



Cost Justification is a necessary part of any systems analysis or upgrade. We recommend a thorough review of all costs associated with present and proposed systems.

The following worksheets are designed to help you compare the costs of your present system with those of the VersaSeal solution.

Equipment Cost Justification

The chart below has been developed to help you calculate the daily times savings (in minutes) required to support an equipment expenditure.

Hourly Salary	\$7.50	\$8.50	\$9.00	\$9.50	\$10.00	\$11.00	\$12.00
Salary per Minute	.13	.14	.15	.16	.17	.18	.20
Equipment Cost							
\$1,000	11	9	9	8	8	7	7
\$2,500	27	24	22	21	20	18	17
\$3,500	37	33	31	29	28	25	23
\$5,000	53	47	44	42	40	36	33
\$7,500	80	71	67	63	60	55	50
\$10,000	107	94	89	84	80	73	67
\$25,000	267	235	222	211	200	182	167
\$40,000	427	376	356	337	320	291	267

How to use this table: Locate the cost of equipment in the far left column, and the employee's hourly wage from the top row. The point where they intersect in the table will indicate the minimum number of saved minutes necessary to justify the cost of the equipment.

For example, if your employee is paid \$9.00 per hour and you are considering an equipment purchase of \$5,000, it must save an average of 44 minutes per day to be justifiable.

These calculations are made strictly on the basis of hourly wage rates, with no allowances for fringe benefits, taxes, or any other adjustment. Depreciation is assumed to be straight line over 3 years, with 250 seven hour work days per year. As a result, these numbers are very conservative.