the value of the FTE will not be accurate, they have to be added in the final value for accuracy purposes.
It is worth noting that FTE is a very useful tool in the balancing the accounts especially in the companies with large number of departments and in the process of needs to pay their workers and also to budget for their daily expenses, the tool will help in getting a solution as fast as possible.