✅ ChecklistGuro

MRP Costing and Budgeting Checklist

Cost Element Definition

Verify all cost elements (e.g., raw materials, labor, overhead) are correctly defined within the MRP system.

Cost Element Code

Write something...

Cost Element Description

Write something...

Standard Cost

Enter a number...

Estimated Cost

Enter a number...

Notes/Justification

Write something...

Cost Category

- ☐ Raw Materials
- ☐ Labor
- ☐ Overhead
- ☐ Freight

Currency

- ☐ USD
- ☐ EUR
- ☐ GBP

Bill of Materials (BOM) Costing

Confirm accurate costing for each component and sub-assembly listed in the BOM.

Raw Material Cost per Unit

Enter a number...

Labor Hours per Unit

Enter a number...

Machine Hours per Unit

Enter a number...

Scrap Rate (%)

Enter a number...

Yield Rate (%)

Enter a number...

Notes on Costing Assumptions

Write something...

Costing Method

☐ Standard

☐ Actual

☐ Estimated

Routing and Labor Standards

Validate that routing operations and associated labor standards are correctly linked to BOMs and costing calculations.

Standard Labor Hours per Unit

Enter a number...

Standard Setup Time (Minutes)

Enter a number...

Standard Machine Hours per Unit

Enter a number...

Detailed Routing Description

Write something...

Routing Status (Active/Inactive)

☐ Active

☐ Inactive

Routing Last Updated Date

Enter date...

Overhead Allocation

Review and confirm the accuracy of overhead allocation methods and rates applied to production costs.

Overhead Allocation Rate (%)

Enter a number...

Description of Overhead Allocation Method

Write something...

Base Hours/Units for Allocation

Enter a number...

Cost Pools Included in Overhead

☐ Rent

☐ Utilities

☐ Depreciation

☐ Maintenance

☐ Administration

Last Overhead Rate Review Date

Enter date...

Rationale for Current Allocation Rate

Write something...

Inventory Valuation

Ensure the system correctly values inventory using the chosen cost method (e.g., FIFO, Weighted Average).

Inventory Valuation Method (1=FIFO, 2=Weighted Average)

Enter a number...

Initial Inventory Value

Enter a number...

Cost of Goods Sold (COGS)

Enter a number...

Ending Inventory Value

Enter a number...

Inventory Valuation Date

Enter date...

Notes/Comments Regarding Inventory Valuation

Write something...

Variance Analysis Setup

Check that variance analysis reports are configured to track and analyze cost discrepancies.

Material Usage Variance Threshold (%)

Enter a number...

Labor Rate Variance Threshold (%)

Enter a number...

Overall Production Variance Threshold (%)

Enter a number...

Variance Report Frequency

☐ Daily
☐ Weekly
☐ Monthly

Reporting Responsibility (Who receives variance reports?)

☐ Production Manager
☐ Finance Department
☐ MRP Planner

Next Variance Analysis Review Date

Enter date...

Budget Alignment

Verify alignment between MRP cost projections and overall production budgets.

Projected Material Costs (Total)

Enter a number...

Budgeted Material Costs (Total)

Enter a number...

Projected Labor Costs (Total)

Enter a number...

Budgeted Labor Costs (Total)

Enter a number...

Projected Overhead Costs (Total)

Enter a number...

Budgeted Overhead Costs (Total)

Enter a number...

Cost Variance Threshold (Percentage)

☐ 0-5%

☐ 6-10%

☐ 11-15%

Budget Period End Date

Enter date...

Cost Roll-Up Verification

Confirm the accurate roll-up of costs from component level to finished goods level.

Component Level Cost (per unit)

Enter a number...

Assembly Level Quantity

Enter a number...

Calculated Sub-Assembly Cost

Enter a number...

Direct Labor Cost per Assembly

Enter a number...

Overhead Allocation per Assembly

Enter a number...

Final Product Cost (System Calculated)

Enter a number...

Final Product Cost (Manual Calculation)

Enter a number...

Cost Discrepancy?

☐ Yes
☐ No

Purchase Price Variance Tracking

Ensure system is configured to track and report purchase price variances against budgeted costs.

Standard Purchase Price (per unit)

Enter a number...

Actual Purchase Price (per unit)

Enter a number...

Quantity Purchased

Enter a number...

Variance Amount (Positive/Negative)

Enter a number...

Variance Category (e.g., Material, Labor, Overhead)

☐ Material
☐ Labor
☐ Overhead
☐ Other

Variance Explanation/Reason

Write something...

Transaction Date

Enter date...

Supporting Documentation (e.g., Purchase Order, Invoice)

⬆ Upload File

Period-End Costing Procedures

Validate procedures for period-end costing, including adjustments and reconciliations.

Costing Period End Date

Enter date...

Inventory Reconciliation Adjustment

Enter a number...

Explanation of Significant Adjustments

Write something...

Labor Variance Adjustment

Enter a number...

Material Usage Variance Adjustment

Enter a number...

Costing Method Used

☐ Standard Costing

☐ Actual Costing

☐ Average Costing

Cost Accountant Signature