The Flu Shot department at the Hospital will soon enter flu season. To prepare, the department is stocking up on band aids – regular and glow-in-the-dark. A regular band aid is budgeted at $1, while a glow-in-the-dark band aid is budgeted at $2. The net revenue for a flu shot is $20/patient. Each vaccine costs $10/patient. During last year’s flu season, the department saw 400 adults and 700 children. Children always get the glow-in-the-the dark band aids.

It is the end of the flu season. You saw 300 adults and 1,000 children.

In addition, you paid the following salaries: MD: $2,000; RN = $1,500; and Fringe benefits 29% of salary. The rent is $4,000.

Make an operational budget (actual, budget, and variance)

Revenue

Expenses

* Supplies
* Salaries
* Facilities

Total expenses

Total profit/operating gain

What is the operating margin?