

“It is All About the Money...

Great ideas go only so far; or, the Value of Doing it for Free.”

“where do I charge it?”

- How is your organization structured?
- Financially?
- Service Delivery?
- What does this cost?
- What is the value of this service to the benefiting organizations you serve?

There is an accounting that goes on here

- What are the different type of costs in your organization?
- How do you measure these costs?
- What are your fixed costs?
- What are your variable costs?
- What are the Economic Costs?

Some Definitions to Consider...

- [Opportunity Cost Definition](#)
- <https://www.investopedia.com/terms/o/opportunitycost.asp>
- [Opportunity cost is the benefit that is missed or given up when an investor, individual or business chooses one alternative over another.](#)
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- [What are the types of costs in cost accounting?](#)
- <https://www.investopedia.com/ask/answers/041415/what-are-different-types-costs-cost-accounting.asp>
- [Cost accounting aids in decision-making by helping a company's management evaluate its costs. There are various types of costs that need to be monitored for a company to be profitable.](#)
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- [Comparative Advantage Definition](#)
- <https://www.investopedia.com/terms/c/comparativeadvantage.asp>
- [Comparative advantage refers to an economy's ability to produce goods and services at a lower opportunity cost than trade partners.](#)
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- [Absolute vs. Comparative Advantage: What's the Difference?](#)
- <https://www.investopedia.com/ask/answers/033115/what-difference-between-comparative-advantage-and-absolute-advantage.asp>
- [In economics, absolute advantage refers to the superior production capabilities of an entity while comparative advantage is based on the analysis of opportunity cost.](#)
- <https://www.investopedia.com/search?q=Opportunity+Costs>

What is the economic value of decision to serve or not serve?

But there is the last group, the membership. Represented by a Board, that may or may not value their oversight of your organization and the folks that you really work for, the staff of the member governments you see daily or weekly, project or service you perform with and for them, and the monitors that are checking behind you.

Organizing and Measuring your costs

- How does your Board measure the costs of your organization?
- How do the staffs of your member governments measure the costs of your organization?
- How do the monitors measure your costs?

So, again, “where do I charge it?”

- What is the value, both from an accounting perspective and from an opportunity costs perspective-
 - to the organization,
 - to the books of the organization,
 - to the relationship with the membership,
 - to the project itself,
 - to the performance monitors, and finally
 - to the perceived value of the organization?