

# QUICK GUIDE INDIRECT COSTS



Note: if you don't see the indirect cost item specified (e.g., Job Management & Equipment), you can copy it from the Library Cost Breakdown Structure.

## ADD JOB MANAGEMENT & EQUIPMENT COSTS

1. Select **Cost Breakdown Structure (CBS)**.
2. Double-click on the **Job Management & Equipment** row header.

CBS Position Code	Description
+	<b>Job Management &amp; Equipment</b>

3. On the Detail tab, add a **labor resource** by clicking in the Code column and selecting the icon.

Row Number	Code
+	

4. Select the **Production** tab.
5. Enter a **numeric value** in the Days field.

**Production**

Duration Driven Resources

[Customize Display](#)

Days: 100.00

6. Click **OK** to close the record.

## ADD GENERAL EXPENSE COSTS (AD HOC)

1. Select **Cost Breakdown Structure (CBS)**.
2. Right click on the **General Expense** row header and select **Open**.
3. On the Detail tab, type in a **description** the Description column.
4. Enter a **number** in the Quantity field.
5. For the **Unit of Measure** field, select a Unit of Measure from the drop down.

Description	Quantity	Unit of Measure
Builders Risk Insurance	1.00	Each
General Office Supplies	1.00	Each

6. Click on (highlight) that **row**, and then click the **Resource Employment Breakdown** tab.
7. Enter a **number** in the Undefined Supplies cost category.

Cost Category	Scale 1
Supplies	\$0.00
Undefined Supplies	\$7.14

8. Click **OK** to close the record.

## DEFINE A PRICE % ADD-ON

1. From the **Cost Breakdown Structure (CBS)** Register, right click on the **JOB row header** and select **Insert Dependent Cost Item**.

Insert Subordinate

**Insert Dependent Cost Item**

Insert Cost Item Assembly



2. On the resulting Attention prompt, select **Based on Job's Price**.

**Attention**

Choose what type of Dependent Cost Item to add:

☒ Based on Job's Price

3. Click **OK**.
4. Double click on the **Price % Add On** row header to open the record.
5. The Price % Add-on Record opens to the **Description** tab. Type a **description** in the Description field and enter a **numeric value** for rate.

Description	Dependency		
Drag columns here to group			
	Description	Rate	Account Code
	AGC Dues	0.50	

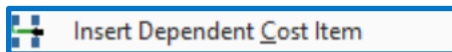
6. Click **OK** to close the record.

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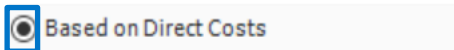


## DEFINE A DIRECT COST ADD-ON

1. From the **Cost Breakdown Structure (CBS)**, right click on the JOB row header and select **Insert Dependent Cost Item**.



2. Select **Based on Direct Costs** ► Click **OK**.



3. Double click on the **Direct Cost Add-On** row header.
4. Under the Description tab, type a **description** in the Description column, then press **Tab**.

5. Click on the **Dependency** tab to see what contributes to your subject cost.
6. Click back to **Description** tab.
7. Under Cost Breakdown, enter a **numeric value** in the Rate field for Labor, then press **Tab**.

Cost Category	Subject Cost	Rate
Total	\$12,448,103.56	0.00
Labor	\$2,216,668.01	0.00

8. Click **OK** to close the record.

## ADD USER-DEFINED INDIRECT COST ITEMS

1. At the bottom of the **CBS**, create a new cost item and define the Forecast (T/O) Quantity and Unit of Measure.

CBS Position Code	Description	Forecast (T/O) Quantity	Unit of Measure
→			

2. Add subordinate cost items as needed, with quantities and units of measure.
3. Open each subordinate cost item and add resources as needed.
4. Add resource quantities.
5. If your cost items contain labor or equipment resources, add production on each cost item's Production tab.

Production		
	Duration Driven Resources	Qty Driven Hourly Resources
<a href="#">Customize Display</a>		
Days:	7.14	0.00
Shifts:	7.14	0.00
Hours:	57.14	0.00
Man-Hours:	457.14	0.00

6. Right-click on the row header to select Subordinate Cost Items as needed. Since your new cost items are not assigned to a pay item, they will be considered indirect cost by default (Job Overhead).
7. Click **OK**.

## NEED SOME MORE HELP?



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