



Weighted Average Cost Guide

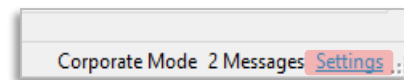


Using Weighted Average Cost

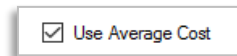
Weighted Average Cost enables you to more accurately track and calculate what you have been paying for your store's inventory. With each new invoice, the average cost is updated automatically in order to give you a clear picture of your average cost for each of your stores.

Once **Use Average Cost** is enabled, all new invoices will be factored into the average cost. This calculation is weighted based on the number of units received on each invoice. With this feature enabled, sales and inventory reports will reflect the average cost of the item rather than showing the most recent cost (or the most recent cost at the time of the sale in the case of sales reports). Here's how to get started:

1. First, open Director and click the **Settings Hyperlink** located in the bottom right of the Director window



2. This will open the **Settings** window. Now check the box for **Use Average Cost**



3. Click the **Save** button and close and restart Director.



If you need to update Average Cost for one item manually, use the following steps:

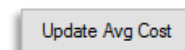
1. In Director, click on **Pricebook**. This will show the **Item Details Screen**.



2. Look up an item that the average cost needs to be changed on, and click the **Avg Cost** hyperlink in the **Pricing Information** section of the page.



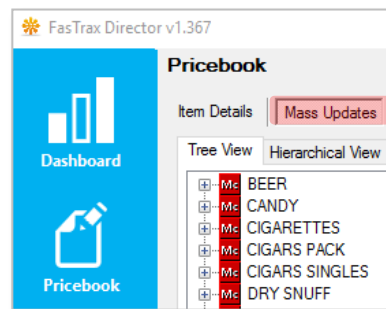
3. Now, enter the average cost value in the **Manual Avg Cost** field and click **Update Avg Cost**.



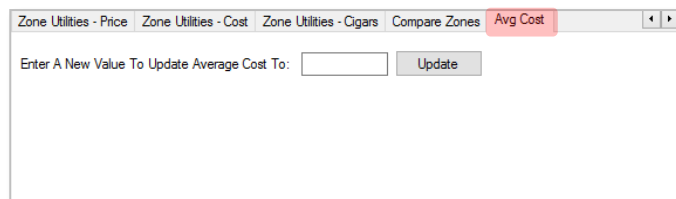


In order to manually update average cost for many items at once, use the following steps:

1. In Director, go to **Pricebook**, then click **Mass Updates** on the menu ribbon.



2. Filter your Mass Updates grid to the items in question, then click the **Avg Cost** tab at the bottom right of the **Mass Updates** screen.



3. Enter the new average cost in the **Enter a New Value to Update Average Cost To** field.

Note that changing the **Average Cost** manually will cause all previous average cost calculations to be ignored.