



## Costing - Overview Brochure

# Infor CloudSuite Industrial (SyteLine) ERP Costing

Companies design costing methods to support planning, control, and decision making. The Cost Accounting features within Infor CloudSuite Industrial (SyteLine) ERP support both actual costing and standard costing, providing you the flexibility to choose the cost type and cost method that works best for you. Because costing methods are set at the item level, you can use a variety of combinations of cost flow methods to manage different items in different ways. Supported cost methods include Standard, Actual, LIFO, FIFO and Lot Specific. CloudSuite Industrial captures costs as changes occur, ensuring up-to-date and accurate costing.

CloudSuite Industrial (SyteLine) ERP supports both job shop and repetitive production environments. The costing system has the flexibility to manage either type, as well as a mix of both through job-based or period-based costing. Production costs are driven by the work center and department, by purchase orders linked directly to jobs, and real-time inventory transactions. Linking purchase orders or work orders to customer orders provides the ability to measure true margins.

Cost components are tracked throughout the system by the original nature of the component – material, labor, overhead, outside, or other costs – through all levels of the bill of manufacture. Cost analysis is simplified, as it is always evident from where the cost elements derived. Additionally, these elements are tracked in Estimates, Current BOM, Planned Production BOM, Actual Production BOM, and a frozen Standard, if applicable

Unit Cost	
Material Cost	42.29104
Material	0.00
Freight	0.00
Duty	0.00
Brokerage	0.00
Insurance	0.00
Local Freight	0.00
Labor Cost	51.90
Fix Ovhd Cost	75.69615
Var Ovhd Cost	75.69615
Outside Cost	9.42
Total Unit Cost	254.82334

  

Manufactured Current Unit Cost		Purchased Current Unit Cost	
Material Cost	41.99604	Material	300.00
Labor Cost	51.75	Pur Ovhd	0.00
Fix Ovhd Cost	0.00	Freight	0.00
Var Ovhd Cost	75.50317	Duty	0.00
Outside Cost	9.42	Brokerage	0.00
		Insurance	0.00
		Local Freight	0.00
Unit Cost	178.66521	Unit Cost	300.00

When transportation and other acquisition costs are significant, it is important to be able to roll those costs into the value of inventory, along with material costs. Five landed cost buckets are available for tracking freight, insurance, duty, brokerage, and other fees for purchased goods, as well as when material is transferred between warehouses. Different inventory values for the same item may be captured at the warehouse level to accommodate transportation differential, zero value inventory, or other differences.

As you make decisions about your business costs, you may need to investigate alternative costing scenarios. Costing analysis can help you determine how changes to one or more variables will affect costs, without actually making a change to existing costs in your system. For example, you may want to analyze the following:

- The effect of dependent materials costs that have a significant impact, for example, fluctuation in the prices of commodity items.
- Rate changes for direct labor or overhead for production.
- Cost projections for an upcoming capital expenditure.
- Rollup of standard costs before committing a rollup or comparing costs to a previous rollup.

You can copy items with their complete BOM and routing to a costing alternative and then "freeze" them. This is typically done to create a year-end snapshot of costs for historical record keeping. You can save as many frozen costing alternatives as you need and keep them indefinitely.

For more information contact [Godlan](#) today!



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#### About Godlan

Since 1984, Godlan has worked with Discrete Manufacturers of all shapes and sizes. Godlan has successfully implemented hundreds of enterprise manufacturing systems and performed countless data conversions. We have deep domain expertise and knowledge of best practices working with customers worldwide. Godlan consultants know the manufacturing industry, understand the challenges, and have first-hand experience with solving complex performance problems.