How are the costs and credits in the store cost accounting records (option 3 on the STORALL menu) calculated?

1. Files:
    a. The detail of direct store allocations is stored on the file named DAACTST.
    b. Media indirects are stored in DAACTSTI.
    c. Summary costs by expense class and store are kept in DAXCLST.

2. Most of the rules used by the store cost accounting programs are set on the expense class table. At Belk the following rules are in effect for <u>ads running</u> in the month being calculated:

    a. Media costs come from the rate 1 costs on the media schedule (DMPSDET). If any expense invoices with expense months equal to or preceding the month in which the ad runs have been recorded for the item, the amount is adjusted to reflect the invoice. These entries have an M in the MPV field and a V in the UPDPGM field.

    b. Production costs come from DPJCSXMO, which has one record per expense month per ad. It is automatically updated by the purchase order and expense invoice programs. The values can be seen by taking option 26 in WRKADS. Then press F7. The amount is the sum of the open purchase order and actual invoice amounts. The corresponding entries have a P in the MPV field and a J in the UPDPGM field.

    c. Co-op will come from the transactions. For a transaction to be included, the sub-account must have a Y in the PLEXP (Contra Transaction?) field. All co-op transactions for ads running in the month are included whether they have been finalized or not. These entries have a V in the MPV field and a V in the UPDPGM field.

3. The following rules are used for transactions with <u>posting dates</u> in the month being calculate.

    a. The media adjustment program creates records for media expense invoices posted this month for ads running in previous months. The amount is the invoice amount less the scheduled amount (at the time that the invoice was entered). These entries have an M in the MPV field and an M in the UPDPGM field.

    b. The production adjustment program creates records for production expense invoices posted this month for ads running in previous months. The amount is the invoice amount

less the P.O. amount (if any). These entries have a P in the MPV field and a P in the UPDPGM field.

c. The co-op adjustment program will create records for transactions uploaded this month for ads running in previous months. A process will be devised for capturing the difference between the actual amount and the accrued amount. These entries will have a V in the MPV field and a C in the UPDPGM field. **Action item.**

4. The rules for allocation to stores are stored on the expense class table. At Belk the settings are:

a. Production costs and co-op are first allocated to versions based on:
   1) Quantities x number of pages for direct mail, inserts, and other media;
   2) Costs for ROP and broadcast.

b. Production costs and co-op are allocated to markets (pubs) based on:
   1) Quantities for direct mail, inserts, and other media;
   2) Costs for ROP and broadcast.

c. Costs are allocated from markets (pubs) to stores based on the pub-store allocation percentages in effect at the time that the ad ran.

5. Indirect and semi-direct expenses are not in the store cost accounting file. They can, however, be included in two store cost accounting reports, DA785 and DA789, which are options 6 and 7 on the BELKSTORE menu.