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JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting 8.12 Implementation Guide

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Contents

Chapter 4
Working with Product Costing...45

Chapter 7
Understanding Calculations in Cost Rollup...111

Chapter 9
Working with Lean Accounting...151

Contents

About This Documentation Preface

JD Edwards EnterpriseOne implementation guides provide you with the information that you need to implement and use JD Edwards EnterpriseOne applications from Oracle.

This preface discusses:

• JD Edwards EnterpriseOne application prerequisites.

• Application fundamentals.

• Documentation updates and printed documentation.

• Additional resources.

• Typographical conventions and visual cues.

• Comments and suggestions.

• Common fields in implementation guides.

Note. Implementation guides document only elements, such as fields and check boxes, that require additional explanation. If an element is not documented with the process or task in which it is used, then either it requires no additional explanation or it is documented with common fields for the section, chapter, implementation guide, or product line. Fields that are common to all JD Edwards EnterpriseOne applications are defined in this preface.

JD Edwards EnterpriseOne Application Prerequisites

To benefit fully from the information that is covered in these books, you should have a basic understanding of how to use JD Edwards EnterpriseOne applications.

You might also want to complete at least one introductory training course, if applicable.

You should be familiar with navigating the system and adding, updating, and deleting information by using JD Edwards EnterpriseOne menus, forms, or windows. You should also be comfortable using the World Wide Web and the Microsoft Windows or Windows NT graphical user interface.

These books do not review navigation and other basics. They present the information that you need to use the system and implement your JD Edwards EnterpriseOne applications most effectively.

Application Fundamentals

Each application implementation guide provides implementation and processing information for your JD Edwards EnterpriseOne applications.

For some applications, additional, essential information describing the setup and design of your system appears in a companion volume of documentation called the application fundamentals implementation guide. Most product lines have a version of the application fundamentals implementation guide. The preface of each implementation guide identifies the application fundamentals implementation guides that are associated with that implementation guide.

The application fundamentals implementation guide consists of important topics that apply to many or all JD Edwards EnterpriseOne applications. Whether you are implementing a single application, some combination of applications within the product line, or the entire product line, you should be familiar with the contents of the appropriate application fundamentals implementation guides. They provide the starting points for fundamental implementation tasks.

Documentation Updates and Printed Documentation

This section discusses how to:

• Obtain documentation updates.

• Order printed documentation.

Obtaining Documentation Updates

You can find updates and additional documentation for this release, as well as previous releases, on Oracle's PeopleSoft Customer Connection website. Through the Documentation section of Oracle's PeopleSoft Customer Connection, you can download files to add to your Implementation Guides Library. You'll find a variety of useful and timely materials, including updates to the full line of JD Edwards EnterpriseOne documentation that is delivered on your implementation guides CD-ROM.

Important! Before you upgrade, you must check Oracle's PeopleSoft Customer Connection for updates to the upgrade instructions. Oracle continually posts updates as the upgrade process is refined.

See Also

Oracle's PeopleSoft Customer Connection, http://www.oracle.com/support/support_peoplesoft.html

Ordering Printed Documentation

You can order printed, bound volumes of the complete line of JD Edwards EnterpriseOne documentation that is delivered on your implementation guide CD-ROM. Oracle makes printed documentation available for each major release of JD Edwards EnterpriseOne shortly after the software is shipped. Customers and partners can order this printed documentation by using any of these methods:

• Web

• Telephone

• Email

Web

From the Documentation section of Oracle's PeopleSoft Customer Connection website, access the PeopleBooks Press website under the Ordering PeopleBooks topic. Use a credit card, money order, cashier's check, or purchase order to place your order.

Telephone

Contact MMA Partners, the book print vendor, at 877 588 2525.

Email

Send email to MMA Partners at peoplebookspress@mmapartner.com.

See Also

Oracle's PeopleSoft Customer Connection, http://www.oracle.com/support/support_peoplesoft.html

Additional Resources

The following resources are located on Oracle's PeopleSoft Customer Connection website:

Resource	Navigation
Application maintenance information	Updates + Fixes
Business process diagrams	Support, Documentation, Business Process Maps
Interactive Services Repository	Support, Documentation, Interactive Services Repository
Hardware and software requirements	Implement, Optimize, and Upgrade; Implementation Guide; Implementation Documentation and Software; Hardware and Software Requirements
Installation guides	Implement, Optimize, and Upgrade; Implementation Guide; Implementation Documentation and Software; Installation Guides and Notes
Integration information	Implement, Optimize, and Upgrade; Implementation Guide; Implementation Documentation and Software; Pre-Built Integrations for PeopleSoft Enterprise and JD Edwards EnterpriseOne Applications
Minimum technical requirements (MTRs) (JD Edwards EnterpriseOne only)	Implement, Optimize, and Upgrade; Implementation Guide; Supported Platforms
Documentation updates	Support, Documentation, Documentation Updates
Implementation guides support policy	Support, Support Policy
Prerelease notes	Support, Documentation, Documentation Updates, Category, Release Notes
Product release roadmap	Support, Roadmaps + Schedules
Release notes	Support, Documentation, Documentation Updates, Category, Release Notes
Release value proposition	Support, Documentation, Documentation Updates, Category, Release Value Proposition
Statement of direction	Support, Documentation, Documentation Updates, Category, Statement of Direction

Resource	Navigation
Troubleshooting information	Support, Troubleshooting
Upgrade documentation	Support, Documentation, Upgrade Documentation and Scripts

Typographical Conventions and Visual Cues

This section discusses:

- Typographical conventions.
- Visual cues.
- Country, region, and industry identifiers.
- Currency codes.

Typographical Conventions

This table contains the typographical conventions that are used in implementation guides:

Typographical Convention or Visual Cue	Description
Bold	Indicates PeopleCode function names, business function names, event names, system function names, method names, language constructs, and PeopleCode reserved words that must be included literally in the function call.
Italics	Indicates field values, emphasis, and JD Edwards EnterpriseOne or other book-length publication titles. In PeopleCode syntax, italic items are placeholders for arguments that your program must supply. We also use italics when we refer to words as words or letters as letters, as in the following: Enter the letter *O*.
KEY+KEY	Indicates a key combination action. For example, a plus sign (+) between keys means that you must hold down the first key while you press the second key. For ALT+W, hold down the ALT key while you press the W key.
Monospace font	Indicates a PeopleCode program or other code example.
" " (quotation marks)	Indicate chapter titles in cross-references and words that are used differently from their intended meanings.

Typographical Convention or Visual Cue	Description
. . . (ellipses)	Indicate that the preceding item or series can be repeated any number of times in PeopleCode syntax.
{ } (curly braces)	Indicate a choice between two options in PeopleCode syntax. Options are separated by a pipe (|).
[ ] (square brackets)	Indicate optional items in PeopleCode syntax.
& (ampersand)	When placed before a parameter in PeopleCode syntax, an ampersand indicates that the parameter is an already instantiated object. Ampersands also precede all PeopleCode variables.

Visual Cues

Implementation guides contain the following visual cues.

Notes

Notes indicate information that you should pay particular attention to as you work with the JD Edwards EnterpriseOne system.

Note. Example of a note.

If the note is preceded by *Important!,* the note is crucial and includes information that concerns what you must do for the system to function properly.

Important! Example of an important note.

Warnings

Warnings indicate crucial configuration considerations. Pay close attention to warning messages.

Warning! Example of a warning.

Cross-References

Implementation guides provide cross-references either under the heading "See Also" or on a separate line preceded by the word *See.* Cross-references lead to other documentation that is pertinent to the immediately preceding documentation.

Country, Region, and Industry Identifiers

Information that applies only to a specific country, region, or industry is preceded by a standard identifier in parentheses. This identifier typically appears at the beginning of a section heading, but it may also appear at the beginning of a note or other text.

Example of a country-specific heading: "(FRA) Hiring an Employee"

Example of a region-specific heading: "(Latin America) Setting Up Depreciation"

Country Identifiers

Countries are identified with the International Organization for Standardization (ISO) country code.

Region Identifiers

Regions are identified by the region name. The following region identifiers may appear in implementation guides:

• Asia Pacific

• Europe

• Latin America

• North America

Industry Identifiers

Industries are identified by the industry name or by an abbreviation for that industry. The following industry identifiers may appear in implementation guides:

• USF (U.S. Federal)

• E&G (Education and Government)

Currency Codes

Monetary amounts are identified by the ISO currency code.

Comments and Suggestions

Your comments are important to us. We encourage you to tell us what you like, or what you would like to see changed about implementation guides and other Oracle reference and training materials. Please send your suggestions to Documentation Manager, Oracle Corporation, 7604 Technology Way, Denver, CO, 80237. Or email us at documentation_us@oracle.com.

While we cannot guarantee to answer every email message, we will pay careful attention to your comments and suggestions.

Common Fields Used in Implementation Guides

Address Book Number   Enter a unique number that identifies the master record for the entity. An address book number can be the identifier for a customer, supplier, company, employee, applicant, participant, tenant, location, and so on. Depending on the application, the field on the form might refer to the address book number as the customer number, supplier number, or company number, employee or applicant ID, participant number, and so on.

As If Currency Code	Enter the three-character code to specify the currency that you want to use to view transaction amounts. This code enables you to view the transaction amounts as if they were entered in the specified currency rather than the foreign or domestic currency that was used when the transaction was originally entered.
Batch Number	Displays a number that identifies a group of transactions to be processed by the system. On entry forms, you can assign the batch number or the system can assign it through the Next Numbers program (P0002).
Batch Date	Enter the date in which a batch is created. If you leave this field blank, the system supplies the system date as the batch date.
Batch Status	Displays a code from user-defined code (UDC) table 98/IC that indicates the posting status of a batch. Values are:
	Blank: Batch is unposted and pending approval.
	A: The batch is approved for posting, has no errors and is in balance, but has not yet been posted.
	D: The batch posted successfully.
	E: The batch is in error. You must correct the batch before it can post.
	P: The system is in the process of posting the batch. The batch is unavailable until the posting process is complete. If errors occur during the post, the batch status changes to *E.*
	U: The batch is temporarily unavailable because someone is working with it, or the batch appears to be in use because a power failure occurred while the batch was open.
Branch/Plant	Enter a code that identifies a separate entity as a warehouse location, job, project, work center, branch, or plant in which distribution and manufacturing activities occur. In some systems, this is called a business unit.
Business Unit	Enter the alphanumeric code that identifies a separate entity within a business for which you want to track costs. In some systems, this is called a branch/plant.
Category Code	Enter the code that represents a specific category code. Category codes are user-defined codes that you customize to handle the tracking and reporting requirements of your organization.
Company	Enter a code that identifies a specific organization, fund, or other reporting entity. The company code must already exist in the F0010 table and must identify a reporting entity that has a complete balance sheet.
Currency Code	Enter the three-character code that represents the currency of the transaction. JD Edwards EnterpriseOne provides currency codes that are recognized by the International Organization for Standardization (ISO). The system stores currency codes in the F0013 table.
Document Company	Enter the company number associated with the document. This number, used in conjunction with the document number, document type, and general ledger date, uniquely identifies an original document.
	If you assign next numbers by company and fiscal year, the system uses the document company to retrieve the correct next number for that company.

	If two or more original documents have the same document number and document type, you can use the document company to display the document that you want.
Document Number	Displays a number that identifies the original document, which can be a voucher, invoice, journal entry, or time sheet, and so on. On entry forms, you can assign the original document number or the system can assign it through the Next Numbers program.
Document Type	Enter the two-character UDC, from UDC table 00/DT, that identifies the origin and purpose of the transaction, such as a voucher, invoice, journal entry, or time sheet. JD Edwards EnterpriseOne reserves these prefixes for the document types indicated:

P: Accounts payable documents.

R: Accounts receivable documents.

T: Time and pay documents.

I: Inventory documents.

O: Purchase order documents.

S: Sales order documents.

Effective Date	Enter the date on which an address, item, transaction, or record becomes active. The meaning of this field differs, depending on the program. For example, the effective date can represent any of these dates:

- The date on which a change of address becomes effective.
- The date on which a lease becomes effective.
- The date on which a price becomes effective.
- The date on which the currency exchange rate becomes effective.
- The date on which a tax rate becomes effective.

Fiscal Period and **Fiscal Year**	Enter a number that identifies the general ledger period and year. For many programs, you can leave these fields blank to use the current fiscal period and year defined in the Company Names & Number program (P0010).
G/L Date (general ledger date)	Enter the date that identifies the financial period to which a transaction will be posted. The system compares the date that you enter on the transaction to the fiscal date pattern assigned to the company to retrieve the appropriate fiscal period number and year, as well as to perform date validations.

JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting Preface

This preface discusses:

• JD Edwards EnterpriseOne products.

• JD Edwards EnterpriseOne application fundamentals.

• Common fields used in this implementation guide.

JD Edwards EnterpriseOne Products

This implementation guide refers to these JD Edwards EnterpriseOne products from Oracle:

• JD Edwards EnterpriseOne Inventory Management

• JD Edwards EnterpriseOne Manufacturing - PDM

• JD Edwards EnterpriseOne Management - Shop Floor

• JD Edwards EnterpriseOne Manufacturing - ETO Foundation

• JD Edwards EnterpriseOne Requirements Planning

• JD Edwards EnterpriseOne Sales Order Management

• JD Edwards EnterpriseOne Payroll

• JD Edwards EnterpriseOne General Accounting

JD Edwards EnterpriseOne Application Fundamentals

Additional, essential information describing the setup and design of your system appears in a companion volume of documentation called *JD Edwards EnterpriseOne Inventory Management 8.12 Implementation Guide.*

See Also

JD Edwards EnterpriseOne Inventory Management 8.12 Implementation Guide, "JD Edwards EnterpriseOne Inventory Management Preface"

Common Fields Used in This Implementation Guide

Co (company)   Enter a code that identifies a specific organization, fund, or other reporting entity. The company code must already exist in the Company Constants table (F0010) and must identify a reporting entity that has a complete balance sheet. At this level, you can have intercompany transactions.

> **Note.** You can use company 00000 for default values such as dates and automatic accounting instructions (AAIs). You cannot use company 00000 for transaction entries.

Cost Method	Enter the cost method on which to base costing errors (that is: 01, 02,...). If left blank, cost method 07 (standard) will be used.
Do Ty (document type)	Specify a user-defined code (UDC) (00/DT) that identifies the origin and purpose of the transaction. The system reserves several prefixes for document types, such as vouchers, invoices, receipts, and timesheets. The reserved document type prefixes for codes are:

P: Accounts payable documents

R: Accounts receivable documents

T: Time and Pay documents

I: Inventory documents

O: Purchase order documents

S: Sales order documents

Or Ty (order type)	Specify a UDC (00/DT) that identifies the type of document. This code also indicates the origin of the transaction. The JD Edwards EnterpriseOne system from Oracle has reserved document type codes for vouchers, invoices, receipts, and timesheets, which create automatic offset entries during the post program. (These entries are not self-balancing when you originally enter them.) These document types are defined by the JD Edwards EnterpriseOne system and should not be changed:

P: Accounts Payable documents.

R: Accounts Receivable documents.

T: Payroll documents.

I: Inventory documents.

O: Purchase Order Processing documents.

J: General Accounting/Joint Interest Billing documents.

S: Sales Order Processing documents.

Setup Labor	Specify a rate that the system uses with the Setup Labor Hours of the associated routing to calculate the standard setup labor cost.
Work Center	Specify an alphanumeric code that identifies a separate entity within a business for which you want to track costs. For example, a business unit might be a warehouse location, job, project, work center, branch, or plant.

You can assign a business unit to a document, entity, or person for purposes of responsibility reporting. For example, the system provides reports of open accounts payable and accounts receivable by business unit to track equipment by responsible department.

Business unit security might prevent you from viewing information about business units for which you have no authority.

CHAPTER 1

Getting Started with JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting

This chapter discusses:

- JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting overview.
- JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting integrations.
- JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting implementation.

JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting Overview

Product costing and manufacturing accounting is an important part of a profitable manufacturing environment. After you have determined whether the company will use standard or actual costing methods, you can set up and implement the manufacturing accounting system.

Oracle's JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting systems in the JD Edwards EnterpriseOne Supply Chain Management suite from Oracle provide the features required to resolve the issues presented by the industry environment and enable a company to control its costs and make them transparent.

With this application, you can:

- Define and maintain an unlimited number of cost components for tracking specific costs, such as freight, taxes, duty, and electricity.
- Define an unlimited number of cost methods to use in cost simulation analysis
- Assign cost factors and rates to a specific item.

  These factors and rates are used with cost extras or add-ons to calculate additional costs.
- Print a complete set of reports to compare old costs with new costs before implementing any changes.
- Calculate the total material cost by retrieving the bill of material for all items and adding the total cost of the components.
- Run a complete simulation of costs before any live data is updated as the frozen cost standard.
- Maintain cost information at the branch/plant level to allow for cost variances at different locations for identical manufactured items.
- Charge amounts to specified accounts.
- Create detailed or summary journal entries for work in process or completions.
- Create detailed or summary journal entries for work order or rate schedule variances.

- Print reports listing detailed costs and variances for work orders or rate schedules.

- Review engineering, planned, actual (material and labor), and other variances.

- Process lean accounting transactions using transaction IDs and production plans rather than work orders.

JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting Integrations

The JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting systems integrate with these JD Edwards EnterpriseOne systems from Oracle:

- JD Edwards EnterpriseOne Product Data Management

- JD Edwards EnterpriseOne Shop Floor Management

- JD Edwards EnterpriseOne Engineer to Order

- JD Edwards EnterpriseOne Payroll

- JD Edwards EnterpriseOne General Accounting

The JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting systems work with other JD Edwards EnterpriseOne systems to ensure that all product and manufacturing costs are tracked and transacted. We discuss integration considerations in the implementation chapters in this implementation guide. Supplemental information about third-party application integrations is located on the Oracle | PeopleSoft Customer Connection website.

JD Edwards EnterpriseOne Product Data Management

You set up bills of material in the JD Edwards EnterpriseOne Product Data Management system from Oracle, and review the costing of bills of material. Also, you enter routings in JD Edwards EnterpriseOne Product Data Management, and review them for labor and overhead costs.

JD Edwards EnterpriseOne Shop Floor Management

Many companies who use the JD Edwards EnterpriseOne Shop Floor Management system from Oracle want to capture and track actual or average manufacturing costs. If you use actual costing, the system calculates the cost of the product built on a work order or rate schedule based on the actual hours used and the actual quantity of issued parts.

JD Edwards EnterpriseOne Engineer to Order

You can set up the Manufacturing Accounting Journal Entries program (R31802A) to create duplicate journal entries for end item manufacturing work orders for engineer to order (ETO) projects in Oracle's JD Edwards EnterpriseOne Engineer to Order system.

JD Edwards EnterpriseOne Payroll

JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting systems interface with the Speed Time Entry program so that transaction data from Oracle's JD Edwards EnterpriseOne Payroll system is usable in JD Edwards EnterpriseOne Shop Floor Management.

JD Edwards EnterpriseOne General Accounting

You set up manufacturing account numbers using Oracle's JD Edwards EnterpriseOne General Accounting system. Also, transactions such as inventory issues, labor, and work order completions are posted to the general ledger. Additionally, you can enter accrual, adjustment, and reclassification transactions using JD Edwards EnterpriseOne General Accounting. However, none of these transactions appear in manufacturing reports.

JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting Implementation

This section provides an overview of the steps that are required to implement JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting systems.

In the planning phase of the implementation, take advantage of all JD Edwards EnterpriseOne sources of information, including the installation guides and troubleshooting information. A complete list of these resources appears in the preface in *About This Documentation,* with information about where to find the most current version of each.

When determining which electronic software updates (ESUs) to install for JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting, use the EnterpriseOne and World Change Assistant. EnterpriseOne and World Change Assistant, a Java-based tool, reduces the time required to search and download ESUs by 75 percent or more and enables you to install multiple ESUs at one time.

See *JD Edwards EnterpriseOne Tools 8.96 Software Update Guide*

For information about the Rapid Start solution for implementation of JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting, review the documentation available.

See *JD Edwards EnterpriseOne Rapid Start 8.12 Documentation*, "JD Edwards EnterpriseOne Rapid Start 8.12 Documentation," Rapid Start Solution.

See Also

About This Documentation, "About This Documentation Preface""About This Documentation Preface," page xiii

Global Implementation Steps

This table lists the suggested implementation steps for the JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting systems:

Step	Reference
1. Set up global UDC tables.	JD Edwards EnterpriseOne Tools 8.96 Foundation Guide
2. Set up fiscal date patterns.	*JD Edwards EnterpriseOne Financial Management Solutions Application Fundamentals 8.12 Implementation Guide*, "Setting Up Organizations," Setting Up Fiscal Date Patterns
3. Set up companies.	*JD Edwards EnterpriseOne Financial Management Solutions Application Fundamentals 8.12 Implementation Guide*, "Setting Up Organizations," Setting Up Companies

Step	Reference
4. Set up business units.	*JD Edwards EnterpriseOne Financial Management Solutions Application Fundamentals 8.12 Implementation Guide*, "Setting Up Organizations," Setting Up Business Units
5. Set up next numbers.	*JD Edwards EnterpriseOne Financial Management Solutions Application Fundamentals 8.12 Implementation Guide*, "Setting Up Next Numbers"
6. Set up accounts and the chart of accounts.	*JD Edwards EnterpriseOne Financial Management Solutions Application Fundamentals 8.12 Implementation Guide*, "Creating the Chart of Accounts," Setting Up Accounts
7. Set up the General Accounting Constants.	*JD Edwards EnterpriseOne General Accounting 8.12 Implementation Guide*, "Setting Up the General Accounting System," Setting Up Constants for General Accounting
8. Set up multicurrency processing, including currency codes and exchange rates.	*JD Edwards EnterpriseOne Multicurrency Processing 8.12 Implementation Guide*
9. Set up ledger type rules.	*JD Edwards EnterpriseOne General Accounting 8.12 Implementation Guide*, "Setting Up the General Accounting System," Setting Up Ledger Type Rules for General Accounting
10. Set up address book records.	*JD Edwards EnterpriseOne Address Book 8.12 Implementation Guide*, "Entering Address Book Records"
11. Set up default location and printers.	JD Edwards EnterpriseOne Tools 8.96 Foundation Guide
12. Set up branch/plant constants.	*JD Edwards EnterpriseOne Inventory Management 8.12 Implementation Guide*, "Setting Up the Inventory Management System," Defining Branch/Plant Constants
13. Set up Manufacturing/Distribution AAIs.	*JD Edwards EnterpriseOne Inventory Management 8.12 Implementation Guide*, "Setting Up the Inventory Management System," Setting Up AAIs in Distribution Systems
14. Set up document types.	*JD Edwards EnterpriseOne Inventory Management 8.12 Implementation Guide*, "Setting Up the Inventory Management System," Setting Up Document Type Information
15. Set up shop floor calendars.	*JD Edwards EnterpriseOne Shop Floor Management 8.12 Implementation Guide*, "Setting Up Shop Floor Management," Setting Up Shop Floor Calendars
16. Set up manufacturing constants.	*JD Edwards EnterpriseOne Product Data Management 8.12 Implementation Guide*, "Setting Up Product Data Management," Setting Up Manufacturing Constants

Product Costing and Manufacturing Accounting Implementation Steps

This table lists the suggested application-specific implementation steps for JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting:

Step	Reference
1. Set up manufacturing constants for Product Costing and Manufacturing Accounting.	Chapter 3, "Setting Up the Product Costing and Manufacturing Accounting Systems," Specifying Manufacturing Constants for Product Costing and Manufacturing Accounting, page 27
2. Set up UDCs for product costing.	Chapter 3, "Setting Up the Product Costing and Manufacturing Accounting Systems," Understanding UDCs for Product Costing, page 15
3. Set up costing information.	Chapter 3, "Setting Up the Product Costing and Manufacturing Accounting Systems," Understanding Costing Information Setup, page 19
4. Set up accounting cost quantities for standard costs.	Chapter 3, "Setting Up the Product Costing and Manufacturing Accounting Systems," Specifying Accounting Cost Quantities for Standard Costs, page 19
5. Set up item cost levels.	Chapter 3, "Setting Up the Product Costing and Manufacturing Accounting Systems," Specifying Item Cost Levels, page 21
6. Set up methods and costs for items.	Chapter 3, "Setting Up the Product Costing and Manufacturing Accounting Systems," Specifying Methods and Costs for Items, page 23
7. Set up standard rate and factor codes.	Chapter 3, "Setting Up the Product Costing and Manufacturing Accounting Systems," Setting Up Standard Rate and Factor Codes, page 30
8. Assign values to user-defined cost components.	Chapter 3, "Setting Up the Product Costing and Manufacturing Accounting Systems," Assigning Values to User-Defined Cost Components, page 31
9. Set up simulated rates for work centers.	Chapter 3, "Setting Up the Product Costing and Manufacturing Accounting Systems," Setting Up Simulated Rates for Work Centers, page 35

CHAPTER 2

Understanding Product Costing and Manufacturing Accounting

This chapter discusses:

• Product Costing and Manufacturing Accounting features.

• Product Costing and Standard Accounting integration.

• Actual Costing integration.

• Effective cost management.

• Tables used by Product Costing and Manufacturing Accounting.

Product Costing and Manufacturing Accounting Features

The JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting systems provide flexibility to accommodate the manufacturing environment. Maintaining accurate and complete records of the value of inventory is one of the major concerns of most businesses today. Keeping too much of an unprofitable stock or using inappropriate methods of costing on certain inventory items can quickly deplete the profits.

The JD Edwards EnterpriseOne Product Costing system enables you to store and retrieve cost information. It also helps you to manage the costs by providing information to the company's business plan.

With accurate product costing, you can evaluate these manufacturing processes to determine how they affect the company's profitability:

• Manufacturing costs (direct labor, indirect labor, and overhead).

• Product design (design and manufacturing engineering).

• Accounting (gross margin by product line or item).

After you establish costs in the JD Edwards EnterpriseOne Product Costing system, the JD Edwards EnterpriseOne Manufacturing Accounting system tracks the costs, reports variances, and posts manufacturing transactions to the general ledger.

This table discusses some of the benefits and features of these systems:

Feature	Description
User-defined cost extras or add-ons	Define and maintain an unlimited number of cost components for tracking specific costs, such as freight, taxes, duty, and electricity.

Feature	Description
User-defined cost rollup methods	Define an unlimited number of cost methods to use in cost simulation analyses.
User-defined cost factors and rates	Allocate cost factors and rates to a specific item. These factors and rates are used with cost extras or add-ons to calculate additional costs.
Cost variances	Print a complete set of reports to compare old costs with new costs before implementing any changes.
Bill of material rollup	Calculate the total material cost by retrieving the bill of material for all items and adding the total cost of the components.
Cost simulation	Run a complete simulation of costs before any live data is updated as the frozen cost standard.
Multifacility costing	Maintain cost information at the branch/plant level to allow for cost variances at different locations for identical manufactured items.
Variances	Review these kinds of variances: • Engineering. • Planned. • Actual (material and labor). • Other.
Journal entries for variances	Create detailed or summary journal entries for work order or rate schedule variances.
Journal entries for work order or rate schedule transactions	Create detailed or summary journal entries for work in process or completions.
Automatic accounting instruction (AAI) tables	Charge amounts to specified accounts.
Reports	Print reports listing detailed costs and variances for work orders or rate schedules.

Product Costing and Standard Accounting Integration

Product costing plays a significant role in the manufacturing environment. For standard costing, before you can implement the JD Edwards EnterpriseOne Manufacturing Accounting system, you must set up costs for the products that you produce.

To calculate these costs, you must consider these aspects in the manufacturing environment:

• Product costing (detailed information) for material, labor, and overhead.

• Cost reporting (what does the item really cost to produce).

• Variance reporting (actual versus standard costs).

If you use the standard cost method (07) after you calculate the cost component values in a simulated mode and are satisfied with the results, you must establish frozen standard cost components. All shop floor transactions use these frozen standards for calculations, which, in turn, create transactions in the general ledger and are the basis of the inventory valuation.

Standard costing is most applicable for a company with stable costs and little cost variance from one manufacturing run to another. Companies with minimal accounting staff often use standard cost accounting.

Actual Costing Integration

The system provides two methods for evaluating actual costs:

• Weighted average cost, cost method (02).

• Manufacturing last cost, cost method (09).

You can implement Actual Costing with the JD Edwards EnterpriseOne Manufacturing Accounting system without using the JD Edwards EnterpriseOne Product Costing system.

Many companies who use the JD Edwards EnterpriseOne Shop Floor Management system want to capture and track actual or average manufacturing costs. If you use Actual Costing, the system calculates the cost of the product built on a work order or rate schedule based on the actual hours used and the actual quantity of issued parts. The system updates the cost based on the most current information.

Actual costing is a function of the JD Edwards EnterpriseOne Manufacturing Accounting system and not the JD Edwards EnterpriseOne Product Costing system. If you use Actual Costing, you do not need to set up product costs for each item that you manufacture because product costs will be calculated when the work or rate order completions are run. A company can use a combination of actual costed items and standard costed items if the parent item is an actual costed item. A company using one of the actual costing methods and cost extras, should set up and freeze its extra costs in the Cost Components table.

When you complete work orders for items that use the weighted average (02) or manufacturing last (09) cost methods, the system:

• Calculates a new unit cost for the item based on shop floor activities.

• Revalues on-hand inventory for items using cost method 09.

• Calculates and updates the weighted average cost.

• Updates the Item Cost table (F4105) with the new unit cost.

Weighted average costing (02) is often useful for companies for which costs change often but not significantly.

Actual costing (09) is useful for companies that:

• Engineer or manufacture to order.

• Have costs that change often and significantly.

Effective Cost Management

Most of the major areas or departments within the manufacturing company contribute information to the product costing activities and, therefore, affect the overall accuracy of the manufacturing budget.

This table lists examples of departments within a typical company and the aspects of the JD Edwards EnterpriseOne Product Costing and JD Edwards EnterpriseOne Manufacturing Accounting systems that are affected by each department:

Department	Description
Design Engineering	The design engineering group is responsible for ensuring that: • The bill of material is complete. • The make-buy information is accurate. • The engineering change orders (ECOs) have been taken into account.
Sales	The sales force contributes important information regarding target markets, as well as the latest trends in manufacturing. For effective cost management, the sales force must provide timely and reasonable forecasts.
Manufacturing Engineering	The manufacturing engineering group is responsible for identifying: • Correct processes. • Changes to existing processes. • Manufacturing overhead. • Accurate information about work centers.
Purchasing	The purchasing department must provide: • Accurate supplier costs • Accurate transportation costs
Manufacturing	Manufacturing operations provide vital information to the costing effort. For example, they must: • Input their data in a timely and accurate manner. • Identify any discrepancies in the bills of material and routings.
Cost Accounting	The cost accounting staff must: • Ensure that all items have costs. • Identify general and administrative overhead. • Produce timely variance reports (standard costs versus current costs).

Consider these issues as you define and manage the manufacturing costs:

- When (and how often) you change costs.
- How you limit access
- When the cost of a new item is reflected.
- How you account for labor rates and work center overhead.

You might also encounter these circumstances as you define costs:

- Not all costs are available before the initial cost rollup.
- You have used incorrect units of measure.
- The company reports labor hours and costs inaccurately.
- New products are not updated in a timely manner.
- Standards are updated too frequently.
- Items have been added to or deleted from the bill of material since the last cost update.
- Steps in the routing master have been changed since the last cost update.

Considerations Regarding Standard and Actual Costing

A company should decide to use either standard or actual costing depending on its needs and requirements. You must consider many things when making the decision to use standard or actual costing and accounting.

This list identifies considerations that are relevant to the JD Edwards EnterpriseOne Product Costing and JD Edwards EnterpriseOne Manufacturing Accounting systems:

Type of Consideration	Explanation
Integration with other systems	Configurator programs are adapted to actual costing methods (02 or 09).
Manufacturing	When you use actual costing methods, it is recommended that you: • Use discrete manufacturing. • Use engineer-to-order or make-to-order practices and oversee the entry of all information on the work orders.
Inventory transfer	When you use Manufacturing Last Cost method (09), it is recommended that you: • Be aware that transferring inventory for any purposes other than the cost of goods sold (COGS) might result in incorrect inventory value. • Understand that processing for physical inventory might be more time consuming than with other cost methods.
Costing	When you use actual costing methods, maintain the inventory cost level at the item, branch, and location levels (Inventory Cost Level 3) for best results.

Tables Used by Product Costing and Manufacturing Accounting

This is a list of the tables that are used throughout the JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting systems:

Table	Description
Account Balances (F0902)	Contains net postings for each period and prior year balances (net and cumulative). This table contains one record per account, ledger type, subledger, fiscal year, and transaction currency table.
Account Ledger (F0911)	Contains detailed transactions in the general ledger.
Account Master (F0901)	Contains account definitions, including numbers and descriptions.
Address Book Master (F0101)	Contains information about customers, suppliers, employees, and prospects.
Distribution/Manufacturing - AAI Values (F4095)	Contains account numbers that are used when journal entries are created.
Batch Control Records (F0011)	Contains system-generated batch header information, including the batch number, batch status, and batch entry date.
Bill of Material Master (F3002)	Contains information at the business unit level about bills of material, such as quantities of components. The system uses this information to calculate material costs.
Item Branch (F4102)	Defines and maintains warehouse or plant-level information, such as branch-level category codes.
Business Unit Master (F0006)	Identifies information about business units, such as company names and category codes assigned to the business unit.
Item Cost Component Add-Ons (F30026)	Contains standard costs by cost component.
Item Cost Component Detail (F300261)	Stores item cost components by work center.
Item Cost (F4105)	Contains the summarized item costs and inventory valuation method.
Equipment Rates (F1301)	Contains equipment rates that can be used for Actual Costing if you select this table as a machine rate source in the Manufacturing Constants program (P3009).

Table	Description
Generic Message/Rates (F00191)	Contains rate and factor tables, including: • Costing Factors (30/CF) • Costing Rates (30/CR) • Employee Rates (31/ER)
Item Ledger (F4111)	Contains transactions that indicate changes in inventory value.
Item Location (F41021)	Determines the GL class code used in manufacturing accounting transactions.
Item Master (F4101)	Stores basic information about each defined inventory item, such as item numbers, descriptions, category codes, and units of measure.
Job Shop Manufacturing Constants (F3009)	Stores variables that indicate which overhead values to use. For Actual Costing, you can specify the sources for labor and machine rates.
Item Manufacturing Data (F4101M)	Stores the accounting cost quantity, which the system uses as the standard quantity produced to determine the allocation of fixed setup costs for an item.
Work Order Parts List (F3111)	Contains the parts list that is attached to a work order or rate schedule. It contains one record for each part.
Production Cost (F3102)	Contains all costs associated with a particular work order.
Purchase Order Detail (F4311)	Contains transactions related to a purchase order.
Routing Master (F3003)	Stores routing information, including operation sequence, work center, run time, setup time, and machine time. The system uses this information to calculate labor, machine, and overhead costs.
Sales Flex Accounting (F4096)	Determines the information to use for flex accounting.
User Defined Codes (F0005)	Contains UDCs and their descriptions.
Work Center Master (F30006)	Contains detailed data about all defined work centers, including efficiency.
Work Center Rates (F30008)	Contains simulated and frozen rates for each work center, such as rates for overhead, labor, and machine time.
Work Order Master (F4801)	Contains all work order header information. The data from this table appears on shop floor paperwork. The system updates this table when completion transactions occur for a work order.

Table	Description
Work Order Master Tag (F4801T)	Stores the cost method for the work order which determines whether a work order is processed as Standard or Actual Costing. Additionally, it includes the unaccounted amount and quantity for scrap units and the unaccounted work order completions.
Work Order Routing (F3112)	Contains the routing steps that are attached to a work order or rate schedule. It contains one record for each operation sequence number and work center.
Work Order Time Transactions (F31122)	Contains labor and machine time transactions by work order.

CHAPTER 3

Setting Up the Product Costing and Manufacturing Accounting Systems

This chapter provides overviews of user-defined codes (UDCs) for Product Costing and costing information setup and discusses how to:

- Specify accounting cost quantities for standard costs.
- Specify item cost levels.
- Specify methods and costs for items.
- Specify manufacturing constants for Product Costing and Manufacturing Accounting.
- Set up standard rate and factor codes.
- Assign values to user-defined cost components.
- Set up simulated rates for work centers.
- Set up general ledger class codes.
- Define manufacturing AAIs.

Note. Before you can use the JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting systems, you need to define certain information that the system uses during processing. The settings might vary depending on whether you are using standard or actual accounting for an item.

Understanding UDCs for Product Costing

Many fields throughout the JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting systems require UDCs. UDCs enable you to establish and maintain a table that defines valid codes for various types of information to meet the needs of the organization. Codes are categorized by system and code type.

This table lists the UDCs that are used by the JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting systems:

UDC	Description
Cost Component Add-Ons (30/CA)	Use cost components to identify and track each type of cost for an item. A is used for material costs, B is for labor and machine hours, and C is for labor and machine-based overheard. Cost components that begin with A, B, and C are hard-coded and cannot be changed or used for other UDCs.
	You can define an unlimited number of additional cost components to account for extra costs for an item, such as electricity or research and development. You can assign separate cost components by categories that are applicable to the business. The UDCs for extra cost components can begin with any letter except A, B, or C. Although you might attempt to set up extra cost components that begin with these letters, the Simulate Rollup program (R30812) actually deletes these cost components.
	D is used for outside operations in demo data, but any code other than A, B, or C with a special handling code of *1* can be used.
	When you set up cost components, complete a separate line for all of the possible cost components that can be used in the cost rollup for an item.
	Complete these fields with this information:
	• Codes: The code for the cost component.
	• Description 1: What the component represents.
	• Description 2: Additional text that further clarifies.
	• Special Handling: Use a value of *1* to define a code as an outside operation.
	Important! You can use a cost component only once for an outside operation in a routing. If you have more than one outside operation, you need to define different cost components, such as D1 and D2.

UDC	Description
Cost Buckets (30/CB)	Use cost buckets to group similar cost components for inquiry and reporting purposes. When you set up cost buckets, complete these fields with this information: • Codes: Identify the cost components to be grouped. • Description 1: Enter the name that you want to appear as the heading for the cost bucket column on costed bill review programs and reports. You need to enter this title only once for each sequence number (entered in the Description 2 field). If the program finds more than one name for a bucket, it uses the name that is defined for the last cost component that it accumulates into the operation bucket. • Description 2: Specify in which column (bucket) each cost component is grouped.
Costed Operation Buckets (30/CO)	Use operation bucket codes to combine component costs in each step in the routing. That is, you can group operation costs into totals that appear on review programs and reports for costed routings. For example, you might track labor costs by separate cost components that represent setup, run, and overhead labor for an item. When you assign the same sequence number to each cost component, you can combine these cost components into one total cost for labor on the review program for costed routings or report for the item. When you set up operation bucket codes, complete these fields with this information: • Codes: Identify the cost components to be grouped. • Description 1: Enter the name that you want to appear as the heading for the operation bucket column on costed routing inquiries and reports. You need to enter this title only once for each sequence number (entered in the Description 2 field). If the program finds more than one name for a bucket, it uses the name that is defined for the last cost component that it accumulates into the operation bucket. • Description 2: Specify in which column (bucket) each cost component is grouped. You should reserve buckets 1 and 2 for extra costs. The system can not calculate cost buckets 1 and 2 based on the routing, because extra costs are not related to a particular operation on the routing. Buckets 1 and 2 appear in the header area of the Costed Routing Inquiry program (P30208), and a processing option controls whether they are included in the calculation of total costs.

UDC	Description
Costing Exceptions Error Messages (30/EM)	Use this UDC table to review the error messages that appear on the Costing Exceptions report (R30801) when any item contains any of the errors that are included in this table. You can change the severity level of an error to one that is appropriate for the company. The severity level is defined in Description 2. The error messages are hard-coded. You cannot add or delete messages. If you change the name of an existing message, you should not change its meaning, but merely adapt the definition to one that is more clearly understood by the company.
Average Cost Calculation (40/AV)	If you want the weighted average cost method (02) to be updated automatically by the system, use this UDC table to enter the program numbers for each of the programs that you want the system to update. Completions (R31114) and Variance Accounting (R31804) should be added for Actual Costing.
Cost Method (40/CM)	Use this UDC table to review the cost methods that are used to calculate costs for all items. Codes 01 through 09 are hard-coded and cannot be altered. Codes 10 through 19 are reserved for use by the JD Edwards EnterpriseOne system from Oracle. Codes 02, 07, and 09 are the only cost methods that are supported by manufacturing.

Example: Setting Up Cost Bucket Codes for Costed Bills of Material

You can group similar cost components for review and reporting purposes. For example, you can define A1 and A2 cost components as Purchasing. You do this by assigning them the same sequence number in the Description 2 field. The sequence number also determines in which order the groups appear on costed bill inquiries and reports. You can then use the costed bill inquiries and reports to review the total costs for the group Purchase.

Each cost bucket can contain several defined cost components.

This example illustrates how you might define the buckets and UDCs:

Bucket Number	Description
Bucket 1	Purchase: Includes cost components A1 (material), A2 (scrap), and D1 (outside operations).
Bucket 2	Labor: Includes cost components B1 (direct labor), B2 (setup), and B4 (labor efficiency).
Bucket 3	Machine: Includes cost component B3 (machine run).
Bucket 4	Overhead: Includes cost components C1 (machine variable) and C2 (machine fixed).
Bucket 5	Extras: Includes cost components X1 (taxes) and X2 (electricity).

This example of UDC 30/CB illustrates how you might define the UDCs in the software:

Codes	Description 01	Description 02	Special Handling	Hard-Coded
A1	Purchase	1		Y
A2	Purchase	1		Y
B1	Labor	2		Y
B2	Labor	2		Y
B3	Machine	3		Y
B4	Labor	2		Y
C1	Overhead	4		Y
C2	Overhead	4		Y
C3	Overhead	4		Y
C4	Overhead	4		Y

Understanding Costing Information Setup

You can set up the JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting systems to meet specific manufacturing environment needs. The system uses the values that you define to determine the costs of the items that you manufacture.

Note. If you use either of the actual costing methods, you do not complete the task for setting up accounting cost quantities.

Specifying Accounting Cost Quantities for Standard Costs

The system uses accounting cost quantities to determine the allocation of fixed costs for an item. Accounting cost quantities represent the standard quantity of a work order or rate schedule for this item. During cost rollup, the system divides the fixed costs by the accounting cost quantity that you specify to determine a per unit fixed cost.

This section discusses how to specify accounting cost quantities for standard costs.

Note. If you use either of the actual cost methods (02 or 09) for an item, you do not need to complete this task.

Form Used to Specify Accounting Cost Quantities for Standard Costs

Form Name	FormID	Navigation	Usage
Additional System Info	W41026D	Item Revisions (G4112), Item Branch/Plant Manufacturing Data Search on an item number, select a record, and then select Addl System Info from the Row menu.	Set up accounting cost quantities for standard costs.

Specifying Accounting Cost Quantities for Standard Costs

Access the Additional System Info form.

Additional System Info form: Plant Manufacturing tab

Accounting Cost Qty
(accounting cost quantity)

Enter the amount that the system uses in cost rollup to determine the allocation of setup costs. The system totals the setup costs and divides the sum by this quantity to determine a per-unit setup cost. The default value is *1*.

Specifying Item Cost Levels

This section provides an overview of item cost levels and discusses how to specify item cost levels.

Understanding Item Cost Levels

The cost level that you assign to an item indicates the level at which the system maintains costs. You determine whether the system maintains one overall cost for an item (cost level 1) or a different cost for the item in each branch/plant (cost level 2). The system can also maintain a different cost for each location and lot within a branch/plant (cost level 3).

This list applies to using cost level 3:

• Configured items must be cost level 3.

• If you use Actual Costing (09), you should use cost level 3.

• In Standard Costing, cost level 3 is not supported.

After you have entered cost information, do not change an item's cost level on this form. To change an item's cost level, use the Item Cost Level Conversion program (R41815).

Forms Used to Specify Item Cost Levels

Form Name	FormID	Navigation	Usage
Work With Item Master Browse	W4101E	Inventory Master/Transactions (G4111), Item Master	Access the form used to set up an item cost level.
Item Master Revisions	W4101A	Search on an item number in the Query by Example line of the Work With Item Master Browse form. Select the record and click Select.	Set up item cost levels.

Specifying Item Cost Levels

Access the Item Master Revisions form.

Item Master Revisions form

To set up an item cost level:

1. Select Basic Item Data and complete or review the Inventory Cost Level field.

   The inventory cost level is a code that indicates whether the system maintains one overall inventory cost for the item, a different cost for each branch/plant, or a different cost for each location and lot within a branch/plant. The system maintains inventory costs in the Inventory Cost table (F4105). Values are:

   1: Item level

   2: Item/Branch level

   3: Item/Branch/Location level

2. Select Lot Processing and complete the Lot Process Type field if you use Actual Costing and you entered 3 as the inventory cost level.

   The lot process type is a code that indicates whether lot or serial number is assigned. Lot and serial number processes use the Lot Master table (F4108). Values are:

   0: Lot assignment is optional.

   You can manually assign numbers. Quantity can be greater than one. (Default)

   1: Lot assignment is required.

   The system assigns numbers using the system date in YYMMDD format. Quantity can be greater than one.

   2: Lot assignment is required.

The system assigns numbers in ascending order using Next Numbers. Quantity can be greater than one.

3: Lot assignment is required.

You must manually assign numbers. Quantity can be greater than one.

4: Serial number assignment is optional except during shipment confirmation.

Quantity must not exceed one.

5: Serial number assignment is required.

The system assigns numbers using the system date in YYMMDD format. Quantity must not exceed one.

Specifying Methods and Costs for Items

This section provides an overview of methods and costs for items and discusses how to:

- Set processing options for Cost Revisions (P4105).

- Specify methods and costs for items.

Understanding Methods and Costs for Items

You must provide cost information for each of the items so that the system can track inventory costs. When you define an item with cost level 2 or 3, you specify the cost method that the system uses to determine an item's cost for sales transactions, inventory transactions, and purchase orders in the Branch/Plant Constants program (P41001). You can override the values in the branch/plant constants for a particular item at the item branch/plant level.

For example, you can specify that the system use the weighted average cost method to determine the inventory cost for an item and use the last-in cost method to determine the item's unit cost for purchase orders.

You can set up the JD Edwards EnterpriseOne Manufacturing Accounting system for these costing types:

Costing Type	Description
Standard costing	Use cost method 07 (Standard). This method is useful for items that are manufactured in volume with low variety and have stable costs. When you use cost method 07 for the parent item, the system uses only method 07 for all components of the parent, outside operations, and so forth.
Actual costing	Use either cost method 02 (Weighted Average) or cost method 09 (Actual, Manufacturing Last). When you assign either cost method 02 or 09 to the parent item, the system uses this value to update the Ledger field (LEDG) in the Work Order Master Tag table (F4801T) when work orders are generated. Therefore, the components on the parts list for the parent item can have any valid cost method (UDC 40/CM). The actual costing methods apply to discrete items only.

Cost method 02 (Weighted Average) is useful for costs that change often. Use this method when you do not want to revalue on-hand inventory when the work orders are completed, but at a different time.

Cost method 09 (Actual, Manufacturing Last) is useful for items that are engineered or manufactured to order and have costs that change often and significantly. Use this method when you want to revalue the inventory each time that you run the work order completion programs.

Important! Because JD Edwards EnterpriseOne software does not support actual costing for process and configured items, the system issues an error if you attempt to define an actual cost method for a process item (stocking type R) or a configured item (stocking type C). |

For each cost method that you assign to an item, you must also specify a cost or let the system calculate it. For example, to use the actual, or manufacturing last, cost method for an item, you could enter an initial cost or let the system update it with the last manufactured cost.

You can set up UDC (40/CM) to define cost methods. For example, you might want to establish a cost method to maintain a history of last year's costs. Codes 01 through 09 are hard-coded and cannot be altered. Codes 10 through 19 are reserved for the JD Edwards EnterpriseOne system to use and cannot be assigned.

Note. You can remove a cost method for an item if it is no longer applicable. If you try to remove the sales and inventory or purchasing cost method, the system displays a warning message. The system does not delete the cost method, but updates it to a cost of zero.

Form Used to Specify Methods and Costs for Items

Form Name	FormID	Navigation	Usage
Cost Revisions	W4105A	Product Costing (G3014), Enter/Change Item Costs On the Work With Item Cost form, search on the combination of branch/plant and item number, and then select a record and click Add.	Make cost revisions, such as setting up methods and costs for items.

Setting Processing Options for Cost Revisions (P4105)

These processing options control default processing for the Cost Revisions program.

Process

This processing option controls whether you can change standard costs.

Process   Specify *1* to prevent the standard cost from being changed.

Interop

This processing option controls whether interoperability is enabled.

Transaction type   Specify the transaction type for the interoperability transaction. If you leave this processing option blank, outbound interoperability processing is not used.

Flex Acct

This processing option controls whether flex accounting is enabled.

Flex Accounting   Specify whether to enable flex accounting. If you leave this processing option blank, the system does not use flex accounting.

> **Note.** To use this processing option you must first enable flex accounting for automatic accounting instructions (AAIs) 4134 and 4136.

Specifying Methods and Costs for Items

Access the Cost Revisions form.

Cost Revisions form

Sales/Inventory	Enter a UDC (40/CM) that indicates the cost method that the system uses for the inventory value and to calculate the cost of goods that are sold for the item. Cost methods 01–19 are reserved for JD Edwards EnterpriseOne system use.
	If you maintain costs at the item level, the system retrieves the default value for this field from the data dictionary. If you maintain costs at the item and branch/plant level, the system retrieves the default value from Branch/Plant Constants.
Purchasing	Enter a UDC (40/CM) that indicates the cost method that the system uses to determine the cost of the item for purchase orders. Cost methods 01–19 are reserved for JD Edwards EnterpriseOne system use.
	If you maintain costs at the item level, the system retrieves the default value for this field from the data dictionary. If you maintain costs at the item and branch/plant level, the system retrieves the default value from Branch/Plant Constants.
Cost Method	Enter a UDC (40/CM) that specifies the basis for calculating item costs. Cost methods 01 through 19 are reserved for use by the JD Edwards EnterpriseOne system.
Unit Cost	Enter the cost for one primary unit of this item, based on the corresponding cost method.
	You can change the monetary amount for any cost method at any time except Standard (07), which is controlled by a processing option. Best practice for changing 07 costs is running the Frozen Cost Update program (R30835). If you change the amount for the cost method that you use to value inventory and track costs of goods sold, the system applies the new amount to the on-hand quantity of the item and creates journal entries to account for the difference between the old and the new amounts.
	Certain programs update the dollar amount for some cost methods. Examples include:
	• Last-in method
	The system interactively updates this unit cost based on the last cost of the item at the time of a purchase order receipt or after an inventory adjustment.

- Weighted average method

  The system calculates and updates this amount by adding transaction quantities, adding transaction costs, and dividing the total cost by the total quantity.

- Purchase method

  The system updates similarly to the last-in method, but without landed costs.

Note. If you enter a cost method for sales and inventory or purchasing and do not set up a cost amount for that method, a warning message appears. If you do not enter a cost amount for the cost method, the system assigns a cost of zero.

Specifying Manufacturing Constants for Product Costing and Manufacturing Accounting

This section provides an overview of manufacturing constants and discusses how to specify manufacturing constants for Product Costing and Manufacturing Accounting.

Understanding Manufacturing Constants

You must define product costing and manufacturing accounting information that is unique to the branch/plant.

You use the Manufacturing Constants program (P3009) to specify this cost calculation information:

- Whether to maintain costs at the work center level or the cost component level.
- Which overhead costs to calculate.
- Whether to consider work center efficiency when calculating direct labor and overhead.
- Whether overhead costs are entered as percentages or rates.

If you use Actual Costing, you can specify the sources for labor and machine rates that the system uses to calculate labor and machine costs.

Form Used to Specify Manufacturing Constants for Product Costing and Manufacturing Accounting

Form Name	FormID	Navigation	Usage
Manufacturing Constants Revision	W3009B	Product Costing Setup (G3042), Manufacturing Constants Select a branch/plant on the Work with Manufacturing Constants form, and click Select.	Set up manufacturing constants for Product Costing.

Specifying Manufacturing Constants for Product Costing and Manufacturing Accounting

Access the Manufacturing Constants Revision form.

Costing Options

Select the Costing Options tab.

Manufacturing Constants Revision form: Costing Options tab

Cost by Work Center	Enter a value, maintained in the Manufacturing Constants program (P3009), that indicates whether the system tracks cost variances for discrete and process items on a summarized level in the Item Cost Component Add-Ons table (F30026) or on a detailed level in the Item Cost Component Detail table (F300261). Values are:
	Y: Yes. Maintain costs on a detailed level by cost type component and work center.
	N: No. Maintain costs on a summarized level by cost type component only.
Modify cost by Work Center Efficiency	Specify whether the cost rollup creates cost component B4 (for labor efficiency) based on the direct labor value (cost component B1) and the Work Center Efficiency percentage from the Work Center Master table (F30006).
	To create cost component B4, click the Modify Cost by Work Center Efficiency option under the Costing Options heading.
Include Work Center Eff. in Overhead (include work center efficiency in overhead)	Specify whether the cost rollup includes work center efficiency when you calculate overhead values if you specified that you want to modify costs by work center efficiency.
	To include work center efficiency, click the Include Work Center Eff. in Overhead option under the Costing Options heading.
Include Var. Labor Overhead in cost (include variable labor overhead in cost)	Specify whether the cost rollup creates cost type component C3 (for variable labor overhead) in the Item Cost Component Add-Ons table (F30026).
	To create cost component C3, click the Include Variable Labor Overhead in Cost option under the Costing Options heading.
Calculate Var. on Setup Labor (calculate variable on setup labor)	Specify whether the cost rollup includes setup labor expenses (cost component B2) in the total that is used to calculate variable setup overhead (cost component C3).

To include setup labor expenses, click the Calculate Var. on Setup Labor option under the Costing Options heading.

Calculate Var. on Direct Labor (calculate variable on direct labor)

Specify whether the cost rollup includes direct labor expenses (cost component B1) in the total that is used to calculate variable labor overhead (cost component C3).

To include direct labor expenses, click the Calculate Var. on Direct Labor option under the Costing Options heading.

Include Fixed Labor Overhead in cost

Specify whether the cost rollup creates cost component C4 (for fixed labor overhead) in the Item Cost Component Add-Ons table (F30026).

To create cost component C4, click the Include Fixed Labor Overhead in Cost option under the Costing Options heading.

Calculate Fixed on Setup Labor

Specify whether the cost rollup includes setup labor expenses (cost component B2) in the total that is used to calculate fixed setup overhead (cost component C4).

To include setup labor expenses, click the Calculate Fixed on Setup Labor option under the Costing Options heading.

Calculate Fixed on Direct Labor

Specify whether the cost rollup includes direct labor expenses (cost component B1) in the total that is used to calculate fixed labor overhead (cost component C4).

Include Var. Machine Overhead in cost

Specify whether the cost rollup creates cost component C1 (for variable machine overhead) in the Cost Components table (F30026).

To create cost component C1, click the Include Var. Machine Overhead in Cost option under the Costing Options heading.

Include Fixed Machine Overhead in cost

Specify whether the cost rollup creates cost component C2 (for fixed machine overhead) in the Item Cost Component Add-Ons table (F30026).

To create cost component C2, click the Include Fixed Machine Overhead in Cost option under the Costing Options heading.

Machine Rate Source

Enter a value that specifies the source for machine rates when the system calculates routing costs in the Production Costs (F3102) table. Values are:

1: Work Center Rates table (F30008).

2: Equipment Rates table (F1301)

Labor Rate Source

Enter a value that specifies the source for labor rates when the system calculates the routing costs in the Production Costs (F3102) table. Values are:

1: Work Center Rates table (F30008)

2: Employee Labor Rates table (F00191)

Overheads

Specify whether values for overhead fields (cost components C1 through C4) in the Work Center Rates table (F30008) are expressed as percentages or rates.

To specify whether the system expresses the overhead fields as percentages or rates, click either Percentages or Rates under the Overheads heading.

See Also

JD Edwards EnterpriseOne Product Data Management 8.12 Implementation Guide, "Setting Up Product Data Management," Setting Up Manufacturing Constants

Setting Up Standard Rate and Factor Codes

This section provides an overview of standard rate and factor codes and discusses how to set up standard rate and factor codes.

Understanding Standard Rate and Factor Codes

Standard rate and factor codes represent overhead costs or other indirect costs that cannot be attributed directly to a certain production process or operation, but must be accounted for in the costs of an item. These types of costs include utilities, insurance, research and development costs, rent or lease payments, and other overhead or general operating costs.

Note. Rate and factor codes are user-defined, but to maintain them, you must access the Standard Rates program (P00191) from the menu. You cannot change them in the UDC tables with the same label. For example, if you enter 30 and CR on the Work With User Defined Codes form, you open the Critical Work Center UDC table, not the standard rates.

The Cost Simulation - Build Temp program (R30812) uses the rates and factors that you define to calculate some of the costs that appear in the Cost Components program (P30026).

Form Used to Set Up Standard Rate and Factor Codes

Form Name	FormID	Navigation	Usage
Enter Generic Message/Rates	W00191D	Product Costing Setup (G3042), Standard Rates Click Find, and then select Costing Rates and click Select.	Set up standard rate codes.
Enter Generic Message/Rates	W00191D	Product Costing Setup (G3042), Standard Factors Click Find, and then select Costing Factors and click Select.	Set up standard factor codes.

Setting Up Standard Rate and Factor Codes

Access the Enter Generic Message/Rates form.

Enter Generic Message/Rates form

To set up standard rate codes:

1. Select Costing Rates and click Select.

2. On Enter Generic Message Rates, complete these fields and click OK:

   • Code

   Enter a code that corresponds to a record that the Enter/Change Cost Components program (P30026) uses in conjunction with the factor code to calculate extra costs. This code must be set up in UDC table 30/CR.

   • Description

   Enter a description of the code.

   • Rate

   Enter a code used to define rate information in the General Rate/Message Records table (F00191). The rate with up to four decimal places is used to calculate the extra costs for this code.

To set up standard factor codes:

1. Select Costing Factors and click Select.

2. On Enter Generic Message Rates, complete these fields and click OK:

   • Code

   • Description

   • Rate

Assigning Values to User-Defined Cost Components

This section provides an overview of user-defined cost-component values, lists prerequisites, and discusses how to assign values to user-defined cost components.

Understanding User-Defined Cost Component Values

After you set up cost components and standard rate and factor codes, you must assign a monetary value to each. These values are added to the net amount of each item that you set up. You can assign a net-added value manually, or you can assign a predefined value.

You can also assign a calculated value based on another cost component's total value. In this case, the system calculates the net added value based on the total for an existing cost component. In addition, you can assign a calculated value based on another cost component's net-added value. The system calculates the net-added value based on the net-added value for an existing cost component. In both circumstances, the system calculates this value when you enter information in the Enter/Change Cost Components program (P30026). The costs are then rolled up into the cost of the item when you run the Simulate Rollup program (R30812).

The system can calculate the net added value by multiplying a rate and factor. If you enter both amounts, the system multiplies the two numbers to calculate the net added cost for the cost component for that item.

Prerequisites

Before assigning values to user-defined cost components you must:

• Set up the cost components in UDC table 30/CA.

• Set up the standard rate and factor codes.

Form Used to Assign Values to User-Defined Cost Components

Form Name	FormID	Navigation	Usage
Enter Cost Components	W30026B	Product Costing (G3014), Enter/Change Cost Components Search on the combination of branch/plant and item number, select a record, and click Select.	Assign values to cost components.

Assigning Values to User-Defined Cost Components

Access the Enter Cost Components form.

Enter/Change Cost Components - Enter Cost Components

OK   Delete   Cancel   Form   Row   Tools

| | | Manufactured | | Branch/Plant | | M30 |

Item Number   220   Touring Bike, Red

Unit of Measure   EA   Each   Simulated

Cost Method   07   Standard   Frozen

Stocking Type   M   Mfg. Assembly or Sub-Assembly   Cost Ledger   527.8817

Records 1 - 10   Customize Grid

	Cost ★ Type	Description	Simulated Net Added	Simulated Total	Sim Fac Code	Simulated Factor	Simulated Rate Code	Simulated Rate
	A1	Material						
	A2	Scrap						
	B1	Direct Labor		3.0204				
	B2	Setup Labor		0.0200				
	B3	Machine Run						
	C1	Machine Variable Overhead						
	C2	Machine Fixed Overhead						
	C3	Labor Variable Overhead		0.0608				
	C4	Labor Fixed Overhead		0.0608				

Enter Cost Components form

To assign a net added value manually:

On Enter Cost Components, complete the Simulated Net Added field for the record that you need to assign a net added value, and then click OK.

To assign a net-added value to the cost component, enter the appropriate value.

Note. The program displays manually entered costs in the Simulated Total field.

To assign a predefined value:

On Enter Cost Components, complete one of these fields and click OK:

• Sim Fac Code (simulated factor code)

  Select one of the values that you defined for the factor code (30/CF) in the Generic Message/Rates table (F00191). The system multiplies the value in this field with the value in the Simulated Rate field.

  Note. To review the valid factor codes, use the Search button or select Factors from the Form menu.

• Simulated Rate Code

  Select one of the values that you defined for the rate code (30/CR) in the Generic Message/Rates table (F00191). The system multiplies the value in this field with the value in the Sim Fac Code field.

  Note. To review the valid rate codes, use the Search button or select Rates from the Form menu.

To assign a calculated value based on another cost component's total value:

1. On Enter Cost Components, select a cost component type and type *&* followed by the cost component code in the Sim Fac Code field.

To assign a value to a cost component based on the total value of another cost component, you must enter specific information in this field: *&* followed by the *based on* cost-component code.

Because of the way in which the system rolls up the costs, the cost component that you reference must come before the cost component that you are defining. For example, to define cost component X2, you can reference cost component X1 by entering *&X1* in this field, but you cannot define cost component X1 by referencing cost component X2.

2. Complete the Simulated Rate Code or Simulated Rate field and click OK.

   The system retrieves the total value or net-added value for the *based on* cost component and multiplies it by the rate value that you indicated.

To assign a calculated value based on another cost component's net-added value:

1. On Enter Cost Components, complete the Cost Type field.

2. Type * followed by the cost component code in this field:

   • Sim Fac Code

   To assign a calculated value based on another cost component's net added value, you must enter specific information in this field: * followed by the *based on* cost-component code.

   Because of the way in which the system rolls up the costs, the cost component that you reference must come before the cost component that you are defining. For example, to define cost component X2, you can reference cost component X1 by entering **X1* in this field, but you cannot define cost component X1 by referencing cost component X2.

   • Complete the Simulated Rate Code or Simulated Rate field and click OK.

   The system retrieves the total value or net-added value for the *based on* cost component and multiplies it by the rate value that you indicated.

To assign a calculated value by multiplying a rate and a factor:

On Enter Cost Components, select a cost component type and complete one or both of these fields:

• Simulated Rate Code

• Simulated Rate

   The system retrieves the total value or net-added value for the *based on* cost component and multiplies it by the rate value that you indicated.

To assign a value for actual costs:

On Enter Cost Components, enter a value in the Frozen Net Added field, and click OK.

Note. Do not run R30812, or all inventory will be revalued for the X cost amount.

Cost Type	Enter a code that designates each element of cost for an item. Examples of the cost object types are:
	A1: Purchased raw material.
	B1: Direct labor routing rollup.
	B2: Setup labor routing rollup.
	C1: Variable burden routing rollup.
	C2: Fixed burden routing rollup.

Dx: Outside operation routing rollup.

Xx: Extra add-ons, such as electricity and water.

The optional add-on computations usually operate with the type Xx extra add-ons. This cost structure allows you to use an unlimited number of cost components to calculate alternative cost rollups. The system then associates these cost components with one of six user-defined summary cost buckets.

The field to the right of the code describes the cost.

Simulated Net Added	Used to calculate cost during the simulation process.
	This is the cost to build this item at this level in the bill of material. This cost does not include materials (lower-level components). The heading above the Net Added and Total columns indicates if the costs are simulated or frozen values.
Simulated Total	Used to calculate the cost of all the lower levels during the simulation process for the designated cost method.
	This is the sum of the net added cost at this level plus the sum of the total costs of the item's direct components (which includes those items' lower-level component costs.) The heading above the Net Added and Total columns indicates if the costs are simulated or frozen values.
Sim Fac Code (simulated factor code)	Enter a user-defined code (30/CF) used to retrieve factor information from the Generic Rate table (F00191). This value is used in conjunction with the Simulated Rate Code and Simulated Rate fields to calculate extra costs (electricity, taxes, tooling changes, and so on).
Simulated Rate Code	Enter a user-defined code (30/CR) used to retrieve rate information from the Generic Rate table (F00191). This value is used in conjunction with the Simulated Factor Code and Simulated Factor fields to calculate extra costs (electricity, taxes, tooling changes, and so on).
Simulated Rate	Enter a generic rate used to calculate extra costs, such as electricity and taxes.
Frozen Net Added	Displays the cost of the item as calculated by the Simulate Cost Rollup program (P30820) and updated by the Frozen Cost Update program (P30835). You can also manually maintain this cost.

Setting Up Simulated Rates for Work Centers

This section provides an overview of simulated rates, lists a prerequisite, and discusses how to create simulated rates for work centers.

Understanding Simulated Rates

You can effectively manage changes to a work center by tracking rates for labor and machine costs. You can update simulated rates for machine and labor hours by work center and cost method. The system uses these values in other manufacturing calculations, such as those that are used in costed routings, labor rate variance reports, and direct labor efficiency reports.

If you use standard costing, you must set up the simulated rates for work centers.

If you use actual costing and do not want to use labor or machine rates, you can use work center rates. You must make this decision when you set up the manufacturing constants. You can also set up the work center rates even if you have chosen labor or machine rates. The system uses the work center rate as the default rate if no other rates have been chosen.

Prerequisite

Before you set up simulated rates for work centers, you must set up work centers.

See *JD Edwards EnterpriseOne Product Data Management 8.12 Implementation Guide*, "Entering Work Centers and Routing Instructions," Creating Work Centers.

Form Used to Set Up Simulated Rates for Work Centers

Form Name	FormID	Navigation	Usage
Work Center Rate Revisions	W3006C	Product Costing (G3014), Enter/Change Work Center Rate Search on the combination of branch/plant and work center on the Work With Work Center Rates form, select a record, and click Select.	Create or change work center rates for labor and machine costs.

Creating Simulated Rates for Work Centers

Access the Work Center Rate Revisions form.

Work Center Rate Revisions form

Work Center	Review the number that identifies a branch, plant, work center, or business unit.
Direct Labor	Enter a rate, in cost per person per hour, that the system uses with the run labor hours of the associated routing to calculate the standard run labor cost.

Setup Labor	Enter a rate that the system uses with the setup labor hours of the associated routing to calculate the standard setup labor cost.
Labor Variable O/H (labor variable overhead)	Enter a rate or percentage, as determined on Manufacturing Constants, that is used to calculate the standard variable labor overhead cost. If this field is a rate, it is the cost per hour. If this field is a percentage, it is the percentage of direct labor.
	Enter percentages as whole numbers. For example, enter five percent as 5.00.
Labor Fixed O/H (labor fixed overhead)	Enter a rate or percentage, as determined on Manufacturing Constants, to use to calculate the standard fixed labor overhead cost. If this field is a rate, it is the cost per hour. If this field is a percentage, it is the percentage of direct labor.
	Enter percentages as whole numbers. For example, enter five percent as 5.00.
Machine Run	Enter a rate that the system uses with the run machine hours of the associated routing to calculate the standard machine labor cost.
Machine Variable O/H (machine variable overhead)	Enter a rate or percentage, as determined on Manufacturing Constants, to use to calculate the future standard machine overhead cost. If this field is a rate, it is the cost per hour. If this field is a percentage, it is the percentage of machine run.
	Enter percentages as whole numbers. For example, enter five percent as 5.00.
Machine Fixed O/H (machine fixed overhead)	Enter a rate or percentage, as determined on Manufacturing Constants, to use to calculate the standard fixed machine overhead cost. If this field is a rate, it is the cost per hour. If this field is a percentage, it is the percentage of machine run.
	Enter percentages as whole numbers. For example, enter five percent as 5.00.

See Also

JD Edwards EnterpriseOne Product Data Management 8.12 Implementation Guide, "Entering Work Centers and Routing Instructions," Entering Costing and Accounting Information for Work Centers

Setting Up General Ledger Class Codes

This section provides an overview of general ledger class codes and discusses how to set up general ledger class codes.

Understanding General Ledger Class Codes

General ledger (GL) class codes are used by the AAIs to determine which accounts the system posts transactions to for specific items.

You set up the GL class code on the Item Branch/Plant Info form. The system then copies that value to the Item Location Revision program (P41024) and the AAIs use the GL class code from the Item Location table (F41021).

Because the system generates journal entries based on GL class codes and AAIs, you should set up the class codes carefully. Generally, the AAIs are set up in collaboration with the accounting department.

Forms Used to Set Up General Ledger Class Codes

Form Name	FormID	Navigation	Usage
Work With Item Branch	W41026E	Inventory Master/Transactions (G4111), Item Branch/Plant	Access forms to work with item and branch/plant information.
Item/Branch Plant Info	W41026A	On the Work With Item Branch form, search on an item number, select a record, and click Select.	Set up item and branch/plant information, such as general ledger class codes.
Work With Item Locations	W41024B	On the Work With Item Branch form, select Location Revisions from the Row menu.	Access forms to work with item locations.
Location Revisions	W41024A	On the Work With Item Locations form, select a location and click Select.	Make location revisions, such as changing the class code.

Setting Up General Ledger Class Codes

Access the Work With Item Branch form.

To set up ledger class codes:

1. Complete the Item Number field and select Find on the Work With Item Branch form.

2. Select a record and click Select.

3. Select Basic Branch/Plant Data, complete the G/L Class field, and click OK on the Item/Branch Plant Info form.

4. On Work With Item Branch, select Location Revisions from the Row menu.

5. Select a location and click Select on Work With Item Locations.

6. Complete the Class Code field or accept the default value on Location Revisions.

7. Click OK.

Defining Manufacturing AAIs

This section provides an overview of manufacturing AAIs and discusses how to:

• Set processing options for Automatic Accounting Instructions (P40950).

• Define manufacturing AAIs.

Understanding Manufacturing AAIs

Each transaction for which the system creates journal entries has AAIs that instruct the program to post to specific accounts in the general ledger. User-defined AAIs connect manufacturing accounting, the chart of accounts, and financial reporting. You should create AAIs for each unique combination of company, transaction, document type, general ledger class, and cost component.

AAIs use these five keys to find the object account number to use to create general ledger entries for transactions:

- Company number.
- Work order document type.
- General ledger class code.
- Cost component.
- Transaction doc type (except AAI 3120 and 3401).

To retrieve an AAI, the system searches first for an exact match between company and the general ledger class code. If it does not find one, it searches for the default company and the item's general ledger class code. If it does not find a match, it searches for the company and uses **** (four asterisks) for the general ledger class code.

Each AAI or record type points to a specific object account in the general ledger. Business unit and a subsidiary can also be supplied in the AAI table or supplied by default from other sources.

Manufacturing AAIs are defined at the 3000 level, as illustrated in this table:

AAI	Description
3110 Inventory/Raw Materials	This AAI specifies which balance sheet accounts in the general ledger the system uses when it issues raw materials or parts from inventory to work in process (document type IM). You also use this AAI to issue completed subassemblies from inventory back into work in process. Used when R31802A is run.
3120 Work in Process	For debit transactions, this AAI increases the value of work in process by issuing raw materials and parts to work orders or rate schedules (document type IM) and recording labor, machine, and overhead costs from the routing (document type IH). For credit transactions, during completion (document type IC), this AAI records the transfer of costs for a work order or a rate schedule from work in process to subassemblies and finished goods inventory. Used when R31802A is run.
3130 Sub-Assembly/Finished Goods	This AAI specifies which balance sheet accounts in the general ledger the system uses when it receives subassemblies or finished goods from work in process into inventory (document type IC) or scrap (document type IS). Used when R31802A is run.
3210 Clear Work in Process	For actual costing, this AAI posts any additional cost of goods sold that were not included when completions were entered. Used when R31804 is run.

AAI	Description
3220 Labor	This AAI is used when the actual hours are different from the planned hours that are associated with shop floor activities on document type IV. This is applicable to all cost components except A1 and A2. Variances are posted as positive or negative, depending on whether they are favorable or unfavorable. Used when R31804 is run.
3240 Material	This AAI is used when the actual costs are different from the planned costs for cost components A1 and A2. The variance results from either over-issues or under-issues. Variances are posted as debits or credits, depending on whether they are favorable or unfavorable. Used when R31804 is run.
3260 Planned	This AAI posts when the planned costs are different from the current costs that are associated with shop floor activities on document type IV. This variance results from either of the items listed: • A change to the parts list or the routing. • A shrink factor. Variances are posted as positive or negative, depending on whether they are favorable or unfavorable. Used when R31804 is run.
3270 Engineered	This AAI posts when the current costs are different from the standard (frozen) costs that are associated with shop floor activities on document type IV. This variance results from a change to the standard bill of material or the standard routing. Variances are posted as positive or negative, depending on whether they are favorable or unfavorable. Used when R31804 is run.

AAI	Description
3280 Other	This AAI posts when the completed cost is different from the standard cost that is associated with shop floor activities on document type IV. This variance results when a cost rollup is performed in the middle of the cycle, or it is generated when the quantity completed plus the quantity scrapped does not equal the work or rate schedule quantity. The variance might also be rounding. Variances are posted as positive or negative, depending on whether they are favorable or unfavorable. Used when R31804 is run.
3401 Accruals	This AAI specifies the profit-and-loss accounts that offset work-in-process labor, machine, and overhead transactions to work orders or rate schedules (document type IH). Used when R31802 is run.

Form Used to Define Manufacturing AAIs

Form Name	FormID	Navigation	Usage
Account Revisions	W40950D	Shop Floor Management Setup (G3141), Automatic Acctg Instructions On the Work With AAIs form, complete the Skip to AAI field, select a record, and then select Details from the Row menu.	Define manufacturing AAIs.

Setting Processing Options for Automatic Accounting Instructions (P40950)

These processing options control default processing for the Automatic Accounting Instructions program.

Defaults

These processing options control default settings for entering and retrieving AAI information.

AAI Table Number   Specify the default value for the Skip to AAI field on the Work With AAIs form.

Cost Type   Specify whether to define cost types. If you selected the Use Product Cost Detail option in the Branch/Plant Constants program (P41001), enter *1* to define cost types for these distribution AAIs:

4122

4124

4134

4136

4220

4240

4310

Defining Manufacturing AAIs

Access the Account Revisions form.

Automatic Acctg Instructions - Account Revisions

OK   Find   Delete   Cancel   Form   Tools

AAI Table Number   3120   Work in Process

Records 1 - 10

		Co	G/L Cat	Description G/L	Or Ty	Description	Cost Type	Branch Plant	Obj Acct	Sub
⦿		00000	****		WO	Real (firm) Work Ord	A1		1411	
○		00200	****		WO	Real (firm) Work Ord	D1		1710	
○		00200	IN30	Manufactured Finishe	WO	Real (firm) Work Ord	A1		1710	A1
○		00200	IN30	Manufactured Finishe	WO	Real (firm) Work Ord	A2		1710	A2
○		00200	IN30	Manufactured Finishe	WO	Real (firm) Work Ord	B1		1720	B1
○		00200	IN30	Manufactured Finishe	WO	Real (firm) Work Ord	B2		1720	B2
○		00200	IN30	Manufactured Finishe	WO	Real (firm) Work Ord	B3		1720	B3
○		00200	IN30	Manufactured Finishe	WO	Real (firm) Work Ord	B4		1720	B4
○		00200	IN30	Manufactured Finishe	WO	Real (firm) Work Ord	C1		1730	C1
○		00200	IN30	Manufactured Finishe	WO	Real (firm) Work Ord	C2		1730	C2

Account Revisions form

Co (company)   Specify the company. The company code must already exist in the Company Constants table (F0010) and must identify a reporting entity that has a complete balance sheet. At this level, you can have intercompany transactions.

Note. You can use company 00000 for default values such as dates and AAIs. You cannot use company 00000 for transaction entries.

Do Ty (document type)   Enter a document type. The document type value is a UDC (00/DT) that identifies the origin and purpose of the transaction. The system reserves several prefixes for document types, such as vouchers, invoices, receipts, and timesheets. The reserved document type prefixes for codes are:

P: Accounts payable documents

R: Accounts receivable documents

T: Time and Pay documents

> *I:* Inventory documents
>
> *O:* Purchase order documents
>
> *S:* Sales order documents
>
> Manufacturing transactions use these values:
>
> *IM:* Material issue
>
> *IH:* Routing transactions
>
> *IC:* Completions
>
> *IS:* Parent scrap
>
> *IV:* Variance

Or Ty (order type)	Enter a work order document type. The order type is a UDC (00/DT) that identifies the type of document. This code also indicates the origin of the transaction. The JD Edwards EnterpriseOne system has reserved document type codes for vouchers, invoices, receipts, and timesheets, which create automatic offset entries during the post program. (These entries are not self-balancing when you originally enter them.) These document types are defined by the JD Edwards EnterpriseOne system and should not be changed:

> *P:* Accounts Payable documents.
>
> *R:* Accounts Receivable documents.
>
> *T:* Payroll documents.
>
> *I:* Inventory documents.
>
> *O:* Purchase Order Processing documents.
>
> *J:* General Accounting/Joint Interest Billing documents.
>
> *S:* Sales Order Processing documents.

Cost Type	Enter a code that designates each element of cost for an item. Examples of the cost object types are:

> *A1:* Purchased raw material.
>
> *B1:* Direct labor.
>
> *B2:* Setup labor.
>
> *B3:* Machine run.
>
> *C1:* Machine variable overhead.
>
> *Dx:* Outside operation routing rollup.
>
> *Xx:* Extra add-ons, such as electricity and water.
>
> This cost structure enables you to use an unlimited number of cost components to calculate alternative cost rollups. The system then associates these cost components with one of six user-defined summary cost buckets.

Obj Acct (object account)	Enter an object account number. The AAI table is the only place where the object account portion of the general ledger account number is defined.

Note. If you use a flexible chart of accounts and the object account is set to six digits, you should use all six digits. For example, entering 000456 is not the same as entering 456 because if you enter 456, the system enters three blank spaces to fill a six-digit object.

Sub (subsidiary)

Enter a code that indicates a subsidiary account, which is a subset of an object account. Subsidiary accounts include detailed records of the accounting activity for an object account.

Note. If you are using a flexible chart of accounts and the object account is set to six digits, you must use all six digits. For example, entering 000456 is not the same as entering 456 because, if you enter 456, the system enters three blank spaces to fill a six-digit object.

If you leave this field blank, the system uses the value that you entered on the work order in the Cost Code field.

CHAPTER 4

Working with Product Costing

This chapter provides an overview of Product Costing and discusses how to:

- Review bill of material information for costing.
- Review routing information for costing.
- Run the Costing Exceptions report.
- Create a Simulated Cost Rollup.
- Review and revise simulated cost components.
- Review costed bills of material.
- Review costed routings.
- Update frozen costs.
- Freeze work center rates.
- Review frozen cost components.
- Review the Cost Components report.
- Review the item ledger.

Understanding Product Costing

This section discusses:

- Cost reduction.
- Standard costing.
- Simulated versus frozen costs.
- Cost components.

Cost Reduction

To remain competitive in a changing business environment and to reduce the costs that are passed along to the consumer, companies must be aware of all aspects of their business and look for ways to refine operations to reduce lead times, expedite speed to market, and reduce the cost of operations. All of these processes help the company to be more flexible so that it can respond to changes in customer demands and to maintain or improve its market share.

To reduce costs that you incur as a part of conducting business, you must understand where costs are generated. For production industries, you must break down product costs into each contributing factor that influences the ultimate cost of the manufactured product. You should track not only the cost of the individual item, but also each additive feature or activity that adds cost to the end product or increases the value of the product.

Numerous activities or processes might add costs to the product. You should have processes and tools in place to identify each component of cost. You must also understand how those incurred costs might be passed along to customers.

As the company refines its production processes and automates costing activities, you should create detailed definitions of the costing processes. Ensure that the cost techniques support any manufacturing method that you use. Often, a company wants to decrease the lead time required to maintain and monitor product costing information throughout the entire manufacturing process. More accurate costing information enables you to identify wasteful costs, and to lower costs that must be passed along to the consumer or that are absorbed. The goal is to increase the company's revenue and improve profit margins.

Standard Costing

With standard costing, you estimate costs for each end item assembly and manufactured part on a level-by-level basis before production begins. These cost estimates are based on both past performance and analysis of future conditions.

Distinguishing components of net-added cost and components of total cost:

Net Added Cost	Total Cost
Costs include: • Labor. • Overhead. • Outside operations. • Extra costs. • Materials (for purchased parts only).	Costs include: • This item's net-added cost. • Total cost of lower-level components.

The net-added cost represents the cost to manufacture an item at a specified level in the bill of material. For manufactured parts, the cost includes labor, outside operations, and extra costs, but not materials (lower-level items). For purchased parts, the net-added cost includes the cost of materials. The total cost of an item represents the sum of the item's net-added cost and the total cost of all components.

By defining and monitoring standard product costs, you can measure the company's current manufacturing performance and compare it to the standard (target) costs. Product costing provides information about the monetary investments in the materials, work in process, and physical inventory. You can use this information to determine pricing on end-items and service components.

Simulated Versus Frozen Costs

Simulated costs represent hypothetical situations for a given cost method. You might want to calculate simulated costs because of changing factors in the business environment.

For example, you can use simulated rollups to:

• Simulate an increase in material costs.

• Simulate changes in labor rates.

• Develop strategies for pricing, contractual, or labor negotiation.

You can simulate and review cost change scenarios (rollups) as many times as needed before you finalize the changes.

Changes are finalized in the system when you perform a frozen cost update for a given cost method. A frozen update copies the simulated values and makes them the frozen costs, and updates the Item Cost table (F4105) with the total cost. These costs remain in effect until you update them with another frozen update.

Cost Components

Cost components are values in UDC table 30/CA that represent the individual costs that make up an item, such as costs for material, labor, overhead, and extras. The system automatically calculates material, labor, and overhead costs. Extra costs, such as electricity, are manually controlled.

Use cost components to maintain complete item costing information. You can use them to set up simulated cost scenarios to help plan for future cost changes, and to display the simulated or frozen net-added and total component costs for any item.

In addition, you can:

• Allow for extra costs that are related to the manufacturing of a product, such as costs for electricity, insurance, water, or warehouse space.

• Review specific calculations that determine cost amounts for any item.

• Maintain costs by branch for multifacility processing; multifacility processing allows for different costing values based on regional or business variations.

• Define additional cost factors to include in product costing calculations.

Reviewing Bill of Material Information for Costing

Review the bills of material to understand the data that affects material costs. Only items with a bill type of M are used to establish standard costs.

This section discusses how to review bill of material information for costing.

Form Used to Review Bill of Material Information for Costing

Form Name	FormID	Navigation	Usage
Enter Bill of Material Information	W3002A	Daily PDM Discrete (G3011), Enter/Change Bill Enter a branch/plant and item number and click Find. Select a record on the Work with Bill of Material form, and click Select.	Review bill of material information for costing.

Reviewing Bill of Material Information for Costing

Access the Enter Bill of Material Information form.

Quantity	Enter the number of units that the system applies to the transaction.
	The number indicates how many components you use to manufacture the parent item. A quantity of zero is valid. The default value is 1.
UM (unit of measure)	Enter a unit of measure. This value is a UDC (00/UM) that identifies the unit of measure for an item. For example, it can be each, cases, boxes, and so on. Standard costs will be established in the primary unit of measure which should be the smallest UOM.
F V (fixed variable)	Enter a code that indicates if the quantity per assembly for an item on the bill of material varies according to the quantity of the parent item produced or is fixed regardless of the parent quantity. This value also determines if the component quantity is a percent of the parent quantity. Values are:
	F: Fixed Quantity.
	V: Variable Quantity (default).
	%: Quantities are expressed as a percentage and must total 100 percent.
	For fixed-quantity components, the JD Edwards EnterpriseOne Work Order Processing system from Oracle and the JD Edwards EnterpriseOne Requirements Planning system do not extend the component's quantity per assembly value by the order quantity.
	The per unit cost is established by dividing by the accounting cost quantity.
Feat Cost % (feature cost percentage)	Enter a percentage that the Simulate Cost Rollup program uses to calculate the cost of a feature or option item as a percentage of the total cost of the parent.
	Enter the percentage as a whole number, for example, enter 5 percent as 5.0.
Percent Scrap	Enter the percentage of unusable component material that is created during the manufacture of a particular parent item. During DRP/MPS/MRP generation, the system increases gross requirements for the component item to compensate for the loss. Enter percentages as whole numbers, for example, 5 percent as 5.0.
	Note. Inventory shrink and scrap are compounded to calculate the total loss in the manufacture of a particular item. Accurate shrink and scrap factors support more accurate planning calculations.
	The JD Edwards EnterpriseOne Shop Floor Management and JD Edwards EnterpriseOne Requirements Planning systems inflate component requirements by this percentage.
Operation Scrap Percent	Displays the operation scrap percent. The system calculates this value by compounding the yield percentages from the last operation to the first operation in the routing. Use a processing option in Enter/Change Routing to enable the system to calculate the operation scrap percent.
	The system updates this value on the Enter Bill of Material Information form when you run the Planned Yield Update program.
	Product Costing inflates component requirements by this percentage when calculating material costs.
	See *JD Edwards EnterpriseOne Product Data Management 8.12 Implementation Guide*, "Entering Work Centers and Routing Instructions," Setting Processing Options for Planned Yield Update (R3093).

See *JD Edwards EnterpriseOne Product Data Management 8.12 Implementation Guide*, "Entering Work Centers and Routing Instructions," Understanding Routing Instruction Creation.

See Also

JD Edwards EnterpriseOne Product Data Management 8.12 Implementation Guide, "Setting Up Bills of Material"

Reviewing Routing Information for Costing

Review the routings to understand their input into the labor and overhead costs.

This section discusses how to review routing information for costing.

Form Used to Review Routing Information for Costing

Form Name	FormID	Navigation	Usage
Enter Routing Information	W3003B	Daily PDM Discrete (G3011), Enter/Change Routing Enter a Branch/Plant and Item Number on the Work with Routing Operations form, click Find, and then select Revision from the Form menu.	Review routing information for costing.

Reviewing Routing Information for Costing

Access the Enter Routing Information form.

Enter Routing Information form

Work Center	Enter a work center number. Work centers are business units on the shop floor where routing steps take place. Work centers may include people or machines or both.
	Costs can be tracked at the work center level you have selected the Cost by Work Center option in the Manufacturing Constants.
Run Labor	Enter the standard hours of labor that you expect to incur in the normal production of this item.
	The run labor hours in the Routing Master table (F3003) are the total hours that it takes the specified crew size to complete the operation. The hours are multiplied by the crew size during shop floor release and product costing.
Run Machine	Enter the standard machine hours that you expect to incur in the normal production of this item.
Setup Labor	Enter the standard setup hours that you expect to incur in the normal completion of this item. This value is not affected by crew size and is divided by the accounting cost quantity to calculate the per unit setup cost.
Time Basis	Enter a UDC (30/TB) that indicates how machine or labor hours are expressed for a product. Time basis codes identify the time basis or rate to be used for machine or labor hours entered for every routing step. For example, 25 hours per 1,000 pieces or 15 hours per 10,000 pieces. You can maintain the time basis codes in Time Basis Code from the Product Data Management Setup menu (G3041).
	The system uses the values in the Description-2 field on the User Defined Codes form for costing and scheduling calculations. The description is what the code represents, but is not used in calculations.
Crew Size	Displays the crew size. The Crew Size field on the Work Order Routing form contains the value entered on the Work Center Revision form (P3006). You

can override the value by changing this field on the Work Order Routing form. However, the Work Center Revision form will not reflect this change.

The system multiplies the Run Labor value in the Routing Master table (F3003) by crew size or the number of people who work in the specified work center during costing to generate total labor amounts.

If the Prime Load Code is L or B, the system uses the total labor hours for backscheduling. If the Prime Load Code is C or M, the system uses the total machine hours for backscheduling without modification by crew size.

Type Oper (type operation)	Enter a UDC (30/OT) that indicates the type of operation. Values are:
	A: Alternate routing.
	TT: Travel time.
	IT: Idle time.
	T: Text.
	For Product Costing, only operations with a *blank* type operation code are costed.
Yield % (yield percent)	Enter the planned output yield percent for a step. The Planned Yield Update program uses this value to update the cumulative percent in the routing and the operation scrap percent in the bill of material. Materials Requirements Planning (MRP) uses the step scrap percent and the existing component scrap percent to plan component demand.
Cum Yield % (cumulative yield percent)	Enter the cumulative planned output yield percent for a step. The system uses this value to adjust the operation step scrap percent for the components at that operation step. This enables the JD Edwards EnterpriseOne Requirements Planning system to use the operation step scrap percent along with the existing component scrap percent to plan component demand.

See Also

JD Edwards EnterpriseOne Product Data Management 8.12 Implementation Guide, "Entering Work Centers and Routing Instructions"

Running the Costing Exceptions Report

This section provides an overview of the Costing Exceptions report and discusses how to:

• Create the Costing Exceptions report.

• Set processing options for Costing Exceptions (R30801).

Understanding the Costing Exceptions Report

Before you roll up simulated costs, run the Costing Exceptions report (R30801). This report lists error messages that identify any problems that are associated with an item. An example of a problem is an item without a routing.

The error messages are hard-coded in UDC table 30/EM. You cannot add or change these error messages. You can define the severity level for each error message to one that is appropriate for the company. For example, if having labor costs of 0 (zero) is an important exception in the company, you could assign that error message a high severity level. You can indicate in the processing options the minimum level of error messages that you want included in the report.

This table identifies the changeable, default severity setting for each of the hard-coded error messages:

Severity Level	Description
Severity level 10	• No accounting lot size for setup. • Setup hours are zero. • Machine hours are zero. • Labor hours are zero.
Severity level 20	• Purchase part with bill of material. • Bill of material components with no quantity.
Severity level 30	• No cost component - material cost. • No work center - labor rate. • No work center - setup labor rate. • No work center - labor variable overhead rate. • No work center - labor fixed overhead rate. • No work center - machine run rate. • No work center - machine variable overhead rate. • No work center - machine fixed overhead rate. • Purchased item without purchased cost.
Severity level 40	No rates for work center.
Severity level 50	• Manufactured item with no bill of material. • Manufactured item with no routing.

You should correct the problems and run the Costing Exceptions report again before you create a simulated rollup.

Creating the Costing Exceptions Report

Select Product Costing Reports (G3023), Costing Exceptions.

Setting Processing Options for Costing Exceptions (R30801)

These processing options control default processing for the Costing Exceptions report.

Error Message

This processing option controls the error message display on the report.

Error Message   Specify the minimum message level to appear on the report.

Cost Method

These processing options control which cost method the system uses as a basis for determining costing errors.

Cost Method   Specify the cost method on which to base costing errors (that is: 01, 02,...). If you leave this processing option blank, the system uses cost method 07 (standard).

Cost Method   Specify the purchasing cost method to base costing errors on (that is: 07, 02). If you leave this processing option blank, the system uses cost method 07 (standard).

Creating a Simulated Cost Rollup

This section provides an overview of the Simulated Cost Rollup, lists prerequisites, and discusses how to:

- Create a simulated rollup.
- Set processing options for Cost Simulation - Build Temp (R30812).

Understanding the Simulated Cost Rollup

Use the Cost Simulation - Build Temp program (R30812) to calculate costs based on hypothetical situations. The Frozen Standard Update report (R30825) displays the cost components by work center. After you run this report, you can review the results in the Cost Components program (P30026).

To retrieve a bill of material and routing, the program searches first for a bill for which the batch quantity matches the accounting cost quantity. When the program finds no such bill, it uses the zero batch bill. The bill of material must have bill type M (Standard Manufacturing Bill). Effective dates on components must be valid.

For the system to calculate B and C cost components, all of these conditions must be met:

- The routing must have routing type M (Standard Manufacturing Routing).
- A routing operation must have a work center with rates in the Work Center Master table (F30006) for the cost component to appear.
- The operation type code on the routing must indicate a normal operation (that is, the field for this code is blank).
- The effective dates on the routing must be valid.

  The default As Of date is the current date.

The cost simulation is affected by:

- Cumulative yield.
- Operation scrap.
- Master routings.
- Unit of measure conversions.

Cumulative Yield

Cumulative yield, which is defined on the routing, affects labor and machine hours in the rollup calculations. Enough hours must be expended to obtain 100 percent yield at the last operation. In a series of routings, the hours must be adjusted accordingly.

This example illustrates how costing of hours is affected by cumulative yield (Cumulative Yield = 85 percent (0.85)):

Yield	Labor	Machine	Setup
Without Yield	5	5	5
With Yield	5.88	5.88	5

For each operation, the labor and machine hours are adjusted by dividing the hours by the cumulative yield. Setup hours are not affected.

Operation Scrap

Operation scrap, defined on the bill of material, affects material cost calculations in the rollup. Enough material must be at each operation in order to obtain 100 percent yield at the last operation. When material cost is calculated, the quantity of the components is adjusted accordingly.

This example illustrates the effect of operation scrap on costing:

- Parent = A
- Component = B
- Quantity per = 3
- Cost of B = 5.00
- Operation scrap = 8 percent
- Cost of B rolled into parent item A = 3 x 1.08 x 5 = 16.20

Master Routings

The Cost Simulation - Build Temp program uses the master routing for the item from the Routing Master table (F3003) if all of these items are true:

- The Master Routing field on the Manufacturing Constants form is set to Y for the branch.
- The parent item has a cross-reference item defined for master routing.

  (The cross-reference item must be defined with a cross-reference type of MR and the Address field must be blank.)

- An item routing has been defined for the cross-reference item.

Unit of Measure Conversions

The Cost Simulation - Build Temp program converts all units of measure to the primary unit of measure for the purpose of the rollup.

When one of the units of measure is a potent unit of measure, the conversion equation includes the standard potency value from branch/plant manufacturing data.

This example illustrates a conversion involving a potent unit of measure:

- Component = B
- Quantity per = 3
- Primary unit of measure = GA (physical gallons)
- Component unit of measure = GP (potent gallons)
- Standard potency = 50 percent
- Cost of B = 50.00 (from the Item Cost table, F4105)
- Cost rolled into parent item = [(3 / .5) x 50] = 300.00

Simulated Product Cost Tables

Simulated costs are generated using multiple tables in the JD Edwards EnterpriseOne system from Oracle. The Cost Simulation - Build Temp program (R30812) sums the costs of all the components in each level of the parent item's bill of material to arrive at a total cost for the parent item.

You can set the processing options in any of the cost simulation programs to specify the cost method that you want to use.

The Cost Simulation - Build Temp program (R30812) uses information from these tables to generate costs:

Table Name	Description
Job Shop Manufacturing Constants (F3009)	Values from this table indicate whether overhead should be included in cost component calculations.
Work Center Rates (F30008)	The Simulate Rollup program uses monetary amounts and percentages for the calculation of labor, machine, and overhead costs.
Routing Master (F3003)	This table stores the hours required for each operation, crew size, outside operation costs, and cumulative yield values.
Bill of Material Master (F3002)	This table provides information about the material that is required at each level of the bill.
Item Cost (F4105)	This table provides costs for purchased items and outside operations.
Item Cross Reference (F4104)	This table identifies the master routing.
Work Center Master (F30006)	This table provides the work center efficiency factor.
Item Master (F4101)	This table stores the low-level code. Costs are rolled up from the lowest level to the highest level.
Item Branch (F4102)	This table provides the accounting cost quantity.
Generic Message/Rates (F00191)	This table provides rates and factors for extra costs.
Item Cost Components Add-Ons (F30026)	This table provides the calculations for extra costs.

Prerequisites

Before you run the Cost Simulation - Build Temp program, the Costing Exceptions report should be run to identify if error messages exists that are associated to an item.

Creating a Simulated Rollup

Select Product Costing (G3014), Simulate Standard Rollup.

Setting Processing Options for Cost Simulation - Build Temp (R30812)

These processing options control default processing for the default processing for the Cost Simulation - Build Temp program.

Default

These processing options control the default as of date and cost method for running this batch program.

1. As Of Date	Specify the date that is used to determine which routing and bill of material for each item used in the rollup, based on their effectivity dates. If you leave this processing option blank, the program uses the current date.
2. Cost Method	Specify the cost method that will contain the new simulated costs in the Cost Components table. If you leave this processing option blank, the program calculates costs for cost method 07 (standard costs).

Processing

These processing options control how the batch program processes the data.

1. Single Level	Specify whether you want to simulate costs for a selected item or items, without recosting everything else in the bill of material. For example, you might have a new item that needs to be costed, but you do not want to recost all components. If you enter *1* and data select the parent item, the program uses the costs of the lower-level components to roll up the cost for the new item, but does not recost the lower-level components themselves.
	If you leave this processing option blank, the program does a complete rollup of all the components. Enter only the parent item numbers in the data selection.
	If you are costing items in process manufacturing, leave the processing option blank and do a complete rollup to cost the ingredients. Values are:
	Blank: Perform a complete rollup.
	1: Perform a single-level rollup.
2. Clear and Recalculate	Specify how the program calculates routing related, B1-C4, costs. Values are:
	Blank: The program does not overwrite costs that were manually entered or were previously simulated. The costs that already exist in the Simulated Cost Components table (F30026) will be used.
	1: The program clears and recalculates labor and overhead for manufactured items. This is the most common option for this program.

2: The program clears and recalculates labor and overhead for all items. Use this option if you have purchased parts with routings and you need to recalculate labor costs, for example, inspection steps.

3: The program clears labor and overhead for all items, but recalculates labor and overhead for manufactured items only. Use this option if a part changes from manufactured to purchased. This ensures that labor and overhead are cleared for the changed items.

3. Cost Method	Specify cost methods to be used for retrieving costs.
a. Purchased Items	Specify the cost method to use as the input for the costs of purchased items. If you leave this processing option blank, the program does not retrieve costs from the Cost Ledger table (F4105). Costs that already exist in the Simulated Cost Components table (F30026) will be used.
b. Outside Operation	Specify the cost method to use as the input for the purchased costs of outside operations. If you leave this field blank, the program does not retrieve costs from the Cost Ledger table (F4105).

You should verify these steps before you run this program:

- You have set up an item branch/plant record for the *OP item, either manually or through the Process Work Orders program.

- There is a valid cost in the Cost Ledger table (F4105) for the method specified here.

See Chapter 7, "Understanding Calculations in Cost Rollup," Outside Operation Cost Components, page 114.

Print

This processing option controls which items appear on the Cost Simulation report.

1. Print Items	Specify which items appear on the Cost Simulation report. Values are:
	Blank: Do not print
	1: Print all items
	2: Print changed items

Process Mfg

If you use process manufacturing, these processing options control how the system calculates the costs for co-/by-products.

1. Calculate Co/By-Products	Specify whether the system calculates costs for co/by-products. If you leave this processing option blank, the program calculates costs only for the parent process. Values are:
	Blank: Do not calculate costs for co/by-products.
	1: Calculate costs for co/by-products.

2. Calculate And Clear Costs Of Ingredients Used As CoBy In Another Process	Specify whether the system clears and recalculates co-product costs, by-product costs, or both. If an ingredient that you include in data selection is also a co-product or by-product of another process that is not included in data selection, and you do not want the other process added to the rollup, enter *1* in this processing option.

If you leave this processing option blank, the system clears the cost of the co-product or by-product and adds all processes that produce it to the rollup in order to recalculate it. If you have many interconnected processes or processes that produce a common co-product or by-product, the system includes all of them in the rollup when you set this processing option to blank. You can select one process for rollup and have it include the entire enterprise. Values are:

Blank: Clear and recalculate co-product or by-product costs.

1: Do not clear co-product or by-product costs.

Reviewing and Revising Simulated Cost Components

This section provides an overview of simulated cost components and discusses how to:

- Set processing options for Cost Components (P30026).

- Revise simulated cost components.

Understanding Simulated Cost Components

After you have created simulated costs, review costing information to determine the effects of the current rollup scenario. Revise the costing information, as necessary. When costs are correct, run the Frozen Standard Update program (R30835).

You review costing information and set up simulated cost scenarios to help plan for future cost changes. After running the Cost Simulation - Build Temp program (R30812), you can review the cost simulation report that displays the previous cost of the item, the simulated rolled up cost, and the variance between the two. After reviewing the simulated costs, you revise incorrect information and create simulated costs again to include the changes.

You can change only simulated costs. You can set a processing option if you want to manually maintain the routing cost components (B and C) and protect them from being overwritten.

You must delete costs at the bill of material level at which they occur. For example, you cannot delete costs for lower-level components by locating the parent item. Instead, locate the component item number and remove the costs for the component. The system does not make the corresponding cost change to the higher level components and the parent item until you run the Cost Simulation - Build Temp program. To delete outside processing costs (usually cost component Dx), delete the cost component from the routing. Then, delete the cost component and net added value on the Enter Cost Components form.

If you activate the Cost by Work Center option in the Manufacturing Constants program (P3009), you can define cost components by work center, as well. When you use this feature, the amounts for a cost component at multiple work centers in the Item Cost Component Detail table (F300261) must match the corresponding cost component amounts in the Item Cost Component Add-Ons table (F30026). You can use simulated rate and factor codes either at the work center or the cost component level, but not at both levels.

Forms Used to Review and Revise Simulated Cost Components

Form Name	FormID	Navigation	Usage
Enter Cost Components	W30026B	Product Costing (G3014), Enter/Change Cost Components Select a record on the Work With Cost Components form, and click Select.	Review and revise cost component fields. Access a form to view the detail calculations for the net-added value of a routing cost component.
Work With Work Center Cost	W30026A	Select a record on the Enter Cost Components form, and then select Cost Calc from the Row menu.	Access forms to work with cost calculation and view real-time costs.
Work With Cost Calculation	W30026E	Select an operation on the Work With Work Center Cost form, and click Select.	Work with cost calculation and view real-time costs.

Setting Processing Options for Cost Components (P30026)

These processing options control default processing for the Cost Components program.

Process

These processing options control whether the system calculates costs from manual input or by running the Cost Simulation - Build Temp program (R30812).

Routing Cost Entry Specify how the system maintains net added cost components B1 through C4. Values are:

Blank: Use the Cost Simulation-Build Temp program to calculate net added component costs.

1: Use manually entered cost components.

Enter a *1* to enable input into the Simulated Net Added field for these cost types:

B1: Direct Labor

B2: Setup Labor

B3: Machine Run

B4: Labor Efficiency

C1: Machine Variable Overhead

C2: Machine Fixed Overhead

C3: Labor Variable Overhead

C4: Labor Fixed Overhead

Total Cost Entry Specify how to calculate the net added total cost. Values are:

Blank: Use the Cost Simulation-Build Temp program to calculate net added total cost.

1: Enable simulated total to be calculated manually at the time net added costs are manually entered.

Revising Simulated Cost Components

Access the Enter Cost Components form.

To review and revise simulated cost components:

1. Review these fields on the Enter Cost Components form:

    • Simulated

    • Frozen

    • Cost Ledger

    The item cost totals represent the total costs of all cost components as of the last cost simulation for simulated values, and as of the last frozen update for frozen values. Simulated and frozen values are from the Item Cost Component Add-Ons table (F30026).

    If the program finds a discrepancy between the Frozen and Cost Ledger fields, it highlights both fields.

    • Cost Method

2. Review or revise these fields in the detail area:

    • Cost Type

    • Simulated Net Added

    This field is used to calculate cost during the simulation process.

    • Simulated Total

    For the designated cost method, this field is used to calculate the cost of all the lower levels during the simulation process. There is also a frozen view.

3. Select the record, and then select Cost Calc from the Row menu to access the detail calculations for the net-added value of a routing cost component (B or C).

4. Select an operation and click Select on the Work With Work Center Cost form.

    The Work With Cost Calculation form displays realtime costs. These values are calculated from work center data, work center rates, and manufacturing constants. They might be different from those on the Enter Cost Components form, if you have changed the item's routing, work center rates, or manufacturing constants since you last ran the Simulate Standard Rollup program (R30812) or Frozen Standard Update (R30835).

See <u>Chapter 7, "Understanding Calculations in Cost Rollup," page 111</u>.

Reviewing Costed Bills of Material

This section provides an overview of the Costed Bill of Material program and discusses how to:

• Set processing options for Costed Bill of Material (P30206).

• Review costed bills of material.

Understanding the Costed Bill of Material Program

To assist you in budgeting resources and planning for future cost of items, use the Costed Bill of Material program (P30206) to review costs for both parent items and components.

The program displays summarized costs for the direct components, net-added costs, and total costs for the parent item from the Item Cost Component Add-Ons table (F30026). For each component, the program displays costs that it calculates based on the as of date from the bill of material and the required quantity multiplied by the F30026 value. The program uses the as of date to ignore obsolete component lines in the bill of material.

You can review all costs of manufacturing a parent item, including assembly, subassembly, and component costs in either simulated or frozen views.

The manufacturing costs are divided into five user-defined categories for precise costing calculations:

- Purchase

- Labor

- Machine

- Overhead

- Extras

You can review this information:

- Net-added cost for the parent from the F30026 table at the top of the form.

- Cost breakdown for all next-level components.

- Total costs of the parent item from the F30026 table.

- Total of all costs for the parent item.

The program can accumulate purchase costs for up to 500 components on each bill of material. Components beyond 500 are not included in the costing process.

Note. If you update costs on the bill of material by changing quantities required, components, or simulated or frozen costs of the component, the changes are reflected in the costed bill inquiry. As a result, the values for the parent F30026 might differ from those that appear on the Work with Costed Bill form if you have changed the bill of material since you last ran the rollup program. Routing costs also come from the F30026 table. Any changes to the routing or manufacturing constants since the last cost rollup are reflected in the costed routing.

The totals are either totals from the F30026 table or columnar totals calculated in real time, depending on how you set the processing option for calculating totals.

Forms Used to Review Costed Bills of Material

Form Name	FormID	Navigation	Usage
Work With Costed Bill	W30206A	Product Costing (G3014), Costed Bill Inquiry	Work with costed bills.
Costed Bill Detail	W30206C	Select a record on the Work With Costed Bill form, and select Details from the Row menu.	Review and modify costed bill details.
Work With Cost Buckets	W30206B	Select an item on the Work With Costed Bill form, and select Columns from the Form menu.	Work with cost buckets.

Setting Processing Options for Costed Bill of Material (P30206)

These processing options control default processing for the Costed Bill of Material program.

Display

These processing options control the information that appears on the form, such as whether standard or calculated totals appear and whether fixed costs are based on the requested or the accounting cost quantity.

1. Decimal Places (0-4) (Future)	Specify the number of decimal places that the system displays. Values are 0 to 4. If you leave this option blank, the system displays four decimals.
2. Totals	Specify whether the system displays the calculated totals or the standard totals. The calculated totals are the columnar totals. The standard totals are the unit costs from the Cost Components table (F30026) multiplied by the requested quantity. Values are:
	Blank: Display standard totals (default).
	1: Display calculated totals.
3. Fixed Costs Based On	Specify whether the system bases fixed costs on the accounting cost quantity or on the requested quantity. Fixed cost based on accounting cost quantity will have the same fixed cost regardless of the requested quantity. Requested quantity displays the per unit cost multiplied by the requested quantity as if no fixed costs exist. Values are:
	Blank: Base fixed costs on the accounting cost quantity (default).
	1: Base fixed costs on the requested quantity.

Reviewing Costed Bills of Material

Access the Work With Costed Bill form.

Work With Costed Bill form

To review a costed bill of material:

Note. To toggle between frozen and simulated cost, select Frozen or Simulated from the View menu.

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1. Complete these fields and select Find on the Work With Costed Bill form:

    • Branch/Plant

    • Parent Item

2. Review these fields:

    • Req. Quantity (required quantity)

    Enter the number of parent items that you want to process. The system calculates lower level values in quantity per the number of parent items requested. For instance, if it takes 3 components per a parent item, then with a requested quantity of 10, the system would plan and cost for 30 components.

    • As of Date

    Enter the date used for effectivity checking. Enter a specific date to display documents (orders, bills of material, routings, as applicable) that are effective on or after that date. The current system date is the default, but you can enter any future or past date.

    • Cost Method

    • Batch Quantity

- UOM (unit of measure)

- Skip to BOM Line # (skip to bill of material line number)

  Enter a number that specifies how the system displays the sequence of components on a single-level bill of material. The number initially indicates the sequence in which a component was added to the bill of material. You can modify this number to change the sequence in which the components appear.

- 2nd Item Number

- Purchase

  Displays the work amount field for the manufacturing system. It is cost bucket 1 as defined for UDC 30/CB (Cost Buckets). A processing option controls whether the system adds cost buckets 1 and 2 (at the top of the form) into the grand total of all costs for the parent item at the bottom of the form.

- Labor

- Machine

- Overhead

- Extras

- Total

3. Select a record in the detail area and select Details from the Row menu.

4. Review these fields on the Costed Bill Detail form:

- Quantity Per

  Displays the number of units that the system applies to the transaction.

- Effective From

  Displays a date that indicates when a component part goes into effect on a bill of material, when a routing step goes into effect as a sequence on the routing for an item, or when a rate schedule is in effect. The default is the current system date. You can enter future effective dates so that the system plans for upcoming changes. Items that are no longer effective in the future can still be recorded and recognized in the JD Edwards EnterpriseOne Product Costing system, JD Edwards EnterpriseOne Shop Floor Management system, and Oracle's JD Edwards EnterpriseOne Capacity Planning system. The JD Edwards EnterpriseOne Requirements Planning system determines valid components by effectivity dates, not by the bill of material revision level. Some forms display data based on the effectivity dates you enter.

- Effective Thru (effective through)

  Displays a date that indicates when a component part is no longer in effect on a bill of material, when a routing step is no longer in effect as a sequence on the routing for an item, or when a rate schedule is no longer active. The default is defined in the Data Dictionary. You can enter future effective dates so that the system plans for upcoming changes. Items that are no longer effective in the future can still be recorded and recognized in the JD Edwards EnterpriseOne Product Costing, JD Edwards EnterpriseOne Shop Floor Management, and JD Edwards EnterpriseOne Capacity Planning systems. The JD Edwards EnterpriseOne Requirements Planning system determines valid components by effectivity dates, not by the bill of material revision level. Some forms display data based on the effectivity dates you enter.

- Operation Scrap Percent

  Displays a value the system uses to increase or decrease the amount of materials to account for loss within the operation. The system updates this value on Enter/Change Bill of Material when you run the Planned Yield Update program. The system calculates this value by compounding the yield percentages from the last operation to the first operation. Use a processing option in Enter/Change Routing to enable the system to calculate the component scrap percent.

- Percent of Scrap

  Displays the percentage of unusable component material that is created during the manufacture of a particular parent item. During Distribution Requirements Planning (DRP), Master Production Schedule (MPS), and Material Requirements Planning (MRP) generation, the system increases gross requirements for the component item to compensate for the loss. Enter percentages as whole numbers, for example, 5 percent as 5.0.

  Note. Inventory shrink and scrap are compounded to calculate the total loss in the manufacture of a particular item. Accurate shrink and scrap factors support more accurate planning calculations.

- Feature Cost Percent

5. Click Cancel.

6. Select a component and select Next from the Row menu to access the costed bill information for the components on the Work With Costed Bill form.

7. Select Frozen or Simulated from the View menu to toggle between frozen and simulated costs.

8. Select Columns from the Form menu to review cost buckets.

Reviewing Costed Routings

This section provides an overview of the Costed Routing Inquiry program and discusses how to:

- Set processing options for Costed Routing Inquiry (P30208).
- Review costed routings.
- Review costed routing details.

Understanding the Costed Routing Inquiry Program

Use the Costed Routing Inquiry program (P30208) to review the summarized costs of an item for each operation in the routing.

This information can help you to effectively manage production costs, for example, you can:

- Review the work center that is responsible for an operation.
- Determine whether a work center performs multiple operations.
- Display simulated or frozen costs for labor values for cost methods.
- Calculate the totals for all costs by cost categories.

This program calculates the cost associated with an operation by multiplying the routing hours by the work center rates for those operations with valid effective dates.

The program can accumulate purchase costs for up to 500 components on each bill of material. Components beyond 500 are not included in the costing process.

Note. If you update the routing for an item, the changes are reflected in the Costed Routing/Process Inquiry program. The Enter Cost Components form displays the costs that the system calculates when you run the Simulate Standard Rollup program. As a result, the values on the Enter Cost Components form might differ from those on the Work with Costed Routing/Process Inquiry form if you have changed the routing, work center rates, or manufacturing constants since you last ran the rollup program.

When all of these statements are true, the Costed Routing/Process Inquiry program uses the master routing for the item from the Routing Master table (F3003):

- The Master Routings option on the Manufacturing Constants Revisions form (W3009B) is selected for the branch.

- The parent item has a cross-reference item defined for master routing.

  The cross-reference item must be defined with a cross-reference type of MR and the Address field must be blank.

- An item routing has been defined for the cross-reference item.

Forms Used to Review Costed Routings

Form Name	FormID	Navigation	Usage
Work With Costed Routing/Process	W30208A	Product Costing (G3014), Costed Routing/Process Inquiry	Access forms to work with a costed routing or process.
Costed Routing Details	W30208B	Select an operation on the Work With Costed Routing/Process form, and then select Details from the Row menu.	Review costed routing details.
Operation Bucket Key Window	W30COA	On the Work With Costed Routing/Process form, select Op Bucket Window from the Form menu.	Review an item's operation buckets.

Setting Processing Options for Costed Routing Inquiry (P30208)

These processing options control default processing for the Costed Routing Inquiry program.

Defaults

These processing options control the cost methods that the system uses for subcontracted and purchased items.

Outside Operations Cost Method	Specify the cost method (that is: 01–08) to be used for subcontracted items. If you leave this processing option blank, the system uses *01* as the default value.
Purchased Cost Method	Specify the cost method (that is: 01–08) to be used for purchased Items. If you leave this processing option blank, the system uses cost method 07 (standard cost) as the default value.

Display

This processing option controls the amount of cost information displayed on the Work With Costed Routing/Process form.

Skip to flag   Specify *1* to display the costs up to and including the operation sequence entered in the Skip to Op. Seq. (skip to operation sequence) field. If you leave this processing option blank, the costs are displayed beginning with the entered operation's costs.

Process

This processing option controls whether the system includes cost buckets 1 and 2 in the total.

Include 1 and 2 in total   Specify *1* to include cost buckets 1 and 2 in the total. If you leave this processing option blank, the total only includes costs buckets 3–6.

Reviewing Costed Routings

Access the Work With Costed Routing/Process form.

Note. To toggle between frozen and simulated costs, select Frozen or Simulated from the View menu.

Requested Quantity   Enter the number of parent items that you want to process. The system calculates lower level values in quantity per the number of parent items requested. For instance, if it takes 3 components per a parent item, then with a requested quantity of 10, the system would plan and cost for 30 components.

The number of parent items for which you want to see cost breakdowns. Costs are figured in quantity per the parent item.

As of Date   Enter the date used for effectivity checking. Enter a specific date to display documents (orders, bills of material, routings, as applicable) that are effective on or after that date. The current system date is the default, but you can enter any future or past date.

Cost Method   Enter the UDC (40/CM) that specifies the basis for calculating item costs. Cost methods 01 through 19 are reserved for use by the JD Edwards EnterpriseOne system.

Up to Seq. (up to sequence)   Enter the number used to indicate an order of succession.

In routing instructions, a number that sequences the fabrication or assembly steps in the manufacture of an item. You can track costs and charge time by operation.

In bills of material, a number that designates the routing step in the fabrication or assembly process that requires a specified component part. You define the operation sequence after you create the routing instructions for the item. The JD Edwards EnterpriseOne Shop Floor Management system uses this number in the backflush/preflush by operation process.

In engineering change orders, a number that sequences the assembly steps for the engineering change.

For repetitive manufacturing, a number that identifies the sequence in which an item is scheduled to be produced.

Skip To fields enable you to enter an operation sequence that you want to begin the display of information.

You can use decimals to add steps between existing steps. For example, use 12.5 to add a step between steps 12 and 13.

Top of form: A processing option controls whether Skip to or Up to operation sequence mode is in effect.

In Skip to mode, the system uses an entered operation sequence number as the starting point when displaying operations, and displays the total from that point forward on the total line.

In Up to mode, the system uses an entered operation sequence number as the cutoff for displaying operations. The total for all operations up to and including the operation sequence number entered appears on the total line.

Bottom of form: The Op Seq field contains a number that indicates the order of each step in the manufacturing operation.

Extras

Displays cost extras. In UDC 30/CO, Costed Operation Bucket No. 2 is defined to display extra costs.

A processing option controls whether the system adds cost buckets 1 and 2 (at the top of the form) into the grand total of all costs for the parent item at the bottom of the form.

Work Center

Enter the number that identifies a branch, plant, work center, or business unit.

This is the business unit assigned to the work center for the operation sequence listed.

Oper Seq# (operation sequence number)

Enter the number used to indicate an order of succession.

In routing instructions, a number that sequences the fabrication or assembly steps in the manufacture of an item. You can track costs and charge time by operation.

In bills of material, a number that designates the routing step in the fabrication or assembly process that requires a specified component part. You define the operation sequence after you create the routing instructions for the item. The JD Edwards EnterpriseOne Shop Floor Management system uses this number in the backflush/preflush by operation process.

In engineering change orders, a number that sequences the assembly steps for the engineering change.

For repetitive manufacturing, a number that identifies the sequence in which an item is scheduled to be produced.

Skip To fields enable you to enter an operation sequence that you want to begin the display of information.

You can use decimals to add steps between existing steps. For example, use 12.5 to add a step between steps 12 and 13.

Top of form: A processing option controls whether the Skip to or Up to operation sequence mode is in effect.

In Skip to mode, the system uses an entered operation sequence number as the starting point when displaying operations, and displays the total from that point forward on the total line.

In Up to mode, the system uses an entered operation sequence number as the cutoff for displaying operations. The total for all operations up to and including the operation sequence number entered appears on the total line.

Bottom of form: The Op Seq field contains a number that indicates the order of each step in the manufacturing operation.

Labor   Displays labor costs. In UDC 30/CO, Costed Operation Bucket No. 3 is defined to display labor costs.

The total of this column appears at the bottom of the form in the Totals row. The heading above the columns indicates which costs are displayed: frozen or simulated. You can toggle between simulated and frozen values.

You can also view a detailed breakdown of the cost components that the system adds to determine the total for the work center.

Machine   Displays machine costs. In UDC 30/CO, Costed Operation Bucket No. 4 is defined to display machine costs.

The total of this column appears at the bottom of the screen in the Totals row. The heading above the columns indicates which costs are displayed: frozen or simulated. You can toggle between simulated and frozen values.

You also can view a detailed breakdown of the cost components added to arrive at the total for the work center.

Overhead   Displays overhead costs. In UDC 30/CO, Costed Operation Bucket No. 5 is defined to display overhead costs.

The total of this column appears at the bottom of the screen in the Totals row. The heading above the columns indicates which costs are displayed: frozen or simulated. You can toggle between simulated and frozen values.

You can also view a detailed breakdown of the cost components added to arrive at the total for the work center.

Components   Displays component costs. In UDC 30/CO, Costed Operation Bucket No. 6 is defined to display component costs.

The total of this column appears at the bottom of the screen in the Totals row. The heading above the columns indicates which costs are displayed: frozen or simulated. You can toggle between simulated and frozen values.

You can also view a detailed breakdown of the cost components added to arrive at the total for the work center.

Total   Displays the total costs. This column contains system-calculated totals for each row of costs figured for each operation sequence.

The totals across the bottom of the form are the totals of each cost bucket.

The right most bottom total is the total of all costs for the routing for an item.

Reviewing Costed Routing Details

Access the Costed Routing Details form.

Review these fields:

• Category

- Cost Type

- Description

- Cost

Updating Frozen Costs

This section provides an overview of frozen cost update and discusses how to:

- Run the frozen update program.

- Set processing options for Item Cost Component - Frozen Update (R30835).

Understanding Frozen Cost Update

After you perform simulated rollups to determine the effect of any changes, you can update the frozen costs with simulated values by running the Item Cost Component - Frozen Update program (R30835). Most companies run this program at the beginning of a new fiscal year to create their manufacturing costs for the next fiscal period.

You can set a processing option to run a work-in-process revaluation automatically when you update frozen costs. In this case, the WIP Revaluation program (R30837) runs for all items that are processed through the Item Cost Component - Frozen Update program. If any item is flagged for cost change in the Item Cost table (F4105), any open work order that contains this item is revalued, along with any work orders to which the parent item was issued. This logic is carried through to the highest-level parent item.

Note. This program uses the costs generated by the most recent version of the Cost Simulation - Build Temp program (R30812). If you have changed information since the last simulated cost rollup, those changes will not be reflected by the frozen update.

The frozen cost update uses the costs that were generated by the Cost Simulation - Build Temp program to perform these actions:

- Update unit costs in the Item Cost table for the cost method selected.

- Update frozen costs in the Item Cost Component Add-Ons table (F30026) for the cost method selected.

- Update labor and overhead rates in the Work Center Rates table (F30008).

- Print report totals by company, branch/plant, and GL category code.

- For on-hand balances, create an Item Balance (IB) record in the Item Ledger table (F4111) if the cost method selected matches the sales and inventory cost method for an item.

- For on-hand balances, write journal entries to the Account Ledger table (F0911) in either detail or summary format, creating batch type NC (Frozen Cost Update).

  The system creates an item ledger record when the cost method selected for update is the sales and inventory cost method. The item ledger record indicates a change in inventory value for the updated items. The number of item ledger records written depends on the cost level of the item, which is defined in the Item Master table (F4101). For example, items at cost level 2 have an item ledger record for each branch/plant at which they are defined because costs can differ by branch/plant.

The program creates journal entries in either detail or summary format in amounts that match the item ledger records. Thus, the program maintains integrity between the Item Ledger table and the Account Ledger table (F0911). Use the Item Ledger/Account Integrity report (R41543) to verify this integrity.

These steps comprise the process flow for updating frozen costs:

- The program creates a journal entry only if an item ledger record has been written.

- An item ledger record is written only if an item cost ledger record has been updated.

- An item cost ledger record is updated only if a cost component record has been updated.

The program accesses these AAIs to obtain the object account:

AAI table number	Description	Use
4134	Inventory	• Debit to show increase in item cost. • Credit to show decrease in item cost.
4136	Expense or COGS	• Debit to show expense or loss. • Credit to show income or gain.

This list identifies information about detail and summary journal entries:

Journal Entry Type	Description
Detail journal entry	Select detail format for the program to create matching debit and credit account ledger records for every item ledger record created. Use the detail format when you want a detailed audit trail. However, consider that the potential volume is large and could cause disk space problems. The program can generate several journal entries by cost component for the same item and branch, depending on how you set up the AAIs.
Summary journal entry	Select summary format for the program to create debit and credit records by subtotals of company, general ledger class code, and transaction type. Use the summary format to reduce the amount of detail in the general ledger. You can still run a report to provide a detailed audit trail.

The program produces this output:

Output	Description
Error messages	The program produces error messages if it finds any general ledger errors while formatting the journal entries. Correct any errors and run the Frozen Update program (F30835) again. To determine whether error messages exist, review the workflow messages for submitted jobs.
Item Cost Ledger Update report (R30834)	Displays the effect of the inventory revaluation based on the changes made to the cost revision records for the inventory items. You can print all items or only those that have a cost change. You can run the report in proof mode or final mode. The report provides this information: • Old and new costs for each updated item. • Variances between old and new costs. • Item quantity on hand. • Net amount of change in cost. • Summary of the amount changed by item general ledger category. • GL exception errors. • Whether GL transactions have been written. • Either GL subtotals by company and GL class code or GL class code only.

Running the Frozen Update Program

Select Product Costing (G3014), Frozen Update.

Setting Processing Options for Item Cost Component - Frozen Update (R30835)

These processing options control default processing for the Item Cost Component - Frozen Update program.

Default

This processing option controls the default value for the cost method.

1. Cost Method   Specify the cost method that the system uses to update the Frozen Item Cost Component Add-Ons table (F30026) and the Item Cost table (F4105). If you leave this processing option blank, the system uses cost method 07 (standard costs) to calculate costs.

Processing

These processing options control processing criteria.

1. Update Costs   Specify whether the system updates costs. If you leave this processing option blank, the system creates exception reports and error messages, but does not update costs. Values are:

Blank: Do not update costs.

	1: Update costs.
2. Single Level	Specify whether the system performs a complete cost rollup in a bill of material or updates only the cost for a selected item or items without updating the other costs. For example, you might have a new item to cost, although you do not want to recost the other items. After you create simulated costs for the new item, you can update its frozen costs without updating the costs of lower-level components. Values are:
	Blank: Perform a complete cost rollup.
	1: Perform a single-level cost rollup.
3. Update Work Center Rates	Specify whether the system updates work center rates in final mode. Values are:
	Blank: Do not update rates.
	1: Update all rates in all work center across all companies and all branch plants.
	2: Update all work centers associated with items being frozen.
4. Use Flex Accounting	Specify whether to enable flexible accounting. The system looks for the flex accounting rules to determine how to populate cost object, business unit, subsidiary or subledger fields. Values are:
	Blank: Do not use flexible accounting.
	1: Use flexible accounting.
5. WIP Revaluation (work in process revaluation)	Specify whether the system automatically runs the WIP Revaluation program (R30837) to update work-in-process costs. Values are:
	Blank: Do not run the WIP Revaluation program.
	1: Run the WIP Revaluation program.

Process Mfg

If you use process manufacturing, this processing option controls whether the system updates the costs for co-/by-products.

1. Update Co/By Products	Specify whether the system updates the costs of co-/by-products for process manufacturing. If you leave this processing option blank, the system updates costs for the parent process only. Values are:
	Blank: Do not update the costs of co-/by-products.
	1: Update the costs of co-/by-products.

G/L

These processing options controls the GL dates and how the system creates journal entries for the General Ledger.

1. G/L Date (general ledger date)	Specify the date that appears on Item Ledger transactions and journal entries. If you leave this processing option blank, the program uses the system date.
2. G/L Transactions (general ledger transactions)	Specify how the system creates journal entries for the general ledger. Values are:

Blank: Do not create GL journal entries.

1: Create detailed GL journal entries for item balance (IB) transactions.

2: Create summarized GL entries (one entry for each account).

Versions

This processing option controls which version of this program the system uses when the program is called from the Item Cost Component - Frozen Update program.

1. WIP Revaluation (work in process revaluation)   Enter the version of the program that you want the system to use. If you leave this processing option blank, the system uses the default version ZJDE0001.

Print

This processing option controls how much information is included in the printed report.

1. Print Items   Specify print output. Values are:

Blank: Print all items.

1: Print all items.

2: Print only changed items.

Freezing Work Center Rates

This section provides an overview of the Freeze Work Center Rates program and discusses how to:

• Freezing work center rates.

• Set processing options for Freeze Work Center Rates (R30860).

Understanding the Freeze Work Center Rates Program

You can use the Freeze Work Center Rates program (R30860) to update frozen work center rates. You run this program when any of the work center rates have changed. You can perform this task using the Frozen Standard Update program (R30835); however, for actual costing, you do not need to simulate costs and perform a rollup. Running the Freeze Work Center Rates program ensures that work centers are updated with changed costs in an actual costing environment.

In addition, the Freeze Work Center Rates program enables you to update frozen costs for selected work centers, as opposed to updating all work center rates in the system.

Freezing Work Center Rates

Select Product Costing (G3014), Freeze Work Center Rates.

Setting Processing Options for Freeze Work Center Rates (R30860)

These processing options control default processing for the Freeze Work Center Rates program.

Processing

This processing option controls whether the system freezes work center rates.

Update Rates Mode   Specify whether the system simulates or freezes work center rates when you
                           run the Freeze Work Center Rates program (R30860). Values are:

                           Blank: Simulate work center rates.

                           1: Freeze work center rates.

Print

This processing option controls the information included in the report.

Print Work Centers   Specify which records the system includes on the report when you run the
                           Freeze Work Center Rates program (R30860). Values are:

                           Blank: Do not generate a report.

                           1: Include all work center records.

                           2: Include changed work center records only.

Reviewing Frozen Cost Components

This section provides an overview of costing information review and discusses how to review frozen cost
components.

Understanding Costing Information Review

After you run the Frozen Update program (R30835) to revalue the inventory, you should review the updated
costing information. These costs stay in effect until you run the update again. You can review frozen costs
in the Cost Components program (P30026). You can also create a report based on the information in this
program. The Item Ledger Inquiry program (P4111) provides information about the transactions that have
affected the item that you are reviewing, including cost changes. You can review costs by viewing the bill of
material and compare frozen standard costs to the unit costs in the Item Cost table (F4105).

Form Used to Review Frozen Cost Components

Form Name	FormID	Navigation	Usage
Work With Cost Components	W30026C	Product Costing (G3014), Enter/Change Cost Components	Review frozen cost components.

Reviewing Frozen Cost Components

Access the Work With Cost Components form.

To review frozen cost components:

1. Complete these fields and select Find on the Work With Cost Components form:

- Item Number

- Branch/Plant

- Cost Method

2. Review the Frozen field.

3. Select Frozen or Simulated from the View menu to toggle between frozen and simulated costs.

4. Click Close.

Note. The frozen total is the accumulated standard cost rolled up from the lower levels.

Reviewing the Cost Components Report

This section provides an overview of the Cost Components Report and discusses how to:

- Run the Cost Components Report.

- Set processing options for Cost Components Report (R30026P).

Understanding the Cost Components Report

Use the Cost Components report (R30026P) to review the component costs and total cost for each item. This information comes from the Enter/Change Cost Components program (P30026).

You can customize this report to meet specific needs. For example, you can:

- Process the report using any valid cost method.

- Review the cost type and description by item number.

- Identify items.

- Define the exact information that appears on the report from data selection options.

  For example, you can select specific items and decide whether to include factors or rates for add-on and extra costs.

- Print the report for a single item, several items, or all items.

You can include any of the cost components that you define for an item in the cost bucket that you specify.

Running the Cost Components Report

Select Product Costing Reports (G3023), Cost Components.

Setting Processing Options for Cost Components Report (R30026P)

These processing options control default processing for the Cost Components report.

Defaults

This processing option controls whether the report prints simulated or frozen costs.

Simulated/Frozen Cost   Specify whether to print simulated or frozen costs. Values are:
Selection
                                   1: Print simulated costs

                                   2: Print frozen costs

                                   If you leave this processing option blank, the report includes only simulated
                                   costs.

Reviewing the Item Ledger

This section provides an overview of item ledger review and discusses how to review item ledger information.

Understanding Item Ledger Review

Use the Item Ledger Inquiry (The CARDEX) program (P4111) to view item balance (IB) transactions for an item.

The Frozen Update program (R30835) transfers IB transactions to the item ledger if all of these statements are true:

- The frozen cost changes in the Item Cost table (F4105) for a given cost method.

- That cost method is used as the sales and inventory cost method.

- A quantity on-hand exists.

See Also

JD Edwards EnterpriseOne Inventory Management 8.12 Implementation Guide, "Reviewing Item and Quantity Information," Setting Processing Options for Item Ledger Inquiry (CARDEX) (P4111)

Form Used to Review the Item Ledger

Form Name	FormID	Navigation	Usage
Work With Item Ledger	W4111A	Product Costing (G3014), Item Ledger Inquiry (The CARDEX)	Review the item ledger.

Reviewing Item Ledger Information

Access the Work With Item Ledger form.

To review the item ledger:

1. Complete the Item Number field.

2. Type *IB* in the Document Type field and click Find.

3. Review these fields:

   - Transaction Date

     Displays the date that an order was entered into the system. This date determines which effective level the system uses for inventory pricing.

- Unit Cost

4. Click Close.

Note. The value in the Quantity field represents the available quantity, which might consist of the on-hand balance minus commitments, reservations, and backorders. You enter this value in the Branch/Plant Constants program (P41001).

CHAPTER 5

Working with Additional Product Costing Features

This chapter provides an overview of Product Costing features and discusses how to:

* Copy costs.
* Reset simulated costs.
* Update sales order price and cost.
* Update product costs.
* Change item cost levels.
* Revalue work in process.
* Apply extra costs for manufacturing actual costing.

Understanding Product Costing Features

You can use product costing features to work with costing information. These features enable you to update or reset costs to manage fluctuations in the manufacturing environment. The features available offer these options:

* You can copy costs for an item from one cost method to another.
* You can reset simulated costs to their frozen values.
* You can update the costs in the sales orders with the most current cost values.
* You can update costs for an item globally, using an amount or a percentage change.
* You can update item cost levels.
* You can run a batch program to revalue work in process inventory for standard and for actual costing.
* You can setup and apply extra costs to the parent item during the actual costing process.

Copying Costs

This section provides an overview of the Copy Cost Values program and discusses how to:

* Run the Copy Cost Values program.
* Set processing options for Copy Cost Values (R30890).

Understanding the Copy Cost Values Program

Use the Copy Cost Values program (R30890) to copy the simulated or frozen costs and work center rates from one cost method to another cost method. You can also copy work center rates between cost methods within the same work center.

Based on the processing option values, the program copies information from the Item Cost Component Add-Ons table (F30026) and the Work Center Rates table (F30008) to update costs and work center rates for the cost method that you specify. You can replace only simulated costs, not frozen costs, in the *copy to* branch. Run the Frozen Update program (R30835) to update frozen costs.

Important! To ensure acceptable results, you should carefully plan which costs and rates you want to copy to which cost methods. Write down the choices and processing option setting before you complete the copy. This program does not generate a report of the updated costs.

Running the Copy Cost Values Program

Select Product Costing Reports (G3023), Copy Cost Values.

Setting Processing Options for Copy Cost Values (R30890)

These processing options control default processing for the Copy Cost Values program.

Process

These processing options control whether the program copies simulated or frozen costs, from which branch/plant to copy the information, and which branch/plant to update.

COPY FROM INFORMATION	Specify the copy from information for costs, branch/plant, and cost method.
1. Simulated or Frozen	Specify whether to copy simulated or frozen costs.
	1: Copy simulated costs
	2: Copy frozen costs
2. Enter the Branch/Plant and Cost Method to copy	Specify the branch/plant and cost method to copy.
Branch/Plant to copy	Specify the branch/plant to copy.
Cost Method to copy	Enter a user-defined code (UDC) (40/CM) that specifies the basis for calculating item costs. Cost methods 01 through 19 are reserved by the JD Edwards EnterpriseOne system from Oracle.
COPY TO INFORMATION	Specify the copy to information for branch/plant and cost method.
3. Enter the Branch/Plant and Cost Method to update	Specify the branch/plant and cost method to update.
Branch/Plant to update	Specify the branch/plant to update.
Cost Method to update	Enter a user-defined code (40/CM) that indicates the cost method that the system will copy costs into. Cost methods 01-19 are reserved by the JD Edwards EnterpriseOne system.

Resetting Simulated Costs

This section provides an overview of the Cost Simulation Refresh program and discusses how to:

- Copy frozen cost values to simulated cost values.

- Set processing options for Cost Simulation Refresh (R30850).

Understanding the Cost Simulation Refresh Program

For the cost method and branches that you select, use the Cost Simulation Refresh program to reset simulated costs to their frozen values. Resetting costs enables you to begin a simulation again.

Copying Frozen Cost Values to Simulated Cost Values

Select Product Costing Reports (G3023), Reset Simulated Costs.

Setting Processing Options for Cost Simulation Refresh (R30850)

These processing options control default processing for the Cost Simulation Refresh program.

Process

These processing options control the branch/plant for which you want refresh simulated values and whether to reset work center rates.

Branch	Specify the branch/plant for the cost refresh processing, or enter * for all branch/plants.
Reset Rates	Specify *1* to reset rates in the Work Center Rates table for the selected cost centers and cost methods.

Updating Sales Order Price and Cost

This section provides an overview of the Update Sales Price/Cost program and discusses how to update sales order price and cost information.

Understanding the Update Sales Price/Cost Program

Use the Update Sales Price/Cost program (R42950) to update the unit and extended cost in sales orders with the most current cost values that are specified in the Item Cost table (F4105). If multicurrency processing is active in the system, the program updates the Foreign Unit and Extended Cost fields, as well. Use data selection to specify the exact information to be processed.

Updating Sales Order Price and Cost Information

Select End of Day Processing (G4213), Update Sales Price/Cost.

Important! When you run this program, the system updates the active sales order detail information. Therefore, it is recommended that you use extreme caution when you set up data selections.

See Also

JD Edwards EnterpriseOne Sales Order Management 8.12 Implementation Guide, "Updating Prices," Updating Prices for a Customer

Updating Product Costs

This section provides an overview of the Speed Cost Maintenance program and discusses how to update product cost information.

See Also

JD Edwards EnterpriseOne Inventory Management 8.12 Implementation Guide, "Updating Costs," Updating Item Costs

JD Edwards EnterpriseOne Inventory Management 8.12 Implementation Guide, "Updating Costs," Setting Processing Options for Speed Cost Maintenance (P41051)

Understanding the Speed Cost Maintenance Program

Use the Speed Cost Maintenance program (P41051) to update costs for purchased items in the branch/plants, locations, and lots that you select. You can increase or decrease costs by a percentage or monetary amount, or you can specify a new monetary amount. You can also specify the cost method for which you want to update costs.

This program updates costs for purchased items in the Item Cost table (F4105). Run the Frozen Update program (R30835) to update costs in the Item Cost Component Add-Ons table (F30026) for purchased and manufactured items.

Note. The information that appears on the Work with Location Costs form depends on the cost level for the item. For example, when an item has a cost level of 2, the system displays costs for all branch/plants. When an item has a cost level of 3, the system displays costs for all locations at the branch/plant that you specify.

Form Used to Update Product Costs

Form Name	FormID	Navigation	Usage
Cost Revisions	W41051B	Inventory Price & Cost Updates (G4123), Speed Cost Maintenance Select a branch/plant on the Work With Location Costs form, and click Select.	Increase or decrease unit cost per item by branch/plant.

Updating Product Cost Information

Access the Cost Revisions form.

Cost Revisions form

Amount	Enter the dollar amount or percentage by which you want to increase or decrease unit costs for items. You can also indicate a dollar amount to override current unit costs. The value you specify in the Amount Type field determines whether you enter a dollar amount or a percentage.
	Note. Enter percentages as whole numbers. For example, enter 10 to increase costs by 10 percent. To decrease costs, enter a negative sign before the number. For example, enter -10 to decrease costs by 10 percent.
	The system changes all costs for all locations.
Amount Type	Enter a code that indicates whether the number in the Increase/Decrease Amount field is a dollar amount or a percentage value. Values are:
	A: Amount
	%: Percentage
	*: Cost Override Amount

Changing Item Cost Levels

This section provides an overview of the Item Cost Level Conversion program, lists prerequisites, and discusses how to:

• Change item cost level information.

• Set processing options for Item Cost Level Conversion (R41815).

Understanding the Item Cost Level Conversion Program

After you have entered cost information, you might need to change an item's cost level. To change an item's cost level after you have entered cost information, you must use the Item Cost Level Conversion program (R41815).

This program deletes all existing cost records for the item in the Item Cost table (F4105) and creates new cost records that correspond to the level. For the item to create the new cost records, the system uses the cost method that you identified for sales and inventory on the Cost Revisions form.

The program does not change the cost valuation of items and does not create journal entries. For example, if you change an item's cost level from branch/plant and location to branch/plant, all existing cost records for the branch/plant and location must contain the same sales and inventory cost method and cost.

You can run this program in either proof mode or final mode. When you run the program in proof mode, the system generates the Item Cost Level Conversion report, which displays errors that need correction. You should always run the program in proof mode first and correct any discrepancies.

When you run the program in final mode, the system updates:

• The Inventory Cost Level field in the Item Master table (F4101).

• The F4105 table.

Prerequisites

To change item cost levels, you must:

• Back up the data tables completely before you begin the data conversion process; if the results of the conversion are unsatisfactory, you can use the backup tables to restore data tables to their original format.

• Verify that no users access the F4101 or the F4105 table when this program is running in final mode.

Changing Item Cost Level Information

Select Inventory Advanced - Technical Ops (G4131), Item Cost Level Conversion.

Important! When you change the item cost levels, the changes affect data throughout the system. You should restrict access to this program.

Setting Processing Options for Item Cost Level Conversion (R41815)

These processing options control default processing for the Item Cost Level Conversion program.

Process

These processing options control how the system processes the cost information.

Level - Inventory Cost	Specify the Cost Level to update to.
Branch/Plant	Specify the branch that is the source of the default cost values if you update to cost level 1. If you update from a cost level 3, the costs come from the primary location.
Update Mode	Specify *1* to run in final mode and update tables. If you leave this processing option blank, the system does not update tables.
Print Mode	Specify *1* to print only exceptions on the edit report. A blank will print all items.

Revaluing Work in Process

This section provides an overview of the WIP Revaluation program and discusses how to:

• Revalue work in process.

• Set processing options for WIP Revaluation (R30837).

Understanding the WIP Revaluation Program

Whether you use standard costing or an actual costing method, the business must be able to revalue work in process inventory whenever material or labor costs change. Whenever the costs for an item change, the Cost Changed Flag field (CCFL) for this item is set to *1* in the Item Cost table (F4105). This cost change might be caused by a company's decision to update costs to reflect changed circumstances and to maintain realistic pricing.

The WIP Revaluation program (R30837) can be run for standard costed items in discrete, process and configured work orders. For actual costing, you can run the WIP Revaluation program only for material cost changes in discrete work orders.

The purpose of work in process revaluation is to revalue the production costs for all open work orders in the Production Cost table (F3102), based on the latest item cost, as well as unaccounted completed and scrapped amounts for actual costing. The report displays any differences between the original work-in-process (WIP) values and the new WIP values. You can set a processing option to create WIP Revaluation journal entries in the Account Ledger table (F0911) for differences between the old and the new WIP values. You can let the system supply the default work order number in the Subledger field in the F0911 table. The WIP Revaluation program does not revalue on-hand inventory and cannot be performed for closed work orders. Closed work orders are characterized by a value of *3* for the Variance Flag field (PPFG) in the Work Order Master table (F4801).

If you use standard costing, performing an automated WIP revaluation ensures that work in process inventory always reflects any updates to component and labor costs and eliminates artificial variances that are generated by cost changes in the middle of a work order life-cycle. It also makes manual journal entries for WIP revaluation unnecessary.

For actual costing, WIP revaluation accounts for a situation in which subassembly work order costs are reported after the actual cost subassembly item was already issued to the parent item. Without WIP revaluation, the true costs of the subassembly work order are not reflected in the parent work order.

You can access the WIP Revaluation program in three different ways to revalue work in process. For standard costing, you can call the WIP Revaluation program from the Frozen Update program (R30835) by setting a processing option and specifying the desired program version. In this case, the system runs WIP Revaluation for all items that are processed through the Frozen Update program. If any item is flagged for cost change, any open work order that contains this item is revalued, along with any work orders to which the parent item was issued. This logic is carried through to the highest-level parent item. All cost types in the Production Cost table (F3102) are included in the data selection.

For actual costing, you can call the WIP Revaluation program either from the Work Order Inventory Completion (P31114) or the Variances program (R31804) by setting the appropriate processing option and specifying the desired program version. Running WIP Revaluation updates the parent item's production cost based on the subassembly item's latest production cost. If you call the WIP Revaluation program from the Work Order Inventory Completion program, the system revalues the work orders with the completed item, as well as their parent work orders. Only the material cost types in the Production Cost table are included in the data selection.

Note. If an actual costed item is defined with a cost level of *3* (item, branch, location, and lot), the costs for this item have to be tracked at the lot or location level in order to accurately calculate and revalue the costs. Completing work orders to and issuing them from a lot or location enables the system to associate the item unit costs that are calculated for the lot or location at the time of completion to any orders to which the item is issued.

When WIP Revaluation is initiated from the Variances program, it revalues all open work orders with items that are flagged for cost change in the Item Cost table, as well as their parent work orders. When work in process in revalued, the system clears the cost change flag. All cost types in the Production Cost table are included in the data selection for standard costed units. For actual costing, only the material costs are considered.

You can also call the program as a standalone batch program from the menu. This choice enables you to perform WIP revaluation without having to change existing processes. It also enables you to rerun WIP revaluation if the revaluation process was terminated abnormally when another program called it. You can run the program for actual and standard costed items. All cost types in the Production Cost table are included in the data selection.

You can set a processing option to run the WIP Revaluation program in proof or final mode. If you call WIP Revaluation from another program, however, the mode of the calling program overrides this setting.

Revaluing Work in Process

Select Product Costing (G3014), WIP Revaluation.

Setting Processing Options for WIP Revaluation (R30837)

These processing options control default processing for the WIP Revaluation program.

Defaults

These processing options control the default setting for performing WIP revaluations, such as which document type the system uses and what type of general ledger transactions the system writes.

1. Document Type	Specify the document type (UDC 00/DT) that the system uses. If you leave this processing option blank, the system uses IB (item cost changes).
2. G/L Transactions (general ledger transactions)	Specify what type of general ledger transactions are written to the Account Ledger table (F0911) by running the WIP Revaluation program. Values are:
	Blank: Do not write any GL transactions.
	1: Write detailed GL transactions by document number.
	2: Write summarized journal entries by account.
3. Default to Sub-Ledger	Specify whether the system uses the production document number as the default subledger number. Values are:
	Blank: Do not use the production document number as the default subledger number.
	1: Use the production document number as the default subledger number.
4. Proof Or Final	Specify whether to run the WIP Revaluation program (R30837) in proof or in final mode. In proof mode, the system performs all calculations and displays the results on the report. In final mode, the program also updates

the Production Cost table (F3102) and creates journal entries for changes in work-in-process costs in the Account Ledger table (F0911).

Note. When the WIP Revaluation program is launched from another program, the mode (proof or final) of that program overrides this processing option.

Applying Extra Costs for Manufacturing Actual Costing

This section provides an overview of extra costs and discusses how to apply extra costs for actual costing.

Understanding Extra Costs

When you use actual costing for one or all items, you might want to apply extra costs to the cost of the parent item. To apply the extra costs for actual costing, you follow some of the steps that you complete for standard product costing. The system calculates cost extras based on a template that is stored in the Item Cost Component Add-Ons table (F30026).

Applying Extra Costs for Actual Costing

To apply extra costs for actual costing:

1. Set up cost components in user-defined code (UDC) 30/CA for each extra cost.

2. Set up the cost method for each item as either 02 (Weighted Average) or 09 (Actual or Manufacturing Last).

3. Enter cost extras directly in the Frozen Net Added field for the cost component.

CHAPTER 6

Working with Product Costing in Various Supply Chain Environments

This chapter provides an overview of product costing in mixed manufacturing environments and discusses how to:

• Review product costing for batch manufacturing.

• Review product costing for kit items.

• Review product costing for configured items.

• Review product costing for process manufacturing.

• Review product costing for a percent bill of material.

Understanding Product Costing in Mixed Manufacturing Environments

Few manufacturing companies use only one type of operating environment. Often, process manufacturing companies use discrete methodologies when performing packing and shipping activities. Companies that use discrete or job shop manufacturing methods often adopt more efficient operations using rate-based, or batch processing methods. Any combination of operating methods is possible, depending on the industry and the product mix.

Companies that can use a combination of manufacturing methods must also consider how to account for costs incurred from those various methods. Each method has specific strategies for establishing and collecting cost information. In combination, certain adjustments or restrictions might be necessary so that costing information flows from the most basic of cost components through the rolled up or completely costed end products.

As the company refines its production processes and automates costing activities, you should create detailed definitions of the costing processes. Verify that the cost techniques support any manufacturing method that you use. The ultimate goal is to decrease the lead time required to maintain and monitor product costing information throughout the entire manufacturing process.

If you use the JD Edwards EnterpriseOne Product Costing system in any special environment, such as using batches, kits, processes, or configured items, or in distribution, the system calculates product costs differently.

Note. If you use the 02 (Weighted Average) or 09 (Manufacturing Last Cost) cost method, processes and configured items are not supported and the content in this section does not apply.

Reviewing Product Costing for Batch Manufacturing

This section provides an overview of product costing for batch manufacturing and discusses how to:

- Review the accounting cost quantity.

- Review the batch quantity on the bill of material.

- Review the batch quantity on the routing.

- Review the batch quantity on the process.

Understanding Product Costing for Batch Manufacturing

For bills of material and routings, you can have a batch quantity for products that are normally manufactured in specific batch sizes, such as chemicals, food, or petroleum.

To obtain a correct rollup when you use a batch quantity, the accounting cost quantity, the bill of material batch size, and the routing batch size must match, as these considerations indicate:

- Labor and overhead costs are rolled up only when the accounting cost quantity matches the routing batch size.

- Material costs are rolled up only when the accounting cost quantity matches the bill of material batch size.

This table illustrates these possibilities:

Accounting Cost Quantity	Bill Batch Size	Routing Batch Size	Rollup
10,000	10,000	10,000	Complete
5,000	10,000	10,000	None
10,000	5,000	10,000	Labor and Overhead Only
10,000	10,000	5,000	Material Only

If the Simulate Rollup (R30812) program does not find a bill of material for which the batch quantity matches the accounting cost quantity, it uses the zero batch bill.

Note. Most cost amounts that appear on the Work with Costed Bill and Enter Cost Components forms are expressed per each unit of measure, not per batch quantity. Setup costs are expressed per the batch quantity.

Forms Used to Review Product Costing for Batch Manufacturing

Form Name	FormID	Navigation	Usage
Additional System Information, Additional System Info	W4101C, W41026D	Inventory Master/Transactions (G4111), Item Master Inventory Master/Transactions (G4111), Item Branch/Plant On the Work With Item Master Browse form, enter the Item Number, click Find, select a row, and select Addl System Info from the Row menu. On the Work With Item Branch form, enter the Branch/Plant and Item Number, click Find, select a row, and select Addl System Info. from the Row menu.	Enter or review the quantity in the Accounting Cost Qty field.
Enter Bill of Material Information	W3002A	Daily PDM Discrete (G3011), Enter/Change Bill Enter the Branch/Plant and Item Number, and click Find. Select a batch record from the Work With Bill of Material form and click Select.	Review the Batch Quantity field.
Enter Routing Information	W3003B	Daily PDM Discrete (G3011), Enter/Change Routing Enter the Branch/Plant and Item Number, and click Find. Select a batch record from the Work with Routing Operations form and click Select.	Review the Batch Quantity field.
Work with Process	W3003C	Daily PDM Process (G3012), Enter/Change Process Enter the Branch/Plant and Item Number, and click Find.	Review the batch quantity for product costing. See Chapter 6, "Working with Product Costing in Various Supply Chain Environments," Reviewing Product Costing for Process Manufacturing, page 98.

Reviewing the Accounting Cost Quantity

Access the Additional System Information form.

Review the Accounting Cost Quantity field on the Manufacturing Data tab.

See Also

JD Edwards EnterpriseOne Inventory Management 8.12 Implementation Guide, "Entering Item Inventory Information," Entering Item Master Information

JD Edwards EnterpriseOne Inventory Management 8.12 Implementation Guide, "Entering Item Inventory Information," Entering Branch/Plant Information

Reviewing the Batch Quantity on the Bill of Material

Access the Enter Bill of Material Information form.

Note. If the Batch Quantity field does not display on the Enter Bill of Material Information form, verify that the Batch Quantity processing option on the Display tab is set to *1*.

See Also

JD Edwards EnterpriseOne Product Data Management 8.12 Implementation Guide, "Setting Up Bills of Material"

Reviewing the Batch Quantity on the Routing

Access the Work with Routing form.

Note. If the Batch Quantity field does not display on the Work with Routing form, verify that the Batch Quantity processing option on the Display tab is set to *1*.

See Also

JD Edwards EnterpriseOne Product Data Management 8.12 Implementation Guide, "Entering Work Centers and Routing Instructions," Creating Routing Instructions

Reviewing the Batch Quantity on the Process

Access the Work with Process form.

Reviewing Product Costing for Kit Items

This section provides an overview of product costing for kit items and discusses how to:

• Review kit parent items.

• Review the feature cost percent.

Understanding Product Costing for Kit Items

When you use kit items with options, the Simulate Rollup program (R30812) calculates the average cost of the kit parent item, based on the feature cost percent, as these considerations indicate:

• The kit parent item must have a stocking type of M (manufactured).

The options can be manufactured or purchased.

- The feature cost percent of the components are user-defined on the bill of material.

- The Simulate Rollup program multiplies the feature cost percent by the cost of the option (from the F4105 table) to determine the option's share of the kit parent item's average cost.

- The program then adds monetary amounts for each option to determine the average cost for the kit parent item.

This diagram illustrates product costing for a kit item.

Product costing for a kit item

Forms Used to Review Product Costing for Kit Items

Form Name	FormID	Navigation	Usage
Item Master Revisions	W4101A	Inventory Master/Transactions (G4111), Item Master On the Work With Item Master Browse form, find a kit item, select the row, and select Item Revisions from the Row menu.	Review the kit item. See *JD Edwards EnterpriseOne Inventory Management 8.12 Implementation Guide*, "Using Kits," Entering Kit Information.
Enter Bill of Material Information	W3002A	Daily PDM Discrete (G3011), Enter/Change Bill On the Work with Bill of Material form, find a kit item, select the row, and click Select.	Review the feature cost percent. See *JD Edwards EnterpriseOne Product Data Management 8.12 Implementation Guide*, "Setting Up Bills of Material".
Co/By Product Revision	W3002PA	Daily PDM Process (G3012), Enter/Change Process On the Work with Routing Operations form, find a kit process item, select a row, and click Select. On Enter Process Information, select Co/By Revision from the Form menu.	Review the feature cost percent. See *JD Edwards EnterpriseOne Product Data Management 8.12 Implementation Guide*, "Working With Process Manufacturing," Entering a Co- and By-Products List.

Reviewing Kit Parent Items

Access the Item Master Revisions form.

Reviewing the Feature Cost Percent

Access the Enter Bill of Material Information form.

To review feature cost percent on the bill of material, review these fields in the detail area:

• Feat Cost % (feature cost percent)

• Feat Plan %

• R

• D C

• Opt (S/O/F)

Feat Plan % (feature planned percent)	Enter the percentage of demand for a specified feature based on projected production. For example, a company might produce 65% of their lubricant with high viscosity, and 35% with low viscosity, based on customer demand. The JD Edwards EnterpriseOne Requirements Planning system uses this percentage to accurately plan for a process's co-products and by-products.

	Enter percentages as whole numbers, for example, enter 5% as 5.0. The default value is 0%.
R (required)	Enter a code that specifies whether a component is required. Values are:
	Y: The component is required.
	N: The component is not a required selection during order processing. The default value is *N.*
DC (default component)	Specify an item as a default component. Use this field if you are creating Sales Orders using the Recurring Orders Edited Creation program (P40211Z). To do so, enter *Y* in this field. When you specify a kit master item, the Recurring Orders Edited Creation program automatically selects all related standard and default components.
Opt (S/O/F) (optional item (standard/optional/feature))	Enter a code that indicates whether a component is standard or optional within a bill of material or for kit processing. Values are:
	S: Standard.
	The item is always included in any transaction involving the bill of material.
	O: Optional.
	In order entry, you can specify whether the item will be included in a particular sale.
	F: Feature.
	The item has features that you must specify at order entry.
	The default value is *S.*

Reviewing the Feature Cost Percent for a Process

Access the Co/By Product Revision form.

To review feature cost percent for a process, review these fields for each operation:

• Co By
• Co/By Product
• Output Quantity
• UM
• Co/By Branch
• Feat Cost % (feature cost percent)
• Oper Seq# (operation sequence number)

Co By (co-products/by-products/intermediate)	Enter a code that distinguishes standard components or ingredients from co-products, by-products, and intermediates. Co-products are (concurrent) end items as the result of a process. By-products are items that can be produced at any step of a process, but were not planned. Intermediate products are items defined as a result of a step but are automatically consumed in the next step. Generally, intermediates are nonstock items and are only defined steps with a pay-point for reporting purposes. Standard components (Discrete Manufacturing) or ingredients (Process Manufacturing) are consumed during the production process. Values are:

	Blank: Standard components or ingredients.
	C: Co-products.
	B: By-products.
	I: Intermediate products.
Co/By Product	Enter the item number of the co-product or by-product in the process.
Output Quantity	Enter the quantity of finished units that you expect this bill of material or routing to produce. This field allows you to specify varying quantities of components based on the amount of finished goods produced. For example, 1 ounce of solvent is required per unit up to 100 units of finished product. However, if 200 units of finished product is produced, 2 ounces of solvent are required per finished unit. In this example, you would set up batch quantities for 100 and 200 units of finished product specifying the proper amount of solvent per unit.
UM (unit of measure)	Enter a user-defined code (00/UM) that indicates the quantity in which to express an inventory item, for example, CS (case) or BX (box).
Co/By Branch (co-product/by-product branch)	Enter a code that represents a high-level business unit. Use this code to refer to a branch or plant that might have departments or jobs, which represent lower-level business units, subordinate to it.

Reviewing Product Costing for Configured Items

This section provides an overview of product costing for configured items and discusses how to review product costing for configured items.

Understanding Product Costing for Configured Items

Costing for configured items is different from costing for non-configured items because configured items do not have a standard bill of material or routing. Because no standard configuration exists, costing cannot be established before you enter an order. The discrete standard cost rollup concept does not apply to a configured item, so the Cost Simulation - Build Temp program (R30812) is never executed and no frozen standard costs exist in the F30026 table.

However, standard costs for purchased parts and manufactured parts that are used by configured items must be established and frozen (07 Cost Method) in the F4105 table to be factored into the calculated costs for configured item work orders.

The Order Processing program (R31410) performs a cost rollup when it attaches a parts list and routing to a work order for a configured item. A processing option instructs the program to calculate the costs. The costs are stored in the Column 1 - Frozen Standard field in the Production Cost table (F3102), not in table F30026.

The costs are the accumulation of the standard costs for the components, the labor and overhead values that are defined in manufacturing constants, the attached routing and work center information, and work order values.

For a configured item, the A1 material cost is calculated from the total cost of its direct components. The components are defined by the P and Q assembly inclusion rules.

B1 direct labor cost is calculated from the item's routing, which is defined by the R assembly inclusion rule.

Cost defined by the X assembly inclusion rules affects only the sales order and not the work order. Thus, associated X assembly inclusion rule costs are not seen in table F3102.

After the Order Processing program establishes the standard costs for the configured items, journal entries for configured items are created in the same way as for non-configured items.

Sales quotes for configured items are an exception to the standard costing rule for configured items. The standard cost for a configured item on a sales quote is calculated without running Order Processing if the Cost Sales Quote functionality is turned on in Configurator Constants (P3209).

The source of cost generation in table F3102 for configured items includes:

- Costing Method: Standard Costing (07)
- Costing Method: Weighted Average (02)
- Costing Method: Manufacturing Last Cost (09)
- Standard: R31410
- Current: Not used
- Planned: R31802A
- Actual: R31802A
- Completed: R31802A
- Scrapped: R31802A
- Unaccounted Completed: Not used

  For costing methods 02 and 09, the Unaccounted Completed value is populated from the Item Completions program (P31114).

- Unaccounted Scrapped: Not used

  For costing methods 02 and 09, the Unaccounted Scrapped value is populated from the Item Completions program (P31114).

Forms Used to Review Product Costing for Configured Items

Form Name	FormID	Navigation	Usage
Work With Assembly Inclusion Rules	W3293N	Configurator Setup (G3241), Assembly Inclusion Rules On the Work With Assembly Inclusion Rules form, find and select a configured item by branch/plant.	Review the various rule types used to establish product costing for configured items.

Reviewing Product Costing for Configured Items

Access the Work With Assembly Inclusion Rules form.

See Also

JD Edwards EnterpriseOne Configurator 8.12 Implementation Guide, "Working with Configured Items," Costing and Accounting for Configured Items

Reviewing Product Costing for Process Manufacturing

This section provides overviews of product costing for process manufacturing, co-products and by-products, the co/by-products planning table program, and discusses how to:

• Review product costing for processes.

• Review product costing for ingredients.

• Review inputs to co-products and by-products costing.

• Review co-products and by-products costs.

• Review costed processes.

• Set up the Co/By-Products Planning table.

Understanding Product Costing for Process Manufacturing

Process manufacturing creates multiple products by mixing, separating, forming, or performing chemical reactions. This is usually a two-step procedure, which consists of a mixing or blending step, followed by a filling or packaging step. This type of manufacturing can also include intermediate steps, such as curing, baking, or fermenting.

Some of the items that process manufacturing companies create include:

• Liquids

• Fibers

• Powders

• Gases

Pharmaceuticals, foods, and beverages are specific examples of industries that often use process manufacturing.

A process includes ingredients (equivalent to parts on a work order) and a process routing or recipe.

Ingredients are the components of a process. You attach an ingredients list to a process (in the same way that you attach a parts list to a routing) as part of setup.

If an ingredient in a process has extra costs built into its cost, the system allocates the extra costs to the co- and by-products in the same way that the ingredients are allocated. That is, the extra costs are allocated in the same sequence that the ingredients are consumed and at the feature cost of the co- or by-product.

The output from a process includes:

Process Output	Description
Intermediate	The output from an operation that is used as the input to the next operation. No cost is associated with an intermediate.
By-product	The material produced incidental to (or as a residual) of the process.
Co-product	An end item produced as a result of the process. Usually, two or more co-products result from a process.

A process is defined in a routing. The process routing defines the work centers and standard hours. The relationships between the ingredients (inputs) and the co/by products (outputs) are also defined in the process routing.

When you run the Cost Simulation - Build Temp program (R30812), you must set the processing option to include the cost for the co- and by-products. To determine the cost for the co- and by-products as produced in the process, the system performs this calculation:

Divides the costs for the process into the co- and by-products according to how the feature cost percentage is set up.

The system then uses the information from the Co-Products Planning/Costing Table (F3404) to allocate the cost from each process and to determine the standard cost for the co- and by-products.

Understanding Co-Products and By-Products

Co-products are produced, usually together, as a result of a process routing. They are normally the main products (end items) that are sold to customers.

A by-product is a material of value that is produced incidental to or as a residual of the production process. By-products can be recycled, sold as-is, or used for other purposes.

Co-products and by-products are costed using the Feature Cost Percent field. Extra costs for co- and by-products do not use feature cost percentages.

Example: Feature Cost Percent and Co-Product and By-Product Costing

This list applies to the example of feature cost percent and co-/by-product costing:

• Cumulative cost = cost this operation + cost of previous operation - cost of the co-/by-product produced in the previous operation.

• The total of all percentages at an operation cannot exceed 100 percent.

• The total of all percentages at the last operation must equal 100 percent.

Operation	Co-/By-Product	Feature Cost Percent	Cost This Operation	Cumulative Cost	Co-/By-Product Cost
10	By 1	10	100.00	100.00	10.00
20	Co 1	30	100.00	$100.00 + (100.00 - 10.00) = 190.00$	57.00
20	Co 2	20	NA	NA	38.00
30	NA	NA	100.00	$100.00 + (190.00 - 95.00) = 195.00$	NA
40	Co 3	60	100.00	$100.00 + 195.00 = 295.00$	177.00
40	Co 4	30	NA	NA	88.50
40	Co 5	10	NA	NA	29.50

This list identifies calculations for feature cost percent and co-/by-product costing:

- Co-/by-product cost at an operation = cumulative cost at an operation multiplied by the feature cost percent.

- Cumulative cost = cost this operation + cost of previous operation - cost of the co-/by-product produced in the previous operation.

- The total of all percentages at an operation cannot exceed 100 percent.

- The total of all percentages at the last operation must equal 100 percent.

Example: Extra Costs for Co-Products and By-Products

Extra costs are not associated with a particular step of the process.

Therefore, feature cost percentages are not used for distributing the extra costs. Instead, the system:

- Determines the total of the net-added B1 through C4 costs for all the co- and by-products.

- Calculates the percent of this total that each co- or by-product represents.

- Uses this percentage to allocate the extra costs.

In this simulated rollup of cost components for a process, the cost of extra cost X3 (Outbound Freight) is included for the amount of the process:

Cost Type	Net Added	Total
A1 Material	NA	40.00
B1 Direct Labor	20.00	20.00
B2 Setup Labor	40.00	40.00
B3 Machine Run	20.00	20.00
C1 Machine Variable	20.00	20.00
C2 Machine Fixed Overhead	20.00	20.00
C3 Labor Variable	60.00	60.00
C4 Labor Fixed Overhead	60.00	60.00
X# Freight Out	40.00	NA

Simulated, Frozen, and Cost Ledger are each 280.00.

When you run a cost rollup program to include the X3 cost type, the program determines the percentage that each co-/by-product contributes to the total B1 through C4 costs, as illustrated by this table:

Cost Type	BY 1	BY 2	CO 1	CO 2	Total
B1	NA	10.00	5.00	5.00	20.00
B2	10.00	10.00	10.00	10.00	40.00
B3	10.00	NA	5.00	5.00	20.00
C1	10.00	NA	5.00	5.00	20.00

Cost Type	BY 1	BY 2	CO 1	CO 2	Total
C2	10.00	NA	5.00	5.00	20.00
C3	10.00	20.00	15.00	15.00	60.00
C4	10.00	20.00	15.00	15.00	60.00
Totals	60.00	60.00	60.00	60.00	240.00
Percent of Total	25 percent	25 percent	25 percent	25 percent	100 percent

Because all four co- and by-products have the same total costs, each is allocated 25 percent of the extra cost X3 (Freight Out) in the rollup.

When you review the cost for this item after the rollup, the simulated cost appears as this table indicates:

Cost Type	Net Added	Total
A1 Material	NA	10.00
B1 Direct Labor	5.00	5.00
B2 Setup Labor	10.00	10.00
B3 Machine Run	5.00	5.00
C1 Machine Variable	5.00	5.00
C2 Machine Fixed Overhead	5.00	5.00
C3 Labor Variable	15.00	15.00
C4 Labor Fixed Overhead	15.00	15.00
X# Freight Out	10.00	10.00

Simulated Cost = 80; Frozen and Cost Ledger each = 70.00

Understanding the Co/By-Products Planning Table Program

You use the Co/By Products Planning Table program (P3404) to determine:

• The percentage of the demand for co-products that is satisfied from process work orders.

• The percentage of the manufacture for the item that is satisfied from other sources, such as purchase orders or work orders for the co-products themselves.

You set up the planning table to specify the process that the system uses to calculate the costs of co- and by-products, as well as the processes that the system uses for demand planning. Because a co- or by-product can be produced by more than one process, depending on how often a process is used, you can assign a weight to the costs for each process on the planning table.

Normally, all demand for co- and by-products is satisfied from process work orders. However, you can specify a percentage from the item process and from a bill of material and routing for a discrete co-product. To do so, enter less than 100 percent in the table. For example, you might enter 50 percent for the item process. The remainder is satisfied by discrete work orders for the co-product.

You can also have a co-product that is produced entirely by more than one process. For example, two processes can have a 75 percent to 25 percent relationship between them. Both processes appear on the Co/By-Products Planning Table form when you locate the co-product. In these situations, you must set up the co-/by-products planning table with a cost percent equal to 100. This ensures that the rollup program calculates the costs of co- and by-products correctly.

When more than one process creates the same co- or by-product, use the planning table to allocate the cost of the co- or by-product among the processes. You can assign a weight to the costs from each process.

For example, you might have a co-product that is produced by two processes:

• The normal manufacturing process, which you use 90 percent of the time.

• A second process, which you use for rush orders 10 percent of the time, and that has costs that are much higher than the normal.

You can set up the planning table that enables the co-product's standard cost to reflect the extra costs that you incur 10 percent of the time.

Forms Used to Work with Product Costing for Process Manufacturing

Form Name	FormID	Navigation	Usage
Work with Process	W3003C	Daily PDM Process (G3012), Enter/Change Process Complete the Branch/Plant, Item Number, and Batch Quantity fields on the Work with Process form, and click Find.	Select a process for review.
Enter Process Information	W3003B	Complete the Branch/Plant and Item Number fields on the Work with Routing Operations form, click Find, and then select Revision from the Form menu.	Review product costing for processes.
Enter Ingredients	W3002A	Select Ingredients from the Form menu on the Enter Process Information form.	Review product costing for ingredients.
Co/By Product Revision	W3002PA	Select Co/By Revision from the Form menu on the Enter Process Information form.	Review inputs to co-product and by-product costing.
Work With Cost Components	W30026C	Product Costing (G3014), Enter/Change Cost Components	Review co-product and by-product costs.

Page Name	Object Name	Navigation	Usage
Co/By Product Selection	W30026J	Select an item on the Work With Cost Components form, and then select Co/By Product from the Form menu.	Select a co- or by product for cost component review.
Work With Costed Routing/Process	W30208A	Product Costing (G3014), Costed Routing/Process Inquiry	Review costed processes.
Operation Bucket Key Window	W30COA	Select an item on the Work With Costed Routing/Process form, and select Op Bucket Window from the Form menu.	Review an item's operation buckets.
Work With Costed Bill	W30206A	Select Costed Bill from the Form menu on the Work With Costed Routing/Process form.	Work with a costed bill.
Costed Routing Details	W30208B	Select a row and select Details from the Row menu on the Work With Costed Routing/Process form.	View costed routing details.
Work with Co/By-Products Planning Table	W3404M	Product Costing Setup (G3042), Co/By Products Planning Table	Work with the Co/By-Products Planning table.
Co/By-Products Planning Table Revisions	W3404N	Select a co-product or by-product, select a process, and click Select on the Work with Co/By-Products Planning Table form.	Make changes to the Co/By-Products Planning table.

Reviewing Product Costing for Processes

Access the Enter Process Information form.

Review these fields on Enter Process Information:

• Run Labor

• Run Machine

• Setup Labor

• Crew Size

• Cost Type

• Type Oper

• Yield %

• Cum Yield %

• Time Basis

Run Labor

Enter the standard hours of labor that you expect to incur in the normal production of this item. The run labor hours in the Routing Master table (F3003) are the total hours that it takes the specified crew size to complete the operation. The hours are multiplied by the crew size during shop floor release and product costing.

Run Machine

Enter the standard machine hours that you expect to incur in the normal production of this item.

Setup Labor

Enter the standard setup hours that you expect to incur in the normal completion of this item. This value is not affected by crew size.

Crew Size

Enter the number of people who work in the specified work center or routing operation. The system multiplies the Run Labor value in the Routing Master table (F3003) by crew size during costing to generate total labor amounts. If the Prime Load Code is L or B, the system uses the total labor hours for backscheduling. If the Prime Load Code is C or M, the system uses the total machine hours for backscheduling without modification by crew size.

For JD Edwards EnterpriseOne Shop Floor Management, the Crew Size field on the Work Order Routing form contains the value entered on the Work Center Revision form (P3006). You can override the value by changing this field on the Work Order Routing form. However, the Work Center Revision form will not reflect this change.

Cost Type

Enter a code that designates each element of cost for an item. Examples of the cost object types are:

A1: Purchased raw material.

B1: Direct labor routing rollup.

B2: Setup labor routing rollup.

C1: Variable burden routing rollup.

C2: Fixed burden routing rollup.

Dx: Outside operation routing rollup.

Xx: Extra add-ons, such as electricity and water.

The optional add-on computations usually operate with the type Xx extra add-ons. This cost structure allows you to use an unlimited number of cost components to calculate alternative cost rollups. The system then associates these cost components with one of six user-defined summary cost buckets.

For outside operations, the value that you enter indicates the cost component with which to associate costs. You should not enter the same cost component for more than one operation. If you do, the cost component includes the total cost of all operations. When the material is received from one operation, the system calculates the cost of the operation using the total cost of all operations.

Type Oper (type operation)

Enter a user-defined code (30/OT) that indicates the type of operation. Values are:

A: Alternate routing

TT: Travel time

IT: Idle time

T: Text

For Product Costing, only operations with a blank type operation code are costed.

Yield % (yield percent)

Enter the planned output yield percent for a step. The Planned Yield Update program uses this value to update the cumulative percent in the routing and the operation scrap percent in the bill of material. Materials Requirements Planning (MRP) uses the step scrap percent and the existing component scrap percent to plan component demand.

Cum Yield % (cumulative yield percent)

Enter the cumulative planned output yield percent for a step. The system uses this value to adjust the operation step scrap percent for the components at that operation step. This enables MRP to use the operation step scrap percent along with the existing component scrap percent to plan component demand.

Time Basis

Enter a UDC (30/TB) that indicates how machine or labor hours are expressed for a product. Time basis codes identify the time basis or rate to be used for machine or labor hours entered for every routing step. For example, 25 hours per 1,000 pieces or 15 hours per 10,000 pieces. You can maintain the time basis codes in Time Basis Codes. The system uses the values in the Description-2 field on the User Defined Codes form for costing and scheduling calculations. The description is what the code represents, but is not used in calculations.

Reviewing Product Costing for Ingredients

Access the Enter Ingredients form.

Enter Ingredients form

To review product costing for ingredients, review these fields:

- Item Number
- Quantity
- UM (unit of measure)
- F V (fixed variable)
- Feat Cost % (feature cost percent)
- Percent Scrap

• Operation Scrap Percent

Reviewing Inputs to Co-Product and By-Product Costing

Access the Co/By Product Revision form.

Co/By Product Revision form

To review inputs to co-/by-product costing:

Review these fields on the Co/By Product Revision form:

• Output Quantity

Enter the quantity of finished units that you expect this bill of material or routing to produce. This field enables you to specify varying quantities of components based on the amount of finished goods produced. For example, 1 ounce of solvent is required per unit up to 100 units of finished product. However, if 200 units of finished product is produced, 2 ounces of solvent are required per finished unit. In this example, you would set up batch quantities for 100 and 200 units of finished product specifying the proper amount of solvent per unit.

• UM (unit of measure)

• Feat Cost % (feature cost percent)

• Resource % (resource percent)

Enter a number that indicates what percent of the ingredients should be issued separately to co-products and by-products.

This is used to issue ingredients separately to co-products and by-products at work order completion, rather than a total issue for each ingredient.

For co-products and by-products at the final operation, their resource percent must total 100 percent to issue all ingredients.

Reviewing Co-Product and By-Product Costs

Access the Work With Cost Components form.

Work With Cost Components form

To review co-product or by-product costs:

1. Complete these fields and select Find on the Work With Cost Components form:

    • Branch/Plant

    • Item Number

2. From the Form menu, select Co/By Product.

3. Select a co-/by-product and click Select on the Co/By Product Selection form.

    The system displays the costs for the co-/by-product on the Work With Cost Components form.

Reviewing Costed Processes

Access the Work With Costed Routing/Process form.

To review a costed process:

1. Complete these fields and select Find on the Work With Costed Routing/Process form:

    • Branch/Plant

    • Item Number

2. Review these fields:

    • Requested Quantity

      Enter the number of parent items that you want to process. The system calculates lower level values in quantity per the number of parent items requested. For instance, if it takes 3 components per a parent item, then with a requested quantity of 10, the system would plan and cost for 30 components

      The number of parent items for which you want to see cost breakdowns. Costs are calculated in quantity per the parent item.

    • As of Date

    • Cost Method

    • Routing Batch Qty (routing batch quantity)

    • BOM Batch Qty (bill of material batch quantity)

    • Work Center

- Oper Seq# (operation sequence number)

- Labor

- Machine

- Overhead

  Displays the Work Amount field for the JD Edwards EnterpriseOne Manufacturing System from Oracle.

  This is cost bucket number 5 as defined for user-defined code 30/CO (Operation Buckets). The total of this column appears at the bottom of the screen in the *Totals* row. The heading above the columns indicates which costs are displayed: frozen or simulated. You can toggle between simulated and frozen values. You can also view a detailed breakdown of the cost components added to arrive at the total for the work center.

- Components

  Displays the Work Amount field for the JD Edwards EnterpriseOne Manufacturing System.

  This is cost bucket number 6 as defined for user-defined code 30/CO (Operation Buckets). The total of this column appears at the bottom of the screen in the *Totals* row. The heading above the columns indicates which costs are displayed: frozen or simulated. You can toggle between simulated and frozen values. You can also view a detailed breakdown of the cost components added to arrive at the total for the work center.

- Total

  Displays the Work Amount field for the JD Edwards EnterpriseOne Manufacturing System.

  This column contains system-calculated totals for each row of costs, that is, for each operation sequence. The totals across the bottom of the form are the totals of each cost bucket. The rightmost bottom total is the total of all costs for the routing for an item.

3. Select Frozen or Simulated from the View menu to toggle between frozen and simulated costs.

4. Select Op Bucket Window from the Form menu to review the item's operation buckets.

5. Review the information and then select Close on the Operation Bucket Key Window form.

6. Select Costed Bill from the Form menu on the Work With Costed Routing/Process form.

7. Review the information on the Work With Costed Bill form.

   You can review the ingredient costs for a single operation or for all ingredients throughout all operations in the process. These costs are from the Cost Components program (P30026) and reflect the last simulated rollup. Thus, the costs might differ from those on Work With Costed Routing/Process if you have changed the process since the last rollup.

8. Select Close.

9. Review all of the costs that are associated with an operation by selecting Details from the Row menu on the Work With Costed Routing/Process form.

10. Review the information on the Costed Routing Details form.

    The cost components are grouped according to cost buckets.

11. Select Close.

Setting Up the Co/By-Products Planning Table

Access the Co/By-Products Planning Table Revisions form.

Co/By-Products Planning Table Revisions

To set up the co-/by-products planning table:

1. Complete these fields for each process:

   • Process / Item

     Enter a number that identifies the parent process item.

   • Plan % (plan percent)

     Enter the percentage of demand for a specified feature based on projected production. For example, a company might produce 65 percent of their lubricant with high viscosity, and 35 percent with low viscosity, based on customer demand. The JD Edwards EnterpriseOne Requirements Planning system uses this percentage to accurately plan for a process's co-products and by-products. Enter percentages as whole numbers, for example, enter 5 percent as 5.0. The default value is 0 percent.

     On this form the field specifies the percentage of supply from a specific process.

   • Cost % (cost percent)

     Enter a percentage that the Simulate Cost Rollup program uses to calculate the cost of a feature or option item as a percentage of the total cost of the parent. Enter the percentage as a whole number, for example, enter 5 percent as 5.0.

     Use the field to calculate the cost of a co-/by-product when it can be produced from more than one process, or from a combination of a process and a work order.

     This value determines what percent of the cost of the co-/by-product is allocated to the selected process.

   • Effective From

   • Effective Thru Date (effective through date)

2. Select OK when the information is accurate for all listed processes.

See Also

JD Edwards EnterpriseOne Product Data Management 8.12 Implementation Guide, "Working With Process Manufacturing," Entering a Co- and By-Products List

Reviewing Product Costing for a Percent Bill of Material

This section provides an overview of product costing for a percent bill of material and discusses how to review product costing for a percent bill of material.

Understanding Product Costing for a Percent Bill of Material

In either process or discrete manufacturing environments, you use a percent bill of material to express the parts or ingredients as a percentage of the parent quantity.

If you use percent bills of material, the system calculates costs based on the quantities specified in the percent bill. Quantities are expressed in percentages (such as 75 for 75 percent), and the total of the component quantities must equal 100. Components must have a unit of measure that can convert to the parent unit of measure without causing rounding errors. For bills of materials with a zero batch quantity, the cost rollup calculates the cost for one primary unit of measure for the parent product.

Note. You must have a multi-decimal environment to use percent bills.

Forms Used to Review Product Costing for a Percent Bill of Material

Form Name	FormID	Navigation	Usage
Enter Bill of Material Information	W3002A	Daily PDM Discrete (G3011), Enter/Change Bill Enter the Branch/Plant and Item Number, and click Find. Select a row and click Select.	Review the percent bill of material details.

Reviewing Product Costing for a Percent Bill of Material

Access the Enter Bill of Material Information form.

Quantity Enter the number of units that the system applies to the transaction.

A number that indicates how many components you use to manufacture the parent item. A quantity of zero is valid. The default value is *1*.

FV (fixed variable) Enter a code that indicates if the quantity per assembly for an item on the bill of material varies according to the quantity of the parent item produced or is fixed regardless of the parent quantity. This value also determines if the component quantity is a percent of the parent quantity. Values are:

F: Fixed Quantity.

V: Variable Quantity (default).

%: Quantities are expressed as a percentage and must total 100 percent.

For fixed-quantity components, the JD Edwards EnterpriseOne Work Order Processing system from Oracle and the JD Edwards EnterpriseOne Requirements Planning system do not extend the component's quantity per assembly value by the order quantity.

CHAPTER 7

Understanding Calculations in Cost Rollup

This chapter provides information about how hard-coded cost components are generated in the cost rollup process. These calculations can vary according to the settings in the manufacturing constants and processing options.

This chapter discusses:

• Simulated cost rollup.

• Material cost components.

• Routing cost components.

• Outside operation cost components.

• Purchase price variance.

Simulated Cost Rollup

The Cost Simulation - Build Temp program (R30812) program adjusts direct labor hours and direct machine hours by time basis, crew size, and cumulative yield, as appropriate. The program adjusts component material quantities by operation scrap and percent scrap.

Material Cost Components

This table illustrates how the material cost components A1 and A2 reflect the cost that is incurred from purchased material and from material scrap:

Cost Component	Description
A1 (Purchased Material)	When you enter a cost method in the Purchased Item processing option in the Simulate Rollup program, the program uses that cost method to retrieve the cost from the Item Cost table (F4105).
A2 (Material Scrap)	• The cost component is used for items that have a percent of scrap that is defined in their bill of material. • The net-added cost comes from scrap that is incurred when the components are assembled. • Component material scrap cost = percent of scrap from the bill of material × quantity per parent item × total cost of the component).

Routing Cost Components

Routing cost components (cost components B and C) can be controlled manually or through the Simulate Rollup program (R30812).

This section discusses:

• B1 (direct labor).

• B2 (setup labor).

• B3 (machine run).

• B4 (labor efficiency).

• C1, C2 (variable and fixed machine overhead).

• C3, C4 (variable and fixed labor overhead).

B1 (Direct Labor)

B1 costs can be calculated as:

• Parent direct labor costs = sum of direct labor calculations for all operations on the item's routing.

• (Operation direct labor cost) = ((operation direct labor hours ÷ operation time basis) × (operation crew size) ÷ (operation cumulative yield percent ÷ 100)) × (work center direct labor rate)

B2 (Setup Labor)

B2 costs can be calculated as:

• Parent setup labor cost = sum of all setup labor calculations for all operations on the item's routing

• Operation setup labor cost = (operation setup labor hours) × (work center setup labor rate) ÷ (accounting cost quantity)

Note. Divide the work center setup labor rate *only if* the accounting cost quantity is *not* zero.

B3 (Machine Run)

B3 costs can be calculated as:

- Parent machine run cost = sum of machine run calculations for all operations on the item's routing

- (Operation machine run cost) = ((operation machine run hours ÷ operation time basis) ÷ (operation cumulative yield ÷100)) × (work center machine run rate)

B4 (Labor Efficiency)

This cost component increases or decreases the cost of the labor that is required to produce an item. If you have set the manufacturing constants to modify costs by work center efficiency, the program creates a cost component (B4) for labor efficiency when you run the Simulate Rollup program. In addition, if the efficiency for a work center is equal to zero, the system does not perform a calculation for that work center.

The system calculates labor efficiency only for direct labor hours as:

Parent labor efficiency cost = sum of all efficiency calculations for all operations on the item's routing

Calculating the operation labor efficiency cost requires these calculations:

- (Direct labor hours) × (time basis code) ÷ ((crew size) ÷ operation yield percent)) = (factored labor hours)

- (Work center efficiency) ÷ (percentage conversion) × (factored labor hours) = Factored efficiency hours

- Labor efficiency cost = (factored labor hours − (factored efficiency)) × (direct labor rate)

C1, C2 (Variable and Fixed Machine Overhead)

The system calculates C1 and C2 costs only if you have set the manufacturing constants for the branch/plant to include variable and fixed machine overhead in the cost. You must also specify whether you want the system to calculate machine overhead costs from manually entered rates in the Work Center Master table (F30006) or as a percent of machine run costs.

Parent variable and fixed machine overhead cost is the sum of all variable and fixed machine overhead calculations for the item's routing.

Calculating variable machine overhead costs requires:

- (Machine variable labor overhead percent) ÷ (percentage conversion) × (machine run rate) = (variable machine overhead rate)

- (Machine run hours) ÷ (time basis code ÷ (operation yield percent)) = (variable machine overhead run hours)

- (Machine variable overhead cost) = (variable machine overhead run hours) × (variable machine overhead run rate)

Calculating fixed machine overhead costs requires:

- (Machine fixed labor overhead percent) ÷ (percentage conversion) × (machine run rate) = (fixed machine overhead rate)

- (Machine run hours) ÷ (time basis code) ÷ (operation yield percent) ÷ (primary UOM conversion factor) = (fixed machine overhead run hours)

- (Machine fixed overhead cost) = (fixed machine overhead run hours) × (fixed machine overhead run rate)

C3, C4 (Variable and Fixed Labor Overhead)

The system displays these calculations as rates. If you indicate on the Work Center Master Revisions form that variable and fixed labor overhead costs should be calculated as a percent of labor costs, multiply the work center labor rate by the percent divided by 100 to obtain the labor overhead rate. For example:

(Operation variable labor overhead rate) = (work center variable labor overhead percent) / (100) × (work center direct labor rate)

These costs are calculated only if you have set the manufacturing constants for the branch/plant to include variable and fixed labor overhead in the cost. In this table, you must also determine whether labor overhead costs are calculated from manually entered rates in the Work Center Master table (F30006) or as a percent of labor costs.

In addition, you can set the manufacturing constants to factor labor overhead by work center efficiency:

- Parent variable and fixed labor overhead cost = sum of all variable and fixed labor overhead calculations for all operations on the item's routing.

- (Variable and fixed labor overhead cost) = (direct labor overhead cost) + (setup labor overhead cost)

  Direct labor overhead cost by rate:

  - Without labor efficiency: (direct labor hours) × (work center variable and fixed labor overhead) rate

  - With labor efficiency:(direct labor hours + work center efficiency) × work center variable and fixed labor overhead rate

- (Work center efficiency) = (labor hours) − ((work center efficiency percent) ÷ (100)) × (labor hours)

- (Setup labor overhead cost by rate) = (operation setup labor hours ÷ accounting cost quantity) × (work center variable and fixed labor overhead rate)

  Accounting cost quantity is factored if it is not equal to zero.

Outside Operation Cost Components

You can manually enter cost components for outside operations on the Enter Cost Components form (W30026B) or let the system retrieve them from the Item Cost table (F4105) when you run the Simulate Rollup program (R30812).

The Order Processing program (R31410) creates item numbers for outside operations:

Parent*Op*xx*

where Parent represents the parent item number, and xx represents the whole-number portion of the outside operation's operation sequence number. For example, for item 333, an outside operation at operation sequence number 30 receives an item number of 333*OP30.

If you enter a cost method in the Outside Operations processing option for the Simulate Rollup program, the program uses that cost method to retrieve the cost from the F4105 table. If the value is zero, and a value previously existed in the Item Cost Component Add-Ons table (F30026), the original value remains. If you leave the processing option blank, the program uses the values that you manually entered on the Enter Cost Components form.

Purchase Price Variance

For purchased items, a purchase price variance (PPV) results when the standard cost differs from the actual purchase price. If you use extra costs on purchased items, the total standard cost might differ from the A1 (material) cost. This difference is the material burden cost.

When you receive a purchase order, the system updates the accounts payable account using the price on the purchase order. The system updates the inventory account with the standard item cost from the F4105 table. Any difference between the two costs is made up of PPV and material burden. PPV is the difference between the frozen A1 cost and the purchase order cost.

Material burden cost is the difference between the total standard cost from the F4105 table and the A1 cost:

• PPV = (A1 cost) − (purchase order unit cost)

• Material burden cost = (total standard cost) − (A1 cost)

Example: Purchase Price Variance and Material Burden

The Item Cost table (F4105) includes this information:

• Average cost = 14.00

• Standard cost = 16.00

The Item Cost Component Add-Ons Table (F30026) includes:

• A1 cost = 13.00

• X1 cost = 3.00

These t-account graphs illustrate the accounting flow for price variance and material burden:

T-account for price variance and material burden

This T-account graph illustrates how material that is issued to the work order relieves the inventory account and posts to the work-in-process (WIP) account with the fully loaded standard cost for the item:

T-account for material inventory and WIP

This t-account graph illustrates that at period end, a manual journal entry closes the PPV to the Cost of Goods Sold account:

T-account for PPV and COGS

AAI table 4337 posts the material overhead. If you have multiple cost extras and you want to post to different accounts for each of them, you must use landed cost.

CHAPTER 8

Working with the Manufacturing Accounting System

This chapter provides overviews of the Manufacturing Accounting system, work orders, and journal entries, and discusses how to:

• Create journal entries for work in process or completions.

• Review production costs.

• Create journal entries for variances.

• Review general ledger batches.

• Post manufacturing journal entries to the general ledger.

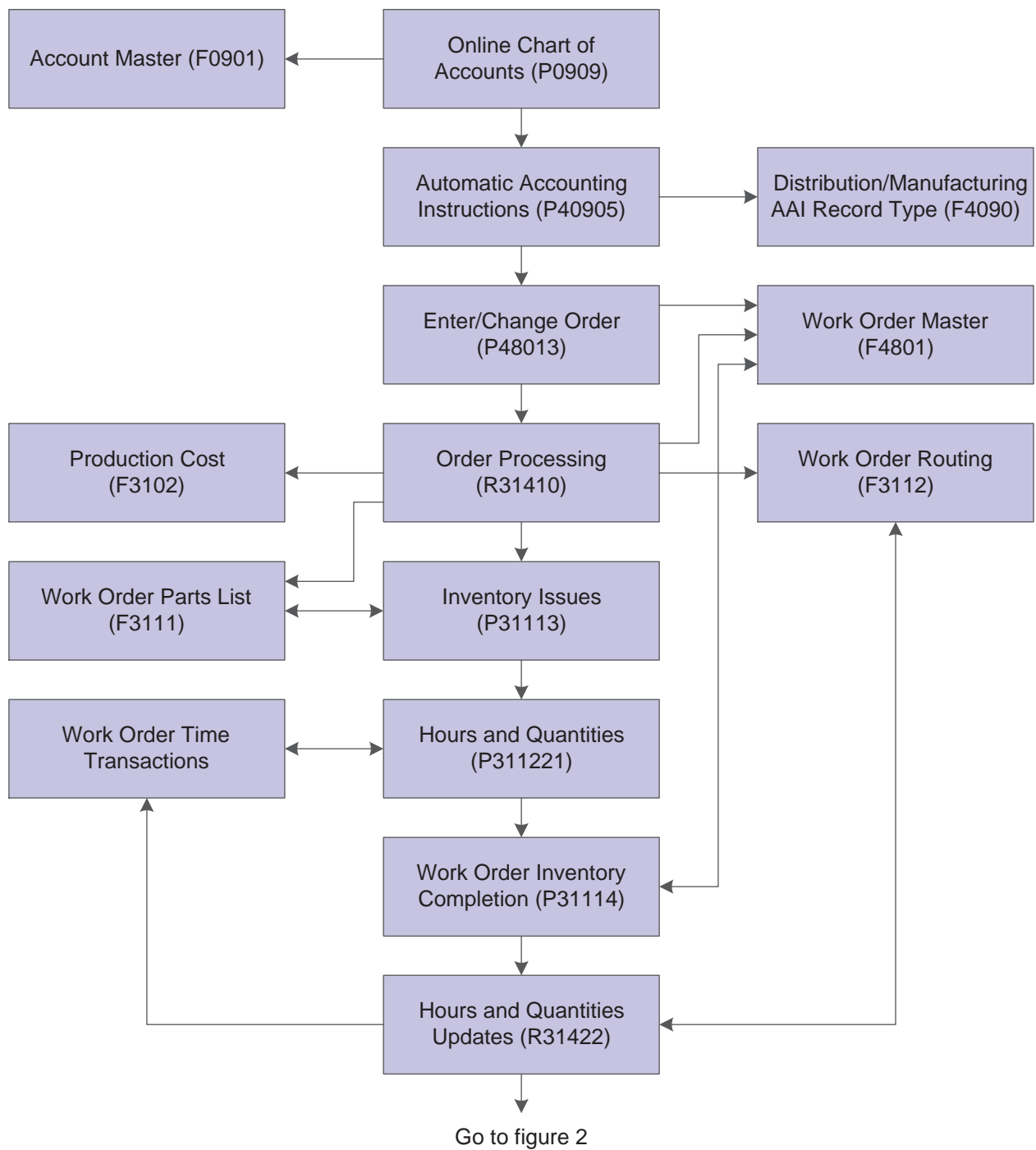## Understanding the Manufacturing Accounting System

This section discusses:

• Manufacturing accounting process flow.

• Integration with General Accounting.

• Manufacturing variances.

• Actual Costing.

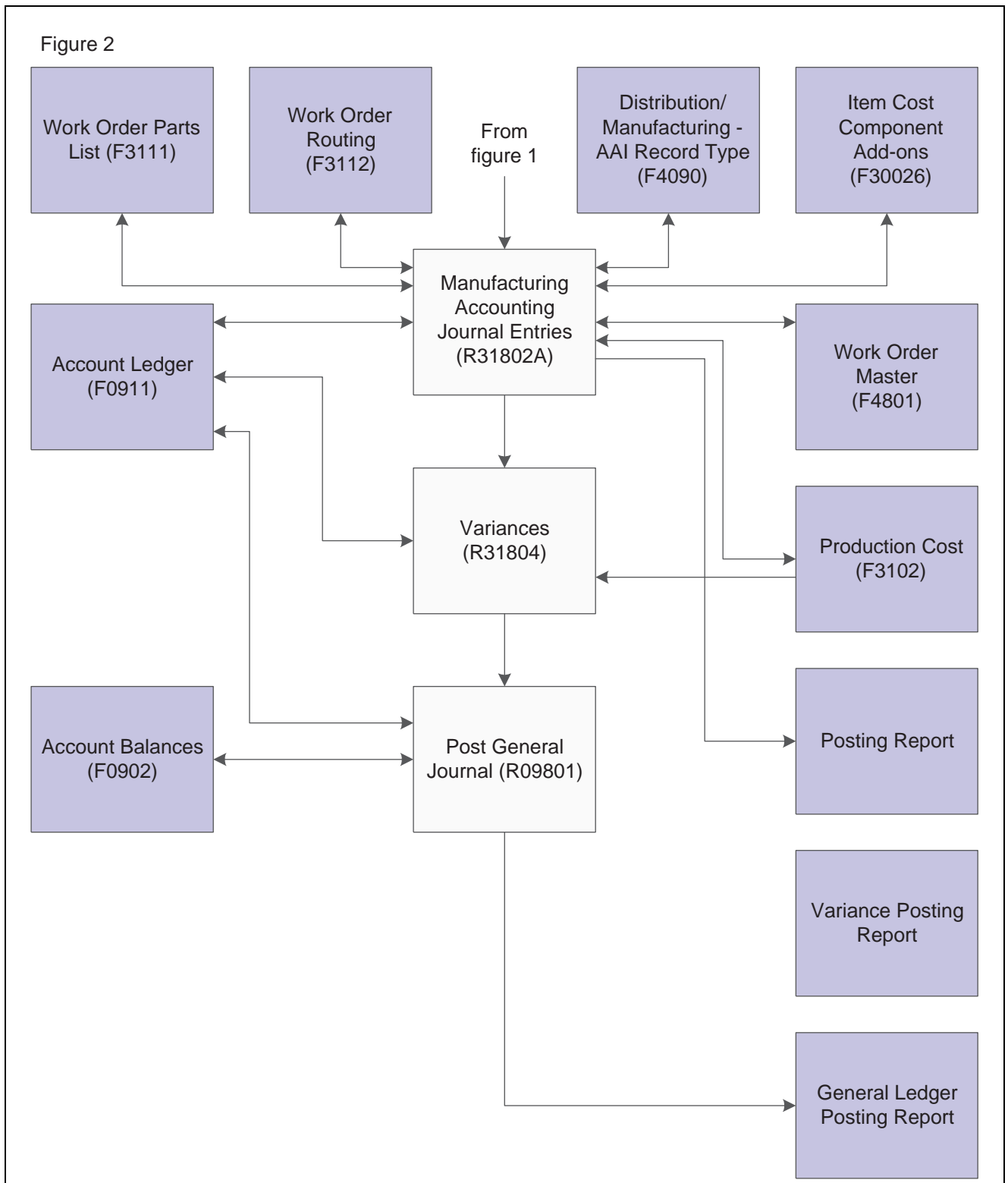• Transaction flow for Manufacturing Accounting.

Manufacturing Accounting Process Flow

This two-part flow diagram illustrates the Manufacturing Accounting processes:

Figure 1

Manufacturing Accounting process flow (1 of 2)

Figure 2

| Work Order Parts List (F3111) | Work Order Routing (F3112) | From figure 1 | Distribution/ Manufacturing - AAI Record Type (F4090) | Item Cost Component Add-ons (F30026) |

Manufacturing Accounting Journal Entries (R31802A)

Account Ledger (F0911)

Work Order Master (F4801)

Variances (R31804)

Production Cost (F3102)

Account Balances (F0902)

Post General Journal (R09801)

Posting Report

Variance Posting Report

General Ledger Posting Report

Manufacturing Accounting process flow (2 of 2)
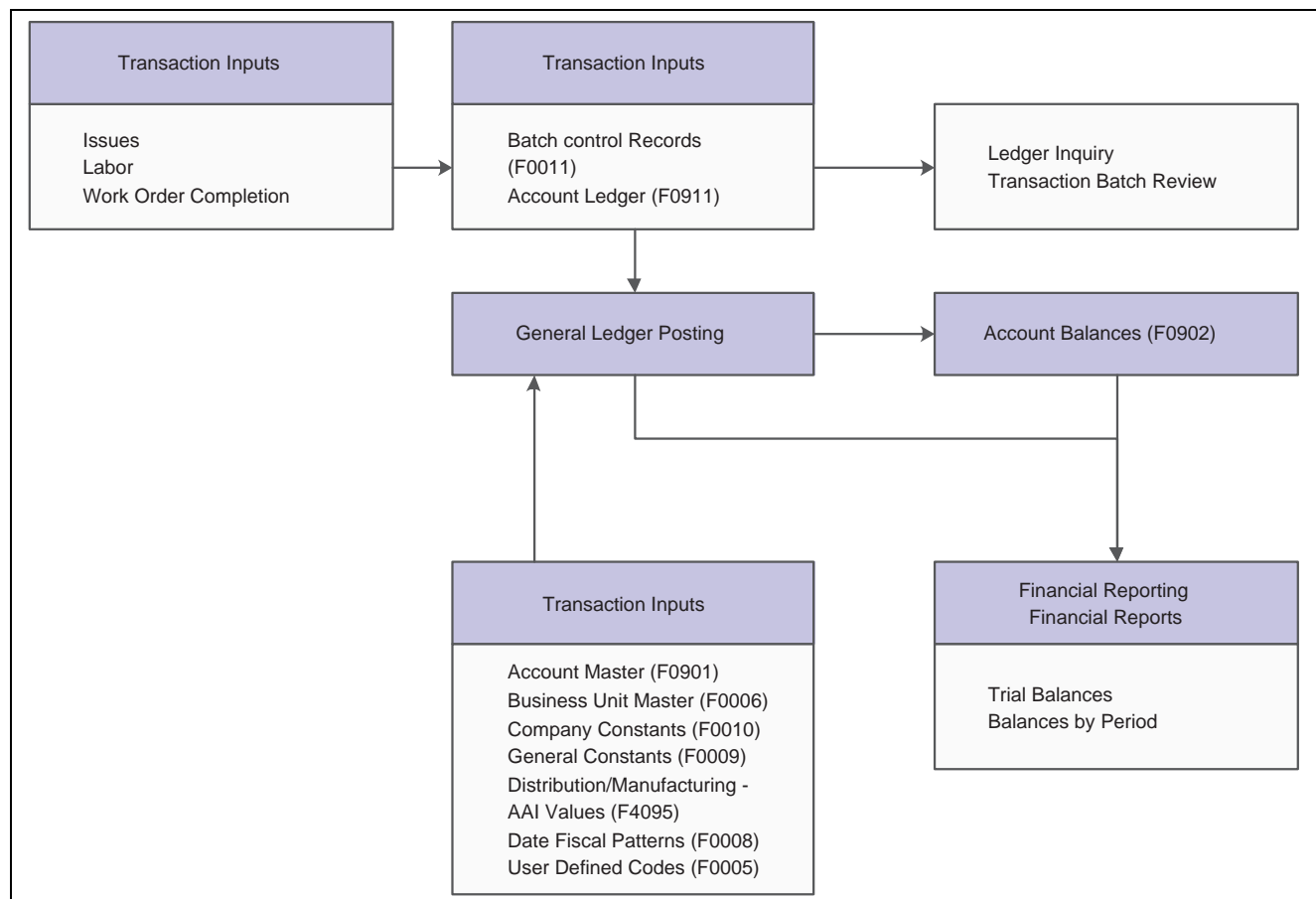
Integration with General Accounting

To remain competitive in a changing business environment, companies must integrate all aspects of their operation. This includes identifying operations that reduce lead times, expedite speed-to-market, and reduce operating costs. The objective is to reduce costs to remain a competitive market player.

After a company defines item costs and identifies how each cost is derived, it might transfer these cost records into the accounting records. When a company uses a manufacturing accounting system, it can track the costs that are associated with each activity within the manufacturing process. As material is received into inventory, issued to a manufacturing order, and used at various stages within the manufacturing cycle, the company maintains detailed accounting records that reflect debits and credits to predetermined financial accounts. These records can be transferred to the general ledger throughout the manufacturing cycle.

The ability to perform standard costing (comparisons based on frozen costs), or actual costing (comparison of expected cost versus actual cost) enables companies to accurately account for the cost of manufacturing. Comparisons can identify areas that deviate from original cost expectations. Managers can then make better-informed decisions and implement a course of action to reflect current costs in the ultimate cost of the products. Work in process and on-hand inventory can be revalued to reflect these updated costs.

In volatile and dynamic industries, such as electronics and other technologies, changes in technology and customer demand, product configuration, and production processes need to be constantly monitored. Changes need to be integrated and reflected throughout product life cycles as quickly as possible. Industries remain competitive in the global marketplace only if they minimize time to market for new products and reduce costs.

This flowchart illustrates the interaction between the JD Edwards EnterpriseOne Manufacturing Accounting system and the JD Edwards EnterpriseOne General Accounting system:

Integration between Manufacturing Accounting and General Accounting

See Also

JD Edwards EnterpriseOne General Accounting 8.12 Implementation Guide

Manufacturing Variances

Variances occur when the actual cost differs from the predefined or expected cost. These variances can be due to differences in labor or overhead, or changes to the bill of material or routing.

This table discusses each variance type:

Variance Type	Description
Engineering	The difference between the frozen standard costs (material, labor, and overhead) and the current costs that are derived from the bills of material, routings, and overhead rates.
Planned	The difference between the current costs that are derived from the bills of material, routings, and overhead rates at the time that the parts list and routing were attached, and the costs that are based on the work order or rate schedule parts list and routing instructions. Planned variances can occur when you revise a work order or rate schedule.
Actual	The difference between the cost values derived from the work order or rate schedule parts list and routing, and the material and labor that were actually reported for that work order or rate schedule. Actual variances can occur when you: • Issue material. • Enter hours and quantities. • Enter completions.
Labor Efficiency	The difference between the planned and actual labor costs, based on the work order or rate schedule routing.

Variance Type	Description
Material Usage	The difference between the planned and actual material costs, based on the work order or rate schedule parts list.

Other	A variances that results from:
	
	• A cost rollup that occurred in the middle of a work order or routing.
	
	  You can eliminate this type of variance by running the WIP Revaluation program (R30837).
	
	• A rounding error.
	
	  When a difference exists between the number of decimals in the Production Cost table (F3102) and Item Cost Component Add-Ons table (F30026) and the Account Ledger table (F0911), the system produces a rounding variance.
	
	• Over- or under-completing a work order.
	
	  This variance can be avoided by setting a processing option for the Variances program (R31804) to restate production costs.

Actual Costing

Actual costing captures and records actual manufacturing costs associated with shop floor transactions, such as work orders. Actual costing calculates costs by cost component, based on the parts list, routing, and extra costs.

If you are implementing actual costing, you need to thoroughly understand how standard costing flows through the JD Edwards EnterpriseOne systems from Oracle.

Actual costing provides these features:

Feature	Description
Material costs	The system calculates material costs based on the cost method and cost level that you select when you set up the item. You calculate component cost when you issue material to a work order by multiplying the component quantity with the cost that is set up for the chosen cost method in the Item Cost table (F4105).

Feature	Description
Labor costs	The system calculates labor costs using: • The rates set up for the work center. • The Employee Rates table (31/ER). • The Employee Master Information table (F060116), if you are using the JD Edwards EnterpriseOne Human Capital Management product suite from Oracle. You must use the Speed Time Entry program (P051121) to retrieve information from the Employee Master Information table. • Costs that you manually enter when you enter the time and quantity completed.
Machine costs	The system calculates machine costs using: • The work center rates for the cost method that you specify. • The work center rates that the system calculates using information in the Equipment Rates table (F1301). • The costs that you manually enter when you enter the time and quantity completed.
Overhead costs	The system calculates overhead costs using rates or percentages from the Work Center Rates table (F30008). You use the Manufacturing Constants program (P3009) to select the type of overhead costs that you want to include.
Extra costs Product Costing setup for Actual Cost.	You define extra costs for an actual cost item in the Cost Components program (P30026) by entering them directly into the frozen cost field.
Outside operations	The system calculates costs for outside operations from the cost method specified for the item that is processed by an outside company (*OP item). The system calculates extra costs from the Item Cost Component Add-Ons table (F30026).

Transaction Flow for Manufacturing Accounting

This table identifies which tables the manufacturing programs update; unless specified separately, the update applies to both standard and actual costing:

Table Column Heading	Work Order Master (F4801) and Work Order Master Tag (F4801T)	Work Order Parts List (F3111)	Work Order Time Transactions (F31122)	Work Order Routing (F3112)	Production Cost (F3102)	Item Ledger (F4111)	Account Ledger (F0911)
Order Processing (R31410)	Work order status and quantity on order; Cost method in the tag file	Required quantity and accumulated costs	NA	Required hours and outside operations	Standard costing: standard units and amounts, current units and amounts; Actual costing: current units and amounts	NA	NA
Inventory Issues (P31113)	NA	Quantity issued; Unaccounted units and Actual cost unaccounted amounts	NA	NA	NA	Creates IM transactions (no batch number or GL date)	NA
Component Scrap (P31116)	NA	Actual costing: Unaccounted units and amounts	NA	NA	Reclasses A1 to A2	NA	NA
Hours and Quantities (P311221) and Speed Time Entry (P051121)	NA	NA	Hours reported; Actual costs: Rates	NA	NA	NA	NA
Hours and Quantities Update (R31422)	NA	NA	Activates the processed flag	Unaccounted units and amounts	NA	NA	NA

Table Column Heading	Work Order Master (F4801) and Work Order Master Tag (F4801T)	Work Order Parts List (F3111)	Work Order Time Transactions (F31122)	Work Order Routing (F3112)	Production Cost (F3102)	Item Ledger (F4111)	Account Ledger (F0911)
Full Completion (P31114)	Work order status, unaccounted units and amounts for completions and scrap	NA	NA	NA	Actual costing: unaccounted units and amount for completions and scrap	Creates IC and IS transactions (no batch number)	NA
Work in Progress (R31802A)	Work order status Resets unaccounted units to zero	Resets unaccounted units to zero	NA	Resets unaccounted units to zero	Planned, actual, completions and scrap units and amounts Actual costing: resets unaccounted units and amounts for completions and scrap to zero	Batch number and GL date for IM, IC and IH transactions	Creates IM, IH, IS, and IC transactions
Variances (R31804)	Work order status, production price variance flag	NA	NA	NA	Records variances and optionally restates standard, current, and planned amounts and units	For Cost Method 09 Creates IB transactions Actual costing: writes IC transactions	Creates IV transactions in the Account Ledger Actual Costing: creates IC and IS transactions

When you run the Work in Progress program, it updates the W.O. Cross Reference table (F3106) with the work order number, document number, document type, GL date, and batch number, type, and date.

When you run the General Journal Post program (R09801), it updates all account balances in the Account Balances table (F0902).

Understanding Work Orders

This section discusses:

- Work order creation.

- Parts lists and routings.

- Work order revision.

- Unaccounted units.

- Inventory issue transactions.

- Hours and quantities.

- Outside operations.

- Component scrap.

- Completions.

Work Order Creation

The JD Edwards EnterpriseOne Manufacturing Accounting system tracks costs that are associated with work orders and creates journal entries for all shop floor transactions. Each step in the work order process can affect manufacturing accounting. The principal effect is that, when you complete any step in the process, you create a transaction that can be the source of a variance. The system calculates the variances when you run the Variance Journal Entries program (R31804).

A work order is a request to produce a certain quantity of an item by a given date; a work order consists of:

- A header

- A parts list

- Routing instructions

To create a work order, you identify on the header the item, its branch/plant and quantity, and the requested date for the work order. After you have determined what resources are required to produce an item, you can schedule the work order and begin the work.

As you complete the work order, you must track:

- Completed items.

- Materials used.

- Quantities scrapped.

- Hours of machine and personnel time used.

See Also

JD Edwards EnterpriseOne Work Orders 8.12 Implementation Guide, "Creating Work Orders"

Parts Lists and Routings

After you have created a work order header, you must attach a work order parts list and work order routing to indicate the parts, personnel, machinery, and time required to make the items.

You can attach the parts list and routing instructions in one of these ways:

- Manually, by entering the required parts on the Work Order Parts List form.

- Interactively, from the Manufacturing Work Order Processing program (P48013).

  This method uses the data from the item's bill of material or routing as the default data for the parts list or routing instructions. You can modify the data.

- Automatically, through the Order Processing program (R31410).

  This method makes copies of the item's bill of material and routing and uses them for the initial parts list and routing instructions. You can modify the data. This method also enables you to attach the parts lists and routing instructions in a batch. You also use this method to generate a purchase order for outside operations.

Standard Costing

When the parts list and routing are attached either interactively or in batch, the system compares the frozen standard costs and the current costs and updates the Production Cost table (F3102). The frozen standard costs come from the Item Cost Component Add-Ons table (F30026), based on the original bill of material and routing. The current costs are calculated from the values in the F30026 table, based on the current bill of material and routing instructions.

If a discrepancy exists between the frozen standard costs and the current costs, the amount of the discrepancy becomes the engineering variance. You can view engineering variances after you attach a parts list and routing instructions to a work order.

Actual Costing

For actual costing, the system calculates current costs and updates the Production Cost table (F3102). The system retrieves costs from the Item Cost table (F4105), using the component's inventory cost method.

For current routing costs, the system retrieves labor and machine rates based on the manufacturing constants. The system can retrieve machine rates from the Equipment Rates table (F1301) and labor rates from the Employee Rates table (31/ER) that is set up in the Generic Message/Rates Records program (P00191). If you select the Employee Rates table as a source of labor costs and the Equipment Rates table as a source of machine costs in the manufacturing constants, but do not enter them on the routing, the system issues a warning message and uses the rates from the Work Center Rates table (F30008).

See Also

JD Edwards EnterpriseOne Shop Floor Management 8.12 Implementation Guide, "Working with Work Orders and Rate Schedules"

Work Order Revision

After you create a work order and attach a parts list and routing, you might need to make revisions. If you revise the quantity requested, the parts list, or the routing, you might also revise the cost of the work order. These revised costs are called planned costs.

When you run Manufacturing Accounting Journal Entries (R31802A), the system calculates the planned costs from the values in the parts list and routing instructions and updates the F3102 table. The system compares the current costs to these revised planned costs. When a discrepancy exists between the current costs and the planned costs, the amount of the discrepancy becomes the planned variance.

See Also

JD Edwards EnterpriseOne Work Orders 8.12 Implementation Guide, "Processing Work Orders," Revising Work Orders

Unaccounted Units

Unaccounted units represent the quantities and amounts of transactions that occur for a work order when you issue parts, or record labor or completions. You can use the Data Browser to review unaccounted units. They are stored by the system until you run Manufacturing Accounting Journal Entries (R31802A) for work in process or completions. That program creates journal entries for the unaccounted units and then purges the unaccounted units.

For standard costing, the Work Order Parts List table (F3111) stores unaccounted units that are updated by work order issues. For actual costing, the Work Order Parts List table stores unaccounted units and amounts that are updated by work order issues.

The Work Order Routing table (F3112) stores unaccounted labor units and amounts. These are updated when you report labor and machine hours in Hours & Quantities and run the Hours and Quantities Update program (R31422).

For standard costing, the Work Order Master table (F4801) stores unaccounted units that are updated by work order completions. For actual costing, the Production Cost table (F3102) stores unaccounted units and amounts that are updated by work order completions.

Inventory Issue Transactions

You must send the required materials (parts) to the shop floor for production. You use the Inventory Issues program (P31113) to deduct from inventory the quantities issued to the shop floor through an issue transaction. This transaction reports the actual quantities and cost of materials that were used in the production process to the JD Edwards EnterpriseOne Inventory Management and JD Edwards EnterpriseOne Manufacturing Accounting systems.

Inventory issue transactions do not have to occur at the same time that the physical transfer of inventory takes place. You can determine the point in the production process where you want the inventory records to reflect the issue of the parts to the work order.

This table identifies the four ways to issue material:

Issue Method	Description
Manual issue	Materials are deducted from inventory when you enter the issue transactions on the Issues form.
Preflushing	If the processing option is set to do so, materials are automatically deducted from inventory when a work order is processed through the Order Processing program (R31410).

Issue Method	Description
Backflushing	Materials are deducted from inventory when items on the work order are reported as complete. This might be when you report partial completions throughout the production process or when you report full completions at the last routing operation.
Super backflushing	Materials are automatically deducted from inventory at operations that are defined as pay points throughout the routing, when the pay points are reported as complete or partially complete. The Super Backflush program (P31123) enables you to simultaneously backflush materials and labor hours and report items that are complete at an operation.

When you issue parts to a work order, the system immediately relieves parts from inventory and writes a material issue (IM) transaction to the Item Ledger table (F4111). The unaccounted units and amounts are updated in the Work Order Parts List table (F3111) until you run the Manufacturing Accounting Journal Entries program (R31802A) for work in process or completions.

Regardless of the method that you use to issue materials to a work order, when you run the Variance Journal Entries program (R31804), the system compares the cost of materials issued to the cost of materials specified on the parts list. The program calculates an actual variance for any discrepancy.

Depending on the costing method that you are using, the system performs these calculations when you issue materials:

Calculation	Description
Standard costing (method 07)	Records unaccounted units.
Actual costing (method 02 or 09)	Records unaccounted units, calculates the amounts using the value in the Item Cost table (F4105) for the component's inventory cost method and records unaccounted amounts.

See Also

JD Edwards EnterpriseOne Shop Floor Management 8.12 Implementation Guide, "Working with Issues, Material Movement, and Kanbans," Understanding Inventory Issue

Hours and Quantities

As you produce items on a work order, you record the hours spent on production and the number of items completed during that time.

You can enter hours and quantities data in one of these two programs:

• Speed Time Entry (P051121).
• Work Order Time Entry (P311221).

The JD Edwards EnterpriseOne Shop Floor Management system interfaces with the Speed Time Entry program so that transaction data is usable in both the JD Edwards EnterpriseOne Shop Floor Management system and the JD Edwards EnterpriseOne U.S. Payroll system from Oracle . You can record hours and quantities per work order or per employee. The information entered in payroll can update tables in the JD Edwards EnterpriseOne Manufacturing systems, but hours and quantities information entered through the manufacturing programs does not update the tables in the JD Edwards EnterpriseOne U.S. Payroll system.

Use the Work Order Time Entry program (P311221) to charge actual hours and quantities to a work order. The header information comes from the Work Order Master table (F4801). The information that you enter is stored in the Work Order Time Transactions table (F31122).

Review programs and reports enable you to review and revise the hours and quantities reported by employee and by work order. After you have entered hours and quantities data, you post the transactions to the Work Order Routing table (F3112), where they are used to create journal entries. You can perform the post interactively when you record the hours and quantities, or you can run the Work Order Hours and Quantities Update program (R31422). The update takes the hours and quantities recorded for work order operations from the Work Order Time Transactions table and updates their respective fields in the Work Order Routing table (F3112). The transaction data is then available for use by the Manufacturing Accounting Journal Entries program (R31802A) for work in process or completions.

Standard Costing

When you update labor and machine hours, the system multiplies the hours by the frozen work center rates to calculate the amounts. The units and amounts are written to unaccounted units and unaccounted amounts in the Work Order Routing table which are used by Manufacturing Accounting to write journal entries. Journal entries generated from routing activity are IH journal entries.

When you run the Variance Journal Entries program (R31804), the program compares the cost of materials and labor that was reported to the cost of materials and labor that is specified on the work order parts list and routing instructions. If a discrepancy exists, the program updates the actual variance in the Production Cost table (F3102).

Actual Costing

Depending on how you set up manufacturing constants, the system retrieves rates from one of these sources:

Rate Type	Sources
Labor rates	• Work Center Rates table (F30008). • Employee rates from the Generic Message/Rates table (F00191). • Manually entered rates.
Machine rates	• Work Center Rates table. • Equipment Rates table (F1301). • Manually entered rates.

See Also

JD Edwards EnterpriseOne Shop Floor Management 8.12 Implementation Guide, "Working with Hours and Quantities"

Outside Operations

When you receive a purchase order for outside operations, you enter the quantity received, and the system displays the Routing Quantities and Status Window program (P3103) so that you can complete the transaction. When you receive the purchase order, the system creates an OV transaction to the Item Ledger table (F4111) to increase the on-hand inventory for the quantity received. When you complete the routing information, the system updates the Item Ledger table with an offsetting IM transaction. The net effect on the Item Ledger table is a zero on-hand balance.

The receipt also updates the unaccounted units in the Work Order Routing table (F3112).

Depending on the cost method that you are using, the system completes:

Cost Method	Description
Standard costing (method 07)	Uses the frozen standard cost for the outside operations amount for cost method 07.
Actual costing (method 02 or 09)	Updates the amounts from the purchase order costs in the Work Order Routing table for cost methods 02 and 09.

See Also

JD Edwards EnterpriseOne Product Data Management 8.12 Implementation Guide, "Entering Work Centers and Routing Instructions," Entering Outside Operations

Component Scrap

After you issue parts to a work order, you might need to report some of them as *scrapped.* Scrap is unusable material that results from the production process. You use the Component Scrap program (P31116) to specify the amount of material to be scrapped and the reason.

When you report the quantity of component material scrapped, you create a memo-only Item Scrap transaction (IO) in the Item Ledger table (F4111). When you run the Manufacturing Accounting Journal Entries program (R31802A) for work in process or completions, the program calculates the new A2 cost value for the parent F3102 entry but writes no journal entry. When the amount of the scrapped material differs from the percent scrap amount on the bill of material, the system uses this difference to update the amount of the actual variance.

The Work Order Parts List table (F3111) stores unaccounted scrap amounts and units.

Completions

When you finish production of a work order on the shop floor, you must record the completions to finished goods inventory. These transactions update records in the JD Edwards EnterpriseOne Inventory Management and JD Edwards EnterpriseOne Manufacturing Accounting systems.

Completions occur when you enter finished product into inventory as complete.

The JD Edwards EnterpriseOne Shop Floor Management system provides several ways to complete products into inventory, including:

• Super backflushing

• Partial completion

• Full completion

• Backflushing at completion

When you record completions and parent scrap, unaccounted units and amounts are updated in the Work Order Master table (F4801). For actual costing, units and amounts for completions and parent scrap are also updated in the Production Cost table (F3102). Completion transactions (IC) are written to the Item Ledger table (F4111). Scrap transactions (IS) are written to the Item Ledger table as memo-only transactions.

The main difference between discrete manufacturing accounting and process manufacturing accounting is that with a process, completions are reported for the co-/by-products, and not for the parent process. You set a processing option to enable completions of unplanned co-/by-products. However, variances are reported for the process.

For actual costing, the system calculates a new unit cost and recalculates and updates the item cost record in the Item Cost table (F4105) if the cost method is 09. The system updates the item cost record with the new unit cost and revalues on-hand inventory every time that you complete an item. The on-hand quantity is revalued at all lots and locations where the completion occurred. To revalue the work order being completed, you can set a processing option to automatically call the WIP Revaluation program (R30837) when you run the Work Order Inventory Completion program (P31114). The system revalues the work orders with the completed item, as well as their parent work orders.

See Also

JD Edwards EnterpriseOne Shop Floor Management 8.12 Implementation Guide, "Working with Completions"

Understanding Journal Entries

Before you post transactions to the general ledger, you create journal entries for work in process (issues, labor, and machine run time), completions, and manufacturing variances. If you have extra costs on purchased items, and you want to calculate their costs separately, you need to understand purchase price variance and material burden cost.

This section discusses:

• Journal entries and the three-tier process.

• Detail and summary journal entries.

Journal Entries and the Three-Tier Process

When you enter daily journal entries, you are performing the first of three steps in a three-tier process.

This process is used throughout all the JD Edwards EnterpriseOne journal entry programs and includes these steps:

1. Entering journal entries into a batch.

2. Reviewing and approving the batch for posting.

3. Posting the batch transactions.

In the JD Edwards EnterpriseOne Manufacturing Accounting system, you create journal entries for various types of shop floor activity, including:

• Material issues.

• Labor and machine reporting.

- Completions.

- Scrap.

- Variances, including:

  - Engineering.

  - Planned.

  - Actual (material usage, reported hours).

  - Other.

Detail and Summary Journal Entries

You can create detail or summary entries for both debit and credit journal entry transactions. You can use the object portion of the account number to control the level of detail of the journal entries.

Detail Journal Entries

To enter detail journal entries for a work order or rate schedule by cost component, enter a different object or subsidiary account number for each cost component for example:

Cost Component	Business Unit	Account Number
A1	M30	1341
B1	M30	1342
B2	M30	1343

Summary Journal Entries

To summarize the cost components for an item on a work order into a single journal entry, enter the costs with the same object and subsidiary account number, for example:

Cost Component	Business Unit	Account Number
A1	M30	1340
B1	M30	1340
B2	M30	1340

In addition, you can set processing options for the Manufacturing Accounting Journal Entries program (R31802A) to:

- Summarize material issues (document type IM) by account number within a work order.

  Each unique combination of account number and work order number has one journal entry.

- Summarize all journal entries by account number across work orders.

  The summary has one entry for the batch for each account. The entry is the sum of all work order transactions for each account by document type.

- Print a summarized accounting transaction report.

Creating Journal Entries for Work in Process or Completions

This section provides an overview of journal entry creation and discusses how to:

• Create Manufacturing Accounting journal entries.

• Set processing options for Manufacturing Accounting Journal Entries (R31802A).

Understanding Journal Entry Creation

You can create journal entries for shop floor activity. You can report transactions for material issues, completions, and labor and machine hours for a work order or rate schedule.

For standard costing, you can use processing options to specify whether the general ledger class code for inventory issue transactions is retrieved from the issue location or from the item branch record for the item. You can do so if the item has a valid record in the Item Location table (F41021). Defining accounts for inventory cost enables you to more specifically track customer inventory, for example, as opposed to single-owner inventory.

If you use project accounting, you complete top-level items to project inventory accounts. However, when you need inventory for sales orders, the system searches general inventory accounts, not project accounts. To enable the JD Edwards EnterpriseOne Sales Order Management system to access the items that a project produces, you can set a processing option to create duplicate journal entries that credit a contra account and debit the general inventory account.

When you select the Cost by Work Center option in the Manufacturing Constants program (P3009), the system updates the Production Cost table (F3102) by work center when you generate journal entries.

The program produces error messages if it finds any general ledger errors while formatting the journal entries. To read these error messages, review the workflow messages.

This program uses these automatic accounting instruction (AAI) tables to match inventory and cost transactions to general ledger accounts:

Table	Description
3110 Credit inventory, raw materials, and subassemblies	Moves inventory cost from inventory during issue reporting. This AAI is not used for variance accounting.
3120 Debit or credit work in process	Moves inventory cost to work in process during inventory issue and shop hours reporting. This AAI also moves inventory from work in process during inventory completion reporting.
3130 Debit inventory, subassemblies, and finished goods	Moves inventory cost to inventory when completions are reported. This AAI is not used for variance accounting. For Engineer to Order (ETO) projects, you set up the general inventory account using this AAI.

Table	Description
3401 Credit accruals	Moves shop hour cost to accruals during shop hours reporting. This AAI is not used for variance accounting.
3140 Project Inventory Contra Account	Debits and credits the contra account that enables the JD Edwards EnterpriseOne Sales Order Management system to access inventory that a project produces.

The system uses this data to match the transaction to an object account in the AAI table:

- Work order type for the AAI.

- Company number that is associated with the work order or component branch/plant. If the system does not find a match, it uses 00000.

- Document type associated with the transaction.

- General ledger category code for the transaction item. If the system does not find a match, it uses **** (four asterisks).

- Cost component.

Standard Accounting

When you create journal entries, the program locates unaccounted units in the Work Order Parts List table (F3111), Work Order Routing table (F3112), and Work Order Master table (F4801), and creates journal entries for them. The program then purges the unaccounted units.

The program also updates actual, planned, completed and scrapped costs in the Production Cost table (F3102). This information is used by the Variances program (R31804) to create journal entries for transactions with variances.

Note. After the Order Processing program (R31410) establishes standard costs for configured items, journal entries for configured items are created in the same way as for non-configured items.

Actual Accounting

For actual accounting, the program calculates costs:

Cost Type	Description
Material Costs (Ax)	The program retrieves the unaccounted units and amounts from the Work Order Parts List table (F3111).
Routing Labor Costs (Bx)	The program retrieves the unaccounted units and amounts from the Work Order Routing table (F3112).
Routing Overhead Costs (Cx)	Depending on the Overhead option you selected in the Manufacturing Constants program (P3009), the program calculates overhead costs based on labor and machine costs. To retrieve work center rates, the program uses the item's inventory cost method.

Cost Type	Description
Outside Operations (usually Dx)	The program retrieves outside operations costs from the unaccounted amount in the Work Order Routing table. When you receive the purchase order for the outside operation, the system updates the Work Order Routing table with the actual purchase order cost.
Extras (usually Xx)	The program calculates extra costs based on the item cost component record for the parent item in the Item Cost Component Add-Ons table (F30026).

The program updates the Production Cost table (F3102) with the new actual, planned, completed and scrapped costs.

Creating Manufacturing Accounting Journal Entries

Select Manufacturing Accounting (G3116), Work in Process.

Alternatively, select Manufacturing Accounting (G3116), Completions.

Setting Processing Options for Manufacturing Accounting Journal Entries (R31802A)

These processing options control default processing for the Manufacturing Accounting Journal Entries program.

Default

These processing options control default values for the journal entries.

1. General Ledger Date
Specify the date that appears on journal entries. If you leave this field blank, the program uses the system date.

2. Document Type for Scrapped Transactions
Specify which document type (00/DT) to assign to scrap transactions. If you leave this field blank, the program uses document type IS.

3. Document Type for Shop Floor Activity
Specify the document type (00/DT) for journal entries on extra cost components if you do not use routings. If you use routings, the program automatically assigns a document type of IH. If you leave this processing option blank, the program uses document type IH.

4. Status Code for Work Order
Specify a new work order status code (UDC 00/SS). If you leave this processing option blank, the system does not update the work order status.

5. Subledger field
Specify whether the work order number is used as the default value in the Subledger field. This option does not apply when using summarized journal entries. Values are:

Blank: Do not supply a default value.

1: Use the work order number as the default value.

Process

These processing options control how the information for the journal entries is processed.

1. Journal Entries Mode	Specify whether the program runs in proof mode or final mode.
	Regardless of which method you select, the status code on the work order is updated according to the value you enter in the Status Code for Work Order processing option. Values are:
	Blank: Proof mode. The program performs all calculations and edits, and prints them in the reports.
	1: Final mode. The program creates journal entries and clears unaccounted units.
2. Summarize Material Issues WITHIN Work Order	Specify whether to summarize material issue journal entries by account within a work order. The program creates one journal entry for each unique combination of account number and work order number.
	If you summarize, you will not be able to post detail journal entries using JD Edwards EnterpriseOne Advanced Cost Accounting from Oracle. Values are:
	Blank: Do not summarize by account.
	1: Summarize by account.
3. Summarize by Account ACROSS Work Orders	Specify whether to summarize all journal entries by account across work orders. Values are:
	Blank: Do not summarize.
	1: Summarize all journal entries. This option will reduce the number of journal entries.
4. Flex Accounting	Specify whether this program searches for flex accounting rules to populate cost objects, in the Account Ledger table (F0911).
	Flex accounting is required to attach cost objects to the journal entries. Values are:
	Blank: Do not use flex accounting.
	1: Use flex accounting.
5. Issues of Material credit - Business Unit	Specify which branch/plant the program uses as the business unit for the credit side of material issue (IM) transactions. Values are:
	Blank: Use the component branch/plant.
	1: Use the branch/plant from the Charge to Cost Center field on the work order.
6. Journal Entries by Work Center	Specify whether the system generates accrual journal entries by work center or cost type for shop floor activity. If you leave this processing option blank, accrual journal entries are generated by cost type. Values are:
	Blank: Write accrual journal entries by cost type.
	1: Write accrual journal entries by work center.
7. Create Duplicate Journal Entries for Projects	Specify whether the system generates a duplicate set of journal entries when you transfer amounts from a project-specific work-in-process (WIP) account to a project-specific inventory account. The duplicate set of journal entries debits the general inventory account and credits the Contra account. This processing option applies to end-item manufacturing work orders for Engineer to Order projects. If this processing option is blank, the system creates journal entries to debit only the project-specific WIP account and credit

the project-specific inventory account. You must create manual journal entries to transfer amounts from the project-specific inventory account to the general inventory account. Values are:

Blank: Do not generate duplicate journal entries.

1: Generate duplicate journal entries.

8. G/L Class Code for Material Issues (general ledger class code for material issues)

Specify which general ledger class code the system applies to the credit side of material issue transactions (IM) when you use standard costing. Values are:

Blank: Use the general ledger class code associated with the item branch record for the material.

1: Use the general ledger class code associated with the location from which the material was issued.

Print

These processing options control print criteria.

1. Accounting Journal

Specify whether to print a report. Values are:

Blank: Do not print a report.

1: Print a report.

2. Subtotals

Specify whether to print subtotals by document type and document number. Values are:

Blank: Do not print subtotals by document type and number.

1: Print subtotals by document type and document number.

3. Summarize Material Issues WITHIN Work Order for Report

Specify whether to summarize journal entries from material issues (IM transactions) by account number within a work order on the report. This processing option does not affect the number of journal entries that the program creates. You can summarize the journal entries on the report whether or not you summarize the actual journal entries. Values are:

Blank: Do not summarize journal entries for material issues on the report.

1: Summarize journal entries for material issues on the report.

4. Summarize ACROSS Work Orders for Report

Specify whether to summarize all journal entries by account across work orders on the report. This processing option does not affect the number of journal entries that the program creates. You can summarize the journal entries on the report whether or not you summarize the actual journal entries. Values are:

Blank: Do not summarize all journal entries on the report.

1: Summarize all journal entries on the report.

Reviewing Production Costs

This section provides an overview of production cost inquiries and discusses how to:

• Set processing options for Production Cost Inquiry (P31022).

• Review production costs.

Understanding Production Cost Inquiries

The Production Cost Inquiry program (P31022) displays the costs and variances that are associated with a work order or rate schedule. When you activate the Cost by Work Center option in the Manufacturing Constants program (P3009) and define cost components by work center, the Production Cost Inquiry program displays cost information by work center. It also displays subtotals by cost components for the work centers in which they occur.

You can review variances by comparing amounts that the system calculated in one mode to amounts that the system calculated in another mode; modes include:

• Standard

• Current

• Planned

• Actual

• Completed

• Scrapped

The system updates the standard amount fields with information when the work order header is entered. The amounts represent the work order quantity multiplied by the frozen standard costs of the parent.

The system updates the current amounts from the current bill of material and routing at the time the parts list and routing are attached to the work order. Current represents the work order quantity multiplied by the current frozen standard component costs and the current routing values multiplied by the frozen work center rates.

To generate the planned amounts, run the Manufacturing Accounting Journal Entries program (R31802A) in proof or final mode. These amounts represent the current parts list quantity multiplied by the frozen standard component costs and the current routing values multiplied by the frozen work center rates.

When you run the Manufacturing Accounting Journal Entries program in final mode, the system generates these amounts:

• Actual amounts, which represent the actual quantity multiplied by the frozen standard costs and the actual reported hours multiplied by the frozen work center rates.

• The completed and scrapped amounts, which represent the quantities completed and scrapped multiplied by the frozen standard costs of the parent item for each cost type.

For standard costing, review variances to identify errors before you run the Variance Journal Entries program (R31804). For example, if you did not issue parts to a work order or rate schedule, an actual variance appears. You can issue the parts, run the Manufacturing Accounting Journal Entries program, and review the variances again. After you correct any errors, run the Variances program.

Note. You must use standard costing for configured items. If you manufacture configured items, no bill of material exists, so no engineering variance exists.

Form Used to Review Production Costs

Form Name	FormID	Navigation	Usage
Production Cost Inquiry	W31022A	Manufacturing Accounting (G3116), Production Cost Inquiry	Review production costs.

Setting Processing Options for Production Cost Inquiry (P31022)

These processing options control default processing for the Production Cost Inquiry program.

Display

These processing options control default display settings for the inquiry.

1. Enter default level	Specify the level of detail you want to view on the Production Cost Inquiry form. Values are:

Blank: Default value will be Parent.

1: Parent.

2: Component.

3: Co/By Product.

2. Enter 1 to display Amounts	Specify whether you want the Standard Amount and Current Amount columns to appear on the Production Cost Inquiry form. Values are:

Blank: Do not display the amount columns.

1: Display the amount columns.

3. Enter 1 to display Units	Specify whether you want the various unit columns to appear on the Production Cost Inquiry form. Values are:

Blank: Do not display the unit columns.

1: Display the unit columns.

4. Enter 1 to display the Variances	Specify whether you want the Variance Amount column to appear on the Production Cost Inquiry form. If you decide to display the Variance Amount column, it is recommended that you display the amount columns as well by entering *1* in processing option 2. Values are:

Blank: Do not display the Variance Amount column.

1: Display the Variance Amount column.

Columns

1. Enter amount type to be display in column 1	Specify the default cost option on the Columns tab for column 1. Values are:

1: Standard

2: Current

3: Planned

4: Actual

5: Completed

6: Scrapped

2. Enter amount type to be displayed in column 2   Specify the default cost option on the Columns tab for column 2. Values are:

1: Standard

2: Current

3: Planned

4: Actual

5: Completed

6: Scrapped

Versions

These processing options specify the version that the system uses when calling other programs from the Production Cost Inquiry program.

Inventory Issues   Specify the version the system uses when calling the Inventory Issues (P31113) program.

Work Order Entry   Specify the version the system uses when calling the Work Order Entry (P48013) program.

Production Status   Specify the version the system uses when calling the Production Status (P31226) program.

Reviewing Production Costs

Access the Production Cost Inquiry form.

Production Cost Inquiry form

To review production costs:

1. Select Selection Criteria and complete the Order Number field on the Production Cost Inquiry form.

2. Select the Display tab.

3. Specify whether the system displays costs for the parent, component, or co- or by-product by selecting one of these options:

   • Parent

   • Component

   • CoBy

4. Specify what information the system displays by selecting any or all of these options under the Display Columns heading:

   • Amounts

   • Units

   • Variance

5. Specify whether the system displays scrap amounts or units by selecting one of these options:

   • Include Scrap

   • Don't Include Scrap

6. Select Columns.

7. Specify the mode that the system displays in column 1 and 2 by selecting one of these options:

   • Standard

   • Current

   • Planned

   • Actual

   • Completed

   • Scrapped

8. Select Find.

   The program displays the production cost information in the detail area, based on the selection.

Creating Journal Entries for Variances

This section provides overviews of journal entries for variances and Manufacturing Accounting reports, and discusses how to:

• Create variance journal entries.

• Set processing options for Variance Journal Entries (R31804).

Understanding Journal Entries for Variances

When you create journal entries for variances, the program generates error messages if it finds any general ledger errors while formatting the journal entries. You can review these error messages by reviewing the workflow messages.

You can set a processing option to call the WIP Revaluation program (R30837) and to determine which version of this program the system uses. You use this program to revalue all open actual cost work orders with items that are flagged for cost change in the Item Cost table (F4105), as well as their parent work orders. After work in process is revalued, the system clears the cost change flag. All cost types in the Production Cost table (F3102) are included in the data selection.

If you turned on the Cost by Work Center option in the Manufacturing Constants program (P3009), the variance journal entries for each cost component are generated for the work center based on the information in the Production Cost table. At the work center level, you can generate only debits or credits to the variance accounts (AAIs 3220, 3240, 3260, 3270, 3280); debits or credits to the WIP account are not affected. They are still generated by branch/plant.

When you run this program in final mode, the system creates a batch of journal entries for posting to the general ledger.

Understanding Manufacturing Accounting Reports

Manufacturing accounting reports help you review production costs and variances. You might want to run them before you run the Variances program (R31804), or you can run them after you run the Variances program to verify the accuracy of the journal entries.

Standard Costing

In standard cost accounting, the Variances program (R31804) creates detail or summary journal entries for work order or rate schedule variances.

These journal entries include engineering, planned, actual, and other variance transactions:

- Material costs
- Routing-related costs
- Cost extras

Actual Costing

When the cost method in the work order header for the end product is 02 or 09, the system applies actual costing logic. Actual Costing uses variance accounting when additional work order costs are entered after completions have been done. The system retrieves the correct account number from AAI table 3210 for scrap and completions, and clears WIP.

When you run the Variances program (R31804) and the system discovers no unaccounted amounts, the system clears work in process and creates a new unit cost based on this calculation:

$$\mathrm{New\ Unit\ Cost} = \frac{\mathrm{Total\ Actual\ Amount}}{\mathrm{Completed\ Units} + \mathrm{Scrapped\ Units}}$$

If any unaccounted amounts exist, the Variances program creates an error message. You must run the Manufacturing Journal Entries program (R31802A) to complete manufacturing accounting to clear unaccounted units and run R31804 again.

For cost method 02, (Weighted Average Cost) the system:

- Updates the weighted average cost.
- Creates IC or IS journal entries to clear work in process to finished goods.
- Creates a record in the Item Ledger table (F4111) table for unaccounted amounts using this calculation:

  (Actual) - (Completed) + (Scrap)

For cost method 09 (Actual or Manufacturing Last) the system:

- Creates IV journal entries to clear work in process.
- Transfers all work in process to finished goods by creating journal entries for completion (IC) and scrap (IS).
- Revalues on-hand inventory based on the new unit cost (according to cost level item; item and branch; or item, branch, lot, and location).
- Creates a record in the Item Ledger table (F4111) for inventory revaluation.
- Updates the Item Cost table (F4105).
- Creates additional sales order lines to reflect the latest cost changes.

  The system creates these sales order lines only if the work order is closed and the 09 work order was created by the sales order. It creates additional sales order detail lines for sales order lines that contain sales from locations or lots to which the work order was completed. The Cost of Goods Sold Update program (R31805) generates a report that lists the new sales order lines by lot and location. This information is then included when you print the Update Customer Sales report (R42800).

Creating Variance Journal Entries

Select Manufacturing Accounting (G3116), Variances.

Setting Processing Options for Variance Journal Entries (R31804)

These processing options control default processing for the Variance Journal Entries program.

Defaults

These processing options control default values that the system uses for creating variance journal entries.

1. General Ledger Date	Specify the date that appears on journal entries. If you leave this field blank, the program uses the system date.
2. Document Type - For Manufacturing Variance	Specify the user-defined code (UDC) (00/DT) that identifies the purpose of the document. The program assigns this document type to variance journal entries. Typically, the document type is IV (variance calculated for work orders). If you leave this processing option blank, the system uses *IV.*
3. Sub Ledger Value	Specify whether the work order number is used as the default value in the Subledger field. Values are: Blank: Does not use work order number as default value. *1:* Use the work order number as the default value in the Subledger field.
4. Work Order Status Code	Specify the new status code (00/SS) for the work order. The program updates the work order status whether you run the program in proof mode or in final mode. Enter the new status code or select it from the Select User

	Define Code form. If you leave this processing option blank, the status of the work order does not change.
5. Closed Work Order Status	Specify the status used to close a work order. Closed work orders do not generate additional journal entries. If you leave this field blank, a status code of 99 is used for a closed work order.
6. Actual Costing Document Types	Specify the document types used for scrap and completions.
Scrap	Specify the document type that the system uses to retrieve information from AAI 3210. The account debited relieves the scrap portion of Work in Process. If you leave this field blank, the system uses document type IS.
Completion	Specify the document type that the system uses to retrieve information from AAI 3210. The account debited relieves the completed portion of Work in Process. If you leave this field blank, the system uses document type IC.

Process

These processing options control how the system processes journal entries.

1. Journal Entries Mode	Specify whether the program runs in proof mode or final mode. Regardless of which method you select, the status code on the work order is updated according to the value that you enter in the Work Order Status Code processing option. Values are:
	Blank: Proof Mode
	The program performs all calculations and edits, and prints them in the reports.
	1: Final Mode
	The program creates journal entries and clears unaccounted units.
2. Summarize ACROSS Work Orders	Specify whether to summarize all journal entries by account across work orders. Values are:
	Blank: Do not summarize across work orders.
	1: Summarize across work orders.
3. Flex Accounting	Specify whether this program searches for flex accounting rules to populate cost objects or flex business unit, subsidiary, or subledger from flex rules in the Account Ledger table (F0911). Values are:
	Blank: Flex Accounting not used.
	1: Use Flex Accounting.
4. WIP Revaluation (work-in-process revaluation)	Specify whether the system uses the WIP Revaluation program (R30837) to adjust WIP when you make cost changes to an Actual Cost work order. Values are:
	Blank: Do not invoke WIP Revaluation.
	1: Invoke WIP Revaluation.
	Note. This is not intended for Standard Cost.

Print

These processing options control which information the system includes in the report.

1. Accounting Journal	Specify whether to print an Accounting Journal report. Values are:
	Blank: Do not print journal report.
	1: Print journal report.
2. Subtotals	Specify whether to print the subtotals by document number. Values are:
	Blank: Do not print subtotals.
	1: Print subtotals by document.
3. Summarize Report ACROSS Work Orders	Specify whether to summarize all journal entries by account across work orders on the report. This processing option does not affect the number of journal entries that the program creates. You can summarize the journal entries on the report whether you summarize the actual journal entries. Values are:
	Blank: Do not summarize report by account.
	1: Summarize report by account.

OverUnderComp

This processing option controls whether the system restates production costs.

1. Restate Production Costs	Specify whether to restate the costs in the F3102 table. This eliminates variances that are caused by over or under completions or scrapped end items by restating the standard, current, and planned costs as if the work order was completed for the completed quantity. Values are:
	Blank: Do not restate costs.
	1: Restate the standard, current, and planned production costs based on completed and scrapped quantity.

Versions

This processing option controls which version the system uses when calling additional programs.

1. WIP Revaluation (work-in-process revaluation)	Specify which version of the WIP Revaluation program (R30837) the system uses to revalue actual cost work orders. If you leave this processing option blank, the system uses version ZJDE0001.

Sales Order

These processing options control information related to sales orders in the variance report.

Line Type	Specify a non-stock line type. This line type will be used as the default line type for new sales order lines written by the Variance Journal Entries program (R31804). Enter the line type to be used as the default value. The line type that you enter is validated against the Line Type Search program (P4203).
Status Code – Next	Specify how the system generates the next status for new sales order lines written by the Variance Journal Entries program (R31804). Enter the value of

the next status. If you leave this processing option blank, the system uses both the non-stock line type and the next status from the original sales order line.

Note. You can change the next status and non-stock line type in the Order Activity Rules program (P40204). When you leave this processing option blank, the changed values are used.

Reviewing General Ledger Batches

This section provides an overview of general ledger batches, lists a prerequisite, and discusses how to review general ledger batch information.

Understanding General Ledger Batches

After you generate journal entries, you review and approve them before posting them to the general ledger. This review is the second step in the three-tier process. In addition, you can review manufacturing journal entries for summarized work orders.

Prerequisite

Set the approval route code in the Branch/Plant Constants program (P41001) for approving journal entries for posting.

Forms Used to Review General Ledger Batches

Form Name	FormID	Navigation	Usage
Work With G/L Review - by WO Number	W3106IA	Manufacturing Accounting (G3116), G/L Review - by W.O. Number	Select posting batches by work order number.
General Journal Review	W0911BA	Select a record on the Work With G/L Review - by WO Number form and select G/L Batch Review from the Row menu.	Review journal transactions.
Journal Entry	W0911A	Select a transaction on the General Journal Review form, and click Select.	Make or modify journal entries.

Reviewing General Ledger Batch Information

Access the Work With G/L Review - by WO Number form.

To review general ledger batches:

1. Complete the User ID field and any of these fields to locate a batch of journal entries and select Find on the Work With G/L Review - by WO Number form:

    • Document Number From

    • Document Number To

    • Work Order Number

- G/L Date From

- G/L Date To

2. Select a record and click Select.

3. Select a transaction and click Select on the General Journal Review form.

4. Enter any necessary changes and click OK on the Journal Entry form.

See Also

JD Edwards EnterpriseOne Financial Management Solutions Application Fundamentals 8.12 Implementation Guide, "Working with Batches," Approving Batches

Posting Manufacturing Journal Entries to the General Ledger

This section provides overviews of the General Journal Post program, and the post process; lists prerequisites; and discusses how to post journal entries to the general ledger.

Understanding the General Journal Post Program

After you enter, review, and approve journal entries, use the General Journal Post program (R09801) to post the journal entries to the general ledger. Update account balances with amounts from journal entries by posting the journal entries to the general ledger. After posting, the system provides several reports that you can use to review the posted journal entries.

You can run only one post at a time. You must ensure that all post menu selections are routed to the same job queue and that the job queue enables only one job to process at a time.

Important! It is strongly recommended that you do not customize the post program.

Posting represents the third step in the three-tier process.

See Also

JD Edwards EnterpriseOne Financial Management Solutions Application Fundamentals 8.12 Implementation Guide

JD Edwards EnterpriseOne Inventory Management 8.12 Implementation Guide, "Inventory Management Reports," Reviewing the Item Ledger/Account Integrity Report

Understanding the Post Process

The General Ledger Post Report program (R09801) posts only batches for which no errors are found in the prepost process; in general, the program:

- Posts transactions to the Account Balances table (F0902) and marks each transaction and the batch header as posted in the Account Ledger table (F0911) and the Batch Control Records table (F0011).

- Changes the batch status for the Batch Control Records table to D.

- Marks each transaction with a status of P (posted).

- Performs intercompany settlements for ledger types AA, XA, YA, CA, AZ, and ZA, if requested.

• Creates reversing entries, if requested.

The General Ledger Post Report program produces two reports:

• Posting edit report

• Posting journal report

Posting Edit Report

This report lists errors detected during the post. If the program finds errors, it does not post the batch. You must correct all errors before you can post the batch.

This table lists common posting errors and their causes:

Error	Description
Batch not approved for posting	This error message is caused by a batch with a pending or error status.
Account not set up in Account Master table (F0901)	These two situations can cause this error message: • An undefined account number (designated as # during journal entry) was entered. To correct this, locate the document number and line number on the Journal Entry form (W0911A) and change the number (#) on the detail line to the valid account number. • No account number was set up prior to posting, or the account number does not meet the model account criteria to be automatically created by the system. Add the general ledger account number in the Review and Revise Accounts program (P0901).
Batch journal entries out-of-balance	This error message occurs when debits do not equal credits. If the out-of-balance journal entry was entered in error, correct the error and post the batch again. Other situations can cause a journal entry to be out-of-balance: • A power failure might have occurred during entry or posting. • A valid, one-sided journal entry might have been entered to correct a conversion error made during setup.

Posting Journal Report

This report lists the transactions that the system posted to the Account Balances table (F0902) and to the Account Ledger table (F0911).

Prerequisites

To post journal entries to the general ledger, you must:

• Verify that the batch has an approved status.

• Verify that the post is submitted to a single-threaded job queue.

Posting Journal Entries to the General Ledger

Select Manufacturing Accounting (G3116), Post General Journal.

See Also

JD Edwards EnterpriseOne Financial Management Solutions Application Fundamentals 8.12 Implementation Guide, "Posting Financial Transactions," Setting Processing Options for General Ledger Post (R09801)

CHAPTER 9

Working with Lean Accounting

This chapter provides an overview of lean manufacturing accounting and lean manufacturing accounting setup, and discusses how to:

• Run lean manufacturing accounting.

• Process lean manufacturing variance accounting.

• Run and review the Lean Production Cost Inquiry program.

• Run the lean WIP revaluation program.

• Run the Item Ledger/Account Integrity report.

• Review general ledger information.

Understanding Lean Manufacturing Accounting

The purpose of Orderless Accounting is the same as Manufacturing Accounting, which is to use a variety of tools to monitor costs that are generated during various manufacturing activities and provide management with a tool to compare actual results to expected results. The differences between the two accounting methods includes:

• Orderless Accounting uses transaction IDs and production plans, rather than using work orders as in Manufacturing Accounting,

• The orderless solution is available for Standard Costing only.

Understanding Lean Manufacturing Accounting Setup

This section discusses:

• Automatic accounting instructions (AAIs)

• Document types

• Transaction progress

Automatic Accounting Instructions

Orderless Accounting can use all of the existing AAIs used by standard manufacturing accounting.

See Chapter 3, "Setting Up the Product Costing and Manufacturing Accounting Systems," Defining Manufacturing AAIs, page 38.

Document Types

Orderless accounting uses these document types from user-defined code (UDC) table 00/DT:

• LM – Lean Material Issue

• LL – Lean Shop Floor

• LC – Lean Completion

• LP – Lean Scrap

• LO – Lean Component Scrap

• LV – Lean Variances

Transaction Progress

The JD Edwards EnterpriseOne system from Oracle automatically tracks the progress of transactions with variances.

The system assigns values to each transaction, depending on the transaction's status:

• Transaction has been created.

• Lean Manufacturing Accounting has been run.

• Lean Manufacturing Variance has been run and the transaction is kept open for further activities.

• Lean Manufacturing Variance has been run and the transaction is closed from any further activities.

When you run programs such as the Lean Accounting - Manufacturing Accounting program (RF31200) or Lean Variance Journal Entries program (RF31210), the system checks to make certain that the transaction is not closed. If the transaction has been closed, you cannot perform any kind of additional accounting activities on the transaction.

Note. Setting up lean accounting requires no steps that are in addition to those already required in setting up manufacturing accounting.

Running Lean Manufacturing Accounting

This section provides an overview of the Lean Manufacturing Accounting program and discusses how to:

• Run lean manufacturing accounting.

• Set processing options for Lean Accounting - Manufacturing Accounting (RF31200).

Understanding the Lean Accounting - Manufacturing Accounting Program

The Lean Accounting - Manufacturing Accounting program creates journal entries for material, labor, overhead, and extra costs for transactions.

Tables Used By the Lean Accounting Program

The Lean Accounting - Manufacturing Accounting program extracts data from these tables:

• Lean Transaction Master (FF31011).

- Lean Transaction Parts List (FF31111).
- Lean Transaction Routing (FF31112).
- Lean Transaction Labor Detail (FF31113).
- Lean Transaction Production Costs (FF31200).

The Lean Accounting program writes to these tables:

- All of the tables listed in the previous list.
- Lean Transaction G/L Cross Reference (FF31201).
- Item Ledger (CARDEX) (F4111).
- General Ledger (F0911).

Canceling Transactions

Information related to canceling transactions in orderless manufacturing accounting includes:

- Journal entries for canceled transactions are written to the F0911 table by running lean accounting programs over the transaction. Canceled transactions are transactions that have been written to the F0911 table, and then reversed back out again. The transaction is reversed at the current standard cost for the item.

- You cannot cancel transactions if you have run the Lean Manufacturing Variance Accounting program with the Further Processing option set to close the transaction.

Running Lean Manufacturing Accounting

Select Orderless Manufacturing Accounting (GF3116), Lean Manufacturing Accounting.

Setting Processing Options for Lean Accounting - Manufacturing Accounting (RF31200)

These processing options control default processing for the Lean Accounting - Manufacturing Accounting program.

Default

These processing options control the default general date and the document types that are used for lean manufacturing accounting.

1. General Ledger Date	Specify the general ledger date that appears on journal entries. If you leave this processing option blank, the system uses the current system date for the general ledger date.
2. Document Type for Material Issue	Specify the document type (UDC 00/DT) that is to be assigned to Material Issue transactions. If you leave this processing option blank, the program uses LM as the document type.
3. Document Type for Shop Floor Labor	Specify the document type (UDC 00/DT) that is to be assigned to Shop Floor Labor transactions. If you leave this processing option blank, the program uses LL as the document type.
4. Document Type for Completion	Specify the document type (UDC 00/DT) that is to be assigned to Completion transactions. If you leave this processing option blank, the program uses LC as the document type.

5. Document Type for Scrap

Specify the document type (UDC 00/DT) that is to be assigned to Scrap transactions. If you leave this processing option blank, the program uses LP as the document type.

Process

These processing options control how the system processes lean accounting information.

1. Journal Entry Mode

Specify whether the program runs in proof or final mode. Values are:

Blank: Proof mode. Performs all calculations and edits; however, does not create journal entries.

1: Final mode. Performs all calculations and edits and creates journal entries.

2. Material Issues summarized WITHIN Production Plan and Transaction ID

Specify that journal entries for material issue are summarized by account within a production plan and transaction ID. The program creates one journal entry for each unique combination of account number and production plan and transaction ID only for material issue transactions. Values are:

Blank: Do not summarize journal entries for material issue by Account.

1: Summarize all journal Entries for Material Issue by Account. This option reduces the number of journal entries.

3. Accounts summarized ACROSS Production Plans and Transaction IDs

Specify that the Journal Entries are summarized by Account across Production Plans and Transaction IDs. The program creates one Journal Entry for each unique combination of Account Number and Production Plan and Transaction ID for all types of transactions. Values are:

Blank: Do not summarize Journal Entries by Account.

1: Summarize all Journal Entries by Account. This option reduces the number of Journal Entries.

4. Flex Accounting

Specify whether the program should search for flex accounting rules to populate cost objects in the F0911 table. Flex Accounting rules are required to attach cost objects to the journal entries. Values are:

Blank: Do not use flex accounting.

1: Use Flex Accounting.

5. G/L Class Code for Material Issues (general ledger class code for material issues)

Specify the GL class code that the system should apply to the credit side of Material Issue transactions (LM) when Standard Costing method is used. Values are:

Blank: Use the GL Class Code associated with the Item Branch record for the Material.

1: Use the GL class code associated with the location from which the material was issued.

Print

These processing options control which information appears on the report.

1. Journal Entry Report

Specify whether the system prints a Journal Entry Report. Values are:

Blank: Do not print a Journal Entry Report.

	1: Print a Journal Entry Report.
2. Sub-totals by Production Plan and Transaction ID and Document Type	Specify if the system should print subtotals by production plan, transaction ID, and document type. Values are: Blank: Do not print subtotals. *1:* Print subtotals.
3. Material Issues summarized WITHIN Production Plan and Transaction ID for Report	Specify if journal entries for material issue have to be summarized by account within a production plan and transaction ID on the report. The program prints one journal entry for each unique combination of account number and production plan and transaction ID only for Material Issue transactions. This processing option does not affect the number of journal entries that the program creates. The journal entries on the report can be summarized irrespective of whether the actual journal entries are summarized. Values are: Blank: Do not summarize journal entries for material issue by account on the report. *1:* Summarize journal entries for material issue by account on the report.
4. Accounts summarized ACROSS Production Plans and Transaction IDs for Report	Specify if journal entries are summarized by account across production plans and transaction IDs on the report. The program prints one journal entry for each unique combination of account number, production plan, and transaction ID for all types of transactions. This processing option does not affect the number of journal entries that the program creates. The journal entries on the report can be summarized irrespective of whether the actual journal entries are summarized. Values are: Blank: Do not summarize journal entries by account on the report. *1:* Summarize all journal entries by account on the report.

Processing Lean Manufacturing Variance Accounting

This section provides an overview of the Lean Variance Journal Entries program and discusses how to:

• Run Lean Variance Journal Entries.

• Set processing options for Lean Variance Journal Entries (RF31210).

Understanding the Lean Variance Journal Entries Program

The business purpose for orderless variance accounting is essentially the same as it is for manufacturing accounting: to process differences that occur between the predefined or expected costs and the actual costs. The main difference is that instead of tracking costs associated with work orders, for orderless accounting you track costs associated with a transaction or groups of transactions.

Tables Used by the Lean Variance Journal Entries program

The Lean Variance Journal Entries program extracts data from these tables:

• Lean Transaction Master (FF31011).

- Lean Transaction Parts List (FF31111).

- Lean Transaction Labor Detail (FF31113).

- Lean Transaction Production Costs (FF31200).

The Lean Variance Journal Entries program writes to these tables:

- Lean Transaction Master (FF31011).

- Lean Transaction Production Costs (FF31200).

- Lean Transaction G/L Cross Reference (FF31201).

- General Ledger (F0911).

See Also

Chapter 8, "Working with the Manufacturing Accounting System," Creating Journal Entries for Variances, page 142

Running Lean Variance Journal Entries

Select Orderless Manufacturing Accounting (GF3116), Lean Manufacturing Variance Accounting.

Setting Processing Options for Lean Variance Journal Entries (RF31210)

These processing options control default processing for the Lean Variance Journal Entries program.

Defaults

These processing options control default values that the system uses for lean variance journal entries.

1. General Ledger Date	Specify the general ledger date that appears on journal entries. If you leave this field blank, the system uses the current system date for the general ledger date.
2. Document Type for Variance	Specify the document type (UDC: 00/DT) that is to be assigned to Variance transactions. If you leave this field blank, the program uses *LV* as the document type.

Process

These processing options control how the system processes lean accounting variances.

1. Journal Entries Mode	Specify whether the program runs in Proof mode or Final mode. Values are:
	Blank: Proof mode. The program performs all calculations and edits. However, it does not create journal entries.
	1: Final mode. The program performs all calculations and edits and creates journal entries.
2. Accounts summarized ACROSS Production Plans and Transaction IDs	Specify if the Journal Entries are summarized by account across production plans and transaction IDs. The program creates one journal entry for each unique combination of account number, production plan, and transaction ID for all types of transactions. Values are:
	Blank: Do not summarize journal entries by account.

	1: Summarize all journal entries by account. This option reduces the number of journal entries.
3. Flex Accounting	Specify if the program should search for Flex Accounting rules to populate cost objects in the Account Ledger table (F0911). Flex Accounting rules are required to attach cost objects to the journal entries. Values are:
	Blank: Do not use Flex Accounting.
	1: Use Flex Accounting.
4. Further Processing	Specify whether the system should allow any further processing on the transaction ID. Values are:
	Blank: Allow further processing.
	1: Do not allow further processing.

Print

These processing options control which information the system includes in the report.

1. Journal Entry Report	Specify whether the system should print a Journal Entry Report. Values are:
	Blank: Do not print a Journal Entry Report.
	1: Print a Journal Entry Report.
2. Sub-totals by Production Plan and Transaction ID	Specify whether the system should print subtotals by production plan, transaction ID, and document type. Values are:
	Blank: Do not print subtotals by production plan, transaction ID, and document type.
	1: Print subtotals by production plan, transaction ID, and document type.
3. Accounts summarized ACROSS Production Plans and Transaction IDs for Report	Specify whether journal entries are summarized by account across production plans and transaction IDs on the report. The program prints one journal entry for each unique combination of account number, production plan, and transaction ID for all types of transactions.
	This processing option does not affect the number of journal entries that the program creates. The journal entries on the report can be summarized irrespective of whether the actual journal entries are summarized. Values are:
	Blank: Do not summarize journal entries by account on the report.
	1: Summarize all journal entries by account on the report.

Running and Reviewing the Lean Production Cost Inquiry Program

This section provides an overview of the Lean Production Cost Inquiry program and discusses how to review costs and variances.

Understanding the Lean Production Cost Inquiry Program

The Production Cost Inquiry program displays the costs and variances that are associated with transactions. Orderless production cost inquiries track costs and variances that are the same as manufacturing accounting.

Processes use this sequence:

1. Run the Items Completions program (PF31011).

2. Run the Transaction Management program (PF31014).

3. On the Review or Reverse Transaction form, find and select a record, and click the Production Cost Inquiry button.

   The Product Cost Inquiry program enables you to review standard and current costs from the completion.

4. Run the Lean Accounting - Manufacturing Accounting program (RF31200), where you can review the planned, actual, completed, and scrapped costs.

5. Run the Product Cost Inquiry program again, and the system displays costs, units, and variances corresponding to the data that you entered in the previous steps.

6. If at this point you run the Lean Variances Journal Entries program (RF31210), and then the Product Cost Inquiry program, the variances do not appear on the Product Cost Inquiry form.

   The absence of variances indicates that the variances have been run, and no new transactions have been added.

   The system retains the variances in the Lean Transaction Production Costs table (FF31200), so that if you need to reverse a transaction the variance values are available for the reversal journal entries.

See Chapter 8, "Working with the Manufacturing Accounting System," Reviewing Production Costs, page 138.

Forms Used to Run and Review Costs and Variances

Form Name	FormID	Navigation	Usage
Review or Reverse Transaction	WF31014A	Orderless Manufacturing Accounting (GF3116), Transaction Management	Access the View Production Cost Records form.
View Production Cost Records	WF31200A	Select a record and click the Production Cost Inquiry button on the Review or Reverse Transaction form.	Review costs and variances that are associated with a transaction.

Reviewing Costs and Variances

Access the View Production Cost Records form.

Production Cost Inquiry - View Production Cost Records form (1 of 3)

Production Cost Inquiry - View Production Cost Records form (2 of 3)

Production Cost Inquiry - View Production Cost Records form (3 of 3)

Running the Lean WIP Revaluation Program

This section provides an overview of the Lean WIP Revaluation program and discusses how to:

- Set up the Lean WIP Revaluation program.

- Set processing options for Lean WIP Revaluation (RF31220).

Understanding the Lean WIP Revaluation program

The business purpose for orderless work-in-process (WIP) revaluation is essentially the same as it is for revaluing costs using work orders. The main difference is that instead of revaluing costs in work orders, for orderless manufacturing you revalue costs in transactions.

You run the Lean WIP Revaluation program using processing options for the Standard Frozen Update program (R30835). You must enter 2 (Invoke WIP Revaluation for Lean Manufacturing) for the WIP Revaluation option on the Processing tab, and enter the version number on the Versions tab.

Tables Used by the Lean WIP Revaluation Program

The Lean WIP Revaluation program extracts data from these tables:

- Lean Transaction Master (FF31011).

- Lean Transaction Parts List (FF31111).

- Lean Transaction Routing (FF31112).

- Lean Transaction Labor Detail (FF31113).

- Lean Transaction Production Costs (FF31200).

The Lean WIP Revaluation program writes to these tables:

- All of the tables in the previous list.

- Lean Transaction G/L Cross Reference (FF31201).

- Item Ledger (CARDEX) (F4111).

- General Ledger (F0911).

See Also

Chapter 5, "Working with Additional Product Costing Features," Revaluing Work in Process, page 85

Setting Up the Lean WIP Revaluation Program

Select Product Costing (G3014), Frozen Standard Update.

Note. The Lean WIP Revaluation (RF31220) processing options must be set up in batch versions prior to setting the processing options to run the Standard Frozen Update program.

Setting Processing Options for Lean WIP Revaluation (RF31220)

These processing options control default processing for the Lean WIP Revaluation program.

Defaults

This processing option controls which document type the system uses for WIP revaluation.

1. Document Type	Specify the document type (UDC 00/DT) that the system uses. If you leave this processing option blank, the system uses *IB* (item cost changes).

Process

This processing option controls how the Lean WIP Revaluation program writes GL transactions.

1. G/L Transactions (general ledger transactions)	Specify whether no general ledger transactions are written or detailed general ledger transactions are written by document number or summarized journal entries by account are written to the F0911 table. Values are:
	Blank: Do not write any general ledger transactions to the F0911 table.
	1: Detailed general ledger transactions are written by document number to the F0911 table.
	2: Summarized journal entries by account are written to the F0911 table.

Running the Item Ledger/Account Integrity Report

This section provides an overview of the Item Ledger/Account Integrity report and discusses how to:

• Run the Item Ledger/Account Integrity report.

• Set processing options for the Item Ledger/Account Integrity (R41543).

Understanding the Item Ledger/Account Integrity Report

You run the Item Ledger/Account Integrity report (R41543) for orderless manufacturing systems for the same reason as you do for manufacturing accounting system. The report displays certain kinds of discrepancies between the Item Ledger (CARDEX) table (F4111) and the General Ledger table (F0911).

Tables Used by the Item Ledger/Account Integrity Report

The Item Ledger/Account Integrity report extracts data from these tables:

• Item Ledger (CARDEX) (F4111).

• Work Order G/L Cross Reference (F3106).

• Lean Transaction G/L Cross Reference (FF31201).

• General Ledger (F0911).

The Item Ledger/Account Integrity report provides this output:

• Report in standard PDF.

• No tables are updated.

See Also

JD Edwards EnterpriseOne Inventory Management 8.12 Implementation Guide, "Inventory Management Reports," Inventory Management Reports: A to Z

Running the Item Ledger/Account Integrity Report

Select Inventory Reports (G41111), Item Ledger/Account Integrity Report.

Setting Processing Options for Item Ledger/Account Integrity (R41543)

These processing options control default processing for the Item Ledger/Account Integrity report.

Report Display

These processing options control how the program presents the data.

1. Enter From G/L Date (enter from general ledger date)	Specify a date that identifies the financial period to which the transaction is to be posted.
	The company constants specify the date range for each financial period. You can have as many as 14 periods. Generally, period 13 or 14 is used for audit adjustments. The system validates this field for PBCO (posted before cutoff), PYEB (prior year ending balance), PACO (post after cutoff), and WACO (post way after cutoff) messages.
2. Enter Thru G/L Date (enter through general ledger date)	Specify a date that identifies the financial period to which the transaction is to be posted.
	The company constants specify the date range for each financial period. You can have as many as 14 periods. Generally, period 13 or 14 is used for audit adjustments. The system validates this field for PBCO (posted before cutoff), PYEB (prior year ending balance), PACO (post after cutoff), and WACO (post way after cutoff) messages.
	If you leave this processing option blank, the system uses today's date.
3. Enter Work Order Completion Document Type	Specify a UDC (00/DT) value that identifies the origin and purpose of the transaction. The JD Edwards EnterpriseOne system reserves several prefixes for document types, such as vouchers, invoices, receipts, and timesheets.
	If you leave this processing option blank, the system uses the default value of document type *IC* (Completed W.O.s to Inventory).
4. Enter Work Order Issue Document Type	Specify a UDC (00/DT) value that identifies the origin and purpose of the transaction. The JD Edwards EnterpriseOne system reserves several prefixes for document types, such as vouchers, invoices, receipts, and timesheets.
	If you leave this processing option blank, the system uses the default value of document type *IM* (Material Charged to W.O.s).
5. Enter Lean Transaction Completion Document Type	Specify a UDC (00/DT) value that identifies the origin and purpose of the transaction. The JD Edwards EnterpriseOne system reserves several prefixes for document types, such as vouchers, invoices, receipts, and timesheets.
	If you leave this processing option blank, the system uses the default value of document type *LC* (Lean Completion).
6. Enter Lean Transaction Issue Document Type	Specify a UDC (00/DT) value that identifies the origin and purpose of the transaction. The JD Edwards EnterpriseOne system reserves several prefixes for document types, such as vouchers, invoices, receipts, and timesheets.
	If you leave this processing option blank, the system uses the default value of document type *LM* (Lean Material Issue).

Reviewing General Ledger Information

This section provides an overview of the Lean Accounting - G/L Review program and discusses how to review lean accounting journal entries.

Understanding the Lean Accounting - G/L Review Program

Use the Lean Accounting - G/L Review program (PF31201) to locate information contained in the general ledger. You can search by production ID, transaction ID, or batch number. For example, you can enter a transaction ID to discover the general ledger batch to which you actually wrote. You can also use this program to ascertain whether a transaction has been posted.

The program extracts data from the Lean Transaction G/L Cross Reference table (FF31201).

Forms Used to Review Lean Accounting Journal Entries

Form Name	FormID	Navigation	Usage
Transaction / G/L Cross Reference - Select Cross Reference Records	WF31201B	Orderless Manufacturing Accounting (GF3116), Lean Accounting - G/L Review	Find general ledger information by production ID, transaction ID, or batch number.
General Journal Review	W0911BA	Select a record and click the General Journal Review button on the Transaction / G/L Cross Reference - Select Cross Reference Records form.	Review lean accounting journal entries.

Reviewing Lean Accounting Journal Entries

Access the Transaction / G/L Cross Reference - Select Cross Reference Records form.

APPENDIX A

JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting Reports

This appendix provides an overview of JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting reports and enables you to:

• View summary tables of all reports.

• View report details for selected reports.

JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting Reports

JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting reports provide a way for you to monitor product costs; verify the integrity of cost components; review standard, current, planned, actual, and completed amounts of work orders; assess labor efficiency; and review variance between standard or estimated costs against actual costs.

You can print reports to verify accuracy and track changes to product costing and manufacturing accounting data.

JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting Reports: A to Z

This table lists the JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting reports, sorted alphanumerically by report ID.

Report ID and Report Name	Description	Navigation
R30440 Costed Bill of Material Report	Reviews the total cost of parent items detailed by component costs. Use this information to develop more accurate financial plans by monitoring product costs.	Product Costing Reports (G3023), Costed Bill

Report ID and Report Name	Description	Navigation
R30445A Multi-Level Costed Bill Report	Reviews lists of the total cost of parent items detailed by component costs. Use this information to develop more accurate financial plans by monitoring product costs.	Product Costing Reports (G3023), Multi Level Costed Bill
R30543 Cost Component/Ledger Integrity	Compares the sum of the frozen standard cost components for an item on the Enter Cost Components form (W30026B) and the unit cost in the Item Cost table (F4105) and reviews the variances.	Product Costing Reports (G3023), Cost Integrity
R31401 Accounting Summary (Closed Work Orders)	Lists completed work orders and their accumulated costs. This report lists the total standard and actual costs and the variance between the two. Actual costs are detailed by material, labor, and overhead.	• Manufacturing Acctg Reports (G3123), Discrete Summary of Costs by Order • Manufacturing Acctg Reports (G3123), Process Summary of Costs by Order
R31425 Purchase Price Variance Report	Lists the actual price paid for an item, the standard price that you estimated for the item, and the variance between the two. It also lists a percent of variance for each item and the total costs by item for the entire report.	• Manufacturing Acctg Reports (G3123), Discrete Material Price Variance • Manufacturing Acctg Reports (G3123), Discrete Material Price Variance
R31426 Material Usage Variances Report	Lists the standard costs on a work order parts list and the actual costs recorded for the parts issued.	• Manufacturing Acctg Reports (G3123), Discrete Material Usage Variance - Std. • Manufacturing Acctg Reports (G3123), Process Material Usage Variance - Std.
R314271 Labor Rate Variance Report	Lists current and standard labor rates, and hours or amounts. It details labor rate variances between the standard rates that you estimated and the actual rates that you charged, and lists the percentage of variance.	• Manufacturing Acctg Reports (G3123), Discrete Labor Rate Variance • Manufacturing Acctg Reports (G3123), Process Labor Rate Variance
R31428 Work Order Labor Efficiency Report	Provides a detailed analysis of direct labor efficiency hours accumulated for a work order. It lists standard and actual hours, and calculates the cost of the variance between them based on standard labor rates.	• Manufacturing Acctg Reports (G3123), Discrete Labor Efficiency • Manufacturing Acctg Reports (G3123), Process Labor Efficiency

Report ID and Report Name	Description	Navigation
R31811 Completed Work Order Valuation	Displays the standard, actual, completed, and outstanding balance amounts by cost component and item for completed work orders. The Manufacturing Journal Entries program (R31802A) and the Variances program (R31804) have already been run for these work orders. The report displays the total for each type of cost by work order and a grand total of each cost for all of the work orders listed.	Manufacturing Acctg Reports (G3123), Discrete Completed Order Valuation
R31812A Work Order Activity - Amounts	Lists standard, current, planned, actual, and completed amounts of work orders. The report lists the costs of the components first, and then the costs of the parents.	Manufacturing Accounting (G3116), Work Order Activity - Amounts
R31812B Work Order Activity - Units	Lists the standard, current, planned, actual, and completed units of work orders. The report lists the costs of components first, and then the costs of the parents.	Manufacturing Accounting (G3116), Work Order Activity - Units
R31813 Engineering Variance	Lists work orders, their standard and current amounts, and their engineering variances.	Manufacturing Acctg Reports (G3123), Discrete Engineering Variance
R31814 Planned Variance	Lists all work orders and their planned variances. The purpose of the report is to compare the current amounts to planned amounts.	Manufacturing Acctg Reports (G3123), Discrete Planned Variance
R31816 Labor Efficiency Variances	Displays planned and actual labor hours (all cost components except A1), extended by standard rates, and the monetary amount of variance by work order and item number.	Manufacturing Acctg Reports (G3123), Discrete Labor Efficiency Variances
R31817 Total/WIP and Other Variances	Displays the standard, actual, and completed amounts, as well as total and other variances by cost component and item for work orders.	Manufacturing Acctg Reports (G3123), Discrete Total/WIP and Other Variances
R31818 Work Order Variances - Amounts	Displays detailed production costs and variance amounts for work orders.	Manufacturing Acctg Reports (G3123), Discrete Completed Order Variances

167

JD Edwards EnterpriseOne Product Costing and Manufacturing Accounting: Selected Reports

This section provides detailed information, including processing options, for individual reports. The reports are listed alphanumerically by report ID.

R30440 - Costed Bill of Material Report

You can customize this report to help you in the analysis; for example, you can:

- Process the report using any valid cost method.
- Process the report for simulated or frozen costs.
- Specify a date in the processing options from which the information is retrieved if you do not want to use the current date.
- Print all product costs and user-defined categories on the report.
- Print the report for one branch, selected branches, or all branches.

This report presents the component costs in five user-defined cost buckets. In addition, the report displays totals of the cost buckets for each item. Each cost bucket can contain several cost components, depending on how you set up user-defined codes (UDCs).

Processing Options for Costed Bill of Material Report (R30440)

These processing options control default processing for the Costed Bill of Material report.

Defaults

This processing option controls default values that the system uses when generating the report.

As of Date	Specify the as of date for the bill of material. Values are:
	Blank: Current date will be used.

Display

These processing options control which information is displayed on the report.

Cost Method	Specify the Cost Method to be used (that is: 01, 02, 03). If you leave this option blank, the system uses cost method 07 (standard cost) as the default value.
Simulated/Frozen	Specify the costs to be printed. Values are:
	1: Simulated
	2: Frozen
Quantity - Requested Quantity	Specify the number of units to cost (for example, 10,000).

R30445A - Multi-Level Costed Bill Report

You can customize this report to help you in the analysis; for example, you can:

- Specify the number of units that the program costs when you run the report.
- Process the report using any valid cost method.
- Process the report for simulated or frozen costs.
- Specify a date for the program to use as a criterion when accessing information.
- Print all product costs and user-defined categories on the report.
- Print the report for one branch, selected branches, or all branches.

This report presents the component costs in five user-defined cost buckets. In addition, the program totals the cost buckets for each item. Each cost bucket can contain several cost components, depending on how you set up UDCs.

Processing Options for Multi-Level Costed Bill Report (R30445A)

These processing options control default processing for the Multi-Level Costed Bill report.

Defaults

This processing option controls default values that the system uses when generating the report.

As of Date	Specify the as of date for the bill of material. If you leave the field blank, the system uses the current date.

Display

These processing options control which information is displayed on the report.

Cost Method	Specify the cost method to be used. If you leave this option blank, the system uses cost method 07 (standard cost) as the default value.
Simulated / Frozen	Specify the costs to be printed. Values are: *1:* Simulated *2:* Frozen
Quantity - Requested Quantity	Specify the units to cost (that is, 10,000).

Print

These processing options control the print format of the report.

Indented Report Switch	Specify *1* to print an indented Costed Bill of Material Report.
Unit Cost Detail	Specify *1* to print a unit cost line of detail. If left blank, only one line of detail will be printed for each item.

R30543 - Cost Component/Ledger Integrity

For cost level 3 items, the program uses the unit cost for the primary location of the item in the Item Cost table.

Note. If you use actual costing, do not run this report because it does not produce accurate and relevant information about the company's costs.

Processing Options for Cost Component/Ledger Integrity (R30543)

This processing option controls default processing for the Cost Component/Ledger Integrity report.

Report Option

This processing option controls which information is included in the report.

Selection value   Specify *1* to see report detail for all items processed. If left blank, only items with cost discrepancies will be printed.

R31401 - Accounting Summary - Closed Work Orders

The system retrieves this information when you run the report:

- Labor and miscellaneous costs come from values in the Work Order Time Transactions table (F31122) for the work order.

- Overhead costs are the machine hours in the Work Order Time Transactions table multiplied by the overhead rates entered for the work center in the Work Center Rates table (F30008).

- The total actual cost is the accumulated detail for labor, overhead, material, and miscellaneous costs.

- The total standard cost is the number of items completed on the work order multiplied by the parent item's frozen standard cost from the Item Cost table (F4105).

R31425 - Purchase Price Variance Report

The system retrieves this information when you run the report:

- Standard costs from the Item Cost table (F4105).

- Actual costs from the Purchase Order Receiver table (F43121).

R31426 - Material Usage Variances Report

The report contains these elements:

- The standard units required on a work order.

- The actual units consumed.

- The variance between the two in both units and cost.

The system performs these calculations:

- The standard units are the parent quantity specified on the work order or the quantity of the component specified on the work order parts list.

  When the work order is completed (status 99), the report lists the work order quantity completed, rather than the original parent quantity ordered.

- The variance percentage results from the actual units or amounts divided by the standard units or amounts.

  The variance percentage provides an accuracy value. For example, an accuracy value of 100.00 indicates that the planned quantity or amount was the same as the actual quantity or amount used.

Processing Options for Material Usage Variances Report (R31426)

This processing option controls default processing for the Material Usage Variance report.

Option

This processing option controls the data selection for the report.

Selection value	Specify the data selection value. You can select multiple specific values.
	1: The primary sequence is by component item number.
	VALUES: Display a special display screen allowing the entry of up to 45 specific values. If you specify *VALUES in multiple selections of the original display, you will be prompted for multiple values lists.
	BLANKS: Search on a blank value. You cannot leave the values field blank to search on blanks. In this case *ALL is the default value.
	ZEROS: Search for amounts equal to zero.
	RANGE: Display a special display screen which allows the entry of a range of values (that is, from 1 to 50). The first value MUST be LESS than the second value. If it is equal or greater than, it will not work.
	ALL: Select all values for a field.

R314271 - Labor Rate Variance Report

The system performs the calculations based on this information:

- The standard rates come from the Work Center Rates table (F30008).
- The standard hours come from the Work Order Routing table (F3112).
- The actual amounts are the actual hours from the Work Order Time Transactions table (F31122) multiplied by the standard rate.

Processing Options for Labor Rate Variance Report (R314271)

These processing options control default processing for the Labor Rate Variance report.

Document Type

This processing option controls the document type that you want to associate with labor variances.

Document Type	Specify the origin and purpose of the transaction. The system reserves several prefixes for document types, such as vouchers, invoices, receipts, and timesheets.

R31428 - Work Order Labor Efficiency Report

The system retrieves this information:

- The actual values, which are the values from the Work Order Time Transactions table (F31122) for the operation sequence and employee.
- The frozen standard hours, which are from the Work Order Routing table (F3112).

- The frozen standard labor rates, which are from the Work Center Rates table (F30008), based on the type code for the operation sequence.

Processing Options for Work Order Labor Efficiency Report (R31428)

These processing options control default processing for the Work Order Labor Efficiency report.

WO Status

These processing options specify the status range for work orders that you want to include in the report.

Work Order Status Range (Optional)	Specify the range of work order statuses to be selected for processing.
From Work Order Status	Enter a user-defined code (00/SS) that describes the status of a work order, rate schedule, or engineering change order. Any status change from 90 through 99 triggers the system to automatically update the completion date.
To Work Order Status	Enter the next status for a work order, according to the work order activity rules, as the work order moves through the approval route. You must define a status code as a work order status in the Work Order Activity Rules table before you can use it as a next status.

Glossary of JD Edwards EnterpriseOne Terms

activity	A scheduling entity in JD Edwards EnterpriseOne tools that represents a designated amount of time on a calendar.
activity rule	The criteria by which an object progresses from one given point to the next in a flow.
add mode	A condition of a form that enables users to input data.
Advanced Planning Agent (APAg)	A JD Edwards EnterpriseOne tool that can be used to extract, transform, and load enterprise data. APAg supports access to data sources in the form of rational databases, flat file format, and other data or message encoding, such as XML.
application server	A server in a local area network that contains applications shared by network clients.
as if processing	A process that enables you to view currency amounts as if they were entered in a currency different from the domestic and foreign currency of the transaction.
alternate currency	A currency that is different from the domestic currency (when dealing with a domestic-only transaction) or the domestic and foreign currency of a transaction.

In JD Edwards EnterpriseOne Financial Management, alternate currency processing enables you to enter receipts and payments in a currency other than the one in which they were issued. |
| **as of processing** | A process that is run as of a specific point in time to summarize transactions up to that date. For example, you can run various JD Edwards EnterpriseOne reports as of a specific date to determine balances and amounts of accounts, units, and so on as of that date. |
| **back-to-back process** | A process in JD Edwards EnterpriseOne Supply Management that contains the same keys that are used in another process. |
| **batch processing** | A process of transferring records from a third-party system to JD Edwards EnterpriseOne.

In JD Edwards EnterpriseOne Financial Management, batch processing enables you to transfer invoices and vouchers that are entered in a system other than JD Edwards EnterpriseOne to JD Edwards EnterpriseOne Accounts Receivable and JD Edwards EnterpriseOne Accounts Payable, respectively. In addition, you can transfer address book information, including customer and supplier records, to JD Edwards EnterpriseOne. |
| **batch server** | A server that is designated for running batch processing requests. A batch server typically does not contain a database nor does it run interactive applications. |
| **batch-of-one immediate** | A transaction method that enables a client application to perform work on a client workstation, then submit the work all at once to a server application for further processing. As a batch process is running on the server, the client application can continue performing other tasks.

See also direct connect and store-and-forward. |
| **business function** | A named set of user-created, reusable business rules and logs that can be called through event rules. Business functions can run a transaction or a subset of a transaction (check inventory, issue work orders, and so on). Business functions also contain the application programming interfaces (APIs) that enable them to be called from a form, a database trigger, or a non-JD Edwards EnterpriseOne application. Business functions can be combined with other business functions, forms, event rules, |

	and other components to make up an application. Business functions can be created through event rules or third-generation languages, such as C. Examples of business functions include Credit Check and Item Availability.
business function event rule	See named event rule (NER).
business view	A means for selecting specific columns from one or more JD Edwards EnterpriseOne application tables whose data is used in an application or report. A business view does not select specific rows, nor does it contain any actual data. It is strictly a view through which you can manipulate data.
central objects merge	A process that blends a customer's modifications to the objects in a current release with objects in a new release.
central server	A server that has been designated to contain the originally installed version of the software (central objects) for deployment to client computers. In a typical JD Edwards EnterpriseOne installation, the software is loaded on to one machine—the central server. Then, copies of the software are pushed out or downloaded to various workstations attached to it. That way, if the software is altered or corrupted through its use on workstations, an original set of objects (central objects) is always available on the central server.
charts	Tables of information in JD Edwards EnterpriseOne that appear on forms in the software.
connector	Component-based interoperability model that enables third-party applications and JD Edwards EnterpriseOne to share logic and data. The JD Edwards EnterpriseOne connector architecture includes Java and COM connectors.
contra/clearing account	A general ledger account in JD Edwards EnterpriseOne Financial Management that is used by the system to offset (balance) journal entries. For example, you can use a contra/clearing account to balance the entries created by allocations in JD Edwards EnterpriseOne Financial Management.
Control Table Workbench	An application that, during the Installation Workbench processing, runs the batch applications for the planned merges that update the data dictionary, user-defined codes, menus, and user override tables.
control tables merge	A process that blends a customer's modifications to the control tables with the data that accompanies a new release.
cost assignment	The process in JD Edwards EnterpriseOne Advanced Cost Accounting of tracing or allocating resources to activities or cost objects.
cost component	In JD Edwards EnterpriseOne Manufacturing, an element of an item's cost (for example, material, labor, or overhead).
cross segment edit	A logic statement that establishes the relationship between configured item segments. Cross segment edits are used to prevent ordering of configurations that cannot be produced.
currency restatement	The process of converting amounts from one currency into another currency, generally for reporting purposes. You can use the currency restatement process, for example, when many currencies must be restated into a single currency for consolidated reporting.
database server	A server in a local area network that maintains a database and performs searches for client computers.
Data Source Workbench	An application that, during the Installation Workbench process, copies all data sources that are defined in the installation plan from the Data Source Master and Table and Data Source Sizing tables in the Planner data source to the system-release number data source. It also updates the Data Source Plan detail record to reflect completion.

date pattern	A calendar that represents the beginning date for the fiscal year and the ending date for each period in that year in standard and 52-period accounting.
denominated-in currency	The company currency in which financial reports are based.
deployment server	A server that is used to install, maintain, and distribute software to one or more enterprise servers and client workstations.
detail information	Information that relates to individual lines in JD Edwards EnterpriseOne transactions (for example, voucher pay items and sales order detail lines).
direct connect	A transaction method in which a client application communicates interactively and directly with a server application.

See also batch-of-one immediate and store-and-forward. |
Do Not Translate (DNT)	A type of data source that must exist on the iSeries because of BLOB restrictions.
dual pricing	The process of providing prices for goods and services in two currencies.
edit code	A code that indicates how a specific value for a report or a form should appear or be formatted. The default edit codes that pertain to reporting require particular attention because they account for a substantial amount of information.
edit mode	A condition of a form that enables users to change data.
edit rule	A method used for formatting and validating user entries against a predefined rule or set of rules.
Electronic Data Interchange (EDI)	An interoperability model that enables paperless computer-to-computer exchange of business transactions between JD Edwards EnterpriseOne and third-party systems. Companies that use EDI must have translator software to convert data from the EDI standard format to the formats of their computer systems.
embedded event rule	An event rule that is specific to a particular table or application. Examples include form-to-form calls, hiding a field based on a processing option value, and calling a business function. Contrast with the business function event rule.
Employee Work Center	A central location for sending and receiving all JD Edwards EnterpriseOne messages (system and user generated), regardless of the originating application or user. Each user has a mailbox that contains workflow and other messages, including Active Messages.
enterprise server	A server that contains the database and the logic for JD Edwards EnterpriseOne.
EnterpriseOne object	A reusable piece of code that is used to build applications. Object types include tables, forms, business functions, data dictionary items, batch processes, business views, event rules, versions, data structures, and media objects.
EnterpriseOne process	A software process that enables JD Edwards EnterpriseOne clients and servers to handle processing requests and run transactions. A client runs one process, and servers can have multiple instances of a process. JD Edwards EnterpriseOne processes can also be dedicated to specific tasks (for example, workflow messages and data replication) to ensure that critical processes don't have to wait if the server is particularly busy.
Environment Workbench	An application that, during the Installation Workbench process, copies the environment information and Object Configuration Manager tables for each environment from the Planner data source to the system-release number data source. It also updates the Environment Plan detail record to reflect completion.
escalation monitor	A batch process that monitors pending requests or activities and restarts or forwards them to the next step or user after they have been inactive for a specified amount of time.

event rule	A logic statement that instructs the system to perform one or more operations based on an activity that can occur in a specific application, such as entering a form or exiting a field.
facility	An entity within a business for which you want to track costs. For example, a facility might be a warehouse location, job, project, work center, or branch/plant. A facility is sometimes referred to as a "business unit."
fast path	A command prompt that enables the user to move quickly among menus and applications by using specific commands.
file server	A server that stores files to be accessed by other computers on the network. Unlike a disk server, which appears to the user as a remote disk drive, a file server is a sophisticated device that not only stores files, but also manages them and maintains order as network users request files and make changes to these files.
final mode	The report processing mode of a processing mode of a program that updates or creates data records.
FTP server	A server that responds to requests for files via file transfer protocol.
header information	Information at the beginning of a table or form. Header information is used to identify or provide control information for the group of records that follows.
interface table	See Z table.
integration server	A server that facilitates interaction between diverse operating systems and applications across internal and external networked computer systems.
integrity test	A process used to supplement a company's internal balancing procedures by locating and reporting balancing problems and data inconsistencies.
interoperability model	A method for third-party systems to connect to or access JD Edwards EnterpriseOne.
in-your-face-error	In JD Edwards EnterpriseOne, a form-level property which, when enabled, causes the text of application errors to appear on the form.
IServer service	This internet server service resides on the web server and is used to speed up delivery of the Java class files from the database to the client.
jargon	An alternative data dictionary item description that JD Edwards EnterpriseOne appears based on the product code of the current object.
Java application server	A component-based server that resides in the middle-tier of a server-centric architecture. This server provides middleware services for security and state maintenance, along with data access and persistence.
JDBNET	A database driver that enables heterogeneous servers to access each other's data.
JDEBASE Database Middleware	A JD Edwards EnterpriseOne proprietary database middleware package that provides platform-independent APIs, along with client-to-server access.
JDECallObject	An API used by business functions to invoke other business functions.
jde.ini	A JD Edwards EnterpriseOne file (or member for iSeries) that provides the runtime settings required for JD Edwards EnterpriseOne initialization. Specific versions of the file or member must reside on every machine running JD Edwards EnterpriseOne. This includes workstations and servers.
JDEIPC	Communications programming tools used by server code to regulate access to the same data in multiprocess environments, communicate and coordinate between processes, and create new processes.

jde.log	The main diagnostic log file of JD Edwards EnterpriseOne. This file is always located in the root directory on the primary drive and contains status and error messages from the startup and operation of JD Edwards EnterpriseOne.
JDENET	A JD Edwards EnterpriseOne proprietary communications middleware package. This package is a peer-to-peer, message-based, socket-based, multiprocess communications middleware solution. It handles client-to-server and server-to-server communications for all JD Edwards EnterpriseOne supported platforms.
Location Workbench	An application that, during the Installation Workbench process, copies all locations that are defined in the installation plan from the Location Master table in the Planner data source to the system data source.
logic server	A server in a distributed network that provides the business logic for an application program. In a typical configuration, pristine objects are replicated on to the logic server from the central server. The logic server, in conjunction with workstations, actually performs the processing required when JD Edwards EnterpriseOne software runs.
MailMerge Workbench	An application that merges Microsoft Word 6.0 (or higher) word-processing documents with JD Edwards EnterpriseOne records to automatically print business documents. You can use MailMerge Workbench to print documents, such as form letters about verification of employment.
master business function (MBF)	An interactive master file that serves as a central location for adding, changing, and updating information in a database. Master business functions pass information between data entry forms and the appropriate tables. These master functions provide a common set of functions that contain all of the necessary default and editing rules for related programs. MBFs contain logic that ensures the integrity of adding, updating, and deleting information from databases.
master table	See published table.
matching document	A document associated with an original document to complete or change a transaction. For example, in JD Edwards EnterpriseOne Financial Management, a receipt is the matching document of an invoice, and a payment is the matching document of a voucher.
media storage object	Files that use one of the following naming conventions that are not organized into table format: Gxxx, xxxGT, or GTxxx.
message center	A central location for sending and receiving all JD Edwards EnterpriseOne messages (system and user generated), regardless of the originating application or user.
messaging adapter	An interoperability model that enables third-party systems to connect to JD Edwards EnterpriseOne to exchange information through the use of messaging queues.
messaging server	A server that handles messages that are sent for use by other programs using a messaging API. Messaging servers typically employ a middleware program to perform their functions.
named event rule (NER)	Encapsulated, reusable business logic created using event rules, rather that C programming. NERs are also called business function event rules. NERs can be reused in multiple places by multiple programs. This modularity lends itself to streamlining, reusability of code, and less work.
nota fiscal	In Brazil, a legal document that must accompany all commercial transactions for tax purposes and that must contain information required by tax regulations.
nota fiscal factura	In Brazil, a nota fiscal with invoice information.
	See also *nota fiscal*.

Object Configuration Manager (OCM)	In JD Edwards EnterpriseOne, the object request broker and control center for the runtime environment. OCM keeps track of the runtime locations for business functions, data, and batch applications. When one of these objects is called, OCM directs access to it using defaults and overrides for a given environment and user.
Object Librarian	A repository of all versions, applications, and business functions reusable in building applications. Object Librarian provides check-out and check-in capabilities for developers, and it controls the creation, modification, and use of JD Edwards EnterpriseOne objects. Object Librarian supports multiple environments (such as production and development) and enables objects to be easily moved from one environment to another.
Object Librarian merge	A process that blends any modifications to the Object Librarian in a previous release into the Object Librarian in a new release.
Open Data Access (ODA)	An interoperability model that enables you to use SQL statements to extract JD Edwards EnterpriseOne data for summarization and report generation.
Output Stream Access (OSA)	An interoperability model that enables you to set up an interface for JD Edwards EnterpriseOne to pass data to another software package, such as Microsoft Excel, for processing.
package	JD Edwards EnterpriseOne objects are installed to workstations in packages from the deployment server. A package can be compared to a bill of material or kit that indicates the necessary objects for that workstation and where on the deployment server the installation program can find them. It is point-in-time snapshot of the central objects on the deployment server.
package build	A software application that facilitates the deployment of software changes and new applications to existing users. Additionally, in JD Edwards EnterpriseOne, a package build can be a compiled version of the software. When you upgrade your version of the ERP software, for example, you are said to take a package build.
	Consider the following context: "Also, do not transfer business functions into the production path code until you are ready to deploy, because a global build of business functions done during a package build will automatically include the new functions." The process of creating a package build is often referred to, as it is in this example, simply as "a package build."
package location	The directory structure location for the package and its set of replicated objects. This is usually \\deployment server\release\path_code\package\package name. The subdirectories under this path are where the replicated objects for the package are placed. This is also referred to as where the package is built or stored.
Package Workbench	An application that, during the Installation Workbench process, transfers the package information tables from the Planner data source to the system-release number data source. It also updates the Package Plan detail record to reflect completion.
planning family	A means of grouping end items whose similarity of design and manufacture facilitates being planned in aggregate.
preference profile	The ability to define default values for specified fields for a user-defined hierarchy of items, item groups, customers, and customer groups.
print server	The interface between a printer and a network that enables network clients to connect to the printer and send their print jobs to it. A print server can be a computer, separate hardware device, or even hardware that resides inside of the printer itself.
pristine environment	A JD Edwards EnterpriseOne environment used to test unaltered objects with JD Edwards EnterpriseOne demonstration data or for training classes. You must have this environment so that you can compare pristine objects that you modify.

processing option	A data structure that enables users to supply parameters that regulate the running of a batch program or report. For example, you can use processing options to specify default values for certain fields, to determine how information appears or is printed, to specify date ranges, to supply runtime values that regulate program execution, and so on.
production environment	A JD Edwards EnterpriseOne environment in which users operate EnterpriseOne software.
production-grade file server	A file server that has been quality assurance tested and commercialized and that is usually provided in conjunction with user support services.
program temporary fix (PTF)	A representation of changes to JD Edwards EnterpriseOne software that your organization receives on magnetic tapes or disks.
project	In JD Edwards EnterpriseOne, a virtual container for objects being developed in Object Management Workbench.
promotion path	The designated path for advancing objects or projects in a workflow. The following is the normal promotion cycle (path): 11>21>26>28>38>01 In this path, *11* equals new project pending review, *21* equals programming, *26* equals QA test/review, *28* equals QA test/review complete, *38* equals in production, *01* equals complete. During the normal project promotion cycle, developers check objects out of and into the development path code and then promote them to the prototype path code. The objects are then moved to the productions path code before declaring them complete.
proxy server	A server that acts as a barrier between a workstation and the internet so that the enterprise can ensure security, administrative control, and caching service.
published table	Also called a master table, this is the central copy to be replicated to other machines. Residing on the publisher machine, the F98DRPUB table identifies all of the published tables and their associated publishers in the enterprise.
publisher	The server that is responsible for the published table. The F98DRPUB table identifies all of the published tables and their associated publishers in the enterprise.
pull replication	One of the JD Edwards EnterpriseOne methods for replicating data to individual workstations. Such machines are set up as pull subscribers using JD Edwards EnterpriseOne data replication tools. The only time that pull subscribers are notified of changes, updates, and deletions is when they request such information. The request is in the form of a message that is sent, usually at startup, from the pull subscriber to the server machine that stores the F98DRPCN table.
QBE	An abbreviation for query by example. In JD Edwards EnterpriseOne, the QBE line is the top line on a detail area that is used for filtering data.
real-time event	A service that uses system calls to capture JD Edwards EnterpriseOne transactions as they occur and to provide notification to third-party software, end users, and other JD Edwards EnterpriseOne systems that have requested notification when certain transactions occur.
refresh	A function used to modify JD Edwards EnterpriseOne software, or subset of it, such as a table or business data, so that it functions at a new release or cumulative update level, such as B73.2 or B73.2.1.
replication server	A server that is responsible for replicating central objects to client machines.
quote order	In JD Edwards Procurement and Subcontract Management, a request from a supplier for item and price information from which you can create a purchase order.

	In JD Edwards Sales Order Management, item and price information for a customer who has not yet committed to a sales order.
selection	Found on JD Edwards EnterpriseOne menus, a selection represents functions that you can access from a menu. To make a selection, type the associated number in the Selection field and press Enter.
Server Workbench	An application that, during the Installation Workbench process, copies the server configuration files from the Planner data source to the system-release number data source. It also updates the Server Plan detail record to reflect completion.
spot rate	An exchange rate entered at the transaction level. This rate overrides the exchange rate that is set up between two currencies.
Specification merge	A merge that comprises three merges: Object Librarian merge, Versions List merge, and Central Objects merge. The merges blend customer modifications with data that accompanies a new release.
specification	A complete description of a JD Edwards EnterpriseOne object. Each object has its own specification, or name, which is used to build applications.
Specification Table Merge Workbench	An application that, during the Installation Workbench process, runs the batch applications that update the specification tables.
store-and-forward	The mode of processing that enables users who are disconnected from a server to enter transactions and then later connect to the server to upload those transactions.
subscriber table	Table F98DRSUB, which is stored on the publisher server with the F98DRPUB table and identifies all of the subscriber machines for each published table.
supplemental data	Any type of information that is not maintained in a master file. Supplemental data is usually additional information about employees, applicants, requisitions, and jobs (such as an employee's job skills, degrees, or foreign languages spoken). You can track virtually any type of information that your organization needs.
	For example, in addition to the data in the standard master tables (the Address Book Master, Customer Master, and Supplier Master tables), you can maintain other kinds of data in separate, generic databases. These generic databases enable a standard approach to entering and maintaining supplemental data across JD Edwards EnterpriseOne systems.
table access management (TAM)	The JD Edwards EnterpriseOne component that handles the storage and retrieval of use-defined data. TAM stores information, such as data dictionary definitions; application and report specifications; event rules; table definitions; business function input parameters and library information; and data structure definitions for running applications, reports, and business functions.
Table Conversion Workbench	An interoperability model that enables the exchange of information between JD Edwards EnterpriseOne and third-party systems using non-JD Edwards EnterpriseOne tables.
table conversion	An interoperability model that enables the exchange of information between JD Edwards EnterpriseOne and third-party systems using non-JD Edwards EnterpriseOne tables.
table event rules	Logic that is attached to database triggers that runs whenever the action specified by the trigger occurs against the table. Although JD Edwards EnterpriseOne enables event rules to be attached to application events, this functionality is application specific. Table event rules provide embedded logic at the table level.
terminal server	A server that enables terminals, microcomputers, and other devices to connect to a network or host computer or to devices attached to that particular computer.

three-tier processing	The task of entering, reviewing and approving, and posting batches of transactions in JD Edwards EnterpriseOne.
three-way voucher match	In JD Edwards Procurement and Subcontract Management, the process of comparing receipt information to supplier's invoices to create vouchers. In a three-way match, you use the receipt records to create vouchers.
transaction processing (TP) monitor	A monitor that controls data transfer between local and remote terminals and the applications that originated them. TP monitors also protect data integrity in the distributed environment and may include programs that validate data and format terminal screens.
transaction set	An electronic business transaction (electronic data interchange standard document) made up of segments.
trigger	One of several events specific to data dictionary items. You can attach logic to a data dictionary item that the system processes automatically when the event occurs.
triggering event	A specific workflow event that requires special action or has defined consequences or resulting actions.
two-way voucher match	In JD Edwards Procurement and Subcontract Management, the process of comparing purchase order detail lines to the suppliers' invoices to create vouchers. You do not record receipt information.
User Overrides merge	Adds new user override records into a customer's user override table.
variance	In JD Edwards Capital Asset Management, the difference between revenue generated by a piece of equipment and costs incurred by the equipment.
	In JD Edwards EnterpriseOne Project Costing and JD Edwards EnterpriseOne Manufacturing, the difference between two methods of costing the same item (for example, the difference between the frozen standard cost and the current cost is an engineering variance). Frozen standard costs come from the Cost Components table, and the current costs are calculated using the current bill of material, routing, and overhead rates.
Version List merge	The Versions List merge preserves any non-XJDE and non-ZJDE version specifications for objects that are valid in the new release, as well as their processing options data.
visual assist	Forms that can be invoked from a control via a trigger to assist the user in determining what data belongs in the control.
vocabulary override	An alternate description for a data dictionary item that appears on a specific JD Edwards EnterpriseOne form or report.
wchar_t	An internal type of a wide character. It is used for writing portable programs for international markets.
web application server	A web server that enables web applications to exchange data with the back-end systems and databases used in eBusiness transactions.
web server	A server that sends information as requested by a browser, using the TCP/IP set of protocols. A web server can do more than just coordination of requests from browsers; it can do anything a normal server can do, such as house applications or data. Any computer can be turned into a web server by installing server software and connecting the machine to the internet.
Windows terminal server	A multiuser server that enables terminals and minimally configured computers to display Windows applications even if they are not capable of running Windows software themselves. All client processing is performed centrally at the Windows

terminal server and only display, keystroke, and mouse commands are transmitted over the network to the client terminal device.

workbench

A program that enables users to access a group of related programs from a single entry point. Typically, the programs that you access from a workbench are used to complete a large business process. For example, you use the JD Edwards EnterpriseOne Payroll Cycle Workbench (P07210) to access all of the programs that the system uses to process payroll, print payments, create payroll reports, create journal entries, and update payroll history. Examples of JD Edwards EnterpriseOne workbenches include Service Management Workbench (P90CD020), Line Scheduling Workbench (P3153), Planning Workbench (P13700), Auditor's Workbench (P09E115), and Payroll Cycle Workbench.

work day calendar

In JD Edwards EnterpriseOne Manufacturing, a calendar that is used in planning functions that consecutively lists only working days so that component and work order scheduling can be done based on the actual number of work days available. A work day calendar is sometimes referred to as planning calendar, manufacturing calendar, or shop floor calendar.

workflow

The automation of a business process, in whole or in part, during which documents, information, or tasks are passed from one participant to another for action, according to a set of procedural rules.

workgroup server

A server that usually contains subsets of data replicated from a master network server. A workgroup server does not perform application or batch processing.

XAPI events

A service that uses system calls to capture JD Edwards EnterpriseOne transactions as they occur and then calls third-party software, end users, and other JD Edwards EnterpriseOne systems that have requested notification when the specified transactions occur to return a response.

XML CallObject

An interoperability capability that enables you to call business functions.

XML Dispatch

An interoperability capability that provides a single point of entry for all XML documents coming into JD Edwards EnterpriseOne for responses.

XML List

An interoperability capability that enables you to request and receive JD Edwards EnterpriseOne database information in chunks.

XML Service

An interoperability capability that enables you to request events from one JD Edwards EnterpriseOne system and receive a response from another JD Edwards EnterpriseOne system.

XML Transaction

An interoperability capability that enables you to use a predefined transaction type to send information to or request information from JD Edwards EnterpriseOne. XML transaction uses interface table functionality.

XML Transaction Service (XTS)

Transforms an XML document that is not in the JD Edwards EnterpriseOne format into an XML document that can be processed by JD Edwards EnterpriseOne. XTS then transforms the response back to the request originator XML format.

Z event

A service that uses interface table functionality to capture JD Edwards EnterpriseOne transactions and provide notification to third-party software, end users, and other JD Edwards EnterpriseOne systems that have requested to be notified when certain transactions occur.

Z table

A working table where non-JD Edwards EnterpriseOne information can be stored and then processed into JD Edwards EnterpriseOne. Z tables also can be used to retrieve JD Edwards EnterpriseOne data. Z tables are also known as interface tables.

Z transaction

Third-party data that is properly formatted in interface tables for updating to the JD Edwards EnterpriseOne database.

Index

A

Account Balances table (F0902)   12
Account Ledger table (F0911)   12
Account Master table (F0901)   12
Account Revisions form   41, 42
Accounting Summary - Closed Work
 Orders report (R31401)
   A to Z report descriptions   166
   information retrieved   170
actual accounting   135
actual costing
   calculations performed   129
   extra costs   123
   labor costs   123
   machine costs   123
   material costs   122
   outside operations   123
   overhead costs   123
   overview   122
   parts list and routing   127
   setting up methods and costs   24
   updating labor rates   130
   updating machine rates   130
   variances   143
actual costing integration   9
actual variances   121
additional documentation   xiv
Additional System Info form   20
Address Book Master table (F0101)   12
application fundamentals   xiii
Automatic Accounting Instructions
 program (P40950)
   processing options   41
   usage   42
Average Cost Calculation UDC table
 (40/AV)   18

B

Batch Control Records table (F0011)   12
Batch Manufacturing   91
batch product costing   89
Bill of Material Master table (F3002)   12,
 55
Bill of Material Revisions program (P3002)
   percent bill of material   110

reviewing costing in bills of material   47
Business Unit Master table (F0006)   12
by-products   99

C

co- and by-products
   cost extras   100
   reviewing costs   106
   reviewing product costing   106
   setting up planning table   101, 108
Co/By Product Revision form   102, 106
Co/By Product Selection form   102
Co/By Products Planning Table program
 (P3404)   101
Co/By-Products Planning Table Revisions
 form   102, 108
co-products   99
comments, submitting   xviii
common fields   xviii
Completed Work Order Valuation report
 (R31811)   167
contact information   xviii
Copy Cost Values program (R30890)
   copying cost values   80
   processing options   80
copying costs   79
cost bucket codes for costed bills of
 material   18
Cost Buckets UDC table (30/CB)   17
Cost Component Add-Ons UDC table
 (30/CA)   16, 47
Cost Component/Ledger Integrity report
 (R30543)
   A to Z report descriptions   166
   cost-level 3 items   169
   processing options   170
cost components
   A1 (Purchased Material)   112
   A2 (Material Scrap)   112
   assigning values   31
   B1 (Direct Labor)   112
   B2 (Setup Labor)   112
   B3 (Machine Run)   113
   B4 (Labor Efficiency)   113
   C1 (Variable Machine Overhead)   113

Index