

ID: Revision: Author:

CTA_8002 v1.00; 8 June 2022 Doug Stuyvenberg

🛧 Synopsis

This articles provides information and instructions for updating a v4.06 Cost Tool (CT) Excel Workbook with a stand-alone Material Inflation Worksheet. This addition of a material inflation calculation and estimation tool improves the accuracy and relevance of the Cost Tool to current market inflation costs and volatility. Previous Cost Tools provide limited features for applying incremental material inflation cost adders.

Application Engineers and Project Engineers are the target audience for adding this process and instructions

This Phase 1 worksheet is an interim solution to enhance our estimating tools with material inflation features for quotations of expected orders in 2022 and forecasts for 2023. Following a manual entry of values and dates in the "Inputs" section of this worksheet, a "Total Inflation Cost Adder" value is calculated and is required to get manually entered into the main cost section.

A Phase 2 Cost Tool solution is in current development where more integrated and streamlined inflation estimation features will supersede this Phase 1 interim worksheet. The launch timing of Phase 2 has not been set but is expected for late summer or early Fall of 2022.

Important

Effective June 13, 2022, all new quotations that use the Cost Tool (CT) for cost and price estimates will require this Phase 1 Material Inflation Worksheet to get embedded into the CT workbook and filled out appropriately.

What this means to you: If you are currently working on a CT-based quote and it has not been issued to the customer, your Cost Tool must have this Phase 1 Material Inflation Worksheet inserted and filled out per the instructions provided in this Article.

What happens if the CT is not updated for new quotes: Any new order submittals (CT-based) with a quotation date on or after June 13, 2022, will get checked for the following:

- Cost Tool version v4.06
- Worksheet inserted into the Cost Tool
- · Accurate completion of manual "Inputs" of costs and dates
- The calculated "Total Inflation Cost Adder" value entered in the Cost-Main section of the CT

If any of these checks fail, the Order Administration team will follow instructions to reject the order until this requirement is met.



Cost Tool Knowledge Article

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Phase 1 Material Inflation Worksheet Example

8	o\$t Too une 2022	Material Inflation Cost Workshee	t (Phase 1)
	Row	Category	Values
	1	Sum of all standard costed materials	\$200,000
	2	Sum of all materials costs from recent estimates	\$200,000
	3	Sum of material costs not requiring inflation adjustment	\$0.00
Inputs	4	Standard cost update date (aka "Cost Roll Date")	10/1/2021
	5	Average Sourcing/Vendor quote date for materials	4/2/2022
	6	MTS Quotation Expiration Date	8/1/2022
	7	Expected customer PO date	2/1/2023
	8	Count of months from Customer PO date to Engineering Releases Date	2
s	Row	Category	Values
Rates	9	2022 Inflation Rate	10.3%
٤/	10	2023 Inflation Rate	4.5%
	Row	Category	Values
	11	Summation of all material costs (rows 1+2+3)	\$400,000
	12	2022 inflation month count for standard costed materials (rows 4 & 8)	15.9
5	13	2022 inflation month count for estimated material costs (rows 5 & 8)	9.8
ult	14	2023 inflation month count for standard costed materials (rows 4 & 8)	3.1
Results	15	2023 inflation month count for estimated material costs (rows 5 & 8)	3.1
J	16	Inflation cost adder for Row 1 standard materials	\$29,563
	17	Inflation cost adder for Row 2 recent estimated materials	\$19,091
	18	Total inflation cost adder (row 16 + row 17)	\$48,654
	19	Material Inflation Percentage Adjustment	12.2%

"Inputs" Section

The Application Engineer or Project Engineer will possess the most knowledge of the cumulative material costs. These values must get entered prior to order submittal and pricing review/approval processes.

Annual Inflation Rates

These inflation rates are calculated and published by the Sourcing team and Finance.

Calculated Results

The total inflation cost value in Row 18 must get entered in the Cost Main page to produce a corrected Sold Cost result.



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★ Phase 1 Material Inflation Worksheet Example

MTS Cost Tool Mate	erial Inflation Cost Workshe	Pet (Phase 1)									
v4.05, 7 June 2022											
Row Category 1 Sum of all stands	ard costed materials	Values \$200.000									
	ials costs from recent estimates	\$200,000									
0	costs not requiring inflation adjustment	\$0.00									
a i i i i i i i i i i i i i i i i i i i	date date (aka "Cost Roll Date") g/Vendor guote date for materials	10/1/2021									
6 MTS Quotation E	xpiration Date	8/1/2022									
7 Expected custom	er PO date from Customer PO date to Engineering Releases Date	2/1/2023									
	from Customer PO date to Engineering Releases Date	2									
Row Category	to	Values 10.3%									
10 2023 Inflation Rat		4.5%	The calc	ulated out	but for	"To	otal Mat	erial Inf	flation		
Row Category		Values									
	I material costs (rows 1+2+3)	\$400,000	Adder" ge	ets entere	d as a n	ew	line-ite	m cost	in the -		
	onth count for standard costed materials (rows 4 & 8)	9.8	02 "Conti	naonev"	action	of t		et_Main	" nago		
14 2023 inflation mo	onth count for standard costed materials (rows 4 & 8)	3.1		ingency a	Section			St-Iviaili	page		
15 2023 inflation mo	onth count for estimated material costs (rows 5 & 8)	3.1									
16 Inflation cost add 17 Inflation cost add	ler for Row 1 standard materials	\$29,563									
	st adder (row 16 + row 17)	\$48,654									
19 Material Inflation	Percentage Adjustment	12.2%									
							1 1				
	MTS 💋	Insert Add Materia			Material	Paste			Main (
		Rows Line	Labor Subjo	ob Purchase	Update	Note	Check		🔮 🛛 Main (Cost Total =	\$590,457
	v4.06, 10/22/2021 (FY21)	Labor Pates)							Main	(w/o Options)	+,
	V4.00, 10/22/2021 (I 121)	Labor Rates)								(w/o options)	
		Customer	University of Ma	anchostor			System	Description	: Custom Landm	ark	
		Customer	University of Ma	anchester			System	Description		aik	
		Date Costed:	2-Feb-22		Quote Da	ate:	3-Ma	ar-22	PE:	Randy Strop	
		SFDC Opportunity Number:		Onn	ortunity Stat	tus	Full (Quote	ME	Steve Lemmer	
		Leadtime (ARO-Ship)	6 Montas		ation Engin		Kevin	Jones		Sandip Sura	
		Quotation:	- \		Sales Engin	eer	Paul	Hold	Others:	Yunming Hu (SIE	Ξ)
		Enter Notes Here:									
	Current FY Rates			Main Syst	em Cos	ste					
						513					
	-01 Project Manage	ment	Material	Labo	г Туре		Cost (\$)	Qty	Cost x Qty (\$)	\$33,271	Notes
	-02 Contingency (Ma	ain Costs)						8%	\$0	\$88,788	Notes
	in containing only (inter							570	40	400,100	
					\mathbf{N}						
	Enter % in "Qty"						\$501,670	8.0%	\$40,134		
						-		-			
		Inflation Adder from Ph1									
	Worksheet						\$48,654	1	\$48,654		J
	-03 Forecasted parts	e	Material	Labo	Type		Cost (\$)	Qty	Cost x Qty (\$)	\$108,000	Notes
								-			
	-05 Spares, Misc.		Material	Labo			Cost (\$)	Qty	Cost x Qty (\$)	\$0	Notes
	-10 Mechanical		Material	Labo	г Туре		Cost (\$)	Qty	Cost x Qty (\$)	\$80,000	Notes
	16 Transducara		Motorial	Labo	Tuno		Cost (\$)	054	Cost v Oby (\$)	\$24 633	Notos



Cost Tool Knowledge Article

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Instructions to install the Phase 1 Material Inflation Worksheet

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v1.00; 8 June 2022

Doug Stuyvenberg

1. Download the latest copy of the Phase 1 Material Inflation Worksheet from the MTS Intranet > Wiki > Cost Tool



_	page discussion edit history move
MTS	Cost Tool
	What is the Cost Tool? [edit]
wiki = Getting Started = New = Help = Guidelines	The MTS Test Cost Tool' is a customized Microsoft Excel Spreadsheet built to support the cost estimation and pricing for the presale process in the MTS Test Organization. MTS Test Project Engineers (costing) and Application t template is to provide users with a comprehensive, accurate and flexible presale tool for small to large orders for the Test organization. The cost tool includes Visual Basic for Applications (VBA) programs to support ease-of-use, name has become a misnomer. Over two decades ago this single-page tool was used exclusively to budget costs and set pricing for MTS-Test Sales. Today this tool collects costs, 3rd-party content, shipping plans, export plans, scope the 'Cost Tool' name lives on! Current Release (Chrome, Edge & Firefox links disabled) [edit]
= About search	Latest Cost Tool Template - v4.06 includes all service packs
Search Garrah	Phase 1 Material Inflation Worksheet (Chrome, Edge & Firefox links disabled) [edit] New in June 2022: This phase 1 material inflation worksheet must get copied into a Cost Tool that is getting prepared for pricing review, approvals and order submittal. Link is coming soon

- Open a v4.06 Cost Tool and open the downloaded copy of the Phase 1 Material Inflation Worksheet 2.
- 3. Right-click the cursor on the Material Inflation page tab titled "PH1_Mat_Inf" and select the "Move or Copy..." command:

	Row	Category	Values
	11	Summation of all material costs (rows 1+2+3)	\$400,000
	12	Insert ount for standard costed materials (rows 4 & 8)	15.9
S	13	Delete Dunt for estimated material costs (rows 5 & 8)	9.8
ult	14	Image: Rename Dunt for standard costed materials (rows 4 & 8)	3.1
Results	15	Move or Copy punt for estimated material costs (rows 5 & 8)	3.1
	16	I View Code Row 1 standard materials	\$29,563
	17	Protect Sheet Row 2 recent estimated materials	\$19,091
	18	Tab Color > ler (row 16 + row 17)	\$48,654
	19	Hide entage Adjustment	12.2%
		Unhide	
	PH1_Mat_	Select All Sheets	



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Instructions for installing the Phase 1 Material Inflation Worksheet **₩**

ID:

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- 4. Click the drop list arrow to view all open Excel workbooks. Choose the target CT you wish to insert this Phase 1 Material Inflation Worksheet
- Choose which page in the Cost Tool (CT) where you desire this new Inflation worksheet to reside 5.
- Check the "Create a copy" box 6.
- Click "OK" 7.

	New an Carry	?	X	1	Values
	Move or Copy	1	^		\$400,000
4	To book:			aterials (rows 4 & 8)	15.9
	KJones_Uni Manchester LM250-100 Cost Tool - OP36072	9_v406_19Oct21.xlsn	\sim	I costs (rows 5 & 8)	9.8
	Before sheet: Cost-Main		^	naterials (rows 4 & 8)	3.1
	3rd-Party Shipping TEMP_Shipping_Copy			I costs (rows 5 & 8)	3.1
	Terms 5			5	\$29,563
	Pricing Snapshot		~	naterials	\$19,091
6	Create a copy				\$48,654
		OK Cano	el		12.2%
		7			
	PH1_Mat_Inf (+)				





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Author:

Instructions for entering information in the Phase 1 Material Inflation Worksheet **

1. To seek help or additional information, click any cell in the "Values" column to view a popup note that provides detailed information and guidance

_				
	Row	Category	Values	
	1	Sum of all standard costed materials	\$200,000	
	2	Sum of all materials costs from recent estimates	\$200,000	
	3	Sum of material costs not requiring inflation adjustment	\$0.00	aka: "Cost Roll Date". As of 2022, this is an annual c
Inputs	4	Standard cost update date (aka "Cost Roll Date")	10/1/2021	that occurs at the fiscal year start. This date is the b for all standard costed materials in row 1.
dul	5	Average Sourcing/Vendor quote date for materials	4/2/2022	Use FINDER to determine the most recent "Last Pricin
	6	MTS Quotation Expiration Date	8/1/2022	Date" value
	7	Expected customer PO date	2/1/2023	
	8	Count of months from Customer PO date to Engineering Releases Date	2	
s	Row	Category	Values	
Rates	9	2022 Inflation Rate	10.3%	
œ	10	2023 Inflation Rate	4.5%	
	Row	Category	Values	
	11	Summation of all material costs (rows 1+2+3)	\$400,000	
	12	2022 inflation month count for standard costed materials (rows 4 & 8)	15.9	
s	13	2022 inflation month count for estimated material costs (rows 5 & 8)	9.8	
Results	14	2023 inflation month count for standard costed materials (rows 4 & 8)	3.1	
Res	15	2023 inflation month count for estimated material costs (rows 5 & 8)	3.1	
	16	Inflation cost adder for Row 1 standard materials	\$29,563	
	17	Inflation cost adder for Row 2 recent estimated materials	\$19,091	
	18	Total inflation cost adder (row 16 + row 17)	\$48,654	
	19	Material Inflation Percentage Adjustment	12.2%	



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A Instructions for entering information in the Phase 1 Material Inflation Worksheet

2. Enter values for rows 1 - 8

	o\$t Too June 2022	Material Inflation Cost Workshee	t (Phase 1)
	Row	Category	Values
	1	Sum of all standard costed materials	\$200,000
	2	Sum of all materials costs from recent estimates	\$200,000
	3	Sum of material costs not requiring inflation adjustment	\$0.00
Inputs	4	Standard cost update date (aka "Cost Roll Date")	10/1/2021
dul	5	Average Sourcing/Vendor quote date for materials	4/2/2022
	6	MTS Quotation Expiration Date	8/1/2022
	7	Expected customer PO date	2/1/2023
	8	Count of months from Customer PO date to Engineering Releases Date	2
S	Row	Category	Values
Rates	9	2022 Inflation Rate	10.3%
œ	10	2023 Inflation Rate	4.5%
	Row	Category	Values
	11	Summation of all material costs (rows 1+2+3)	\$400,000
	12	2022 inflation month count for standard costed materials (rows 4 & 8)	15.9
	13	2022 inflation month count for estimated material costs (rows 5 & 8)	9.8
ults	14	2023 inflation month count for standard costed materials (rows 4 & 8)	3.1
Results	15	2023 inflation month count for estimated material costs (rows 5 & 8)	3.1
	16	Inflation cost adder for Row 1 standard materials	\$29,563
	17	Inflation cost adder for Row 2 recent estimated materials	\$19,091
	18	Total inflation cost adder (row 16 + row 17)	\$48,654
	19	Material Inflation Percentage Adjustment	12.2%



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Instructions for entering information in the Phase 1 Material Inflation Worksheet -₹4

Row 1 - Manually sum the cost of all standard materials with part numbers and standard costing

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8	Co\$t Too June 2022	Material Inflation Cost We	orkshee	t (Phase 1)
	Row	Category		Values
	1	Sum of all standard costed materials		\$200,000
	2	Sum of all materials costs from recent estimates		\$200,000
	3	Sum of material costs not requiring inflation adjustment		\$0.00
Inputs	4	Standard cost update date (aka "Cost Roll Date")		
ď	5	Average Sourcing/Vendor quote date for materials		terial Master pro
	6	MTS Quotation Expiration Date	Cost Tool	and Newton
	7	Expected customer PO date	Look in th	e "Cost-Main" an
	8	Count of months from Customer PO date to Engineering Re		materials. Be ca
s	Row	Category		and costs derived
Rates	9	2022 Inflation Rate		10.3%
œ	10	2023 Inflation Rate		4.5%
	Row	Category		Values
	11	Summation of all material costs (rows 1+2+3)		\$400,000
	12	2022 inflation month count for standard costed materials (row	vs 4 & 8)	15.9
6	13	2022 inflation month count for estimated material costs (rows	5 & 8)	9.8
Ħ	14	2023 inflation month count for standard costed materials (row	vs 4 & 8)	3.1
Results	15	2023 inflation month count for estimated material costs (rows	5 & 8)	3.1
	16	Inflation cost adder for Row 1 standard materials		\$29,563
	17	Inflation cost adder for Row 2 recent estimated materials		\$19,091
	18	Total inflation cost adder (row 16 + row 17)		\$48,654
				12.2%



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Instructions for entering information in the Phase 1 Material Inflation Worksheet **

Row 2 - Manually sum the cost of all materials where the unit cost is more recent than the standard materials in row 1

Author:

	Row	Category	Values
	1	Sum of all standard costed materials	\$200.000
	2	Sum of all materials costs from recent estimates	\$200,000
	3	Sum of material costs not requiring inflation adjustment	\$0.00
	4	Standard cost update date (aka "Cost Roll Date")	10/1/2021
	5	Average Sourcing/Vendor quote date for materials	or materials in the "Cost-I
	6		ool where the cost estimation
	7		ng and our vendors
	8	Count of months from Customer PO date to Engine	lleathan af seatachda ann a
,	Row		ollection of materials repr te that accounts for inflat
	9	2022 Inflation Rate	10.076
-	10	2023 Inflation Rate	4.5%
_	Row	Category	Values
		Category	values
	11	Summation of all material costs (rows 1+2+3)	\$400,000
			\$400,000
	11	Summation of all material costs (rows 1+2+3)	\$400,000 4 & 8) 15.9
niis	11 12	Summation of all material costs (rows 1+2+3) 2022 inflation month count for standard costed materials (rows	\$400,000 4 & 8) 15.9 & 8) 9.8
	11 12 13	Summation of all material costs (rows 1+2+3) 2022 inflation month count for standard costed materials (rows 2 2022 inflation month count for estimated material costs (rows 5	\$400,000 4 & 8) 15.9 & 8) 9.8 4 & 8) 3.1
200	11 12 13 14	Summation of all material costs (rows 1+2+3) 2022 inflation month count for standard costed materials (rows 4 2022 inflation month count for estimated material costs (rows 5 2023 inflation month count for standard costed materials (rows 4	\$400,000 4 & 8) 15.9 & 8) 9.8 4 & 8) 3.1
Kesuits	11 12 13 14 15	Summation of all material costs (rows 1+2+3) 2022 inflation month count for standard costed materials (rows 4 2022 inflation month count for estimated material costs (rows 5 2023 inflation month count for standard costed materials (rows 4 2023 inflation month count for estimated material costs (rows 5	\$400,000 4 & 8) 15.9 & 8) 9.8 4 & 8) 3.1 & 8) 3.1
Results	11 12 13 14 15 16	Summation of all material costs (rows 1+2+3) 2022 inflation month count for standard costed materials (rows - 2022 inflation month count for estimated material costs (rows 5 2023 inflation month count for standard costed materials (rows - 2023 inflation month count for estimated material costs (rows 5 Inflation cost adder for Row 1 standard materials	\$400,000 4 & 8) 15.9 & 8) 9.8 4 & 8) 3.1 & 8) 3.1 \$29,563



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Instructions for entering information in the Phase 1 Material Inflation Worksheet *****

Row 3 – Manually sum the cost of any materials that require no inflation adjustment. An example of this material is a straight cost transfer of materials from a cancelled project into a new OP. This is an uncommon material and will mostly remain at \$0.00.

0	o\$t Too une 2022	Material Inflation Cost Worksh	eet (Phase 1)			
	Row	Category	Values			
	1	Sum of all standard costed materials	\$200,000			
	2	Sum of all materials costs from recent estimates	\$200.000			
	3	Sum of material costs not requiring inflation adjustment	\$0.00			
Inputs	4	Standard cost update date (aka "Cost Roll Date")				
립	5	Average Sourcing/Vendor quote date for materials	o not enter material			
	6	MTS Quotation Expiration Date cost estimates				
	7	Expected customer PO date				
	8	Count of months from Customer PO date to Engineering Releases Date	2			
n	Row	Category	Values			
Rates	9	2022 Inflation Rate	10.3%			
œ	10	2023 Inflation Rate	4.5%			
_	Row	Category	Values			
	11	Summation of all material costs (rows 1+2+3)	\$400,000			
	12	2022 inflation month count for standard costed materials (rows 4 & 8)	15.9			
S	13	2022 inflation month count for estimated material costs (rows 5 & 8)	9.8			
Results	14	2023 inflation month count for standard costed materials (rows 4 & 8)	3.1			
Res	15	2023 inflation month count for estimated material costs (rows 5 & 8)	3.1			
	16	Inflation cost adder for Row 1 standard materials	\$29,563			
	17	Inflation cost adder for Row 2 recent estimated materials	\$19,091			
	18	Total inflation cost adder (row 16 + row 17)	\$48,654			
	19	Material Inflation Percentage Adjustment	12.2%			



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Instructions for entering information in the Phase 1 Material Inflation Worksheet **

Row 4 – Enter the date of the last "Cost Roll" where standard materials are updated annually

ID:

S Cost Tool 06,7 June 2022 Material Inflation Cost Worksheet (Phase 1)						
	Row	Category	Values			
	1	Sum of all standard costed materials	\$200,000			
	2	Sum of all materials costs from recent estimates	\$200,000			
	3	Sum of material costs not requiring inflation adjustment	\$0.00			
20	4	Standard cost update date (aka "Cost Roll Date")	10/1/2021			
Inputs	5	Average Sourcing/Vendor quote date for materials				
	6	MTS Quotation Expiration Date	Keep this date			
	7	Expected customer PO date	2/11/2023			
	8	Count of months from Customer PO date to Engineering Releases Date	2			
s	Row	Category	Values			
Rales	9	2022 Inflation Rate	10.3%			
r	10	2023 Inflation Rate	4.5%			
	Row	Category	Values			
	11	Summation of all material costs (rows 1+2+3)	\$400,000			
	12	2022 inflation month count for standard costed materials (rows 4 & 8)	15.9			
0	13	2022 inflation month count for estimated material costs (rows 5 & 8)	9.8			
Results	14	2023 inflation month count for standard costed materials (rows 4 & 8)	3.1			
20 22	15	2023 inflation month count for estimated material costs (rows 5 & 8)	3.1			
	16	Inflation cost adder for Row 1 standard materials	\$29,563			
	17	Inflation cost adder for Row 2 recent estimated materials	\$19,091			
	18	Total inflation cost adder (row 16 + row 17)	\$48,654			
	19	Material Inflation Percentage Adjustment	12.2%			



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Instructions for entering information in the Phase 1 Material Inflation Worksheet ₩.

Row 5 Enter the average date when materials were estimated by Sourcing and our vendors

ID:

Material Inflation Cost Worksheet (Phase 1)						
	Row	Category		Values		
	1	Sum of all standard costed materials		\$200,000		
S	2	Sum of all materials costs from recent estimates		\$200,000		
	3	Sum of material costs not requiring inflation adjustment	\$0.00			
nputs	4	Standard cost update date (aka "Cost Roll Date")	10/1/2021			
르	5	Average Sourcing/Vendor quote date for materials		4/2/2022		
	6	MTS Quotation Expiration Date				
_	7	ected customer PO date Make a best-effort est				
	8	Count of months from Customer PO date to Engineering Release estimated by MTS S				
s	Row	Category	Com			
Rates	9	2022 Inflation Rate		10.3%		
œ	10	023 Inflation Rate 4.5%				
	Row	Category		Values		
	11	Summation of all material costs (rows 1+2+3)		\$400,000		
	12	2022 inflation month count for standard costed materials (rows 4 &	8)	15.9		
n	13	2022 inflation month count for estimated material costs (rows 5 & 8)	9.8		
Results	14	2023 inflation month count for standard costed materials (rows 4 &	8)	3.1		
Re	15	2023 inflation month count for estimated material costs (rows 5 & 8)	3.1		
	16	Inflation cost adder for Row 1 standard materials		\$29,563		
	17	Inflation cost adder for Row 2 recent estimated materials		\$19,091		
	18	Total inflation cost adder (row 16 + row 17)		\$48,654		
	19	Material Inflation Percentage Adjustment		12.2%		



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Instructions for entering information in the Phase 1 Material Inflation Worksheet **

Row 6- Enter the quotation expiration date that is found on the first page of the MTS Quotation for our customer

0	0\$t Too June 2022	Material Inflation Cost Workshee	et (Phase 1)
_	Row	Category	Values
	1	Sum of all standard costed materials	\$200,000
	2	Sum of all materials costs from recent estimates	\$200,000
	3	Sum of material costs not requiring inflation adjustment	\$0.00
Inputs	4	Standard cost update date (aka "Cost Roll Date")	10/1/2021
d	5	Average Sourcing/Vendor guote date for materials	4/2/2022
	6	MTS Quotation Expiration Date	8/1/2022
	7	Expected customer PO date	
	8	Count of months from Customer PO date to Engineering Releas	s date is importa
s	Row		comply due to hi
Rates	9	2022 Inflation Rate	10.3%
Ω.	10	2023 Inflation Rate	4.5%
	Row	Category	Values
	11	Summation of all material costs (rows 1+2+3)	\$400,000
	12	2022 inflation month count for standard costed materials (rows 4 & 8)	15.9
0	13	2022 inflation month count for estimated material costs (rows 5 & 8)	9.8
Kesults	14	2023 inflation month count for standard costed materials (rows 4 & 8)	3.1
sex	15	2023 inflation month count for estimated material costs (rows 5 & 8)	3.1
	16	Inflation cost adder for Row 1 standard materials	\$29,563
	17	Inflation cost adder for Row 2 recent estimated materials	\$19,091
	18	Total inflation cost adder (row 16 + row 17)	\$48,654



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Instructions for entering information in the Phase 1 Material Inflation Worksheet ₩.

Row 7- Enter the date MTS expects to receive the customer's PO for the Order Entry process

ID:

0	o \$t Too lune 2022	Material Inflation Cost Works	sheet (Phase 1)
	Row	Category	Values
	1	Sum of all standard costed materials	\$200,000
	2	Sum of all materials costs from recent estimates	\$200,000
	3	Sum of material costs not requiring inflation adjustment	\$0.00
Inputs	4	Standard cost update date (aka "Cost Roll Date")	10/1/2021
dul	5	Average Sourcing/Vendor quote date for materials	4/2/2022
_	6	MTS Quotation Expiration Date	8/1/2022
	7	Expected customer PO date	2/1/2023
	8	Count of months from Customer PO date to Engineering Release	Dete 0
s	Row	Category	Estimate the date wh
Rates	9	2022 Inflation Rate	receives the customer'
er i	10	2023 Inflation Rate	4.5%
	Row	Category	Values
	11	Summation of all material costs (rows 1+2+3)	\$400,000
	12	2022 inflation month count for standard costed materials (rows 4 &	8) 15.9
s	13	2022 inflation month count for estimated material costs (rows 5 & 8) 9.8
Results	14	2023 inflation month count for standard costed materials (rows 4 &	8) 3.1
Res	15	2023 inflation month count for estimated material costs (rows 5 & 8) 3.1
	16	Inflation cost adder for Row 1 standard materials	\$29,563
	17	Inflation cost adder for Row 2 recent estimated materials	\$19,091
	18	Total inflation cost adder (row 16 + row 17)	\$48,654
	19	Material Inflation Percentage Adjustment	12.2%



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Instructions for entering information in the Phase 1 Material Inflation Worksheet **₩**

Row 8- Estimate and enter a realistic count of months from receipt of the Customer PO to when the bulk of engineering releases occur

8	o \$t Too lune 2022	Material Inflation Cost Wor	kshee	et (Phase 1)
	Row	Category		Values
	1	Sum of all standard costed materials		\$200,000
	2	Sum of all materials costs from recent estimates		\$200,000
	3	Sum of material costs not requiring inflation adjustment		\$0.00
nputs	4	Standard cost update date (aka "Cost Roll Date")		10/1/2021
dul	5	Average Sourcing/Vendor quote date for materials		4/2/2022
	6	MTS Quotation Expiration Date		8/1/2022
_	7	Expected customer PO date	2/1/2023	
	8	Count of months from Customer PO date to Engineering Releas	es Date	2
S	Row	Category		
			<u> </u>	
Rate	9	2022 Inflation Rate	Obtair	an estimated so
Rates	9 10		Obtair	an estimated so determine t
Rate		2022 Inflation Rate	Obtair	
Rate	10	2022 Inflation Rate 2023 Inflation Rate	Obtair	determine t
Rate	10 Row	2022 Inflation Rate 2023 Inflation Rate Category		determine t
	10 Row 11	2022 Inflation Rate 2023 Inflation Rate Category Summation of all material costs (rows 1+2+3)	4&8)	determine t Values \$400,000
_	10 Row 11 12	2022 Inflation Rate 2023 Inflation Rate Category Summation of all material costs (rows 1+2+3) 2022 inflation month count for standard costed materials (rows 4	4&8) &8)	determine t Values \$400,000 15.9
Results Rate	10 Row 11 12 13	2022 Inflation Rate 2023 Inflation Rate Category Summation of all material costs (rows 1+2+3) 2022 inflation month count for standard costed materials (rows 4 2022 inflation month count for estimated material costs (rows 5 8	4&8) &8) 4&8)	determine t Values \$400,000 15.9 9.8
	10 Row 11 12 13 14	2022 Inflation Rate 2023 Inflation Rate Category Summation of all material costs (rows 1+2+3) 2022 inflation month count for standard costed materials (rows 4 2022 inflation month count for estimated material costs (rows 5 & 2023 inflation month count for standard costed materials (rows 4	4&8) &8) 4&8)	determine t Values \$400,000 15.9 9.8 3.1
	10 Row 11 12 13 14 15	2022 Inflation Rate 2023 Inflation Rate Category Summation of all material costs (rows 1+2+3) 2022 inflation month count for standard costed materials (rows 4 2022 inflation month count for estimated material costs (rows 5 & 2023 inflation month count for standard costed materials (rows 4 2023 inflation month count for standard costed materials (rows 5 & 2023 inflation month count for estimated material costs (rows 5 & 2023 inflation month count for estimated material costs (rows 5 &	4&8) &8) 4&8)	determine t Values \$400,000 15.9 9.8 3.1 3.1
_	10 Row 11 12 13 14 15 16	2022 Inflation Rate 2023 Inflation Rate Category Summation of all material costs (rows 1+2+3) 2022 inflation month count for standard costed materials (rows 4 2022 inflation month count for estimated material costs (rows 5 8 2023 inflation month count for standard costed materials (rows 4 2023 inflation month count for standard costed materials (rows 4 2023 inflation month count for estimated material costs (rows 5 8 Inflation cost adder for Row 1 standard materials	4&8) &8) 4&8)	determine t Values \$400,000 15.9 9.8 3.1 3.1 \$29,563



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A Instructions for entering information in the Phase 1 Material Inflation Worksheet

Rows 9 – 10 These inflation rates are determined by Sourcing and Finance. No input needed.

0	0\$t Too une 2022	Material Inflation Cost Wo	rkshee	et (Phase 1)		
	Row	Category		Values		
	1	Sum of all standard costed materials		\$200,000		
	2	Sum of all materials costs from recent estimates		\$200,000		
	3	Sum of material costs not requiring inflation adjustment		\$0.00		
Inputs	4	Standard cost update date (aka "Cost Roll Date")		10/1/2021		
d	5	Average Sourcing/Vendor quote date for materials	4/2/2022			
	6	MTS Quotation Expiration Date	8/1/2022			
	7	Expected customer PO date	2/1/2023			
	8	Count of months from Customer PO date to Engineering Relea	ses Date	2		
s	Row	Category		Values		
Rates	9	2022 Inflation Rate		10.3%		
۳L	10	2023 Inflation Rate		4.5%		
	Row	Category	These			
	11	Summation of all material costs (rows 1+2+3)	mese	values are average commodities		
	12	2022 inflation month count for standard costed materials (row				
s	13	2022 inflation month count for estimated material costs (rows 5	& 8)	9.8		
Results	14	2023 inflation month count for standard costed materials (rows	4 & 8)	3.1		
Res	15	2023 inflation month count for estimated material costs (rows 5	& 8)	3.1		
	16	Inflation cost adder for Row 1 standard materials		\$29,563		
	17	Inflation cost adder for Row 2 recent estimated materials		\$19,091		
	18	Total inflation cost adder (row 16 + row 17)		\$48,654		
	19	Material Inflation Percentage Adjustment		12.2%		



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Instructions for entering information in the Phase 1 Material Inflation Worksheet **

Rows 11 – 17 Calculated results leading to row 18 value. No input needed.

ID:

0	Co\$t Too June 2022	Material Inflation Cost Workshe	et (Phase 1)
	Row	Category	Values
	1	Sum of all standard costed materials	\$200,000
	2	Sum of all materials costs from recent estimates	\$200,000
	3	Sum of material costs not requiring inflation adjustment	\$0.00
Inputs	4	Standard cost update date (aka "Cost Roll Date")	10/1/2021
Ē	5	Average Sourcing/Vendor quote date for materials	4/2/2022
	6	MTS Quotation Expiration Date	8/1/2022
	7	Expected customer PO date	2/1/2023
	8	Count of months from Customer PO date to Engineering Releases Date	2
ŝ	Row	Category	Values
Rates	9	2022 Inflation Rate	
<u></u>	10	2023 Inflation Rate	Remember to o
	Row	Category	
(11	Summation of all material costs (rows 1+2+3)	\$400,000
	12	2022 inflation month count for standard costed materials (rows 4 & 8 $)$	15.9
s	13	2022 inflation month count for estimated material costs (rows 5 & 8)	9.8
Results	14	2023 inflation month count for standard costed materials (rows 4 & 8 $)$	3.1
Res	15	2023 inflation month count for estimated material costs (rows 5 & 8)	3.1
	16	Inflation cost adder for Row 1 standard materials	\$29,563
J	17	Inflation cost adder for Row 2 recent estimated materials	\$19,091
	18	Total inflation cost adder (row 16 + row 17)	\$48,654
	19	Material Inflation Percentage Adjustment	12.2%



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Instructions for entering information in the Phase 1 Material Inflation Worksheet ₩.

Rows 18 This total inflation cost adder value must get entered in the -02 Contingency section of the "Cost-Main" section.

Co , 7 June	t Too 2022	Material Inflation Cost Workshee	t (Phase 1)	
_	Row	Category	Values	
	1	Sum of all standard costed materials	\$200,000	
	2	Sum of all materials costs from recent estimates	\$200,000	
	3	Sum of material costs not requiring inflation adjustment	\$0.00	
3	4	Standard cost update date (aka "Cost Roll Date")	10/1/2021	
	5	Average Sourcing/Vendor quote date for materials	4/2/2022	
	6	MTS Quotation Expiration Date	8/1/2022	
	7	Expected customer PO date	2/1/2023	
	8	Count of months from Customer PO date to Engineering Releases Date	2	
	Row	Category	Values	
	9	2022 Inflation Rate	10.3%	
<u> </u>	10	2023 Inflation Rate	4.5%	
	Row	Category	Values	
	11	Summation of all material costs (rows 1+2+3)	\$400,000	
	12	2022 inflation month count for standard costed materials (rows 4 & 8)	15.9	
	13	2022 inflation month count for estimated material costs (rows 5 & 8)	9.8	
	14	2023 inflation month count for standard costed materials (rows 4 & 8)	31	
	15	2023 inflation month count for estimated m IMPORTANT – You	u must enter this v	alue in
	16	Inflation cost adder for Row 1 standard ma	section as a new	
_	17	Inflation cost adder for Row 2 recent estimation		
	18	Total inflation cost adder (row 16 + row 17)	\$48,654	
	19	Material Inflation Percentage Adjustment	12.2%	•



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A Instructions for entering the Row 18 Total Material Inflation Cost Adder into the CT

- 1. Navigate to the "Cost-Main" (or "ASG-Cost-Main") page and open the -02 Contingency section
- 2. Click on the empty cell below the contingency line-item row ("A" column)
- 3. Press the "Add Material Line" command at the top of the page

ID:

V4.06, 10/22/2021 (FY21 Labor Rates)			Local Materia chase Update				🥜 Main	Cost Total = (w/o Options)	\$541,803	
Customer:	Customer: University of Manchester							ark		
Date Costed:	2-Feb-22		Quot	e Date:	3-Mar	-22	PE:	Randy Strop		
SFDC Opportunity Number:	OP360729	P360729 Opportunity Status:		Full Quote		ME:	Steve Lemmer			
Leadtime (ARO-Ship)	6 Months Application Engineer		Kevin Jones		EE:	Sandip Sura				
Quotation:	- Sales Engineer		Paul Hold Othe		Others:	Yunming Hu (SIE)				
Enter Notes Here:										
Current FY Rates		Main	System C	osts						
-01 Project Management	Material		Labor Type		Cost (\$)	Qty	Cost x Qty (\$)	\$33,271	Notes	
-02 Contingency (Main Costs)						8%	\$0	\$40,134	Notes	
Enter % in "Qty"					\$501,670	8.0%	\$40,134			
-03 Forecasted parts	Material		Labor Type		Cost (\$)	Qty	Cost x Qty (\$)	\$108,000	Notes	
-05 Spares, Misc.	Material		Labor Type		Cost (\$)	Qty	Cost x Qty (\$)	\$0	Notes	
-10 Mechanical)	\$80,000	Notes	
-16 Transducers	lf you are	using th	e "ASG" Co			ollow th	· · · · · · · · · · · · · · · · · · ·	i) \$34,622 Not		
20 Actuators	steps listed at						3	×0	Notes	

Result!					
-02 Contingency (Main Costs)		8%	\$0	\$40,134	Notes
Enter % in "Qty"	\$501,670	8.0%	\$40,134		
Enter Material Descriptions	\$0	0	\$0		



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A Instructions for entering the Total Material Inflation Cost Adder into the CT

- 4. Enter a description in the "A" cell of the newly inserted row
- 5. Enter the Row 18 "Total Inflation Cost Adder" value into the "Cost (\$)" cell of the newly inserted row. Set Qty value to "1".

Insert Rows	Add Material Line	Add Labor	Add Subjob	Add Local Purchase	Material Update	Paste Note	Error Check		Main		\$590,457		
)										(w/o Options)			
	Customer: U	niversity	of Mano	hester			System Description: Custom Landmark						
Da	ate Costed:	2-Feb-2	22	Quote Date:			3-Mar-22		PE:	PE: Randy Strop			
portuni	ty Number:	OP3607	29	Opportunity Status:			Full Quote		ME: Steve Lemmer				
adtime	(ARO-Ship)	6 Months Application Engineer			neer	Kevin Jones		EE: Sandip Sura					
	Quotation:	-	- Sales Engineer			neer	Paul Hold		Others:	Others: Yunming Hu (SIE)			
Enter N	lotes Here:												
	•		Ма	ain Syst	em Co	sts							
		Materi	al	Labor	Туре		Cost (\$)	Qty	Cost x Qty (\$)	\$33,271	Notes		
								8%	\$0	\$88,788	Notes		
						9	\$501,670	8.0%	\$40,134				
2022 & 2023 Material Inflation Adder from Ph1 Worksheet					5		\$48.654	1	\$48,654				
	Rows) Da poportuni eadtime Enter N	Rows Line) Customer: U Date Costed: poportunity Number: eadtime (ARO-Ship) Quotation: Enter Notes Here:	Rows Line Labor Customer: University Date Costed: 2-Feb-2 oportunity Number: OP3607 eadtime (ARO-Ship) 6 Month Quotation: - Enter Notes Here: Materi	Rows Line Labor Subjob Customer: University of Mance Date Costed: 2-Feb-22 oportunity Number: OP360729 eadtime (ARO-Ship) 6 Months Quotation: - Enter Notes Here: Material	Rows Line Labor Subjob Purchase Outcomer: University of Manchester Date Costed: 2-Feb-22 Oportunity Number: OP360729 Opportunity eadtime (ARO-Ship) 6 Months Application: Quotation: - S Enter Notes Here: Main Syst Material Labor	Rows Line Labor Subjob Purchase Update O Customer: University of Manchester University of Manchester Date Costed: 2-Feb-22 Quote D oportunity Number: OP360729 Opportunity State addtime (ARO-Ship) 6 Months Application Engin Quotation: - Sales Engin Enter Notes Here: Material Labor Type	Rows Line Labor Subjob Purchase Update Note Customer: University of Manchester Date Costed: 2-Feb-22 Quote Date: oportunity Number: OP360729 Opportunity Status: eadtime (ARO-Ship) 6 Months Application Engineer Quotation: - Sales Engineer Enter Notes Here: Material Labor Type	Rows Line Labor Subjob Purchase Update Note Check O Customer: University of Manchester System I Date Costed: 2-Feb-22 Quote Date: 3-Ma oportunity Number: OP360729 Opportunity Status: Full C addime (ARO-Ship) 6 Months Application Engineer Kevin Quotation: - Sales Engineer Paul Enter Notes Here: Material Labor Type Cost (\$)	Rows Line Labor Subjob Purchase Update Note Check 0 Customer: University of Manchester System Description Date Costed: 2-Feb-22 Quote Date: 3-Mar-22 poportunity Number: OP360729 Opportunity Status: Full Quote eadtime (ARO-Ship) 6 Months Application Engineer Kevin Jones Quotation: - Sales Engineer Paul Hold Enter Notes Here: Material Labor Type Cost (\$) Qty %501,670 8.0%	Rows Line Labor Subjob Purchase Update Note Check Main Note Customer: University of Manchester System Description: Custom Landm Date Costed: 2-Feb-22 Quote Date: 3-Mar-22 PE: oportunity Number: OP360729 Opportunity Status: Full Quote ME: eadtime (ARO-Ship) 6 Months Application Engineer Kevin Jones EE: Quotation: - Sales Engineer Paul Hold Others: Enter Notes Here: Material Labor Type Cost (\$) Qty Cost x Qty (\$) % 8% \$0 \$501,670 8.0% \$40,134 der from Ph1 501,670 8.0% \$40,134	Rows Line Labor Subjob Purchase Update Note Check Main Cost Total = (w/o Options) Customer: University of Manchester System Description: Custom Landmark Date Costed: 2-Feb-22 Quote Date: 3-Mar-22 PE: Randy Strop oportunity Number: OP360729 Opportunity Status: Full Quote ME: Steve Lemmer addime (ARO-Ship) 6 Months Application Engineer Kevin Jones EE: Sandip Sura Quotation: - Sales Engineer Paul Hold Others: Yunning Hu (SIE) Enter Notes Here: - - Cost (\$) Qty Cost x Qty (\$) \$33,271 waterial Labor Type Cost (\$) Qty Cost x Qty (\$) \$33,271 % 5501,670 8.0% \$40,134 - - -		

	o\$t Tool une 2022	Material Inflation Cost Workshee	t (Phase 1)
_	Row	Category	Values
	1	Sum of all standard costed materials	\$200,000
	2	Sum of all materials costs from recent estimates	\$200,000
	3	Sum of material costs not requiring inflation adjustment	\$0.00
and u	4	Standard cost update date (aka "Cost Roll Date")	10/1/2021
	5	Average Sourcing/Vendor quote date for materials	4/2/2022
	6	MTS Quotation Expiration Date	8/1/2022
	7	Expected customer PO date	2/1/2023
	8	Count of months from Customer PO date to Engineering Releases Date	2
n	Row	Category	Values
Kates	9	2022 Inflation Rate	10.3%
× _	10	2023 Inflation Rate	4.5%
-	Row	Category	Values
	11	Summation of all material costs (rows 1+2+3)	\$400,000
	12	2022 inflation month count for standard costed materials (rows 4 & 8)	15.9
	13	2022 inflation month count for estimated material costs (rows 5 & 8)	9.8
	14	2023 inflation month count for standard costed materials (rows 4 & 8)	3.1
Kesuits	15	2023 inflation month count for estimated material costs (rows 5 & 8)	3.1
۰.	16	Inflation cost adder for Row 1 standard materials	\$29,563
	17	Inflation cost adder for Row 2 recent estimated materials	\$19,091
	18	Total inflation cost adder (row 16 + row 17)	\$48,654
	19	Material Inflation Percentage Adjustment	12.2%



Cost Tool Knowledge Article

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★ Completion

- 1. Save your updated CT
- 2. The price and sold cost reflect a cost correction for material inflation

Opportunity Snapshot University of Ma	2 anchester - Custor	m Landmark							
2 MTS BOM (May includ	NI I	80,915	Mai	n Margin =	50.0%				
3rd Party Content			3rd Party Ma	rgin (avg) =					
Software	Price =								
Pay Terms Price A	dder =								
Ship & Export Price A	Adder = \$	600	Ship & Expo	rt Margin =	16.7%				
Extended Warranty Price A	dder =								
Bank & Bond Fees Price A	dder =		Bank & Bond Fe	es Margin =	16.7%				
Total P (Excludes any Applicable		181,515	Overall Order	r Margin =	50.0%				
Total Price in Foreign Cun	rency = 9.	37,556	GBP 0.79352 GBP/USD 07-Jun-22						
2 Order Sold Cost = (Sum of All Costs)	\$590,957		Contingency for "Main	a" Costs =	8.0%				
3rd-Party Content Cost =			Contingency for	Options =	8.0%				
Local Cost =	Local Cost = \$500								
Sales Order Type = Country of Import =					InterCo is DDU, Retail Order is DAP (Preferred), Named Place of Destination, Prepaid				
MTS-Mpls Cost of Ship & Export=	-		<u>MTS-Affiliate</u> Co	ost of Ship &	t Import = \$5	500			
Costing Date: 2-Feb-22		Print Date:	7-Jun-22			Current FY Rates			
Application Engineer: Kevin Jones		PE:	Randy Strop	Quotation:		-			