



Job Costing

Engage 2019
EBMS User Conference

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President



Job costing management method

- Should I use job costing to manage our company?
- How do I use job costing in EBMS?



Introduction

- Your name and company name
- Your position
- Brief question or statement on how your company utilizes or would like to use job costing



Job Costing as a management method

- Manage your company as a single entity
- Manage your company based on profit centers
- Manage your company using job costing

Job costing is **defined** as a method of recording the **costs** of a specific **job**, rather than process. With **job costing** systems, a project manager or owner can keep track of the **cost** of each **job** and compare it to the budgeted costs and time.



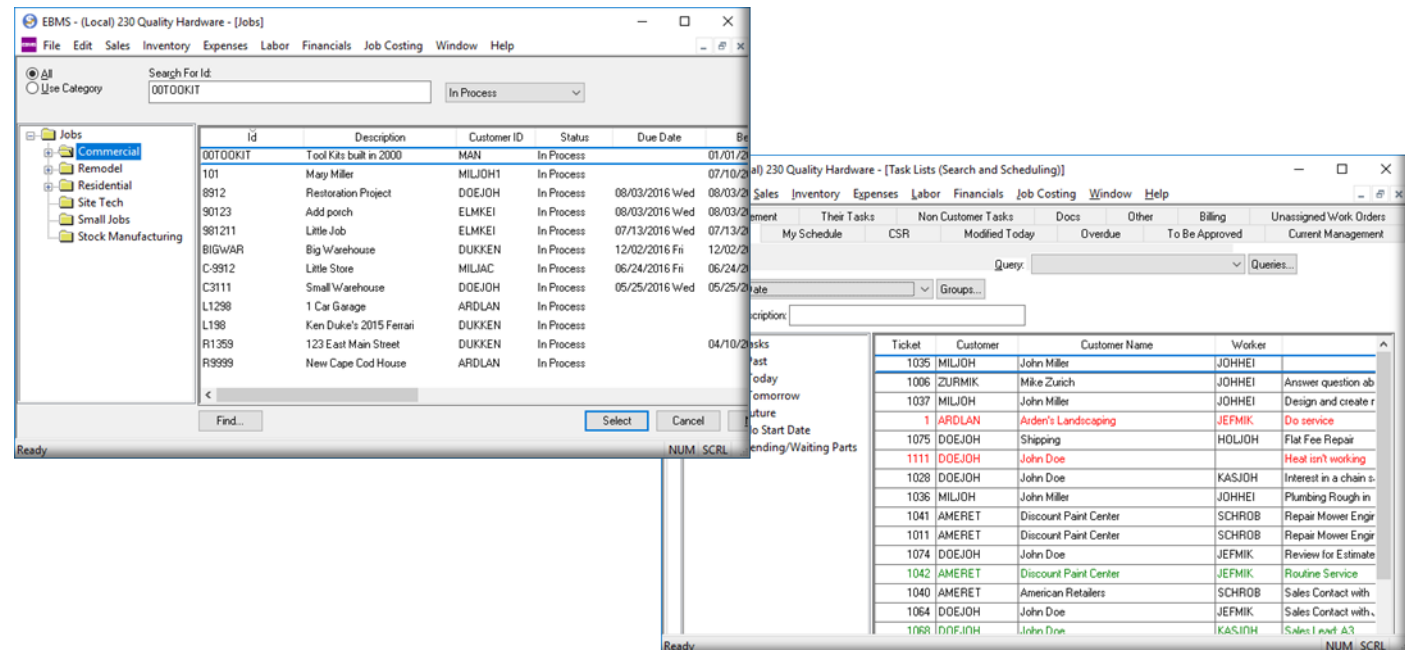
Job costing applications

- Building or manufacturing projects
- Custom or made-to-order projects with quotes and budgets
- Time and material projects
- Contract projects



Job costing tools within EBMS

- Job costing module
- Tasks and workorders



EBMS - (Local) 230 Quality Hardware - [Jobs]

File Edit Sales Inventory Expenses Labor Financials Job Costing Window Help

Search For Id: 00TOOKIT In Process

ID	Description	Customer ID	Status	Due Date	Be
00TOOKIT	Tool Kits built in 2000	MAN	In Process	01/01/20	
101	May Miller	MILJOH1	In Process	07/10/20	
8912	Restoration Project	DOEJOH	In Process	08/03/2016 Wed	08/03/20
90123	Add porch	ELMKEI	In Process	08/03/2016 Wed	08/03/20
981211	Little Job	ELMKEI	In Process	07/13/2016 Wed	07/13/20
BIGWAR	Big Warehouse	DUKKEN	In Process	12/02/2016 Fri	12/02/20
C-9912	Little Store	MILJAC	In Process	06/24/2016 Fri	06/24/20
C3111	Small Warehouse	DOEJOH	In Process	05/25/2016 Wed	05/25/20
L1298	1 Car Garage	ARDLAN	In Process		
L198	Ken Duke's 2015 Ferrari	DUKKEN	In Process		
R1358	123 East Main Street	DUKKEN	In Process		
R9999	New Cape Cod House	ARDLAN	In Process		

Find... Select Cancel

EBMS - (Local) 230 Quality Hardware - [Task Lists (Search and Scheduling)]

File Edit Sales Inventory Expenses Labor Financials Job Costing Window Help

My Schedule CSR Modified Today Overdue To Be Approved Current Management

Query: Groups...

Ticket	Customer	Customer Name	Worker
1035	MILJOH	John Miller	JOHHEI
1006	ZURMIK	Mike Zurich	JOHHEI
1037	MILJOH	John Miller	JOHHEI
1	ARDLAN	Arden's Landscaping	JEFMIK
1075	DOEJOH	Shipping	HOLJOH
1111	DOEJOH	John Doe	HOLJOH
1028	DOEJOH	John Doe	KASJOH
1036	MILJOH	John Miller	JOHHEI
1041	AMERET	Discount Paint Center	SCHROB
1011	AMERET	Discount Paint Center	SCHROB
1074	DOEJOH	John Doe	JEFMIK
1042	AMERET	Discount Paint Center	JEFMIK
1040	AMERET	American Retailers	SCHROB
1064	DOEJOH	John Doe	JEFMIK
1068	DOEJOH	John Doe	KASJOH



Job costing using the EBMS task module

- Simple labor and scheduling tool
- Requires a single billing. (allows multiple payments)
- Associate costs with a piece of equipment, customer, or project
- Compare labor and material costs rather than other job expenses

Applications:

- Smaller buildings or manufacturing projects
- Individual service projects
- Up-fitting or refurbishing equipment

Benefits:

- Simple way to manage jobs
- Ideal to use as a task or work order



Using the EBMS Job Costing tool

- Accommodates recurring billing including AIA, monthly, or progress billing
- Includes multiple stages for complex jobs
- Includes job budgeting tools
- Manage job costs
- Calculates work in progress
- Calculates retainage
- Job profit reporting

Applications:

- Large projects that require progressive billing
- Complex jobs with multiple phases or stages
- Service contracts with recurring billing

Benefits:

- Manage complex jobs
- Advanced cost management tools
- Includes comprehensive job reporting



Job costing steps

- Quoting and budgeting
- Tracking expenses
- Billing and change orders
- Progress billing (multiple times)
- Managing the job including retainage and work-in-process
- Evaluating the profit



Managing complex jobs

- Preset stages per job type
- Managed varied jobs:
 - Commercial vs residential
 - Manufacturing vs billed jobs
 - Service contracts
- Flexible general ledger cost management

EBMS - (Local) 230 Quality Hardware - [Jobs]

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C-9912	Little Store	MILJAC		In Process	06/24/2
C3111	Small Warehouse	DOEJOH	Big Job	In Process	05/25/2
L1298	1 Car Garage	ARDLAN	Little Job	In Process	
L198	Ken Duke's 2015 Ferrari	DUKKEN	Little Job	In Process	
R1359	123 East Main Street	DUKKEN	Little Job	In Process	
R9999	New Cape Cod House	ARDLAN	Little Job	In Process	

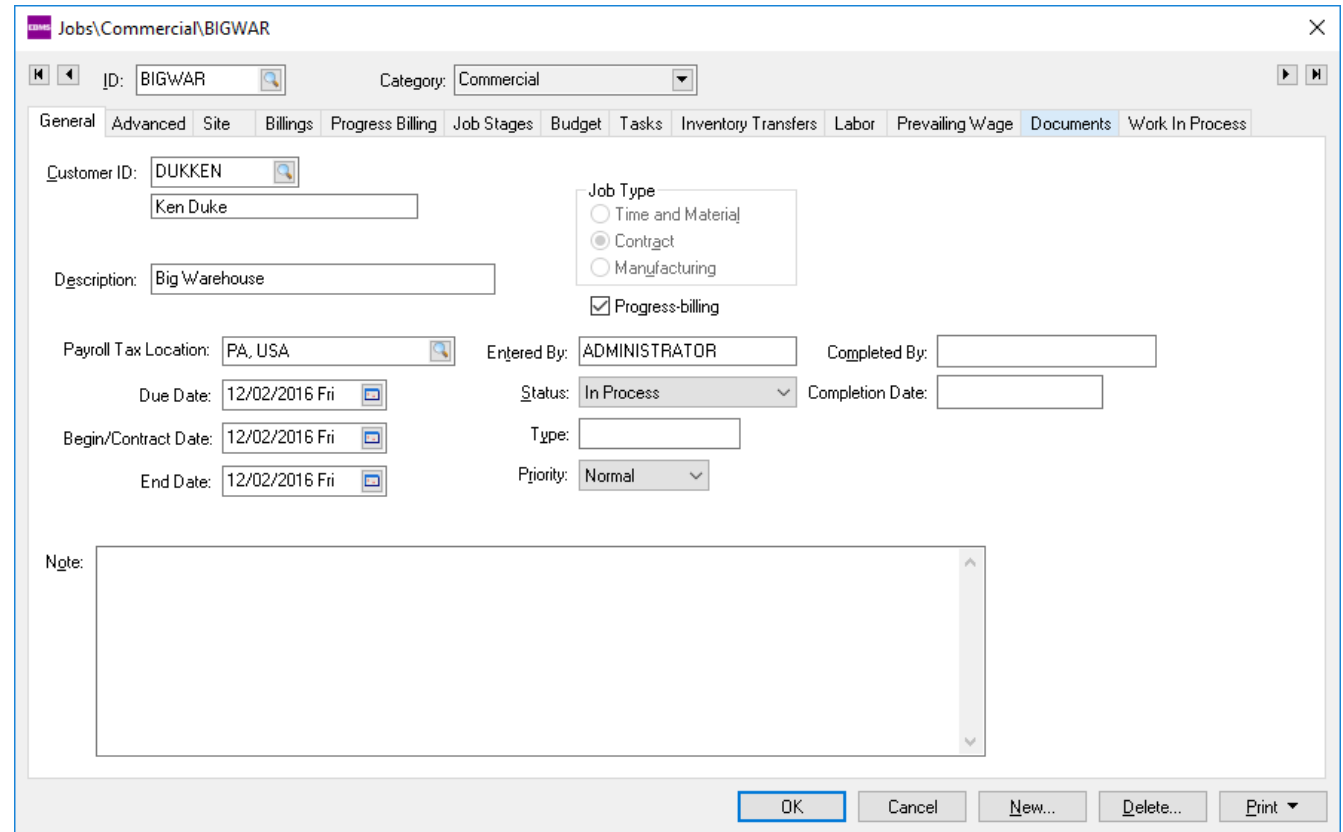
Find... Select Cancel New...

Ready NUM SCRL



Managing complex jobs

- Site details w/state payroll tables
- Various billings (T&M, contract)
- Progressive billings
- Job stages
- Budgets and change orders
- Job tasks and materials handling
- Labor tools w/Prevailing wage rates
- Work-in-process



The screenshot shows the 'Jobs\Commercial\BIGWAR' window in the EBMS software. The 'General' tab is active, displaying various job details. The 'ID' is 'BIGWAR' and the 'Category' is 'Commercial'. The 'Customer ID' is 'DUKKEN' with the name 'Ken Duke' below it. The 'Description' is 'Big Warehouse'. The 'Job Type' is set to 'Contract' (radio button selected), with options for 'Time and Material' and 'Manufacturing'. The 'Progress-billing' checkbox is checked. The 'Payroll Tax Location' is 'PA, USA'. The 'Entered By' is 'ADMINISTRATOR'. The 'Status' is 'In Process'. The 'Due Date', 'Begin/Contract Date', and 'End Date' are all set to '12/02/2016 Fri'. The 'Completion Date' is empty. The 'Type' and 'Priority' are also empty. A 'Note' field is at the bottom. The bottom of the window has buttons for 'OK', 'Cancel', 'New...', 'Delete...', and 'Print'.

Jobs\Commercial\BIGWAR

ID: BIGWAR Category: Commercial

General Advanced Site Billings Progress Billing Job Stages Budget Tasks Inventory Transfers Labor Prevailing Wage Documents Work In Process

Customer ID: DUKKEN
Ken Duke

Description: Big Warehouse

Job Type
☐ Time and Material
☒ Contract
☐ Manufacturing

☒ Progress-billing

Payroll Tax Location: PA, USA Entered By: ADMINISTRATOR Completed By:

Due Date: 12/02/2016 Fri Status: In Process Completion Date:

Begin/Contract Date: 12/02/2016 Fri Type:

End Date: 12/02/2016 Fri Priority: Normal

Note:

OK Cancel New... Delete... Print



Quoting & budgeting

- Create customer quotes
- Budgeting costs per stage
- Budget estimated hours
- Create AIA estimates
- Adding change orders
- Create progress billing schedule

Jobs\Commercial\BIGWAR

ID: BIGWAR Category: Commercial

General Advanced Site Billings Progress Billing Job Stages Budget Tasks Inventory Transfers Labor Prevailing Wage Documents Work In Process

Budget

Type	Proposal	Description	Subtotal	Tax	Total	Cost
Proposal	249	Big Warehouse	10,000.00		10,000.00	
Change Order	141	Big Warehouse	800.00		800.00	600.00
Change Order	250	Big Warehouse	2,000.00		2,000.00	

View... New... Attach Existing Reopen

Income

Proposal: \$34,423.09

Change Order: \$2,800.00

Total: \$37,223.09

Costs

Proposal: \$28,512.70

Change Order: \$600.00

Overhead:

Total: 29,112.70

Hours:

Actual

Committed: % of budget Income: \$14,423.09 38.75% of budget

Costs: \$5,735.00 19.70% of budget Overhead: \$860.25 2.95% of budget

Projected Profit

\$8,110.39 21.79%

OK Cancel New... Delete... Print

Job costs by stage

- Expense invoices
- Material costs from inventory
- Labor costs
- Overhead costs

Jobs\Commercial\BIGWAR

ID: BIGWAR Category: Commercial

General Advanced Site Billings Progress Billing Job Stages Budget Tasks Inventory Transfers Labor Prevailing Wage Documents Work In F

Stages

- 01 General Data
- 02 Sitework
- 04 Masonry
- 05 Metals
- 06 Wood & Plastics
- 07 Thermal & Moisture
- 08 Doors & Windows
- 09 Finishes
- 10 Specialties
- 11 Equipment
- 12 Furnishings
- 13 Special Construction
- 14 Conveying System
- 15 Mechanical
- 16 Electrical

Stage	Description	Budgeted...	Actual Costs	Committed Co
0102S	Clean-up, Demolition, Tear-Off			
0103M	Development Costs	2,000.00	400.00	
0103S	Development Costs			
0104L	Drive Time			
0105S	Dumping Fees, Hauling			
0106R	Equipment Rental			
0107M	Field Trailer, John, Phone, Power			
0108M	Insurance, Bonding			
0109M	Lot Cost			
0110M	Misc. Meals, Travel, Photos			
0111M	Permits			
0112M	Settlement Adjustments			
0113L	Supervision			
0114L	Warranty			
0114M	Warranty			
0114S	Warranty			
0199	Other Materials			

New Stage...

New Group...

Stage Properties...

Delete Stage

Delete Any Unused

New Folder

Folder Properties...

Delete Folder

View

Folder

Query...

OK Cancel New... Delete... Print



Billing

- Contract billing using an invoice
- Time and material billing
- AIA Billing
- Recurring billing
- Progress billing

Jobs\Commercial\BIGWAR

ID: BIGWAR Category: Commercial

General Advanced Site Billings Progress Billing Job Stages Budget Tasks Inventory Transfers Labor Prevailing Wage Documents Work In Process

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OK Cancel New... Delete... Print



Progress billing

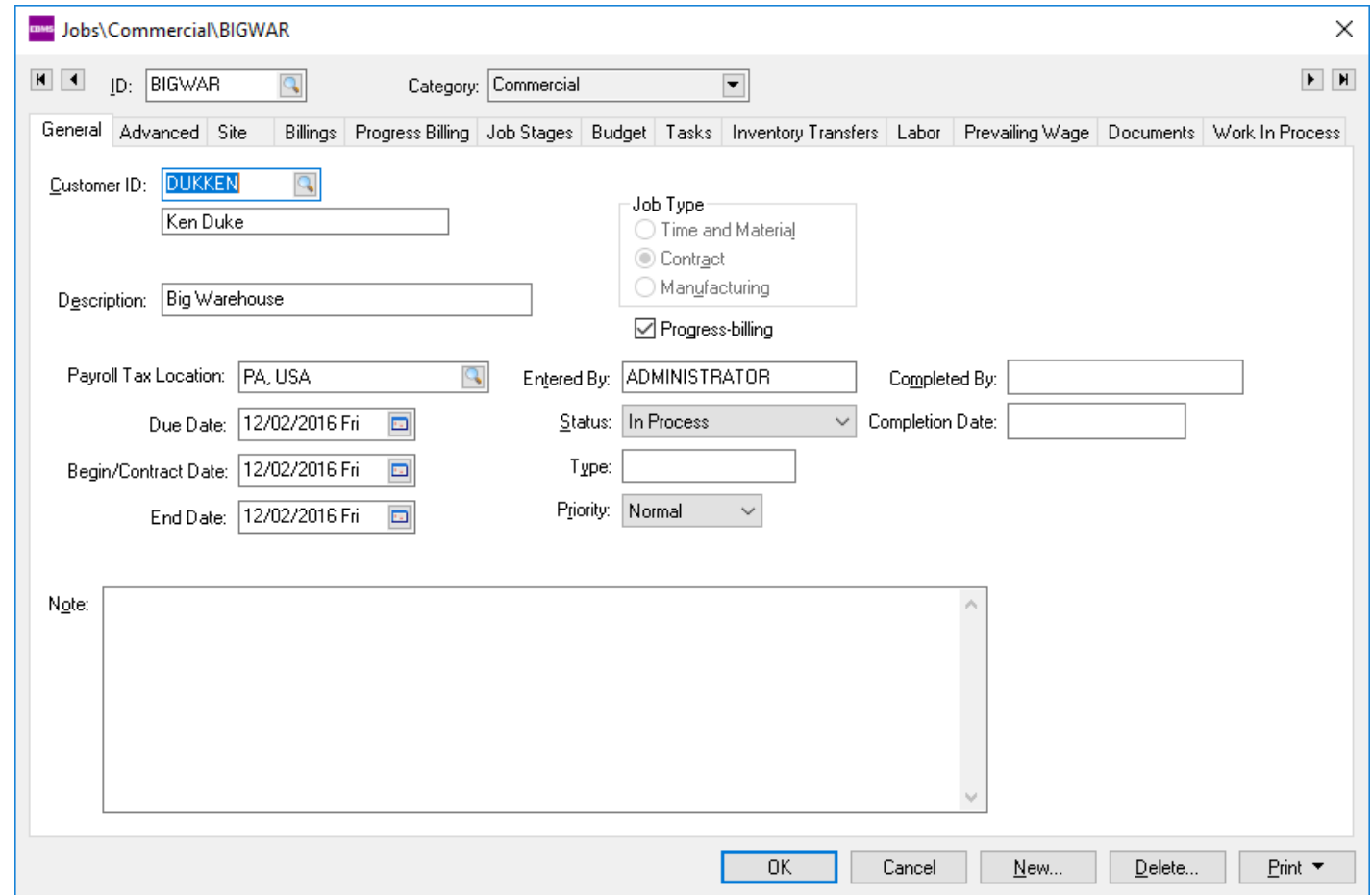
- Multiple sales invoices
- Progress billing
- AIA Billing
- Scheduled recurring billing

APPLICATION AND CERTIFICATION FOR PAYMENT				AIA DOCUMENT G702																																															
To (owner):	Keith Elmer 125 North Potts Rd Pottstown, PA 19640	Project:	981211 Little Job	Application Number:	3																																														
From (contractor):	Quality Hardware 123 Main St PO Box 100 Lancaster, PA 17603	Via (architect):		Period To:	2/10/2000																																														
				Architect's Project No:	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>																																														
				Contract Date:	7/13/1999																																														
				Invoice Number:	1426																																														
<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <h3 style="margin: 0;">CONTRACTOR'S APPLICATION FOR PAYMENT</h3> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left; padding: 5px;">Change Order Summary</th> <th rowspan="2" style="width: 15%; text-align: center; padding: 5px;">Additions</th> <th rowspan="2" style="width: 15%; text-align: center; padding: 5px;">Deductions</th> </tr> <tr> <th style="width: 15%; text-align: center; padding: 5px;">Total Changes Approved in Previous Months by Owner</th> <th style="width: 60%; text-align: center; padding: 5px;"></th> </tr> </thead> <tbody> <tr> <td colspan="2" style="padding: 5px;">Approved this Month</td> <td rowspan="3" style="text-align: center; vertical-align: middle;"></td> <td rowspan="3" style="text-align: center; vertical-align: middle;"></td> </tr> <tr> <td style="width: 15%; text-align: center; padding: 5px;">Number</td> <td style="width: 60%; text-align: center; padding: 5px;">Date Approved</td> </tr> <tr> <td style="height: 100px;"></td> <td></td> </tr> <tr> <td colspan="2" style="text-align: right; padding: 5px;">TOTALS</td> <td></td> <td></td> </tr> <tr> <td colspan="2" style="padding: 5px;">Net Change by Change Orders</td> <td></td> <td></td> </tr> </tbody> </table> </div> <div style="width: 48%;"> <p style="margin: 0;">Application is made for Payment, as shown below, in connection with the contract. Continuation Sheet, AIA Document G703, is attached.</p> <table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 5%;">1. Original Contract Sum</td><td style="text-align: right;">33,930.00</td></tr> <tr><td>2. Net Change by Change Orders</td><td style="text-align: right;">0.00</td></tr> <tr><td>3. Contract Sum to Date (Line 1 + 2)</td><td style="text-align: right;">34,430.00</td></tr> <tr><td>4. Total Completed and Stored to Date (Column G on G703)</td><td style="text-align: right;">20,500.00</td></tr> <tr><td colspan="2">5. Retainage:</td></tr> <tr><td style="padding-left: 20px;">a. - % of Completed Work (Column D + E on G703)</td><td style="text-align: right;">0.00</td></tr> <tr><td style="padding-left: 20px;">b. - % of Stored Material (Column F on G703)</td><td style="text-align: right;">0.00</td></tr> <tr><td style="padding-left: 40px;">Total Retainage (Line 5a + 5b or Total in Column I of G703)</td><td style="text-align: right;">0.00</td></tr> <tr><td>6. Total Earned Less Retainage (Line 4 less Line 5)</td><td style="text-align: right;">20,500.00</td></tr> <tr><td>7. Less Previous Certificates (Line 6 Prior Certificate)</td><td style="text-align: right;">15,000.00</td></tr> <tr><td>8. Current Payment Due</td><td style="text-align: right;">5,500.00</td></tr> <tr><td>9. Balance to Finish, including Retainage (Line 3 less Line 6)</td><td style="text-align: right;">19,930.00</td></tr> </table> </div> </div>						Change Order Summary		Additions	Deductions	Total Changes Approved in Previous Months by Owner		Approved this Month				Number	Date Approved			TOTALS				Net Change by Change Orders				1. Original Contract Sum	33,930.00	2. Net Change by Change Orders	0.00	3. Contract Sum to Date (Line 1 + 2)	34,430.00	4. Total Completed and Stored to Date (Column G on G703)	20,500.00	5. Retainage:		a. - % of Completed Work (Column D + E on G703)	0.00	b. - % of Stored Material (Column F on G703)	0.00	Total Retainage (Line 5a + 5b or Total in Column I of G703)	0.00	6. Total Earned Less Retainage (Line 4 less Line 5)	20,500.00	7. Less Previous Certificates (Line 6 Prior Certificate)	15,000.00	8. Current Payment Due	5,500.00	9. Balance to Finish, including Retainage (Line 3 less Line 6)	19,930.00
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<p>The undersigned Contractor certifies that to the best of the Contractor's knowledge, information, and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid to the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.</p>																																																			
<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <p>Contractor: Quality Hardware</p> <p>By: _____ Date: _____</p> </div> <div style="width: 48%; border: 1px solid black; padding: 5px;"> <p>State of: _____ County of: _____</p> <p>Subscribed and sworn to before me this _____ day of _____, ____</p> <p>Notary Public: _____</p> <p>My commission expires: _____</p> </div> </div>																																																			



Manage jobs

- Manage the job status
- Set the job pay rates
- Calculate customer retainage
- Process the work-in-process values
- Review cost vs budget comparisons



The screenshot shows a software window titled "Jobs\Commercial\BIGWAR". It features a tabbed interface with the following tabs: General, Advanced, Site, Billings, Progress Billing, Job Stages, Budget, Tasks, Inventory Transfers, Labor, Prevailing Wage, Documents, and Work In Process. The "General" tab is active. The window contains the following fields and controls:

- ID:** BIGWAR (with a search icon)
- Category:** Commercial (dropdown menu)
- Customer ID:** DUKKEN (with a search icon)
- Customer Name:** Ken Duke
- Description:** Big Warehouse
- Job Type:** Radio buttons for Time and Material, Contract (selected), and Manufacturing.
- Progress-billing:** Checked checkbox.
- Payroll Tax Location:** PA, USA (with a search icon)
- Entered By:** ADMINISTRATOR
- Completed By:** (empty text box)
- Due Date:** 12/02/2016 Fri (with a calendar icon)
- Status:** In Process (dropdown menu)
- Completion Date:** (empty text box)
- Begin/Contract Date:** 12/02/2016 Fri (with a calendar icon)
- Type:** (empty text box)
- End Date:** 12/02/2016 Fri (with a calendar icon)
- Priority:** Normal (dropdown menu)
- Note:** A large text area for notes.

At the bottom right, there are buttons for OK, Cancel, New..., Delete..., and Print.



Job reports

- Job lists
- Job profit
- Job detail
- Job forms
- Supporting documents

Print Preview - Job Profit

SAP CRYSTAL REPORTS

Main Report

Quality Hardware

Job Profit

(Local) 230 Quality Hardware
All Jobs
Job Status of In Process

Friday, April 5, 2019
2:10:01PM
Page: 1

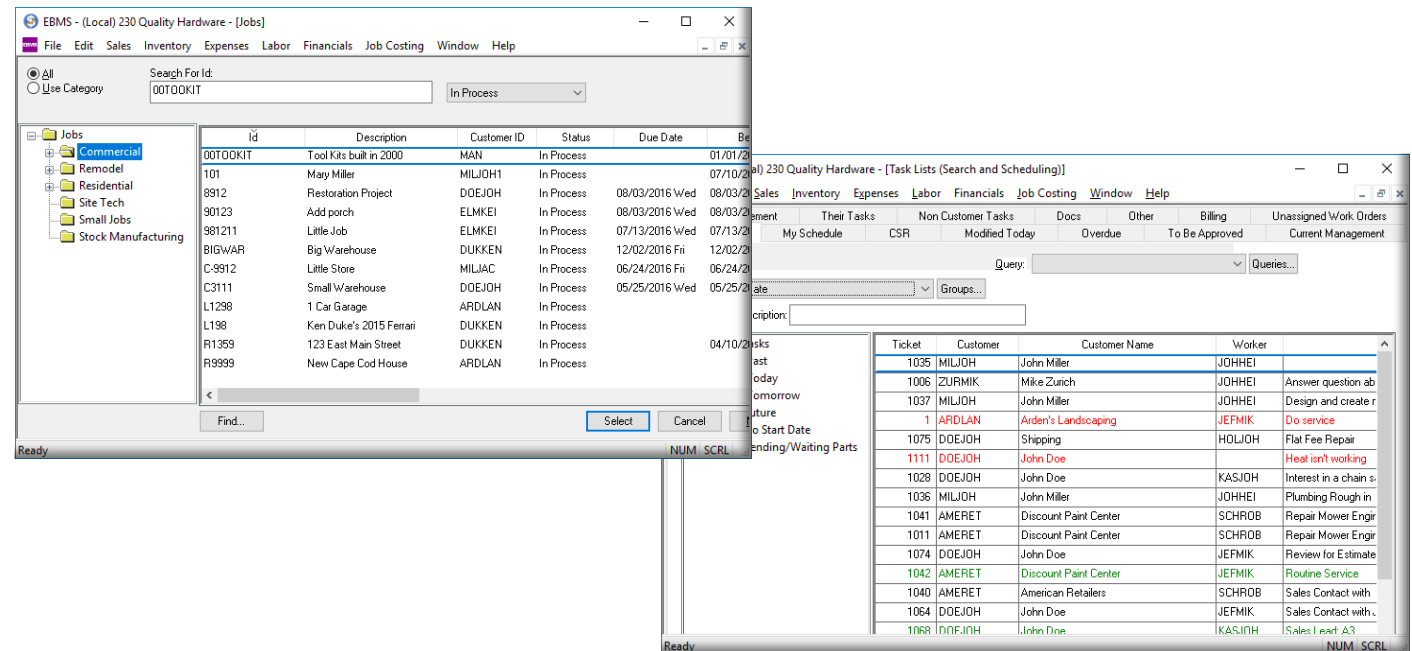
Job ID	Description	Actual Billings	Actual Costs	Overhead Costs	Total Costs	Profit Amt	% Margin
101	Mary Miller	1,500.00	6,500.00	-	6,500.00	-5,000.00	-333.33
8912	Restoration Project	-	-	-	-	-	-
90123	Add porch	-	800.00	-	800.00	-800.00	-
981211	Little Job	17,500.00	6,395.00	1,175.00	7,570.00	9,930.00	56.74
00TOOKIT	Tool Kits built in 2000	-	-	-	-	-	-
BIGWAR	Big Warehouse	14,423.09	5,735.00	860.25	6,595.25	7,827.84	54.27
C3111	Small Warehouse	235.25	554.30	126.66	680.96	-445.71	-189.46
C-9912	Little Store	130.00	64.00	12.80	76.80	53.20	40.92
L1298	1 Car Garage	-	-	-	-	-	-
L198	Ken Duke's 2015 Ferrari	273.25	218.62	-	218.62	54.63	19.99
R1359	123 East Main Street	-	-	-	-	-	-
R9999	New Cape Cod House	-	-	-	-	-	-
Totals & Average Profit:		34,061.59	20,266.92	2,174.71	22,441.63	11,619.96	34.11

Current Page No.: 1 Total Page No.: 1 Zoom Factor: 100%



Do I need to use job costing to manage my business? Which tool should I use?

- Job costing module
- Tasks and workorders



The screenshot displays two windows from the EBMS software. The left window, titled 'EBMS - (Local) 230 Quality Hardware - [Jobs]', shows a list of jobs with columns for ID, Description, Customer ID, Status, Due Date, and Balance. The right window, titled '230 Quality Hardware - [Task Lists (Search and Scheduling)]', shows a list of tasks with columns for Ticket, Customer, Customer Name, Worker, and Description.

ID	Description	Customer ID	Status	Due Date	Balance
00TOOKIT	Tool Kits built in 2000	MAN	In Process	01/01/20	
101	May Miller	MILJOH	In Process	07/10/20	
8912	Restoration Project	DOEJOH	In Process	08/03/20	
90123	Add porch	ELMKEL	In Process	08/03/20	
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R1359	123 East Main Street	DUKKEN	In Process		
R9999	New Cape Cod House	ARDLAN	In Process		

Ticket	Customer	Customer Name	Worker	Description
1035	MILJOH	John Miller	JOHHEI	
1006	ZURMIK	Mike Zurich	JOHHEI	Answer question ab
1037	MILJOH	John Miller	JOHHEI	Design and create r
1	ARDLAN	Arden's Landscaping	JEFMIK	Do service
1075	DOEJOH	Shipping	HOLJOH	Flat Fee Repair
1111	DOEJOH	John Doe		Heat isn't working
1028	DOEJOH	John Doe	KASJOH	Interest in a chain s
1036	MILJOH	John Miller	JOHHEI	Plumbing Rough in
1041	AMERET	Discount Paint Center	SCHROB	Repair Mower Engir
1011	AMERET	Discount Paint Center	SCHROB	Repair Mower Engir
1074	DOEJOH	John Doe	JEFMIK	Review for Estimate
1042	AMERET	Discount Paint Center	JEFMIK	Routine Service
1040	AMERET	American Retailers	SCHROB	Sales Contact with
1064	DOEJOH	John Doe	JEFMIK	Sales Contact with
1068	DOEJOH	John Doe	KASJOH	Sales Contact with



Take business management to the next level:
Use Job costing



Do you have the business tools to manage your
business effectively?

