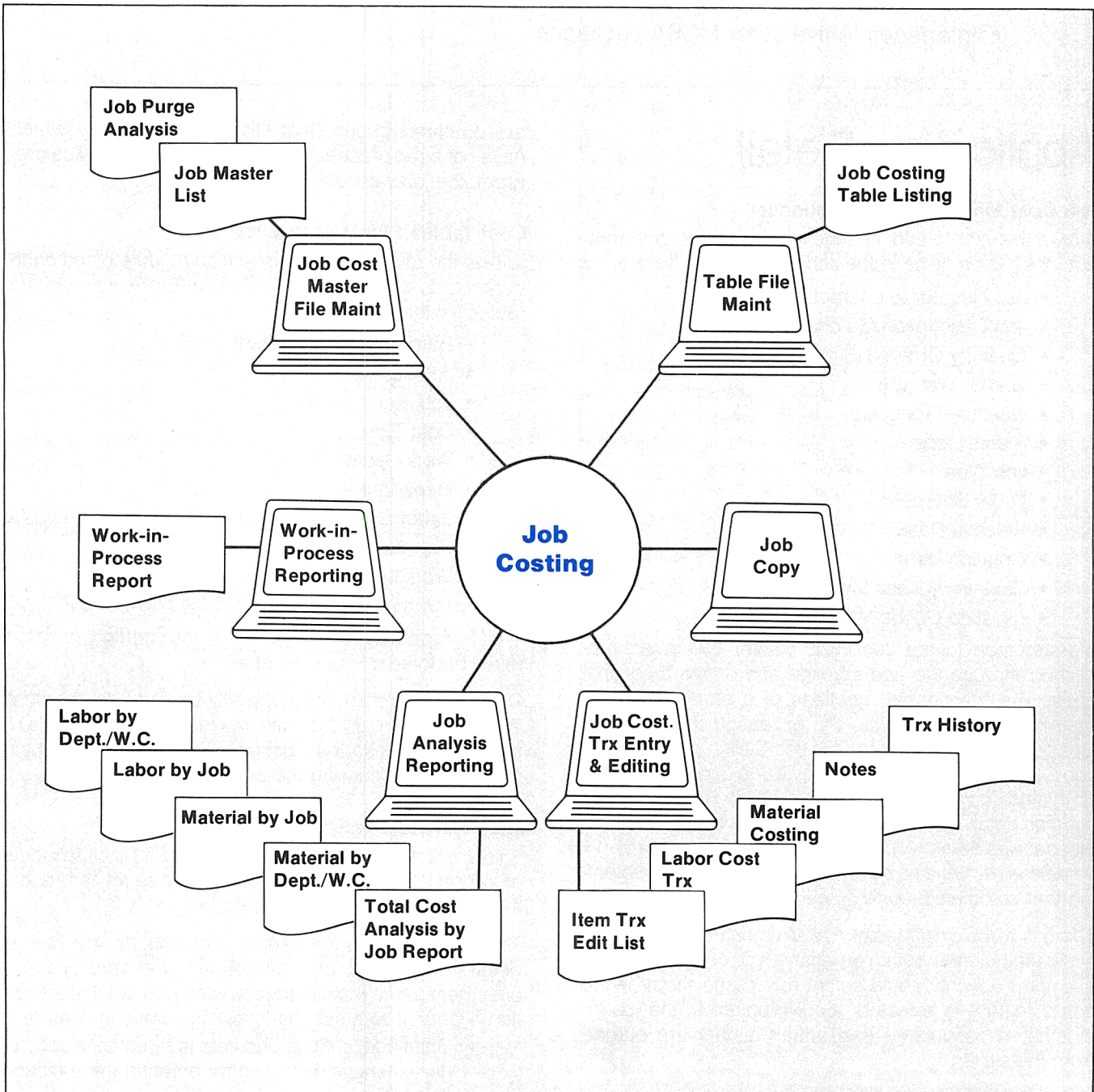


# JOB COSTING

in DIBOL®



# Application Overview

This stand alone package is a complete Job Costing system providing accurate cost reporting and comprehensive variance analysis. It includes the following features:

- Interactive entry and editing of labor and material tickets.
- Supports standards or estimates for variance analysis.
- Provides *Job Cost Analysis Report* by job, department, work center, part and operation.
- Prints *Variance Analysis Report* for labor, material, and subcontracting.
- Includes rate, yield, performance and quantity breakdowns in the Variance Analysis.
- Allocates fixed and variable overhead.
- Provides security and multi-company support.
- Interfaces to five other MCBA packages.

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## Application Detail

### Job Cost Master File Maintenance

Allows the user to add, change/inquire, delete and print-out jobs. Some fields in the Job Cost Master file are:

- Job Number (6 characters)
- Job Description (30 characters)
- Quantity Ordered (6 characters)
- Unit of Measure
- Quantity Produced
- Status Code
- Job Type
- Order Source
- Release Date
- Creation Date
- Work-In-Process Material Code
- Finished Goods Material Code

Maintenance to the Job Cost Master File is accomplished through the add, change and delete functions. These are the normal functions of a standard MCBA maintenance module with the exception that only Job Headers are handled here. The Job Detail records of the Job Cost Master are maintained via Job Cost Transaction Entry and Editing. Also note that only Job Headers which have no detail records are allowed to be deleted. If a Job Header has detail records associated with it, it can only be deleted by flagging it as "completed" and then selecting that completed job to be purged.

There is a Job Cost Master File Maintenance option that allows the user to obtain an analysis of completed jobs, and then optionally and selectively purge them. If the purge feature is selected, all references to the job including its associated transaction history are purged from the system.

If General Ledger is interfaced to Job Costing and there

are outstanding Job Cost History Transactions which have not been processed by the J/C to G/L interface program, the job will not be purged.

### Cost Tables File Maintenance

Allows the user to add, change/inquire, delete and print-out records in the Job Cost Table File. There are separate tables for the following:

- Burden Rate (overhead)
- Job Type
- Job Status Code
- Cost Type
- Work Center
- Department
- Labor Grade
- Raw Material
- Work in Process
- Finished Goods/Cost of Goods Sold

The Burden Rate Table contains information on both Fixed and Variable burden rates.

Deleted records are automatically purged from the Cost Tables file upon exit from file maintenance and the file is automatically resorted if needed. This optimizes the performance in accessing the Cost Tables.

### Job Cost Transaction Entry and Editing

This application provides for the entry and maintenance of all detail for jobs. Detail for a job consists of item, operation, material and note records.

The module allows the user to add, change and delete detail transactions, print an edit list of all transactions, post them to the main job record and print a full transaction history. It also has the following additional features:

- Once add, change or delete is selected, a secondary menu is displayed for entering the transaction code.



There are multiple formats to job costing transactions to accommodate the various elements that make up the costs in a job:

- *Item Transactions*—the parent items or articles or products that the job is making (compare to line-items on a customer order). This allows multiple releases of shop orders for the same item to be distinguished within the Job Cost Master file. No costs are captured at this point; such things as quantity ordered and number of shop orders in this job (if the MCBA Shop Floor Control package (SFC) is installed) are maintained.

- *Operation Transactions*—these transactions record labor costs, both planned and actual. Burden (overhead) is also captured in these transactions.

If Shop Floor Control package is interfaced, the user can get planned (standard) labor from the individual shop orders that are associated with a job; otherwise planned labor manually entered here is for later use in determining labor cost/hours variances after actual labor has been captured. If Labor Performance is interfaced, actual labor may automatically be captured there.

Else if SFC is interfacing, actual labor will be automatically captured there.

- *Materials Transactions*—this is where both planned and actual material costs are captured. The user can also specify substitute materials, which insures proper job costing when the planned material is unavailable and must be substituted for.

If SFC is interfacing, the user can get planned material from the individual shop orders that are associated with a job; else planned material is manually entered here for later use in determining material cost/usage variances after actual material cost has been entered.

If SFC is interfacing, actual material costs may be automatically captured there. If specific material costs are not available from SFC, they can be captured from Accounts Payable. Miscellaneous or unplanned material costs can be captured from either SFC or A/P.

- *Note Transactions*—these are comments that can be attached to any item within any job. Each note transaction record can have up to 50 characters; the maximum number of note records per item is nine (450 characters).

Posting J/C transaction to the Cost Master file is fairly standard but there is one additional feature. Due to the nature of Job Costing, some validation is required prior to posting which means by the time the user wants to post some transactions, others later in time have been captured. So J/C allows the user to post selectively by trans-

saction date.

Allows the user to print the *Job Cost Transaction History Report*. The user may choose to print only items, or only operations, or any materials, or only notes, or all of these; for one or selected jobs.

## Job Cost Analysis Reporting

There is a rich variety of cost analysis provided in Job Costing, including:

- Total Cost Analysis by Job
- Material Cost Analysis by Job
- Material Cost Analysis by Department and Work Center
- Labor Cost Analysis by Job
- Labor Cost Analysis by Department and Work Center

All reports can be run at any time in the job's life to show actual, planned and variance costs to-date.

The reports may be printed for one job or a range of jobs. In addition, the user has other report selection options:

*Total Cost Analysis by Job* allows the user to select 1) Job level, 2) Job and Item levels, or 3) Job, Item and Operation Levels.

*Material Cost Analysis by Job* allows the user this option to print material detail and job notes. The material variance on this report is segmented into Price Variance, Yield Variance and Quantity Variance.

*Material Cost Analysis by Department and Work Center* allows the user to select which departments and/or work centers to print. Total material variance amount, and percent by cost type are shown along with a breakdown by Price, Yield and Quantity.

*Labor Cost Analysis by Job* allows the user the option to print labor detail and Job notes. Total labor variance amounts and percents are shown and, if labor detail is selected, a further breakdown of rate variance, performance variance and labor hours variance is printed.

*Labor Cost Analysis by Department and Work Center* allows the user to select which departments and/or work centers to be printed. The labor variances shown are in the same category as the "by Job" report.

## Work-In-Process Report

This provides a cost evaluation of Work-in-Process, i.e. all those jobs started but not yet completed. The user is allowed to select which jobs to print; whether or not he wants item detail; and whether or not he wants job notes. The report shows operation costs, and per unit costs, both actual and planned, and the variance.

## Special Functions

The following special functions are provided:

- Job Copy

- Reorganize Job Cost Master File
- General Ledger Interface
- Accounts Payable Interface
- Cost Table Defaults Maintenance

The *Job Copy* function provides the capability of creating new job cost master records (including detail) from existing Job Master and Job Cost Transactions files. This saves the user a great deal of time once a sufficient number of jobs are on file. The user is allowed to modify copied records prior to posting.

Due to the complexity of the Job Cost Master file it is not automatically reorganized as is the case with most Master files in MCBA packages. The reorganization function is selectable at the user's option.

The *General Ledger Interface* feature allows the user to selectively post job cost activity to his General Ledger. Only those costs before a specified cut-off date will be posted; all others will remain on file until the user later decides to show them on his General Ledger.

Job cost history transactions already processed will not be reprocessed, thus eliminating the possibility of double posting.

Labor and Material transactions are posted standardly to G/L department labor accounts, fixed burden accounts, variable burden accounts, material cost WIP accounts and raw materials accounts.

The *A/P Interface* once selected is an automatic function which will transfer distributions made during new voucher entry in A/P to "un-applied material cost transactions" in J/C. These transactions are held in the J/C transaction file until the next posting when they are merged and "applied" to the correct material costs for the specified jobs.

The *Cost Table Defaults Maintenance* allows the user to specify cost type of and description for the following:

- Fixed Burden
- Variable Burden
- Raw Material
- Work-In-Process
- Cost of Goods Sold
- Labor
- Material Issued/not Costed

### Security

The security system provides for up to 200 passwords, and provides access restrictions at the file level.

### Multiple Companies

Multiple company support is provided and comes with up to eight companies supported. Most users do not have this many but still find this feature very useful for test files and/or for operator training.

### Interfaces to Five Other MCBA Packages

- Shop Floor Control
- General Ledger
- Accounts Payable
- Labor Performance
- Inventory Management

### Record Size

Job Cost Master File . . . . .	128 characters
Job Cost Transaction File . . . . .	133 characters
Historical Job Cost Transactions File . . . . .	134 characters

### Run-Time Size

Approximate disk space requirements for J/C executable modules is 760 KB.