



Broadcast

Dual Costing

Documentation Note: This document was converted to a new format in November 2008 in order to conform to the change in product and company branding. The actual content, deemed valuable at this time, remains unchanged from its original publication date of 3/15/04

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Dual Costing MediaBank A|V Broadcast

Overview of Changes

The Dual Costing function allows you to enter a second spot cost on a buy in order to bill the client based on one cost (client cost) while paying the vendor based on a different cost (vendor cost). The client cost is entered on the buy as before and is always used with the bill formula in billing. The vendor cost is the same as the client cost unless you change it. If you change it, the vendor will be paid for that buy based on the vendor cost, not the client cost. If you leave the vendor cost the same as the client cost on a buy, billing and paying for that buy are the same as before the Dual Costing function was enabled.

This document outlines the changes resulting from the Dual Costing. To enable dual costing for your agency, call MediaBank A|V Client Services.

LIST OF TOPICS

- Overview 1
- Tables of Options 2
- Option Changes 3
- Effect on General Ledger 8
- Client Ordered Report Sample 9

Changes to these options are explained in this guide.	
Buy Module	Bill Release
Buy Detail Report	Trial Balance
Activity Summary Report - Billing	Billings vs. Payments
Activity Summary Report - Buying	Financial Status Inquiry
Client Ordered Report	Buy Inquiry
Bill Inquiry	Credit/Cash Receipt Entry
Bill Recap Report	Summary Bills (Media Summary Billing)
Preliminary Billing Analysis	Monthly Accrual Report

These options function as before except they always use the Vendor Cost.	
Affidavit Entry/Match	Affidavit Clearance
Affidavit Entry/Match EDI	Affidavit Status Report
Affidavit Matching Report	Station Recap Report
Affidavit Manual Checking List	

These options function as before and always use the Client Cost.	
Bill Reversal	Draft Bills
Client Activity Report - Billing	Special Amount Bills
Client Activity Report - Buying	

Buy Module

How you enter the buy determines if dual costing will be used for that buy. When Dual Costing is enabled, two new optional columns are available for selection on the Preferences tab: Vendor Cost and Vendor Cost Qualifier. To use dual costing, use the Preferences tab to select these new columns to display on the worksheet. Key the base cost to be used in billing the client in the Client Cost column. This cost is treated the same as the cost entered on the buy before the enhancement. It is the cost that will be used with the bill formula to determine the amount billed to the client. The values entered in the Client Cost and Client Cost Qualifier columns default to the Vendor Cost and Vendor Cost Qualifier columns. If the cost negotiated with the vendor is not the same as the client cost, key over the values in either or both of the new columns to specify the cost and/or cost qualifier to be used in paying the vendor for the spots on that buy line.

You are not required to enter a vendor cost when the columns display, even if you have changed the vendor cost or qualifier on another buy line. If dual costing does not apply to a buy line, leave the values the same as the client values.

If the vendor cost and vendor cost qualifier match the client cost and client cost qualifier, changing the client cost and/or qualifier changes the vendor cost and/or qualifier to keep them the same. However, if either the vendor cost or the vendor cost qualifier is different, changing the client cost or cost qualifier will have no effect on the vendor cost or cost qualifier. A change made to the vendor cost never affects the client cost.

Buy Detail Report

You may choose to report either client cost or vendor cost, but not both at the same time. Select one from the “Report Costs as” drop down list box. The report looks the same as before. Only the banner page indicates which cost is being reported.

The screenshot shows a section titled "Cost Reporting" with a yellow background. It contains three dropdown menus: "Buy Cost" (set to "As entered"), "Goal Cost" (set to "Gross"), and "Report Costs as" (set to "Client"). A mouse cursor is hovering over the "Report Costs as" dropdown, which has opened to show "Client" and "Vendor" options. Below this section is a grey bar labeled "Report Formatting Options".

Activity Summary Report- Billing

You may choose to report either client cost or vendor cost, but not both at the same time. Select the type of cost to report using the “Report Cost as” fields. Accept the default of Client to print the report the same way as before or blank out the X by Client and key X by Vendor to use vendor cost. If Vendor cost is selected, only the Pct Cleared, Gross Ordered, Gross Cleared and Gross Uncleared columns are shown on the report and Special Amount bills are not included in the amounts.

Activity Summary Report - Buying

You may choose to report either client cost or vendor cost, but not both at the same time. Select one from the “Report Costs as” drop down list box. Accept the default of Client Cost to print the report the same way as before. If Vendor cost is selected, only the Pct Cleared, Gross Ordered, Gross Cleared and Gross Uncleared columns are shown on the report and Special Amount bills are not included in the amounts.

Client Ordered Report

This report defaults to reporting the vendor cost, but you have the option of also showing the client cost by keying Y over the N in the new Show Client Cost field. If you choose to display the Client Cost, an extra column displays: Client Gross Ordered or Client Net Ordered depending on whether you requested Gross or Net. The Vendor Cost columns have the word Vendor added to the column label. See the report sample at the end of this guide.

Bill Inquiry

This option actually functions as before, but it is important to note that the revenue shown is the actual difference between the amount billed to the client and the amount paid to the vendor. If the vendor cost differs from the client cost, then this actual revenue amount is not what appears as the commission on the client bill.

Bill Recap Report

This option actually functions as before, but it is important to note that the revenue shown is the actual difference between the amount billed to the client and the amount paid to the vendor. If the vendor cost differs from the client cost, then this actual revenue amount is not what appears as the commission on the client bill.

Preliminary Billing Analysis

This option will always use Client Cost as before and will function as before except in the following special case. If the vendor cost was different from the client cost when the buy was billed and only the vendor cost is changed after the buy is completely billed, this report will show a zero amount item to be billed for that buy. This item must be “billed” (see Bill Release below) in order to update the G/L with the corrected revenue amount. However, it will not affect the client billing.

Bill Release

This option will always use Client Cost as before and will function as before except in the following special case. If the vendor cost was different from the client cost when the buy was billed and the vendor cost is changed after the buy is completely billed, a zero amount item will display for that buy. This item must be released to bill in order to update the G/L with the corrected revenue amount. At the discretion of the agency, the zero amount bill that prints may be filed or discarded instead of sending it to the client.

Trial Balance

This report shows the Net Billed based on the vendor cost in order to show the actual amounts that will be updated to the payables account.

Billings vs. Payments (also known as Open Payables)

This report uses vendor cost for ordered, billed and paid amounts.

Financial Status Inquiry

For both the inquiry and report, you have the option to select the cost to be reported at Client cost, Vendor cost or Client vs. Vendor cost. Accept the default of Client to display all columns and amounts at client cost as before or choose one of the other options from the “Report Cost as” drop down list.



If Vendor is selected, all costs display at vendor cost and only the Gross Ordered, Gross Uncleared, Gross Uncleared/UnPaid, Gross Paid, Percent Cleared columns display.

If Client vs Vendor is selected, a new screen is displayed showing the difference between Client Ordered and Vendor Ordered. The headings on the screen work the same as the current screens. This is the only option that shows the difference between the two costs. The display will show the following:

Financial Status Report - Comparison

Media	T TELEVISION	Estimate Type	R Regular	As of: 03/29/04 - 09:13 AM
Client/Group	FB FLEISCHER'S SPORTING GOODS	Market	1521 NEW YORK	
Product/Group	GLF GOLF EQUIPMENT			
Estimate/Group	*ALL	Months	01/01 - 12/02	

Hover Hints: [\[Drilling\]](#) [\[Reverse Drilling\]](#) [\[Selections\]](#) [\[Check Boxes\]](#) [\[Column sorting\]](#)

Month **Client** **Product** **Estimate** **Station** **Media**

Month	Client Ordered	Vendor Ordered	Difference
08:01	355,211	355,211	0
09:01	523	523	0
10:01	641	641	0
11:01	4,404	3,084	1,320
12:01	8,007	5,607	2,400
04:02	14,550	14,550	0
05:02	18,862	18,862	0
06:02	4,100	3,600	500
07:02	8,200	7,200	1,000
08:02	8,200	7,200	1,000
09:02	10,250	9,000	1,250
10:02	8,200	7,200	1,000
Totals	459,598	448,878	10,720

How Dual Costing Affects General Ledger

When Client Cost and Vendor Cost are the same (No Change)

Assuming Vendor NET=85.00, Vendor GROSS=100.00;

Client NET =85.00, Client GROSS =100.00

Client Billed @ Net + 10% of N):

Activity	Amount	Commission Shown on Client Bill	Actual Revenue	AP	AR	Cash	Revenue	Sales	Cost of Sales (Fin 6 only)
Bill client	93.50 (85.00 + 8.50)	8.50	8.50 (93.50-85.00)	CR 85.00	DR 93.50		CR 8.50	CR 93.50	DR 85.00
Receive payment	93.50				CR 93.50	DR93.50			
Pay vendor	85.00			DR 85.00		CR85.00			

When Client Cost and Vendor Cost are the different)

Assuming Vendor NET=59.50, Vendor GROSS=70.00;

Client NET =85.00, Client GROSS =100.00

Client Billed @ Net + 10% of N):

Activity	Amount	Commission Shown on Client Bill	Actual Revenue	AP	AR	Cash	Revenue	Sales	Cost of Sales (Fin 6 only)
Bill client	93.50 (85.00 + 8.50)	8.50	34.00 (93.50-59.50)	CR 59.50	DR 93.50		CR 34.00	CR 93.50	DR 59.50
Receive payment	93.50				CR 93.50	DR93.50			
Pay vendor	59.50			DR 59.50		CR 59.50			

PROGRAM BRP176
 COMPANY 02 GRAMERCY ADVERTISING
 OFFICE 18 CORPORATE - NEW YORK

CLIENT ORDERED REPORT
 FOR TELEVISION

RUN DATE 1/15/02
 RUN TIME 13:56:51
 PAGE 1

MEDIA..... T TELEVISION
 CLIENT..... FB FLEISCHER'S SPORTING GOODS
 PRODUCT..... GLF GOLF EQUIPMENT
 ESTIMATE..... LMS10 CHRISTMAS

MARKET..... 1521 NEW YORK, NY

START/END MONTHS 11/01 - 12/01

MARKET	STATION	CLIENT	PERIOD	PRODUCT	ESTIMATE	SPOTS	CLIENT	VENDOR	NET CLEARED	MATCH	INPUT DATE	PAYEE	ALL
							NET ORDERED	NET ORDERED				REP	CLEARED?
1521 NEW YORK, NY	WABC	T FB	NOV01	GLF	LMS10	4	343.57	241.57	241.57	NONE	1/02/02	J100	YES
			DEC01	GLF	LMS10	8	687.14	483.14	.00	NONE		J100	
						12 *	1,030.71 *	724.71 *					
	WCBS	T FB	NOV01	GLF	LMS10	4	340.00	238.00	238.00	NONE	1/05/02	0014	YES
			DEC01	GLF	LMS10	16	1,360.00	952.00	.00	NONE		0014	
						20 *	1,700.00 *	1,190.00 *					
	WNBC	T FB	NOV01	GLF	LMS10	8	680.00	476.00	.00	ALL	1/10/02		
			DEC01	GLF	LMS10	12	1,020.00	714.00	.00	NONE			
						20 *	1,700.00 *	1,190.00 *					
	WWOR	T FB	NOV01	GLF	LMS10	28	2,380.00	1,666.00	.00	PART	1/09/02		
			DEC01	GLF	LMS10	44	3,740.00	2,618.00	.00	NONE			
						72 *	6,120.00 *	4,284.00 *					
TOTAL FOR NEW YORK						124 **	10,550.71 **	7,388.71 **					

If you are using dual costing, you can use this report to view ordered amounts at both client cost and vendor cost.