

End-User Course

👤 Inventory and Order Management

Basic Operations with Stock, Non-Stock, and Service Items 2022 R1

Revision: 5/5/2022

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Software Version: 2022 R1

Last Updated: 05/05/2022

How to Use This Course

This end-user course introduces the creation, sales, and purchases of stock and non-stock items (including services) in a midsize company.

Which Training Environment Is Needed

All lessons of the course should be completed in an instance of Acumatica ERP 2022 R1 with the *U100* training dataset preloaded; this dataset provides the predefined settings and entities you will need as you complete the activities of this course.

You or your system administrator prepare an instance of Acumatica ERP 2022 R1, as described in the *How to Create a Tenant with the U100 Dataset* section below.

What Is in This Guide

The guide includes the *Company Story* topic and process activities. *Company Story* explains the organizational structure of the company preconfigured in the *U100* dataset, as well as the company's business processes and requirements. The primary content of a guide is configuration lessons and process lessons. Each of the process activities of the course is dedicated to a particular user scenario and consists of processing steps that you complete.



The process activities are independent and can be completed in any order.

What Is in a Lesson

Each lesson provides a story describing a particular user scenario and an overview of the relevant features that have been enabled in the system; configuration settings that are related to the described scenario are also listed. The lesson provides a brief overview of the process that should be performed to complete the described scenario, and instructions that guide you through the process in Acumatica ERP.



The lessons are independent and can be completed in any order. However, depending on the sequence in which you take the course lessons, the values in the screenshots may differ from the values in the system.

What Are the Documentation Resources

The complete Acumatica ERP documentation is available on <https://help.acumatica.com/> and is included in the Acumatica ERP instance. While viewing any form used in the course, you can click the **Open Help** button in the top pane of the Acumatica ERP screen to bring up a form-specific Help menu; you can use the links on this menu to quickly access form-related information and activities and to open a reference topic with detailed descriptions of the form elements.

How to Create a Tenant with the U100 Dataset

Before you complete this course, you need to add a tenant with the *U100* dataset to an existing Acumatica ERP instance. You will then prepare the tenant for completing the activities. To complete this preparation, perform the following instructions:

1. Go to [Amazon Storage](#).
2. Open the folder that corresponds to the version of your Acumatica ERP instance.

3. In this folder, open the **Snapshots** folder, and download the **u100.zip** file.
4. Launch the Acumatica ERP instance, and sign in.
5. Open the [Tenants](#) (SM203520) form, and click **Add New Record** on the form toolbar.
6. In the **Login Name** box, type the name to be used for the tenant.
7. On the form toolbar, click **Save**.
8. On the **Snapshots** tab, click **Import Snapshot**.
9. In the **Upload Snapshot Package** dialog box, select the **u100.zip** file, which you have downloaded, and click **Upload**.

The system uploads the snapshot and lists it on the **Snapshots** tab of the [Tenants](#) form.

10. On the form toolbar, click **Restore Snapshot**.
11. If the **Warning** dialog box appears, click **Yes**.
12. In the **Restore Snapshot** dialog box, make sure that the correct snapshot package is being uploaded, and click **OK**. The system will restore the snapshot and sign you out.

You are now on the Sign-In page, and you can sign in to the tenant you have just created.

Licensing Information

For the educational purposes of this course, you use Acumatica ERP under the trial license, which does not require activation and provides all available features. For the production use of this functionality, you have to activate the license your organization has purchased. Each particular feature may be subject to additional licensing; please consult the Acumatica ERP sales policy for details.

Company Story

This topic explains the organizational structure and operational activity of the company with which you will work during this training.

Company Structure

The SweetLife Fruits & Jams company is a midsize company located in New York City. The company consists of the following branches:

- SweetLife Head Office and Wholesale Center: This branch of the company consists of a jam factory and a large warehouse where the company stores fruit (purchased from wholesale vendors) and the jam it produces. Warehouse workers perform warehouse operations by using barcode scanners or mobile devices with barcode scanning support.
- SweetLife Store: This branch has a retail shop with a small warehouse to which the goods to be sold are distributed from the company's main warehouse.
- Service and Equipment Sales Center: This branch is a service center with a small warehouse where juicers are stored. This branch assembles juicers, sells juicers, installs juicers, trains customers' employees to operate juicers, and provides juicer servicing.

Operational Activity

The company has been operating starting in the 01-2021 financial period. In November 2021, the company started using Acumatica ERP as an ERP and CRM system and migrated all data of the main office and retail store to Acumatica ERP. Because the company has grown, the equipment center has begun its operations in 01-2022.

The base currency of the company is the U.S. dollar (USD). All amounts in documents and reports are expressed in U.S. dollars unless otherwise indicated.

Company Purchases

The company purchases fruits and spices from large fruit vendors for sale and for jam production. For producing jams and packing jams and fruits, the company purchases jars, labels, and paper bags from various vendors. For the internal needs of the main office and store, the company purchases stationery (printing paper, pens, and pencils), computers, and computer accessories from various vendors. The company also purchases juicers and juicer parts for sale from a large juicer vendor and either purchases the installation service for the juicers or provides the installation service on its own, depending on the complexity of the installation.

Company Sales and Services

Each company's branch has its own business processes, as follows:

- SweetLife Head Office and Wholesale Center: In this branch, jams and fruit are sold to wholesale customers, such as restaurants and cafés. The company also conducts home canning training at the customer's location and webinars on the company's website.
- SweetLife Store: In the store, retail customers purchase fresh fruit, berries, and jams, or pick up the goods they have ordered on the website. Some of the goods listed in the website catalog are not stored in the retail warehouse, such as tropical fruits (which are purchased on demand) and tea (which is drop-shipped from a third-party vendor).
- Service and Equipment Sales Center: This branch assembles juicers, sells juicers, provides training on equipment use, and offers equipment installation, including site review and maintenance services. The branch performs one-time endeavors as well as complex projects with their own budgets.

The company has local and international customers. The ordered items are delivered by drivers using the company's own vehicle. Customers can pay for orders by using various payment methods (cash, checks, or credit cards).

Part 1: Managing Stock Items

Lesson 1: Creation of Stock Items

Stock Items: General Information

Stock items are goods that you either purchase from vendors or manufacture, and then sell to customers. In Acumatica ERP, you create stock items by using the [Stock Items](#) (IN202500) form, which is available if the *Inventory* feature is enabled on the [Enable/Disable Features](#) (CS100000) form.

Learning Objectives

In this chapter, you will do the following:

- Prepare the system for the creation of stock items
- Create stock items

Applicable Scenarios

You may need to create a stock item in the following cases:

- You are initially configuring inventory entities and settings.
- You are going to sell or purchase new goods that have not been defined in the system.

Item Classes for Stock Items

Before you start creating stock items in the system, you need to create item classes that group items with similar settings by using the [Item Classes](#) (IN201000) form. The system copies the following settings from an item class to a stock item when you create a stock item and select this item class:

- Item type
- Valuation method
- Tax category
- Posting class
- Lot/Serial class
- Default warehouse
- Units of measure
- Attributes
- Replenishment settings

You can change any of these settings for a particular stock item.

For more information about item classes, see [Item Classes for Stock Items: General Information](#).

Types of Stock Items

When you are creating a stock item on the [Stock Items](#) (IN202500) form, you specify an item type, which is used for informational purposes only. The type can be one of the following:

- *Finished Good*: You use this type for finished goods that you sell to customers.
- *Component Part*: You use this type for component items from which intermediate assemblies and finished goods are produced during kit assembly processes.
- *Subassembly*: You use this type for intermediate assemblies from which finished goods are produced during kit assembly processes.

Transactions with Stock Items

After you have created stock items in the system and configured their settings, you can start processing transactions. As you process documents, the system generates the proper inventory transactions and the corresponding AP and AR documents.

You cannot manually select stock items in AR invoices. In AP bills, you can select stock items; however, you can release the AP documents only after all lines with stock items have been linked to the corresponding lines of the purchase receipts that you have released.



You cannot delete a stock item in the system if there are any completed transactions with the item, any unreleased documents that include this item, or any nonzero quantity of the item at any warehouse location.

Stock Item Tracking

The system automatically tracks stock items and maintains availability data: how many base units (that is, units in the base unit of measure selected for the particular stock item) are on hand, how many are ordered from vendors, and how many are booked to sales orders and shipments. To configure how exactly this availability data is computed you create an availability calculation rule and specify the rule in the settings of an item class. Availability of all items of the same class is calculated by using the same rule. (That is, you cannot change an availability calculation rule for a particular item.) For details, see [Availability Calculation Rules: General Information](#).

Stock items are also tracked by their cost. Various valuation methods are available for tracking item costs (for details, see [Item Costs and Valuation Methods](#)). Typically, a stock item is an asset until it is sold; its cost then becomes an expense.

Also, the system automatically monitors when the stock level of the item falls below the defined minimum and automatically calculates the quantities required to replenish the stock, based on the demand for the item and the inventory information you have defined for the stock item. For details, see [Automated Replenishment](#).

Stock Items: Implementation Activity

In the following implementation activity, you will learn how to create stock items.

Story

Suppose that you are an implementation manager. You are configuring inventory for the SweetLife Fruits & Jams company, which produces and sells jam from various fruits. You will create a stock item for banana jam in 32-ounce jar.

System Preparation

Before you start creating the stock item, you should do the following:

1. Launch the Acumatica ERP website with the *U100* dataset preloaded, and sign in to the system as implementation manager Kimberly Gibbs by using the *gibbs* username and the *123* password.
2. On the [Enable/Disable Features](#) (CS100000) form, make sure that the *Inventory and Order Management* and *Inventory* features are enabled.

Step: Creating Stock Items

To create a stock item for banana jam in 32-ounce jars, do the following:

1. On the [Stock Items](#) (IN202500) form, add a new record.
2. Do the following to create a stock item for the banana jam in 32-ounce jar:
 - a. In the Summary area, specify the following settings:
 - **Inventory ID:** BANJAM32
 - **Item Status:** Active
 - **Description:** Banana jam 32 oz
 - b. On the **General** tab, do the following:
 - a. In the **Item Class** box, select *JAM*.
 - b. In the **Base Unit** box, select *PIECE*.
 - c. Make sure that the **Divisible Unit** check box right of the **Base Unit** box is selected.
 - c. On the **GL Accounts** tab, make sure that the accounts have been copied from the [Posting Classes](#) (IN206000) form for the *FDI* posting class (**GL Accounts** tab).
 - d. On the form toolbar, click **Save**.

Now that you have created the stock item for banana jam, you can include the jam jars in documents.

Lesson 2: Sales of Stock Items

Sales of Stock Items: General Information

In a typical distribution organization, a customer order may be taken over the phone or received by email. In Acumatica ERP, you can process a sale of stock items by creating and processing a corresponding sales order. A sales order represents a customer request to buy particular goods in a specified quantity on a specified date.

Learning Objectives

In this chapter, you will do the following:

- Create a sales order with stock items
- Create the shipment for the sales order
- Confirm the shipment
- Create the invoice for the sales order
- Process the SO invoice and the related inventory and accounts receivable documents

Applicable Scenarios

You process a sales order with a stock item if you need to record the sale of goods with shipping the items to customer, updating item quantities in inventory, and preparing an invoice to the customer for the sold goods.

Sale of Stock Items with Automatic or Manual Allocation

The standard sales process typically includes entering a sales order, processing a shipment of the items with items being issued from inventory, and preparing the related invoice to a customer. In Acumatica ERP, to process a sale that requires the items to be shipped before an invoice can be prepared, you can use a sales order of the SO or SA type on the [Sales Orders](#) (SO301000) form. Consider the following points as you decide which of the order types to use:

- For a new order of the SO type, the items are not reserved in inventory automatically. You can manually allocate (reserve) the requested quantity for a specific stock item or multiple items if this is required by your company policies or was requested by the customer. Also, you may want to reserve a line item if the item is available but the quantity required for the order line is distributed between different warehouses and any transfers are required.
- When you save a new order of the SA type, the system automatically reserves the requested quantities of stock items for this order (or the available part, if only part of requested quantity is available for any item). If the ordered quantity cannot be fully allocated at the specified location or warehouse, you can manually allocate the unavailable quantity in other warehouses or locations. If you prepare a shipment for an SA order that has an unallocated quantity, the order will be shipped partially even if the ordered quantities are available for shipping at another warehouse or warehouse location but were not allocated for this particular order.

On the **Details** tab of the [Sales Orders](#) form, you can view the allocation for each sales order line and change it, if needed, by clicking a line and clicking **Line Details** on the table toolbar. The quantities of the items that have been allocated for the order (automatically or manually) cannot be shipped for another order.

The way the order will be fulfilled depends on the item availability and on the shipping rules specified for the order and for the sales order lines on the [Sales Orders](#) (SO301000) form. These shipping rules determine whether the goods in the sales order should be shipped only in full, partial shipments for the available quantities are allowed with the remainder canceled, or partial shipments are allowed with the remainder on back order. For detailed information, see [Shipping Rule Combinations](#). On the [Shipments](#) (SO302000) form, you can review the details of a shipment document prepared for an order; then you can confirm the shipment of items.

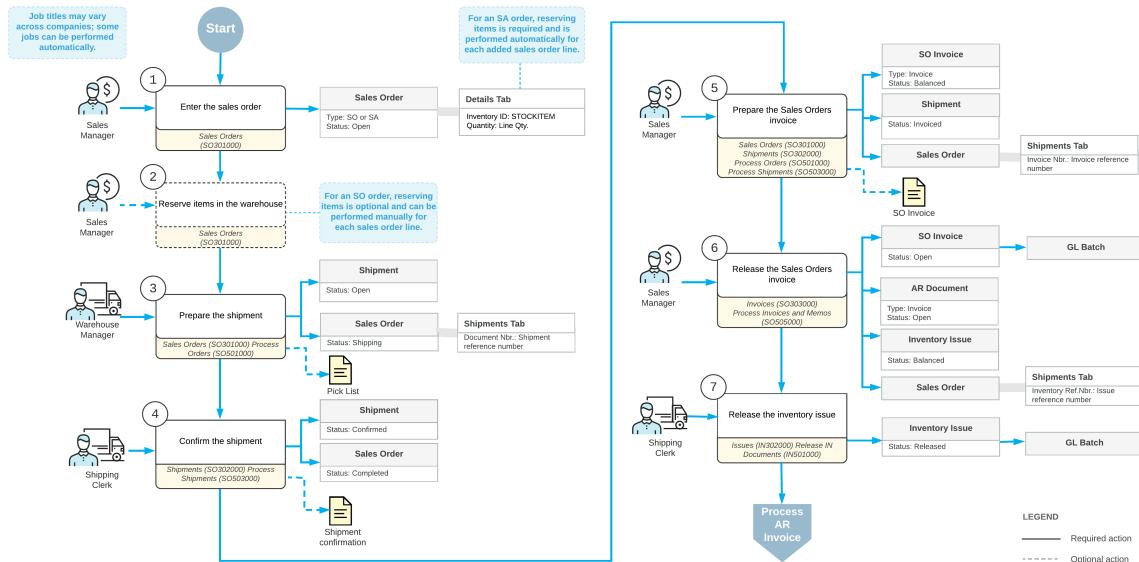
After you have prepared and confirmed the shipment or shipments related to the sales order, you need to bill the customer for the shipped items by preparing an SO invoice, which is a financial document in the system that contains links to the applicable shipments and sales orders. You can review the prepared SO invoice on the [Invoices](#) (SO303000) form; then you can release it. When the SO invoice is released, the system automatically generates a corresponding inventory issue for the shipped items with the date and posting period of the invoice. Also, when the SO invoice is released, the system creates and releases a corresponding AR invoice, which you can view on the [Invoices and Memos](#) (AR301000) form.

An AR invoice is a financial document that is similar to the SO invoice but does not contain the links to the applicable shipments and sales orders. The system assigns the same reference number to the SO invoice and the related AR invoice and prints this number in the customer statement; thus, these invoices appear to be a single document from the customer's perspective. Both of these documents contain the link to the batch of the general ledger transactions that was generated when the AR invoice was released. For more information on processing accounts receivable invoices, see [Processing AR Invoices](#).

Workflow of a Sale of Stock Items

For a sales order of the SO or SA type that includes stock items, the typical processing involves the actions and generated documents shown in the following diagram.

Inventory sale with shipping



Sales of Stock Items: Process Activity

The following activity demonstrates how to prepare and process to completion a sales order with manual allocation of stock items.

Story

Suppose that you are Grace Norman, a sales manager of the SweetLife Fruits & Jams company. On January 30, 2022, the GoodFood One Restaurant wholesale customer has ordered a large amount of orange and apple jams in 96-ounce jars from the main office of SweetLife, where you are employed, for the café's baking needs. The ordered jams are stored in the warehouse of the SweetLife's main office. You, as a sales manager, need to enter and process the appropriate documents.

Configuration Overview

In the *U100* dataset, for the purposes of this activity, the following tasks have been performed:

- On the *Enable/Disable Features* (CS100000) form, the following features have been enabled:
 - Inventory and Order Management*, which provides the standard functionality of inventory and order management
 - Inventory*, which gives you the ability to maintain stock items using forms related to the inventory functionality and to create and process sales and purchase documents that include stock items
- On the *Order Types* (SO201000) form, the *SO* order type has been configured and activated.
- On the *Customers* (AR303000) form, the *GOODFOOD (GoodFood One Restaurant)* customer has been configured.
- On the *Stock Items* (IN202500) form, the *APJAM96* and *ORJAM96* stock items have been configured.
- On the *Warehouses* (IN204000) form, in the *WHOLESALE* warehouse, which has been configured, sufficient quantities of the *APJAM96* and *ORJAM96* items are on hand.

Process Overview

To perform a sale of stock items with manual allocation, you create a sales order on the [Sales Orders](#) (SO301000) form, select the customer to which the items are being sold, add items to the order, and reserve the items in inventory. Then you create a shipment document on the [Shipments](#) (SO302000) form. On this form, you confirm the settings that the system has inserted automatically based on the sales order, and then confirm the shipment. After shipment confirmation, you use the [Invoices](#) (SO303000) form to prepare a corresponding invoice to the customer and release it.

System Preparation

Before you start performing a sale of stock items with manual allocation, you should do the following:

1. Launch the Acumatica ERP website with the *U100* dataset preloaded, and sign in to the system as sales manager Grace Norman by using the *norman* username and the *123* password.
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2022*. If a different date is displayed, click the Business Date menu button, and select *1/30/2022* on the calendar. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, in the top pane of the Acumatica ERP screen, make sure the *SweetLife Head Office and Wholesale Center* branch is selected.

Step 1: Creating a Sales Order

To create a sales order, do the following:

1. On the [Sales Orders](#) (SO301000) form, create a sales order, and specify the following settings:
 - **Order Type:** SO
 - **Customer:** GOODFOOD
 - **Date:** 1/30/2022
 - **Requested On:** 1/30/2022
 - **Description:** Orange and apple jams



To open the form for creating a new record, type the form ID in the Search box, and on the Search form, point at the form title and click **New** right of the title.

2. On the table toolbar of the **Details** tab, click **Add Row** and specify the following settings in the added row:
 - **Inventory ID:** APJAM96
 - **Warehouse:** WHOLESALE
 - **Quantity:** 20
 - **Unit Price:** 45.15
3. On the table toolbar, click **Add Row** and specify the following settings in the second row:
 - **Inventory ID:** ORJAM96
 - **Warehouse:** WHOLESALE
 - **Quantity:** 20
 - **Unit Price:** 35.99
4. On the form toolbar, click **Save**.

The sales order is assigned the *Open* status.

Step 2: Allocating Inventory Items

To manually allocate the inventory items for the sales order you have created, while you are still viewing the sales order on the [Sales Orders](#) (SO301000) form, do the following:

1. On the **Details** tab, click the *APJAM96* line, and review the Allocated quantity for the *APJAM96* inventory item in the table footer (which is currently equal to 0 because the system does not automatically allocate stock items for SO orders).
2. On the table toolbar, click **Line Details**.
3. In the **Line Details** dialog box, which opens, make sure that *WHOLESALE* is selected in the **Alloc. Warehouse** column of the only row.
4. Select the **Allocated** check box for the allocation line.
5. Click **OK** to save the created allocation and close the dialog box.
6. In the table footer, review the Allocated quantity, and notice that it is now equal to the quantity specified in the line, which means that the item has been allocated in inventory.
7. On the form toolbar, click **Save**.
8. click the *ORJAM96* line, and review the Allocated quantity for the *ORJAM96* stock item in the table footer (which is currently equal to 0 because the system does not automatically allocate stock items for SO orders).
9. On the table toolbar, click **Line Details**.
10. In the **Line Details** dialog box, which opens, make sure that *WHOLESALE* is selected in the **Alloc. Warehouse** column of the only row.
11. Select the **Allocated** check box for the allocation line.
12. Click **OK** to save the created allocation and close the dialog box.
13. In the table footer, review the Allocated quantity, and notice that it is now equal to the quantity specified in the line, which means that the item has been allocated in inventory.
14. On the form toolbar, click **Save**.

You have manually allocated the inventory items for the sales order. Now you need to create a shipment document for the sales order.

Step 3: Creating a Shipment

To create a shipment, do the following:

1. While you are still viewing the sales order you have created on the [Sales Orders](#) (SO301000) form, on the form toolbar, click **Create Shipment**.
2. In the **Specify Shipment Parameters** dialog box, which opens, make sure that the *1/30/2022* date and the *WHOLESALE* warehouse are selected, and click **OK**. The system closes the dialog box, creates a shipment, and opens it on the [Shipments](#) (SO302000) form.

Step 4: Confirming the Shipment

To confirm the shipment, do the following:

1. While you are still viewing the shipment on the [Shipments](#) (SO302000) form, review the lines on the **Details** tab. Make sure that both order lines have been included in the shipment and that the shipped quantity in both lines is equal to the ordered quantity.
2. In both lines, specify *Main* in the **Location** column.
3. On the form toolbar, click **Confirm Shipment**.

The shipment is assigned the *Confirmed* status. Now you can prepare the invoice to bill the customer and increase the customer's debt in the system.

Step 5: Processing the Invoice

To prepare and release the invoice, do the following:

1. While you are still viewing the shipment on the **Shipments** (SO302000) form, on the form toolbar, click **Prepare Invoice**. The system prepares the invoice and opens it on the **Invoices** (SO303000) form.
2. On this form, review the details of the prepared invoice. The invoice has two lines, as the initial sales order does. In the **Shipment Nbr.** and **Order Nbr.** columns of the **Details** tab, notice that the system has inserted the reference number links to the related shipment and sales order.
3. On the form toolbar, click **Release** to release the invoice. Wait for the system to complete the operation.
4. Return to the **Sales Orders** (SO301000) form, and open the sales order that you have processed.
5. On the **Shipments** tab, in the only row, click the link in the **Inventory Ref. Nbr.** column to view the inventory issue that was generated when you released the invoice.
6. On the **Issues** (IN302000) form, which opens in a pop-up window, review the details of the inventory issue, shown in the following screenshot. Make sure that the issue has the *Released* status, which means that the issue has been released and the quantities of items in inventory have been decreased appropriately.

The screenshot shows the Acumatica IN302000 Issues form. At the top, it displays basic information: Reference Nbr. 000064, External Ref., Total Qty. 40.00, Total Amount. 1,622.80, Total Cost. 0.00. Below this, there are fields for Status (set to Released), Date (1/30/2022), Post Period (01-2022), and Description. The form has two tabs at the bottom: DETAILS and FINANCIAL. The DETAILS tab is selected, showing a grid of items. The first item is an invoice for Apple jam (APJAM96) with a quantity of 20.00, unit price of 45.1500, and extended price of 903.00. The second item is an invoice for Orange jam (ORJAM96) with a quantity of 20.00, unit price of 35.9900, and extended price of 719.80. Both items have a reason code of X and a cost code of Apple jam 96 oz or Orange jam 96 oz.

Tran. Type	Inventory ID	Warehouse	Location	Quantity	UOM	Unit Price	Ext. Price	Unit Cost	Ext. Cost	Reason Code	Project	Project Task	Cost Code	Description
Invoice	APJAM96	WHOLESALE	MAIN	20.00	PIECE	45.1500	903.00	0.0000	0.00	X				Apple jam 96 oz
Invoice	ORJAM96	WHOLESALE	MAIN	20.00	PIECE	35.9900	719.80	0.0000	0.00	X				Orange jam 96 oz

Figure: Inventory issue generated on release of the invoice

The sales order processing is now complete.

Lesson 3: Purchases of Stock Items

Purchases of Stock Items: General Information

In Acumatica ERP, you can process purchases of stock items: purchases in which the bills are generated after the ordered goods and services have been received into inventory from the vendors.

Learning Objectives

You will do the following:

- Create a purchase order with stock items
- Prepare a purchase receipt for an existing purchase order
- Release a purchase receipt
- Enter the accounts payable bill for the receipt

- Process the purchase order and the related inventory documents and accounts payable documents

Applicable Scenarios

You process a purchase order if you need to record a purchase of stock items with item quantities updated in inventory and to prepare a bill for the purchased goods to the vendor of the goods. Your purchase process includes entering a purchase order, processing the purchase receipt when the purchased items are received to inventory, and preparing a bill to the vendor.

Inventory Purchase Process

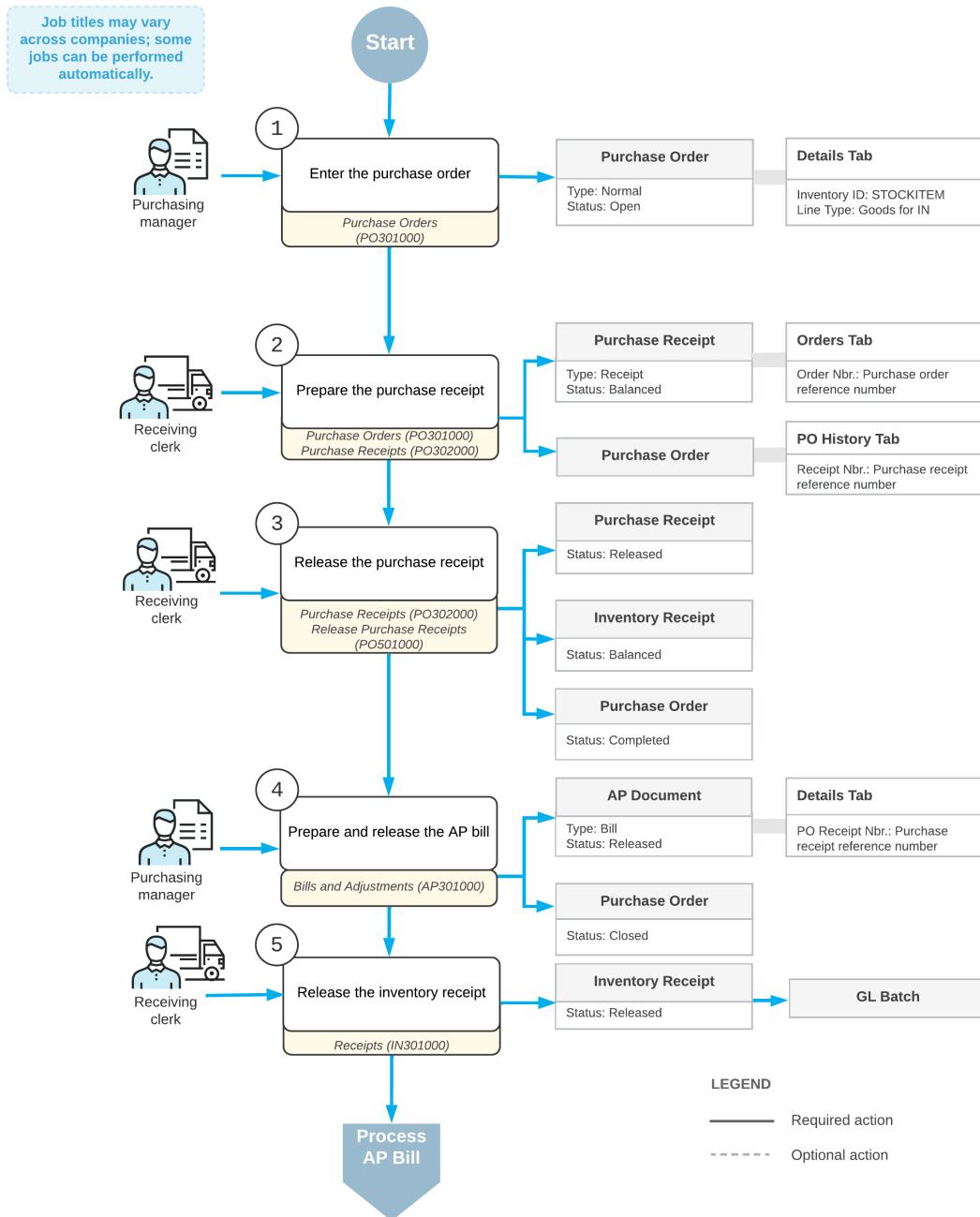
A purchase process typically includes entering a purchase order, processing the purchase receipt when the purchased items are received to inventory, and preparing a bill to the vendor. In general, the [Purchase Orders](#) (PO301000) form is the starting point for creating a purchase order. In Acumatica ERP, for processing purchases of inventory items, purchase orders of the *Normal* type are used.

In a new purchase order created on the [Purchase Orders](#) form, you should first select the vendor. Then on the **Details** tab, you list the stock items to be purchased from the vendor. You can add stock items by clicking the **Add Items** button on the table toolbar of the **Details** tab and selecting from only the vendor's items or from the entire list of stock items. Once the purchased items have been received to inventory, you need to create a purchase receipt (or multiple partial receipts). When a purchase receipt is released, the system automatically generates a corresponding inventory receipt, with the date and posting period of the purchase receipt. On release of the inventory receipt, the system updates the inventory on hand with the quantity and cost of the received goods and generates a batch of GL transactions to update account balances in the general ledger. If all the lines in the purchase order have been received in full, the system assigns the purchase order the *Completed* status. Then you need to create a bill to increase the vendor's balance in the system with amount to be paid for received goods. If all the lines in the purchase order have been billed in full, the system assigns the purchase order the *Closed* status. For more information on the rules that affect line closing and completion, see [Stock Item Lines in Purchase Orders](#).

Workflow of a Purchase of Stock Items

The following diagram represents the general workflow of the processing of a purchase order in Acumatica ERP, in which a purchase receipt is processed before the bill is generated.

Purchase with processing a receipt before the AP bill



Purchases of Stock Items: Process Activity

The following activity demonstrates how to prepare and process to completion a purchase order with items received to inventory before the vendor is billed.

Story

Suppose that you are Regina Wiley, a purchasing manager in the SweetLife Fruits & Jams company. On January 30, 2022, you are purchasing the following fruits from the Glory Fruit Case vendor: 100 pounds of apples, 200 pounds of oranges, and 50 pounds of lemons. The purchased fruits are to be delivered to the main office's warehouse. As the purchasing manager, you need to enter and process a purchase order, process a purchase receipt, and create a bill that should be paid to the vendor for the received fruits.

Configuration Overview

In the *U100* dataset, for the purposes of this activity, the following tasks have been performed:

- On the [Enable/Disable Features](#) (CS100000) form, the following features have been enabled:
 - *Inventory and Order Management*, which provides the standard functionality of inventory and order management
 - *Inventory*, which gives you the ability to maintain stock items using forms related to the inventory functionality and to create and process sales and purchase documents that include stock items
- On the [Vendors](#) (AP303000) form, the *GLORYFRUIT (Glory Fruit Case)* vendor has been configured.
- On the [Stock Items](#) (IN202500) form, the *APPLES*, *LEMONS*, and *ORANGES* stock items have been created.

Process Overview

In the process of purchasing stock items, you create a purchase order on the [Purchase Orders](#) (PO301000) form and add the purchased items to it. When the items have been received, on the [Purchase Receipts](#) (PO302000) form, you create a purchase receipt for the ordered items. On release of the purchase receipt, the system automatically generates an inventory receipt to reflect the receipt of the items in inventory. Then on the [Bills and Adjustments](#) (AP301000) form, you create an accounts payable bill to the vendor.

System Preparation

Before you start creating and processing a purchase order to completion, you should do the following:

1. Launch the Acumatica ERP website with the *U100* dataset preloaded and sign in to the system as purchasing manager Regina Wiley by using the *wiley* username and the *123* password.
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2022*. If a different date is displayed, click the Business Date menu button, and select *1/30/2022* from the calendar. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, in the top pane of the Acumatica ERP screen, make sure the *SweetLife Head Office and Wholesale Center* branch is selected.

Step 1: Reviewing the Quantity of Items in the Warehouse

To review the quantity of items in the *WHOLESALE* warehouse, you should do the following:

1. Open the [Inventory Valuation](#) (IN615500) report form.
2. On the **Report Parameters** tab, specify the following settings:
 - a. **Company/Branch:** *HEADOFFICE - SweetLife Head Office and Wholesale Center*
 - b. **Warehouse:** *WHOLESALE*
 - c. **Report Format:** *Summary*

Leave other settings unchanged.

3. On the form toolbar of the report form, click **Run Report**. The print form of the report opens. Review the report.
4. Memorize or write down the quantity of items with the following inventory IDs:
 - *APPLES*
 - *LEMONS*
 - *ORANGES*

In Step 3, you will compare the original quantity of these items with the resulting quantity.

Step 2: Creating a Purchase Order

To create a purchase order, do the following:



To open the form for creating a new record, type the form ID in the Search box, and on the Search form, point at the form title and click **New** right of the title.

1. On the *Purchase Orders* (PO301000) form, add a new record.
2. In the Summary area, specify the following settings:
 - **Type:** *Normal*
 - **Vendor:** *GLORYFRUIT*
 - **Date:** *1/30/2022*
 - **Promised On:** *1/30/2022*
 - **Description:** *Purchase of fruits*
3. On the **Details** tab, on the table toolbar, click **Add Row** and specify the following settings in the added row:
 - **Branch:** *HEADOFFICE*
 - **Inventory ID:** *APPLES*
 - **Warehouse:** *WHOLESALE*
 - **Order Qty.:** *100*
 - **Unit Cost:** *2.29*
4. On the table toolbar, click **Add Row** and specify the following settings in the second row:
 - **Branch:** *HEADOFFICE*
 - **Inventory ID:** *LEMONS*
 - **Warehouse:** *WHOLESALE*
 - **Order Qty.:** *50*
 - **Unit Cost:** *2.59*
5. On the table toolbar, click **Add Row** and specify the following settings in the third row:
 - **Branch:** *HEADOFFICE*
 - **Inventory ID:** *ORANGES*
 - **Warehouse:** *WHOLESALE*
 - **Order Qty.:** *200*
 - **Unit Cost:** *1.85*
6. On the form toolbar, click **Save**.
7. On the form toolbar, click **Remove Hold**. Now you can continue processing the purchase order, which has the *Open* status.

Step 3: Processing the Purchase Receipt

To create a purchase receipt for the purchase order, do the following:

1. While you are still viewing the *Purchase of fruits* purchase order on the [Purchase Orders](#) (PO301000) form, on the form toolbar, click **Enter PO Receipt**. The system prepares the purchase receipt for the selected purchase order and opens it on the [Purchase Receipts](#) (PO302000) form.
 2. On the form toolbar, click **Save**.
- Review the details of the prepared purchase receipt. Make sure that the **Create Bill** check box is cleared in the Summary area. (In the next step, you will prepare the bill manually.)
3. On the form toolbar, click **Release**. Wait for the system to complete the operation.
 4. On the **Other** tab, click the **IN Ref. Nbr.** link. The inventory receipt opens on the [Receipts](#) (IN301000) form in a pop-up window. Review the details of the generated inventory receipt. Make sure the inventory receipt has the *Released* status. Close the inventory receipt.
 5. Open the [Inventory Valuation](#) (IN615500) report form.
 6. On the **Report Parameters** tab, specify the following settings:
 - **Company/Branch:** HEADOFFICE - SweetLife Head Office and Wholesale Center
 - **Warehouse:** WHOLESALE
 - **Report Format:** Summary
 Leave the default settings for the other parameters.
 7. On the form toolbar of the report form, click **Run Report**. The print form of the report opens. Review the report. Make sure that the report reflects the receipt (to the warehouse) of the purchased items and their availability.

Step 4: Processing the AP Bill

To process the AP bill to the *GLORYFRUIT* vendor, do the following:

1. Open the purchase receipt that you have processed earlier in this activity on the [Purchase Receipts](#) (PO302000) form.
2. On the form toolbar, click **Enter AP Bill**. The system generates an accounts payable bill to the vendor of the goods and shows the created document on the [Bills and Adjustments](#) (AP301000) form.
3. On the form toolbar, click **Save**.
4. Click **Remove Hold**, which gives you the ability to release the bill.
5. Click **Release**.
6. Return to the purchase order to the *GLORYFRUIT* vendor on the [Purchase Orders](#) (PO301000) form, and review its details. Notice that the order now has a status of *Closed*, as shown in the following screenshot. On the **PO History** tab, notice that the information about the purchase receipt and accounts payable bill that were prepared for the order is displayed. According to this information, the purchased items have been received to inventory and billed in full, so the purchasing process is completed.

Purchase Orders
Normal 000032 - Glory Fruit Case

Normal 000032 - Glory Fruit Case

Type: Normal Vendor: GLORYFRUIT - Glory Fruit Case Line Total: 728.50
 Order Nbr.: 000032 Location: MAIN - Primary Location Discount Total: 0.00
 Status: Closed Owner: EP00000009 - Regina Wiley VAT Exempt T... 0.00
 Date: 1/30/2022 Vendor Ref. VAT Taxable T... 0.00
 Promised On: 1/30/2022 Description: Purchase of fruits Tax Total: 0.00
 Order Total: 728.50

DETAILS TAXES SHIPPING VENDOR INFO PO HISTORY PREPAYMENTS OTHER COMPLIANCE

Type	Receipt Nbr.	Date	Status	Received Qty.	Type	Reference Nbr.	Date	Status	Billed Qty.	Billed Amt.	PPV	Currency Amt
Receipt	000025	1/30/2022	Released	350.00	Bill	000060	1/30/2022	Open	350.00	728.50	0.00	USD

Figure: Purchase order processed to completion

Part 2: Managing Service Items

Lesson 1: Creation of Service Items

Creating Service Items: General Information

Non-stock items may be products that consist of no physical entity and thus cannot be stocked in warehouses (as with services) or they may be physical entities for which you do not need to track quantities in a warehouse. In Acumatica ERP, you create non-stock items by using the [Non-Stock Items](#) (IN202000) form.



This chapter focuses on non-stock items that represent services. Thus, in the rest of the chapter, *non-stock item* refers to this kind of non-stock item. To learn more about non-stock items representing physical entities, see [Creating Non-Stock Items: General Information](#).

In the following sections, you can find information about service items in Acumatica ERP.

Learning Objectives

In this chapter, you will learn how to do the following:

- Prepare the system for the creation of service items
- Create service items

Applicable Scenarios

When you are initially configuring entities and settings in Acumatica ERP, you may need to create a service item in the following cases:

- When you are going to provide service items to customers
- When you are going to buy service items of other companies

Services in Sales Orders

The sales of service items typically do not involve shipments. You can define whether a shipment is required or not by selecting or clearing the **Require Shipment** check box on the **General** tab of the [Non-Stock Items](#) (IN202000) form.

Services in Purchase Orders

The purchase items of services typically do not involve purchase receipts. To process purchase orders for service items with receipt, make sure that on the **Process Service Lines from Normal Purchase Orders via Purchase Receipts** check box is selected in the **Other** section of the **General** tab on the [Purchase Orders Preferences](#) (PO101000) form. If the check box is cleared, the non-stock lines of the Service type are not copied to purchase receipts and can be billed only directly from purchase orders.

Creating Service Items: Implementation Activity

The following implementation activity will walk you through the process of creating a new service item.

Story

Suppose that the SweetLife Fruits & Jams company wants to create a landing page (a website) that will advert its products and services on the Internet. The company also wants the website to be visible in the search results of all popular search engines so that the customers could find it easily. To achieve these goals, the company addresses the Blueline advertising agency. The agency will create the website and promote it in the search engines.

Acting as a SweetLife sales and purchasing manager, you need to create the new service item for creation and promotion of the website and specify the needed settings for it.

Process Overview

In this activity, you will create a service item on the [Non-Stock Items](#) (IN202000) form, specify the needed settings and save the service item.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the *wiley* login and *123* password.

Creating a Service Item

To create a service item, do the following:

1. On the [Non-Stock Items](#) (IN202000) form, add a new record.
2. In the Summary area, specify the following settings:
 - **Inventory ID:** WEBSITESEO
 - **Description:** Creation and promotion of a website
3. On the **General** tab, specify the following settings for the item:
 - **Type:** Service
 - **Posting Class:** NONSTOCK - Non-Stock Items
 - **Tax Category:** EXEMPT
 - **Require Receipt:** Cleared
You clear this check box because you do not want to record the receipt of this service item.
 - **Require Shipment:** Cleared
You clear this check box because the company does not ship this item.
 - **Close PO Line:** By Amount
With this option selected, a purchase order line for this item is completed and closed based on the line amount when the bill is released. You select this option because you pay a certain amount on a regular basis.
4. In the **Unit of Measure** section of the **General** tab, specify the following settings:
 - **Base Unit:** EA

- **Sales Unit:** EA
 - **Purchase Unit:** EA
5. On the **GL Accounts** tab, in the **Expense Account** box, select the *60000 - Purchase Expense* account.
 6. On the form toolbar, click **Save**.

You have successfully created the service item that you can use in payments for the creation and promotion of your website on the Internet.

Lesson 2: Sales of Service Items

Sales of Services: General Information

Non-stock items in Acumatica ERP, which are defined on the [Non-Stock Items](#) (IN202000) form during implementation, are used to represent the products that cannot be stocked in warehouses (such as services or charges) or physical entities whose quantities you do not need to track.

The following sections describe the sales process of non-stock items that represent services.

Learning Objectives

In this chapter, you will learn how to do the following:

- Create a sales order for a sale of services
- Prepare the invoice that corresponds to the sales order

Applicable Scenarios

You process a sales order with a service line or multiple service lines if you need to track this sale (and then bill the customer for the provided services), which does not involve a shipment being processed in the system.

Sales of Services

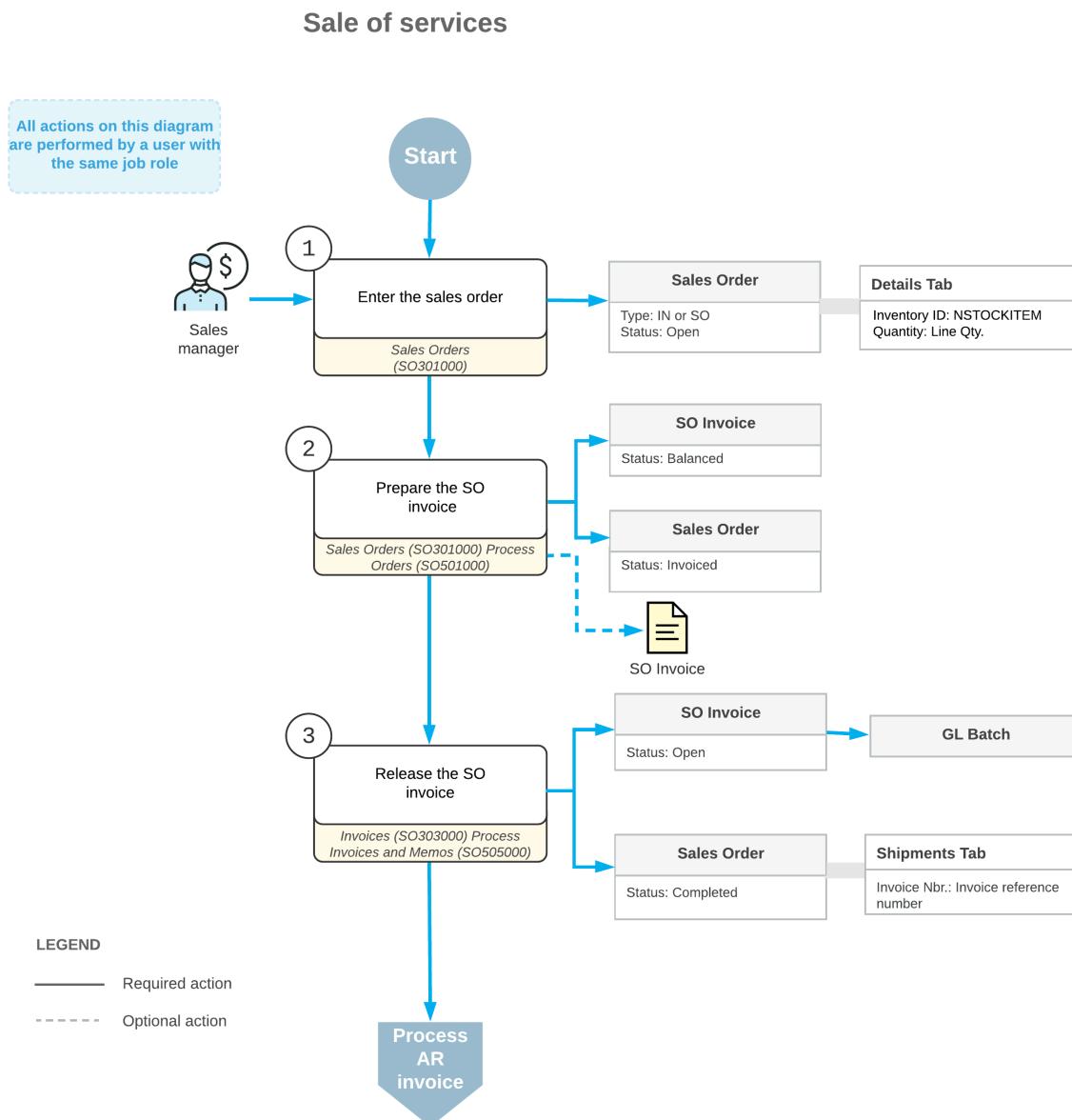
Although you could record the billing for a sale of services directly in the system by using an AR invoice, by entering sales orders for all sales, you implement a single entry point for the processing and tracking of sales, including the sales of services. For a sale of services, you start with entering a sales order of the SO or IN type on the [Sales Orders](#) (SO301000) form and add to the order the non-stock item or items representing the needed services.

After you have entered the sales order, you need to bill the customer for the sold services by preparing an SO invoice, which is a financial document in the system that contains links to the applicable sales orders. You can review the prepared SO invoice on the [Invoices](#) (SO303000) form; then you can release it. When the SO invoice is released, the system releases the corresponding AR invoice, which you can view on the [Invoices and Memos](#) (AR301000) form.

An AR invoice is a financial document that is similar to the SO invoice but does not contain the links to the other applicable documents. The system assigns the same reference number to the SO invoice and the related AR invoice. Both of these documents contain the link to the batch of the general ledger transactions, which was generated when the AR invoice was released. For more information on processing accounts receivable invoices, see [Processing AR Invoices](#).

Workflow of Sales of Services

If a sales order includes only services that do not involve shipping, the typical processing of the sales order involves the steps and generated documents shown in the following diagram.



Sales of Services: Process Activity

The following activity will walk you through the process of preparing and processing of a sales order for non-stock items that doesn't need to be shipped to the customer's location.

Story

Suppose that the GoodFood One Restaurant manager has ordered a three-day training course on home canning for the restaurant's employees. The course is conducted online, and no shipping needs to occur. You, as a sales manager, need to reflect these details in the system by entering and processing the appropriate documents.

Configuration Overview

For the purposes of this activity, the following prerequisites actions have been performed in the system:

- On the [Enable/Disable Features](#) (CS100000) form, the *Inventory and Order Management* feature has been enabled.
- On the [Order Types](#) (SO201000) form, the *SO* order type have been configured and activated.
- On the [Customers](#) (AR303000) form, the *GOODFOOD (GoodFood One Restaurant)* customer has been configured.
- On the [Non-Stock Items](#) (IN202000) form, the *ONLCOURSE (Home canning courses online (website session))* non-stock item has been configured.

Process Overview

In this activity, you will create a sales order on the [Sales Orders](#) (SO301000) form, and then add a service line to it. After that, you will use the [Invoices](#) (SO303000) form to prepare a related invoice to the customer and release it.

System Preparation

Do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the U100 dataset preloaded. To sign in as a sales and purchasing manager, use the *norman* login and the *123* password.
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to today's date. For simplicity, in this activity, you will create and process all documents in the system on this business date.

Step 1: Entering a Sales Order

To create a sales order, do the following:

1. On the [Sales Orders](#) (SO301000) form, add a new record.
2. In the Summary area, specify the following settings:
 - **Order Type:** SO
 - **Customer:** GOODFOOD
 - **Description:** Home canning training
3. On the **Details** tab, click **Add Row** on the table toolbar, and specify the following settings in the row:
 - **Inventory ID:** ONLCOURSE
 - **Quantity:** 3
 - **Unit Price:** 14.5
4. Save the order, and notice that it is assigned the *Open* status.

Step 2: Processing the SO Invoice

To prepare and release the SO invoice that is related to the sales order, do the following:

1. While you are still viewing the sales order on the [Sales Orders](#) (SO301000) form, on the More menu, click **Prepare Invoice**. The system prepares an SO invoice and opens it on the [Invoices](#) (SO303000) form.
2. On this form, review the details of the prepared invoice. The invoice has one line on the **Details** tab, as the initial sales order does. In the **Order Nbr.** column of this tab, the system has inserted the reference number of the related sales order; this number is also a link you can click to view the document on the [Sales Orders](#) form. Notice that the **Shipment Nbr.** column of the **Details** tab has no number.
3. On the form toolbar, click **Release** to release the invoice. The invoice is assigned the *Open* status. Also, an AR invoice with the same reference number, which you can view on the [Invoices and Memos](#) (AR301000) form, becomes available.
4. On the **Details** tab, in the only row, click the link in the **Order Nbr.** column to view the associated sales order.
5. On the [Sales Orders](#) (SO301000) form, which opens, review the details of the sales order, as shown in the following screenshot. Notice that the sales order has the *Completed* status, which the system assigned on release of the SO invoice and which means that the processing of the sale is completed.

The screenshot shows the Sales Orders (SO301000) form for SO 000065 - GoodFood One Restaurant. The top section displays basic order details: Order Type (SO), Customer (GOODFOOD - GoodFood One Restaurant), Location (MAIN - Primary Location), and Status (Completed). The date 3/3/2022 is listed under Date and Requested On. The total order amount is 43.50. The bottom section shows the Details tab, which contains a single line item for 'ONLCOURSE'. The line item details are: Inventory ID (ONLCOURSE), Free Item, Warehouse, Line Description (Home cannning courses onli...), UOM (DAY), Quantity (3.00), Qty. On Shipments (0.00), Open Qty. (0.00), Unit Price (14.5000), Manual Price (0.00), Ext. Price (43.50), Discount Percent (0.000000), Discount Amount (0.00), Disc. Unit Price (14.5000), and Amount (43.50).

Figure: Sales order completed on release of the invoice

Lesson 3: Purchases of Service Items Without Receipt

Purchases of Services Without Receipts: General Information

Non-stock items in Acumatica ERP, which are defined on the [Non-Stock Items](#) (IN202000) form, are used to represent products that cannot be stocked in warehouses (such as services or charges) or physical entities whose quantities you do not need to track. If a non-stock item is included in a purchase order, the item's settings determine whether the item must be included in a corresponding purchase receipt.

The following sections explain how to process a purchase of services that will not be included in corresponding purchase receipts, and which documents are prepared during the processing of the purchase.

Learning Objectives

In this chapter, you will learn how to do the following:

- Enter a purchase order for a purchase of a service that does not need to be included in the applicable purchase receipt
- Prepare an AP bill that corresponds to the purchase order

Applicable Scenarios

When you need to purchase services from a vendor, you usually process a purchase order without processing a corresponding receipt. In this case, the purchasing process includes entering a purchase order and preparing a bill to pay the vendor.

Purchase of Services Without a Corresponding Receipt

In Acumatica ERP, you create a purchase order by using the [Purchase Orders](#) (PO301000) form. You use a purchase order of the *Normal* type for processing a standard purchase of services.

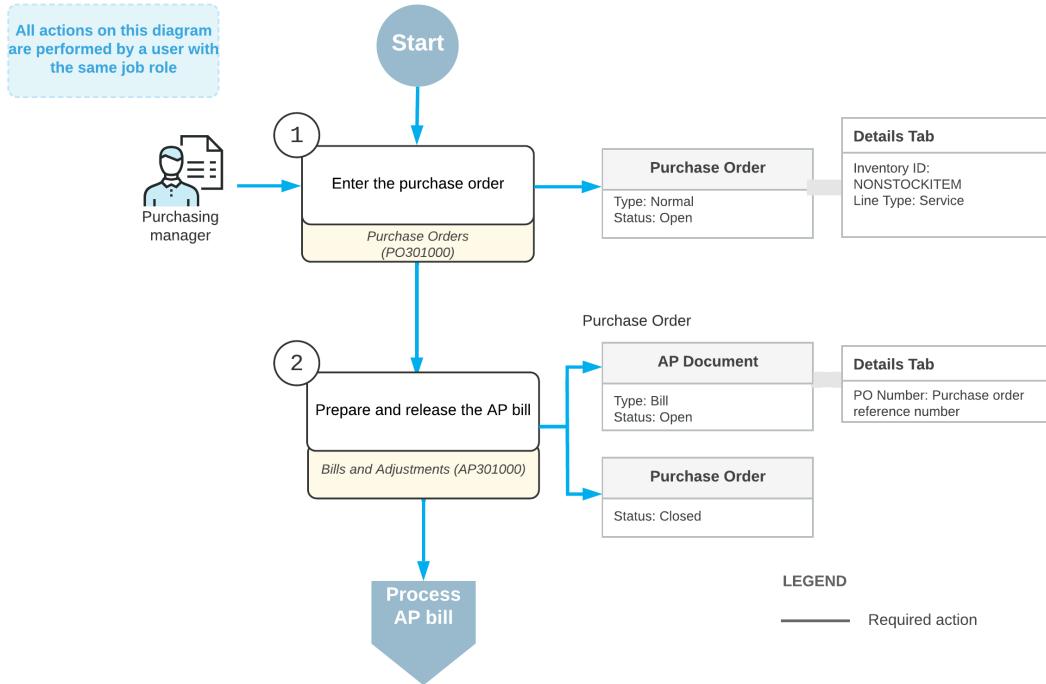
When you create a new purchase order, you first select the vendor and the *Normal* type in the Summary area. Then on the **Details** tab, you add lines with items and services (including the services that do not need to be included in a purchase receipt) to be purchased from the vendor.

Once the purchased services have been provided, you, on the [Bills and Adjustments](#) (AP301000) form, need to create an AP bill to increase the vendor's balance in the system with amount to be paid for the received services.

Workflow of a Purchase of Services Without a Purchase Receipt

When you process a purchase of services without a purchase receipt, the typical processing of a purchase order involves the steps and generated documents shown in the following diagram.

Purchase of services without receipt



Purchases of Services Without Receipts: Process Activity

The following activity will walk you through the process of preparing and processing a purchase order that includes a line for a service that does not need to be included in a purchase receipt when it is purchased.

For simplicity, this chapter focuses on purchases of only services that do not require corresponding purchase receipts. However, this activity demonstrates a purchase of both a service that does not need to be included in a purchase receipt and a stock item that does need to be included in a purchase receipt.

Story

Suppose that you, as a purchasing manager for SweetLife Fruit & Jams, urgently need to buy some jars for packing SweetLife's produced jam, which is sold in the retail store. SweetLife buys these jars (which are tracked as stock items in the system) from Jar Co., which offers free delivery of the jars.

You order the jars, but you will not be able to use Jar Co.'s regular delivery service because its soonest free delivery is in three days. Because you are in urgent need of the jars, you agree to pay Jar Co. an extra service fee to arrange for delivery by a third party, which you have defined in the system as a service that does not need to be included in a purchase receipt.

Thus, you need to process a purchase order for Jar Co. that includes both the jars (at their normal price) and the expedited delivery service. You also need to process the corresponding purchase receipt (which includes only the jars, because purchased stock items are always included in a purchase receipt) and AP bill (which includes the jars and the expedited delivery service).

Configuration Overview

For the purposes of this activity, the following prerequisite actions have been performed in the system:

- On the [Enable/Disable Features](#) (CS100000) form, the *Inventory* feature has been enabled.
- On the [Vendors](#) (AP303000) form, the JARCO (Jar Co.) vendor has been defined.
- On the [Non-Stock Items](#) (IN202000) form, the *URGDELIVERY (One-time delivery service)* non-stock item has been defined, and the **Require Receipt** check box has been cleared for this item on the **General** tab. This indicates that when this item is purchased, it does not need to be included in a purchase receipt.
- On the [Stock Items](#) (IN202500) form, the JAR96 (*Glass jar 96 oz., 24 pcs*) stock item has been defined. Because stock items are by definition items whose movements are tracked in inventory, when they are purchased, they must be included in the purchase receipt corresponding to the purchase order.



For details about the process of purchasing stock items, see [Purchases of Stock Items: Process Activity](#).

Process Overview

In this activity, you will create a purchase order on the [Purchase Orders](#) (PO301000) form and add the purchased expedited delivery service and jars to it. Although the service does not need to be included in a purchase receipt, because the jars are stock items, you will process a purchase receipt for them on the [Purchase Receipts](#) (PO302000) form. Then on the [Bills and Adjustments](#) (AP301000) form, you will create an AP bill to pay the vendor.

System Preparation

Do the following:

- Launch the Acumatica ERP website, and sign in to a company with the U100 dataset preloaded. To sign in as a sales and purchasing manager, use the *wiley* login and the *123* password.
- On the [Purchase Orders Preferences](#) (PO101000) form, make sure that the **Process Service lines from Normal Purchase Orders via Purchase Receipts** check box is cleared so that the system does not include service lines in purchase receipts.
- In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to today's date. For simplicity, in this activity, you will create and process all documents in the system on this business date.
- On the Company and Branch Selection menu, in the top pane of the Acumatica ERP screen, select the *SweetLife Store* branch.

Step 1: Creating a Purchase Order

To create a purchase order that includes the jars and the expedited delivery service, do the following:

- On the [Purchase Orders](#) (PO301000) form, add a new record.
- In the Summary area, specify the following settings:
 - Type:** *Normal*
 - Vendor:** JARCO
 - Description:** *Purchase of jars*
- On the **Details** tab, for each of the rows whose settings are listed below, click **Add Row** on the table toolbar, and specify the listed settings in the row.

Branch	Inventory ID	Warehouse	Order Qty.	Unit Cost
RETAIL	JAR96	RETAIL	5	30
RETAIL	URGDELIVERY		1	20

- On the form toolbar, click **Remove Hold**, and notice that the purchase order is assigned the *Open* status.

Step 2: Processing the Purchase Receipt for the Jars

Although the *URGDELIVERY* non-stock item does not need to be included in a purchase receipt, the purchase order also consists of the *JAR96* stock item. When this item is purchased, it needs to be included in the corresponding purchase receipt, because the movements of all stock items are carefully tracked in inventory. Thus, you still need to create a purchase receipt.

Create the purchase receipt for the purchase order as follows:

- While you are still viewing the purchase order on the *Purchase Orders* (PO301000) form, click **Enter PO Receipt** on the More menu. The system prepares the purchase receipt for the selected purchase order and opens it on the *Purchase Receipts* (PO302000) form.
- Review the purchase receipt.
Notice that the line with the *URGDELIVERY* service, which had been included in the purchase order, is absent in the purchase receipt. This is because the **Require Receipt** check box is cleared for the non-stock item on the *Non-Stock Items* (IN202000) form.
- On the form toolbar, click **Save**.
- Review the details of the prepared purchase receipt. Notice that the **Create Bill** check box is cleared in the Summary area. (You will create the bill manually in the next step.)
- On the form toolbar, click **Release**.

Step 3: Processing the AP Bill

Do the following to process the AP bill related to the purchase order:

- Return to the purchase order that you have processed earlier in this activity on the *Purchase Orders* (PO301000) form, and click **Enter AP Bill** on the More menu. The system generates an AP bill for the vendor of the goods and shows the created document on the *Bills and Adjustments* (AP301000) form.
- In the **Description** box, enter *Purchase of jars with expedited delivery*.
- On the form toolbar, click **Remove Hold**, and then click **Release** to release the bill.
- Return to the purchase order for *JARCO* on the *Purchase Orders* form, and review its settings. Notice that the order now has a status of *Closed*, as shown in the following screenshot.
- On the **PO History** tab, notice the following:
 - The left pane lists the purchase receipt, which includes an only the received stock item from this purchase order.
 - The right pane lists the AP bill that you prepared for the purchase order. It includes the received stock item and a service item.

The inclusion of these documents on the tab indicates that the purchased jars have been received and the jars and the delivery have been billed in full, so the purchasing process is completed.

Purchase Orders
Normal 000031 - Jar Co.

NOTES ACTIVITIES

Type:	Normal	Vendor:	JARCO - Jar Co.	Line Total:	170.00																										
Order Nbr.:	000031	Location:	MAIN - Primary Location	Discount Total:	0.00																										
Status:	Closed	Owner:	EP00000009 - Regina Wiley	VAT Exempt T...	0.00																										
Date:	1/21/2022	Vendor Ref.:		VAT Taxable T...	0.00																										
Promised On:	1/21/2022			Tax Total:	0.00																										
Description:	Purchase of jars				Order Total:	170.00																									
DETAILS TAXES SHIPPING VENDOR INFO PO HISTORY PREPAYMENTS OTHER COMPLIANCE																															
New Edit Delete Print Copy Search Close																															
<table border="1"> <thead> <tr> <th>Type</th> <th>Receipt Nbr.</th> <th>Date</th> <th>Status</th> <th>Received Qty.</th> </tr> </thead> <tbody> <tr> <td>Receipt</td> <td>000023</td> <td>1/21/2022</td> <td>Released</td> <td>5.00</td> </tr> </tbody> </table>			Type	Receipt Nbr.	Date	Status	Received Qty.	Receipt	000023	1/21/2022	Released	5.00	<table border="1"> <thead> <tr> <th>Type</th> <th>Reference Nbr.</th> <th>Date</th> <th>Status</th> <th>Billed Qty.</th> <th>Billed Amt.</th> <th>PPV Amt</th> <th>Currency</th> </tr> </thead> <tbody> <tr> <td>Bill</td> <td>000066</td> <td>1/21/2022</td> <td>Open</td> <td>6.00</td> <td>170.00</td> <td>0.00</td> <td>USD</td> </tr> </tbody> </table>			Type	Reference Nbr.	Date	Status	Billed Qty.	Billed Amt.	PPV Amt	Currency	Bill	000066	1/21/2022	Open	6.00	170.00	0.00	USD
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Bill	000066	1/21/2022	Open	6.00	170.00	0.00	USD																								

Figure: The corresponding purchase receipt and AP bill for the closed purchase order

Part 3: Managing Non-Stock Items

Lesson 1: Creation of Non-Stock Items

Creating Non-Stock Items: General Information

Non-stock items may be products that consist of no physical entity and thus cannot be stocked in warehouses (as with services), or they may be physical entities for which you do not need to track quantities in a warehouse. In Acumatica ERP, you create non-stock items by using the [Non-Stock Items](#) (IN202000) form.



This chapter focuses on non-stock items that represent physical entities. Thus, in the rest of the chapter, *non-stock item* refers to this kind of non-stock item. To learn more about non-stock items representing services, see [Creating Service Items: General Information](#).

In the following sections, you can find information about the creation and settings of non-stock items.

Learning Objectives

In this chapter, you will learn how to do the following:

- Prepare the system for the creation of non-stock items
- Create non-stock items

Applicable Scenarios

When you are initially configuring entities and settings in Acumatica ERP, you may need to create a non-stock item in the following cases:

- When you are going to sell or purchase goods that you don't want to track in inventory
- When you are going to drop-ship goods

Non-Stock Items in Sales Orders

Although non-stock items are not tracked in inventory, you may want to process them through shipment, so that these items will be listed in pick lists and shipment confirmations. For each non-stock item, you define whether a shipment is required by selecting the **Require Shipment** check box on the **General** tab of the [Non-Stock Items](#) (IN202000) form. When the check box is selected, you can create an SO invoice only after the shipment is created and confirmed for the sales order of the type that requires shipment in Acumatica ERP.

Non-Stock Items in Purchase Orders

For each non-stock item, you define whether a purchase receipt is required when the item is included in a purchase order by selecting or clearing the **Require Receipt** check box on the **General** tab of the [Non-Stock Items](#) (IN202000) form. In a purchase order line on the [Purchase Orders](#) (PO301000) form, when you select a non-stock item that requires a receipt, the system inserts *Non-Stock* as the line type. When you create a purchase receipt for the purchase order, the system copies all *Non-Stock* lines to the purchase receipt.

Posting Accounts for Non-Stock Lines

For purchase order lines with the *Non-Stock* line type on the [Purchase Orders](#) (PO301000) form, in the **Account** column, the system inserts the Expense account defined by the **Use COGS/Expense Account From** setting of the posting class specified on the [Posting Classes](#) (IN206000) form. If the **Subaccounts** feature is enabled in your system, in the **Sub.** column of the [Purchase Orders](#) form, the system also inserts the subaccount that is composed as defined by the **Combine Expense Sub. From** box on the **General** tab of the [Accounts Payable Preferences](#) (AP101000) form.

Accounts and subaccounts are used for processing *Non-Stock* lines as follows:

- When an inventory receipt linked to the purchase receipt is released, the Expense account (with the Expense subaccount, if applicable) is debited for the line amount and the Purchase Accrual account (with the Purchase Accrual subaccount, if applicable) is credited.
- When a bill is created for the receipt, the Purchase Accrual account (with the Purchase Accrual subaccount, if applicable) is debited for the line amount and the Accounts Payable account (with the Accounts Payable subaccount, if applicable) is credited.

Rules for Closing and Completing Non-Stock Lines

The way the lines of the *Non-Stock* type are completed and closed depends on the completion rule specified for the applicable non-stock item in the **Close PO Line** box on the [Non-Stock Items](#) (IN202000) form. The system determines if a line of the *Non-Stock* type should be closed and completed by using the following rules:

- If *By Quantity* is selected in the **Close PO Line** box of the [Non-Stock Items](#) form for the item, the purchase order line is considered completed and closed (that is, the **Closed** check box is selected for the line of the purchase order) if the sum of the received quantity for the released purchase receipts prepared for the line is greater than or equal to the following: *The quantity of the purchase order line * (Complete On (%))/100*. The value of the **Complete On (%)** is defined for each line of the purchase order.
- If *By Amount* is selected in the **Close PO Line** box of the [Non-Stock Items](#) form for the item, the purchase order line is automatically considered completed and closed (that is, the **Closed** check box is selected for the line of the purchase order), when the amount of all the bills for that line is greater than or equal to the amount of the line.

Regardless of the option selected in the **Close PO Line** box, a line of the *Non-Stock* type is also considered completed on release of the purchase receipt prepared for the line if the user has selected the **Completed** check box manually in the non-stock line on the **Details** tab of the [Purchase Orders](#) (PO301000) form.

If a user processes the lines of a purchase order partially, multiple related purchase receipts and AP bills can be prepared for a single purchase order. The system determines which purchase order lines should be added to the prepared purchase receipt or AP bill depending on the state of the **Completed** and **Closed** check boxes in each line, as follows:

- Completed purchase order lines are not added to the purchase receipt corresponding to the purchase order.
- Closed lines are added to neither purchase receipts nor AP bills corresponding to the purchase order.

If all purchase order lines have the **Completed** check box selected, and at least one line still has the **Closed** check box cleared, the purchase order is assigned the *Completed* status. If all purchase order lines have the **Completed** and **Closed** check boxes selected, the purchase order is assigned the *Closed* status.



You cannot delete a non-stock item from the system if there are any complete or incomplete transactions with the item or any unreleased documents that include this item.

Units of Measure for Non-Stock Items

If the *Multiple Units of Measure* feature is enabled on the [Enable/Disable Features](#) (CS100000) form, for each non-stock item, you can select the units of measure (UOMs) used as base, sales, and purchase units for the item and

specify conversion rules for them and for other UOMs used for the item. If the feature is disabled, only base units can be specified. You can select global UOMs or enter new UOMs on the fly. Every conversion rule is specified with respect to the UOM selected as the item's base unit. Because the process of configuring UOMs for stock and non-stock item is similar, for details on UOMs, see [Stock Items: Units of Measure](#).

Creating Non-Stock Items: Implementation Activity

The following implementation activity will walk you through the process of creating a new non-stock item.

Story

Suppose that the SweetLife Fruits & Jams company is holding a promotion in which customers who buy a certain quantity of fruits in the SweetLife Store also receive a teddy bear toy. The company needs to buy a certain number of these toys from a manufacturer. The promotion is temporary and the SweetLife Store doesn't need to track the quantity of distributed toys; thus, the teddy bear will be registered in the system as a non-stock item.

Acting as a SweetLife sales and purchasing manager, you need to create the new non-stock item and specify the needed settings for it.

Process Overview

In this activity, you will create a non-stock item on the [Non-Stock Items](#) (IN202000) form, specify the needed settings and save the created non-stock item.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the U100 dataset preloaded. To sign in as an accountant, use the *wiley* login and *123* password.

Creating a Non-Stock Item

To create a non-stock item, do the following:

1. On the [Non-Stock Items](#) (IN202000) form, add a new record.
2. In the Summary area, specify the following settings:
 - **Inventory ID:** TEDDYBEAR
 - **Description:** Teddy Bear toys
3. On the **General** tab, specify the following settings for the item:
 - **Type:** Non-Stock Item
 - **Posting Class:** NONSTOCK - Non-Stock Items
 - **Tax Category:** EXEMPT
 - **Require Receipt:** Selected
You select this check box because you want to record the receipt of this item.
 - **Require Shipment:** Cleared
You clear this check box because customers will receive the teddy bear promotional item only in the SweetLife Store.
 - **Close PO Line:** By Quantity

With this option selected, a purchase order line for this item is completed and closed based on the line quantity when the receipt or bill is released. You select this option to make sure that the appropriate quantity was provided by the vendor.

4. In the **Unit of Measure** section of the **General** tab, specify the following settings:
 - **Base Unit:** EA
 - **Sales Unit:** EA
 - **Purchase Unit:** EA
5. On the **GL Accounts** tab, in the **Expense Account** box, select the 60000 - *Purchase Expense* account.
6. On the form toolbar, click **Save**.

You have successfully created the non-stock item for the promotional teddy bear.

Lesson 2: Sales of Non-Stock Items with Shipping

Sales of Non-Stock Items with Shipping: General Information

Non-stock items in Acumatica ERP, which are defined on the [Non-Stock Items](#) (IN202000) form during implementation, are used to represent products that cannot be stocked in warehouses (such as services or charges) or physical entities whose quantities you do not need to track.

The following sections describe the sales process of non-stock items that are shipped to the customer.

Learning Objectives

In this chapter, you will learn how to do the following:

- Prepare a sales order for a sale of non-stock items with shipping
- Prepare the shipment for the sales order
- Prepare the invoice that corresponds to the sales order

Applicable Scenarios

You process a sales order with non-stock lines, and then create a shipment if a customer buys some goods that are defined as non-stock items in the system, and the goods must be delivered to the customer's place.

Sales of Non-Stock Items with Shipping

The standard sales process with order management software typically includes entering a sales order, processing a shipment of the items, and preparing the related sales invoice for the customer. In Acumatica ERP, to begin processing a sale that requires the items to be shipped before billing occurs, you enter a sales order of the SO type on the [Sales Orders](#) (SO301000) form and add to the order the non-stock items the customer has requested.

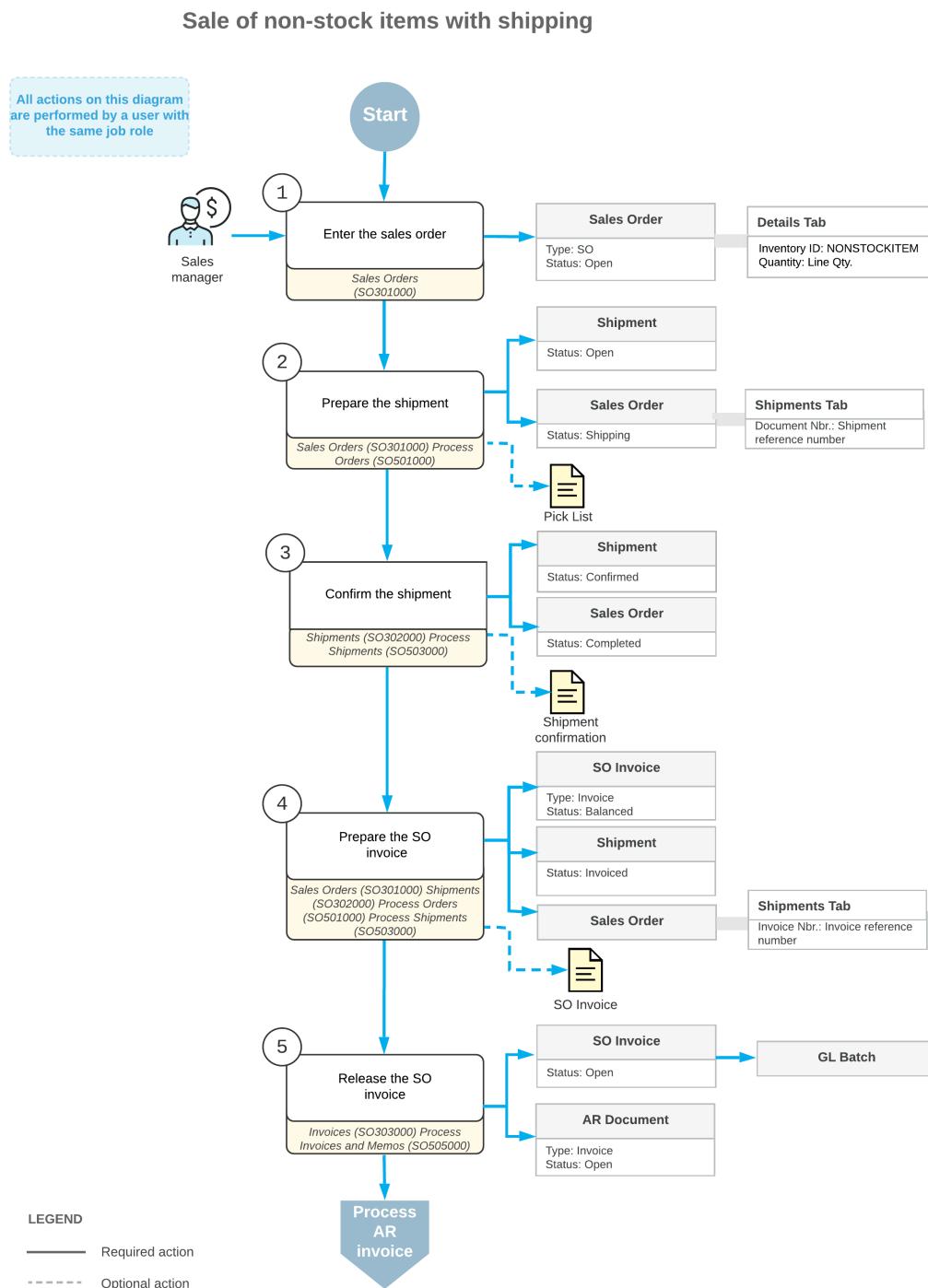
Then you use the [Shipments](#) (SO302000) form to prepare and confirm the shipment or shipments related to the sales order. When the shipment is confirmed, you need to bill the customer for the shipped items by preparing an SO invoice, which is a financial document in the system that contains links to the applicable shipments and sales orders. You can review the prepared SO invoice on the [Invoices](#) (SO303000) form; then you can release it. When the SO invoice is released, the system releases a corresponding AR invoice, which you can view on the [Invoices and Memos](#) (AR301000) form.

An AR invoice is a financial document that is similar to the SO invoice but does not contain the links to the applicable shipments and sales orders. The system assigns the same reference number to the SO invoice and the related AR invoice. Both of these documents contain the link to the batch of the general ledger transactions, which

was generated when the AR invoice was released. For more information on processing accounts receivable invoices, see [Processing AR Invoices](#).

Workflow of Sales of Non-Stock Items with Shipping

If a sales order includes only non-stock items with shipment, the processing of the sales order involves the steps and generated documents shown in the following diagram.



Sales of Non-Stock Items with Shipping: Process Activity

The following activity will walk you through the process of preparing and processing of a sales order for non-stock items that need to be shipped to the customer's location.

Story

Suppose that the GoodFood One Restaurant customer has asked SweetLife to conduct a two-day training course on home canning for the café's employees.

The materials to be used for the upcoming training on home canning (which are included in the price of the training) need to be delivered to the customer's location before the course is conducted. You, as a sales manager, need to reflect these details in the system by entering and processing the appropriate documents.

Configuration Overview

For the purposes of this activity, the following prerequisites actions have been performed in the system:

- On the [Enable/Disable Features](#) (CS100000) form, the *Inventory* feature has been enabled.
- On the [Order Types](#) (SO201000) form, the *SO* order type has been configured and activated.
- On the [Customers](#) (AR303000) form, the *GOODFOOD (GoodFood One Restaurant)* customer has been configured.
- On the [Non-Stock Items](#) (IN202000) form, the *OFLCOURSE (Home canning courses at customer's place)* non-stock item has been configured, and the **Require Shipment** check box has been selected for this item on the **General** tab.

Process Overview

In this activity, you will create a sales order on the [Sales Orders](#) (SO301000) form, and then add a non-stock item to it. After that, you will create a related shipment document on the [Shipments](#) (SO302000) form. On this form, you will check the settings that the system has specified automatically, and then confirm the shipment. After shipment confirmation, you will use the [Invoices](#) (SO303000) form to prepare an SO invoice to the customer and release it.

System Preparation

Do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the U100 dataset preloaded. To sign in as a sales and purchasing manager, use the *norman* login and the *123* password.
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to today's date. For simplicity, in this activity, you will create and process all documents in the system on this business date.

Step 1: Entering a Sales Order

To create a sales order, do the following:

1. On the [Sales Orders](#) (SO301000) form, add a new record.
2. In the Summary area, specify the following settings:
 - **Order Type:** SO
 - **Customer:** GOODFOOD

- **Description:** Home canning training
3. On the **Details** tab, click **Add Row** on the table toolbar, and specify the following settings in the row:
 - **Inventory ID:** OFLCOURSE
 - **Warehouse:** WHOLESALE
 - **Quantity:** 2
 - **Unit Price:** 45
 4. Save the order.

Now you need to create a shipment for the materials that need to be shipped in advance of the training.

Step 2: Creating a Shipment

To create the shipment related to the sales order, do the following:

1. While you are still viewing the sales order you have created on the [Sales Orders](#) (SO301000) form, on the form toolbar, click **Create Shipment**.
2. In the **Specify Shipment Parameters** dialog box, which is opened, make sure that the today's business date and the *WHOLESALE* warehouse are selected, and click **OK**.

The system closes the dialog box, creates a shipment and opens it on the [Shipments](#) (SO302000) form.

Step 3: Confirming the Shipment

To confirm the shipment, do the following:

1. While you are still viewing the shipment on the [Shipments](#) (SO302000) form, review the lines on the **Details** tab, and make sure that the order line with the non-stock item has been included in the shipment.
2. On the form toolbar, click **Confirm Shipment**.

Notice that the shipment is assigned the *Confirmed* status. Now you can prepare the invoice to bill the customer and increase the customer's debt in the system.

Step 4: Processing the Invoice

To prepare and release an SO invoice related to the sales order (and shipment), do the following:

1. While you are still viewing the shipment on the [Shipments](#) (SO302000) form, on the form toolbar, click **Prepare Invoice**. The system prepares the invoice and opens it on the [Invoices](#) (SO303000) form.
2. On this form, review the details of the prepared invoice. The invoice has one line on the **Details** tab, as the initial sales order does. In the **Shipment Nbr.** and **Order Nbr.** columns of this tab, the system has inserted the reference numbers of the related shipment and sales order (which you created in Steps 1 and 2 of this activity); these numbers are also links that you can click to view the shipment and sales order on the appropriate forms.
3. On the form toolbar, click **Release** to release the SO invoice. The invoice is assigned the *Open* status.
4. On the **Details** tab, in the only row, click the link in the **Order Nbr.** column to view the associated sales order.
5. On the form, which opens, review the details of the sales order, as shown in the following screenshot. Notice that the sales order has the *Completed* status, which the system assigned on release of the SO invoice and which means that the processing of the sale is completed.

Sales Orders
SO 000065 - GoodFood One Restaurant

Inventory ID	Free Item	Warehouse	Line Description	*UOM	Quantity	Qty. On Shipments	Open Qty.	Unit Price	Manual Price	Ext. Price	Discount Percent	Discount Amount	Disc. Unit Price	Amount
QFCOURSE		WHOLESALE	Home canning courses at customer's place...	DAY	2.00	2.00	0.00	45.0000		90.00	0.000000	0.00	45.0000	90.00

Figure: Sales order completed on release of the SO invoice

Lesson 3: Purchases of Non-Stock Items with Receipt

Purchases of Non-Stock Items and Services with Receipts: General Information

Non-stock items in Acumatica ERP, which are defined on the [Non-Stock Items](#) (IN202000) form during implementation, are used to represent products that cannot be stocked in warehouses (such as services or charges) or physical entities whose quantities you do not need to track. In Acumatica ERP, you can process purchases of non-stock items and services with receipts.

The following sections explain how to process a purchase of non-stock items and services with receipt, and which documents are prepared during the processing of the purchase.

Learning Objectives

In this chapter, you will learn how to do the following:

- Enter a purchase order for a purchase of non-stock items including services
- Prepare the purchase receipt for the purchase order
- Prepare an AP bill that corresponds to the purchase order

Applicable Scenarios

You process a purchase order for non-stock items (potentially including services) and process a purchase receipt if you need to prepare a bill to pay the vendor for the purchased non-stock items. The standard purchase process of non-stock items includes entering a purchase order, processing the purchase receipt when the purchased non-stock items are received, and preparing a bill to the vendor.



Purchases of services are usually processed without purchase receipts also being processed in the system. You might want to process a purchase of a service with a corresponding purchase receipt if you want the receipt to serve as proof that the work was finished. If the service is paid by the hour, the receipt is also needed to track the actual number of hours, which may differ from the expected number of hours in the purchase order.

Purchase of Non-Stock Items (Including Services) with a Corresponding Receipt

In Acumatica ERP, you create a purchase order by using the [Purchase Orders](#) (PO301000) form. You use a purchase order of the *Normal* type for processing a standard purchase of non-stock items (including services).

When you create a new purchase order, you first select the vendor and the *Normal* type in the Summary area. Then on the **Details** tab, you add lines with the non-stock items, including services, to be purchased from the vendor.

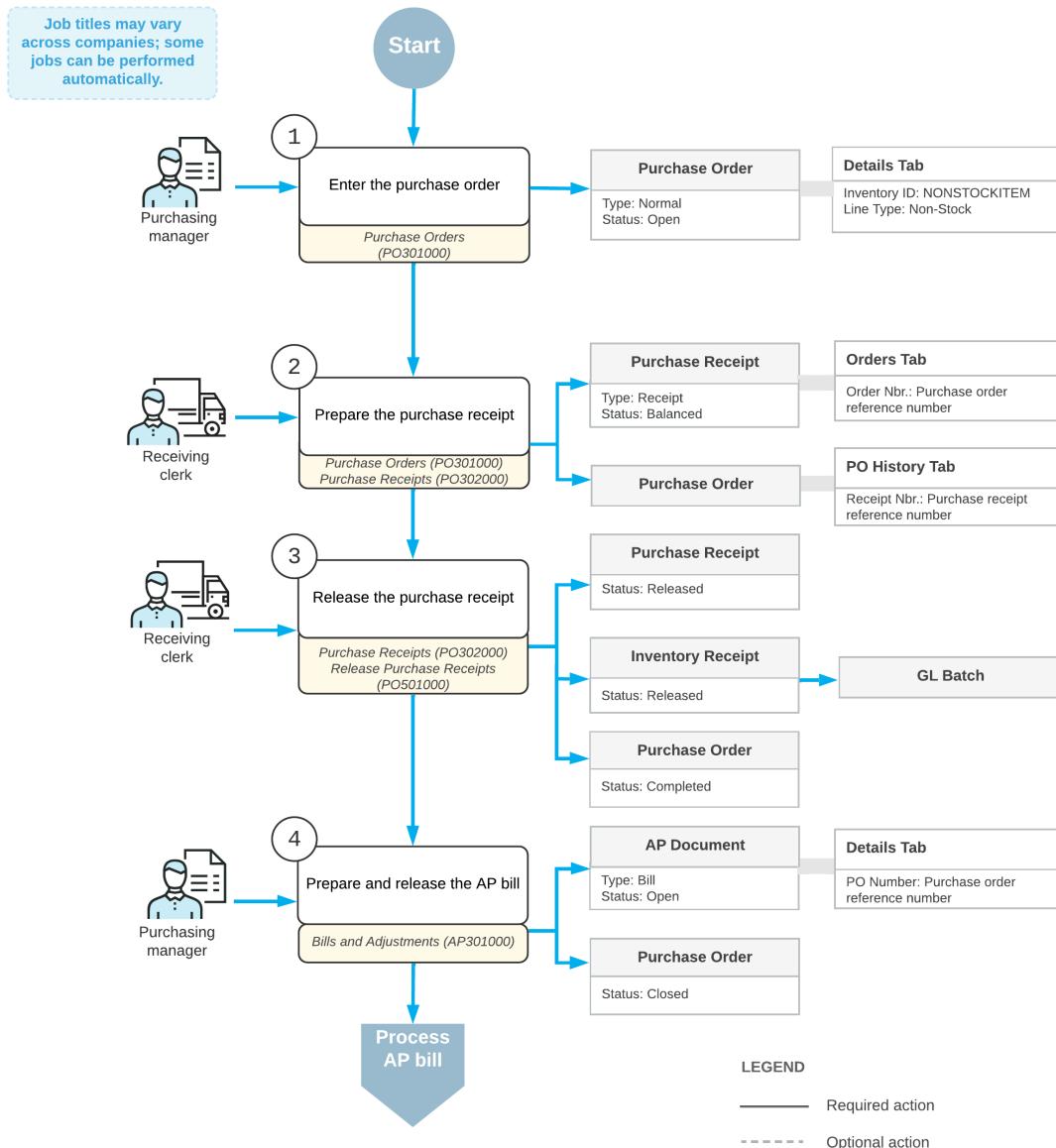
For this scenario, once the purchased items have been received, you need to create a purchase receipt on the [Purchase Receipts](#) (PO302000) form.

Then you need to create an AP bill to increase the vendor's balance in the system with the amount to be paid for the received items. You can review the AP bill on the [Bills and Adjustments](#) (AP301000) form. If all the lines in the purchase order have been billed in full, the system assigns the purchase order the *Closed* status. For more information on the rules that affect line closing and completion, see [Non-Stock Lines in Purchase Orders](#).

Workflow of a Purchase of Non-Stock Items with Receipt

When you process a purchase of non-stock items (including services) with a purchase receipt, the typical processing of a purchase order involves the steps and generated documents shown in the following diagram.

Purchase of non-stock items (including services) with receipt



Purchases of Non-Stock Items and Services with Receipts: To Process a Purchase of Non-Stock Items

The following activity will walk you through the process of preparing and processing a purchase order for non-stock items that are required to be included in a purchase receipt. This activity involves non-stock items that are not services.

Story

Suppose that the SweetLife Store gives a free magnet with a SweetLife advertisement to every customer who buys goods in the retail shop. Further suppose that today one of the managers has reported that the supply of magnets is almost depleted.

As a purchasing manager, you need to enter and process a purchase order for the Wingman Printing Company, from which SweetLife buys these magnets. You also need to process the corresponding purchase receipt and AP bill.

Configuration Overview

For the purposes of this activity, the following prerequisite actions have been performed in the system:

- On the [Enable/Disable Features](#) (CS100000) form, the *Inventory* feature must be enabled.
- On the [Vendors](#) (AP303000) form, the *PRINTICO (Wingman Printing Company)* vendor has been defined.
- On the [Non-Stock Items](#) (IN202000) form, the *MAGNETS (A box of magnets with company advertisement, 50pcs)* non-stock item has been defined, and the **Require Receipt** check box has been selected for this item on the **General** tab. This indicates that when this item is purchased, it needs to be included in a purchase receipt.

Process Overview

In this activity, you will create a purchase order on the [Purchase Orders](#) (PO301000) form and add the magnets to it. When the magnets have been received, on the [Purchase Receipts](#) (PO302000) form, you will then create a purchase receipt for them. On release of the purchase receipt, the system automatically generates an inventory receipt to create a GL batch. Then on the [Bills and Adjustments](#) (AP301000) form, you create an AP bill to pay the vendor.

System Preparation

Do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the U100 dataset preloaded. To sign in as a sales and purchasing manager, use the *wiley* login and the *123* password.
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to today's date. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, in the top pane of the Acumatica ERP screen, select the *SweetLife Store* branch.

Step 1: Creating a Purchase Order

To create a purchase order for the magnets, do the following:

1. On the [Purchase Orders](#) (PO301000) form, add a new record.
2. In the Summary area, specify the following settings:
 - **Type:** *Normal*
 - **Vendor:** *PRINTICO*
 - **Description:** Purchase of magnets
3. On the **Details** tab, click **Add Row** on the table toolbar, and specify the following settings in the row:
 - **Branch:** *RETAIL*
 - **Inventory ID:** *MAGNETS*

- **Warehouse:** RETAIL
- **Order Qty.:** 20
- **Unit Cost:** 100

4. On the form toolbar, click **Remove Hold**, and notice that the purchase order is assigned the *Open* status.

Step 2: Processing the Purchase Receipt

Create the purchase receipt for the purchase order as follows:

1. While you are still viewing the purchase order on the *Purchase Orders* (PO301000) form, on the form toolbar, click **Enter PO Receipt**. The system prepares the purchase receipt for the selected purchase order and opens it on the *Purchase Receipts* (PO302000) form.
2. On the form toolbar, click **Save**.
3. Review the details of the prepared purchase receipt. Make sure that the **Create Bill** check box is cleared in the Summary area. (In the next step, you will prepare the bill manually.)
4. On the form toolbar, click **Release**.
5. On the **Other** tab, click the **IN Ref. Nbr.** link, and review the details of the generated inventory receipt, which the system opens on the *Receipts* (IN301000) form. Make sure the inventory receipt has the *Released* status.

Step 3: Processing the AP Bill

Do the following to process the AP bill associated with the purchase order and purchase receipt:

1. Return to the purchase receipt that you have processed earlier in this activity on the *Purchase Receipts* (PO302000) form, and on the form toolbar, click **Enter AP Bill**. The system generates an AP bill for the vendor of the goods and shows the created document on the *Bills and Adjustments* (AP301000) form.
2. On the form toolbar, click **Remove Hold**, and then click **Release** to release the bill.
3. Return to the purchase order for PRINTICO on the *Purchase Orders* form, and review its settings. Notice that the order now has a status of *Closed*, as shown in the following screenshot.

On the **PO History** tab (also shown in the screenshot), notice that the left pane lists the corresponding purchase receipt, and the right pane lists the AP bill that was prepared for the order. The inclusion of these documents on the tab indicates that the purchased magnets have been received and billed in full, so the purchasing process is completed.

The screenshot shows the SAP Business One 'Purchase Orders' screen. At the top, the order number 'Normal 000032 - Wingman Printing Company' is displayed. The 'PO HISTORY' tab is selected. In the left pane, a purchase receipt is listed with details: Type: Normal, Order Nbr: 000032, Status: Closed, Date: 1/24/2022, Promised On: 1/24/2022, Description: Purchase of magnets. In the right pane, an AP bill is listed with details: Type: Bill, Reference Nbr: 000067, Date: 1/24/2022, Status: Open, Billed Qty: 20.00, Billed Amt: 2,000.00, PPV Amt: 0.00, Currency: USD.

Type	Reference Nbr.	Date	Status	Billed Qty.	Billed Amt.	PPV Amt	Currency
Bill	000067	1/24/2022	Open	20.00	2,000.00	0.00	USD

Figure: The corresponding purchase receipt and AP bill for the closed purchase order

Purchases of Non-Stock Items and Services with Receipts: To Process a Purchase of Services

The following activity will walk you through the process of preparing and processing a purchase order for non-stock items that are required to be included a purchase receipt. This activity involves non-stock items that are services.

Story

Suppose that a manager has reported that a computer in the SweetLife Store doesn't work. Your system administrator has contacted the company that provides computer services, Compulink and Co., and the company has sent a service technician to repair the computer.

Acting as a purchasing manager, you will process the relevant documents in the system. Because Compulink and Co. charges for repair services by the hour, you will prepare the purchase order after the technician finishes the job. You will also process a purchase receipt for this job to document that the job was completed, and the computer works now. You will then process the corresponding AP bill.

Configuration Overview

For the purposes of this lesson, the following prerequisite actions have been performed in the system:

- On the [Enable/Disable Features](#) (CS100000) form, the *Inventory* feature has been enabled.
- On the [Vendors](#) (AP303000) form, the *COMPULINK (Compulink and Co.)* vendor has been configured.
- On the [Non-Stock Items](#) (IN202000) form, the *MAINTENANCE (Repair of hardware)* non-stock item has been defined.

Process Overview

In this activity, you will create a purchase order on the [Purchase Orders](#) (PO301000) form and add the purchased service to it. On the [Purchase Receipts](#) (PO302000) form, you will then create a purchase receipt for the ordered items. On release of the purchase receipt, the system automatically generates an inventory receipt to create a GL batch. Then on the [Bills and Adjustments](#) (AP301000) form, you create an AP bill to pay the vendor.

System Preparation

Do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the U100 dataset preloaded. To sign in as a sales and purchasing manager, use the *wiley* login and the *123* password.
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to today's date. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, in the top pane of the Acumatica ERP screen, select the *SweetLife Store* branch.
4. On the [Purchase Orders Preferences](#) (PO101000) form, select the **Process Service lines from Normal Purchase Orders via Purchase Receipts** check box so that the system allows the processing of a service line that will be included in a corresponding purchase receipt.

Step 1: Creating a Purchase Order

To create a purchase order for the computer repair service, do the following:

1. On the [Purchase Orders](#) (PO301000) form, add a new record.
2. In the Summary area, specify the following settings:
 - **Type:** *Normal*
 - **Vendor:** COMPULINK
 - **Description:** Repair of a computer in the shop
3. On the **Details** tab, click **Add Row** on the table toolbar, and specify the following settings in the row:
 - **Branch:** RETAIL
 - **Inventory ID:** MAINTENANCE
 - **Warehouse:** RETAIL
 - **Order Qty.:** 3

This indicates that the repair service is going to take three hours to complete; each unit represents one hour of work.

 - **Unit Cost:** 20
4. On the form toolbar, click **Remove Hold**, and notice that the purchase order is assigned the *Open* status.

Step 2: Processing the Purchase Receipt

Create the purchase receipt for the purchase order as follows:

1. While you are still viewing the purchase order on the [Purchase Orders](#) (PO301000) form, on the form toolbar, click **Enter PO Receipt**. The system prepares the purchase receipt for the selected purchase order and opens it on the [Purchase Receipts](#) (PO302000) form.
2. On the form toolbar, click **Save**.
3. Review the details of the prepared purchase receipt. Make sure that the **Create Bill** check box is cleared in the Summary area. (In the next step, you will prepare the bill manually.)
4. On the form toolbar, click **Release**.

Step 3: Processing the AP Bill

Do the following to process the AP bill associated with the purchase order:

1. In the purchase receipt that you have processed earlier in this activity on the [Purchase Receipts](#) (PO302000) form, on the form toolbar, click **Enter AP Bill**. The system generates an AP bill for the vendor of the goods and shows the created document on the [Bills and Adjustments](#) (AP301000) form.
2. On the form toolbar, click **Remove Hold**, and then click **Release** to release the bill.
3. Return to the purchase order for COMPULINK on the [Purchase Orders](#) form, and review its settings. Notice that the order now has a status of *Closed*, as shown in the following screenshot.

On the **PO History** tab (also shown in the screenshot), notice that the left pane lists the corresponding purchase receipt, and the right pane lists the AP bill that was prepared for the order. The inclusion of these documents on the tab indicates that the purchased service has been received and billed in full, so the purchasing process is completed.

Purchase Orders
Normal 000033 - Compulink and Co

NOTES ACTIVITIES FILES TOOLS ▾

Type:	Normal	Vendor:	COMPULINK - Compulink and Co	Line Total:	60.00
Order Nbr.:	000033	Location:	MAIN - Primary Location	Discount Total:	0.00
Status:	Closed	Owner:	EP00000009 - Regina Wiley	VAT Exempt T...	0.00
Date:	1/15/2022	Vendor Ref.:		VAT Taxable T...	0.00
Promised On:	1/15/2022	Description:	Repair of a computer in the shop	Tax Total:	0.00
				Order Total:	60.00

DETAILS TAXES SHIPPING VENDOR INFO PO HISTORY PREPAYMENTS OTHER COMPLIANCE

PO HISTORY

Type	Receipt Nbr.	Date	Status	Received Qty.
Receipt	000026	1/15/2022	Released	3.00

PREPAYMENTS

Type	Reference Nbr.	Date	Status	Billed Qty.	Billed Amt.	PPV	Currency Amt
Bill	000061	1/15/2022	Open	3.00	60.00	0.00	USD

Figure: The corresponding purchase receipt and AP bill for the closed purchase order