

Calculating Default Acct Cost for Stock Inventory Items

This job aid describes the "math" of how the Default Acct Cost is calculated for Stock Inventory Items

Action	Accounting Cost	Qty on Hand	Actual Cost	Qty Ordered	Calculation	Impact on Accounting Cost
Inventory Master	\$ 50.00					Accounting cost manually set in Inventory Master
Inventory Adj	\$ 50.00	5				No impact on accounting cost
W9 Order to Stock			\$ 75.00	10		No impact on accounting cost
PO to vendor						No impact on accounting cost
Goods Received	\$ 66.67	10			$5 \times \$50 = 250$; $10 \times \$75 = \750 ; $(\$250 + \$750) / 15 = \$66.67$	Accounting cost updated by goods received
Cost Verification	\$ 83.34	10	\$ 100.00		$5 \times \$50 = \250 ; $10 \times \$100 = \1000 ; $(\$250 + \$1000) / 15 = \$83.34$	Accounting cost updated by cost verification
Un-Cost Verify		-10	\$ (100.00)			No impact on accounting cost
Re-cost Verify	\$ 63.34	10	\$ 70.00		$5 \times \$50 = \250 ; $10 \times \$70 = \700 ; $(\$250 + \$700) / 15 = \$63.34$	Accounting cost updated by cost verification

- The only way to "fix" the accounting cost, if the line was cost verified incorrectly is the manually correct it in the Inventory Master.
- If an order from stock has been processed with the wrong cost, if the line hasn't been delivered and/or invoiced, cancel the line (or order) and start over after the cost has been corrected in the Inventory Master File.

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- If an order from stock has been processed with the wrong cost, and the line has been delivered, you will need to complete the line including invoice it and issue a credit memo for cost only for the invoice (do NOT select the line) to correct the cost. Do NOT use an S9 processing code as this will affect stock inventory quantities and you don't want to do that.
 - If you post to general ledger by processing code, you will need a processing code that affects the same GL account as the S9 but does not affect inventory. Line sales codes should match the original line sales codes on the S9 line with the wrong cost. This will correct both the General Ledger, Sales Reporting and Commission.

Questions?

If you have any questions, contact Hedberg Application Support:

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- Chat: [Hedberg Live Chat Support](#)