Improved Cost Management
As product and service designs change, operational processes improve, and new supplier sources are found, you must be able to quickly and accurately determine the cost impacts. You need to know what actions should be taken to correct problems and when to adjust prices for profitability or market share. Costing is designed to help you do that, whether you are a small job shop or a large repetitive manufacturer.

Life Cycle Costing
Costing meets the needs of businesses whose products and services are supplied through both internal resources and from outside suppliers. Seven cost types can be used to create, model and track costs throughout a product or service’s life cycle. These include both standard and actual cost types as well as cost types for current, previous and future transactions. The system also allows you to create simulated cost models for evaluation and analysis, without affecting current operations or book values.

Elemental Costing
Each item can have multiple user-defined cost elements. These elements provide the critical visibility needed to effect cost control through the accurate recognition of the true components of cost. Elements include fields for material, machine and labor run-time, setup, fixed and variable overhead, outside processing, shrink and scrap, and freight-in addition to user-defined and memo fields for elements not included in cost roll-ups.

Flexible Cost Roll-Ups
Cost roll-ups can be done by cost type, using current or simulated data. These roll-ups are used as a planning tool for viewing projected costs, and analyzing the impacts of changes to bills of material, routings, and cost center rates. The system automatically saves the product structures and other source information used in the cost roll-up process. This provides data for a full cost roll-up analysis as well as back-up records for a complete audit trail detailing any accounting impact. To avoid incorrect cost roll-ups, exception reports identify missing or incomplete data.

Operational Cost Visibility
glovia.com item cost records are structured to show a hierarchical view of the costs for each item’s subassemblies, components and tasks. At each level of the item, the relationship of the materials used may be associated with the value-added costs of manufacturing or service delivery. This provides the means to accurately value an item or service as it progresses through the sequence of your operations.

Three Costing Methods
- Standard
- Actual
- Average
### Seven Item Cost Types
- Standard
- Future standard
- Future future standard
- Previous standard
- Current
- Engineering
- Simulated

### Item Cost Elements
- Material and material overhead
- Machine run-time, setup, fixed and variable overhead
- Labor run-time, setup, fixed and variable overhead
- Outside processing
- Freight
- User-defined costs
- Shrink and scrap
- Indirect costs
- Memo field to exclude from cost roll-up
- User-defined descriptions

### Operation Level Cost Visibility
- Value-added costs by operation
- Component material by operation

### Cost Roll-Up
- By cost type
- Single-level
- Multi-level
- Net change

### Full file
- Optional standard cost update
- Item bill of materials, routings and cost rates retained for analysis
- Error and warning filters

### Cost Roll-Over Processing
- Roll future to standard and standard to previous
- Roll future future to standard and standard to previous
- Roll back standard to future and previous to standard

### Historical Item Cost Information
- Manufacturing and purchasing activity
- Details from manufacturing and purchasing receipts
- Accumulated elemental costs
- Last item cost with elemental detail
- Last quantity completed or received
- Accumulated total quantities

### Inquiries and Reports
- Costed multi-level bill of materials
- Cost History
- Item Cost
- Roll-Over Item Cost Comparative
- Roll-Over Inventory Revaluation
- Roll-Up Exceptions

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