cost modeling

Industries

- Discrete Manufacturers
- Mixed-Mode Manufacturers
- Make to Order / Job Shop
- Light Manufacturing & Assembly
- Repetitive & Lean Manufacturing
- Wholesale Distribution

Required Modules

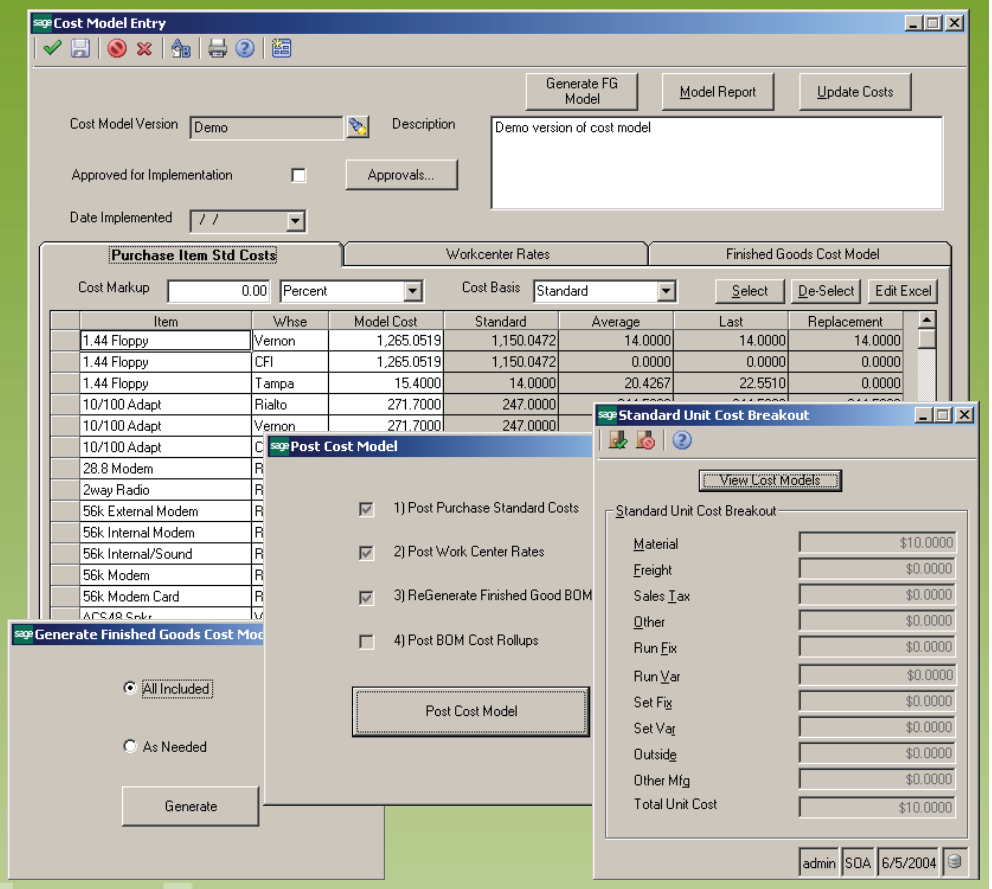
- Inventory Management (Sage)
- Light Manufacturing or Advanced Manufacturing – Optional (Sage)

Benefits Overview

- Define new standard costs for purchased items
- Define new standard costs for manufactured items including new standards for purchased raw materials and work center rates
- Maintain multiple cost models for what-if scenarios
- Retain standard cost history for items and work centers
- Quickly deploy new standard cost changes for small or large groups of inventory items

ClientCare Plans

- Free Upgrades and Hot Fixes
- Unlimited Product Support
- Installation Assistance & Training



Manage cost changes for purchased items and work center rate changes for finished goods

How do you implement standard cost changes when you have hundreds or thousands of inventory items to update?

How do you analyze the impact of changes to work center rates prior to implementing rate changes?

Without Cost Modeling you could be faced with many hours of manual cost updates and analysis using external spreadsheets.

Cost Modeling is designed to alleviate the headaches associated with changes to standard costs for purchased and/ or manufactured items and is ideal for distributors or manufacturers using standard costs.

Different cost model scenarios may be created with tools to help you analyze the impact of changes to costs for purchased items or work center rates prior to deploying these changes.

Cost Modeling provides tools to help you mark-up or mark-down costs or cost elements based on a percentage compared to original standard, average, replacement, or last costs.

More sophisticated model calculations may be defined by exporting cost models to Excel for data manipulation with capabilities to update cost models directly from Microsoft Excel.

Product Features

Purchased Items	Define new standard costs for specific purchased items or groups of items. Standard Costs may be viewed alongside average cost, current standard cost, replacement cost, and other cost definitions. You may quickly process cost changes for purchased items.
Work Center Rates	Update any or all elements of work center rates such as fixed and variable setup and run rates that affect standard cost calculations for manufactured items. Rates may change periodically due to changes in rates for rent, utilities, labor, or other costs.
Manufactured Items	Cost calculations may include changes to standard costs of purchased raw materials and/or changes to work center rates. New finished good cost models are displayed on a separate Finished Goods tab in Cost Model Entry.
BOM Regeneration	BOM Regeneration is integrated into Cost Updates to regenerate bill of material and/or fixed/variable cost changes for any item affected by newly-deployed cost changes. You may choose to regenerate bills of material for all items included in the selected Cost Model or as- needed for those items affected by changes.
Cost Models	Maintain an unlimited number of Cost Models. Cost models may be defined for different groups of items and/or work centers. Define different cost models for different dates of deployment or to model projected cost changes.
Approvals	Each cost model may be approved manually or through use of the Sage MAS 500 Approvals (aka Engineering Change Management) process with email-based notifications and multiple approval levels.
Implementation Dates	The date that the cost model was implemented is displayed for each model.
Item Selection	Items may be added to the model using a look-up to select items individually or by selecting groups of items based on criteria (such as item class, item codes, etc.)
Microsoft Excel	Cost Models may be exported to Microsoft Excel for reporting, comparison, or to calculate new costs based on mark-ups or advanced, user-defined cost calculations. Data may be imported to the Cost Model from the Excel workbook.
Cost Mark-Up	You may apply a cost mark-up (or mark-down) by percent over/under the current standard cost for individual items or groups of items added to the cost model.
Cost Basis	New Costs may be defined and/or calculated based on the current standard cost, last cost, replacement cost, or average cost definitions.
Cost Comparison	Cost Modeling provides insight into cost changes across models including comparisons to the current defined last cost, replacement cost, and average cost.
Cost Model Report	A cost model report is available to analyze cost changes. The report includes multiple sort, select, and filter options.
Cost History	Changes to costs are tracked and displayed for each item from Inventory Maintenance.
Cost Updates	A Cost Update task is provided to implement approved Cost Models. The task posts updates for purchased inventory item cost records and/or work center rates, processes cost tier adjustments and/or BOM Cost Roll-up transactions; and creates general ledger entries for revaluing inventory.
Cost Breakout History	The standard cost inquiry for inventory items is updated to display cost element changes based on selected Cost Models.
Security	Cost Modeling tasks are controlled using Sage MAS 500 system security to prevent unauthorized access to activities such as Cost Model Entry and Cost Model Update.

Product Features