



D200 Inventory and Order Management: Direct Sales and Extended Purchase (Part 3)

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Agenda and Timing

November 30th, 10:00 AM PST – 11:00 AM PST Day 1:

Lesson 8: Processing Purchases with Billing Before Receipt.

Lesson 9: Processing Purchase Returns at the Calculated Cost

December 1st, 10:00 AM PST – 11:00 AM PST Day 2:

Lesson 10: Processing Prepayments for Purchase Orders

December 2nd, 10:00 AM PST – 11:00 AM PST Day 2:

Lesson 11: Processing Direct Sales

Lesson 12: Processing Direct Returns

Company Story

SweetLife Office and Wholesale Center

- This branch of the company consists of a jam factory and a large warehouse where fruit (purchased from wholesale vendors) and the produced jam are stored.

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.

SweetLife and Equipment Sale Center

- This branch is a service center with a small warehouse where juicers are stored. This branch sells juicers, installs juicers, trains customers' employees to operate juicers, and provides juicer servicing.

Company Story

Operational Activity

- The company has been operating starting in the 01-2018 financial period. In November 2018, 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 01-2019.

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 for sale from a large juicer vendor and purchases the installation service or provides the installation service on its own depending on the complexity of the installation.

Company Story

Company Sales and Services

SweetLife 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, small 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).

SweetLife and Equipment Sale Center

- This branch sells juicers, provides training on equipment use, and offers equipment installation, including site review and maintenance services.



Inventory and Order Management

Part 3: Direct Sales and Extended Purchase Scenarios

Lesson 8: Processing Purchases with Billing Before Receipt

Learning Objectives

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

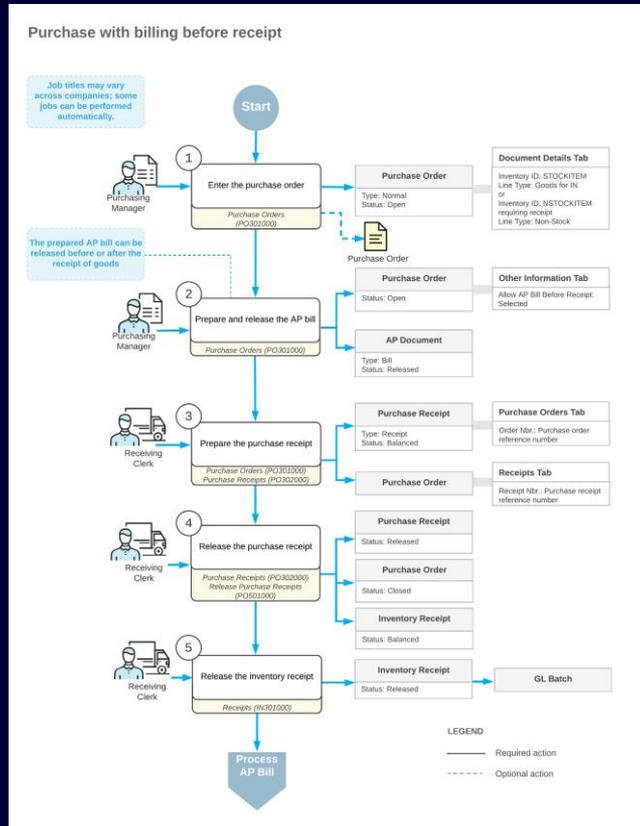
- Configure a vendor so that its bills should be processed before the goods are shipped (and thus received)
- Create a purchase order with stock items
- Prepare the accounts payable bill for the purchase order
- Prepare and release purchase receipt and the related inventory documents



Applicable Scenarios

In your organization, if bills are received from some vendors and entered into the system before the purchased goods arrive or if bills are imported from a third-party system, you can establish a workflow in which an accounts payable bill can be processed before the ordered items have been received. In this case, the purchasing process typically includes entering a purchase order, preparing a bill for the vendor, and then, when the purchased items are received to inventory, processing the purchase receipt.

Lesson 8: Processing Purchases with Billing Before Receipt



Story

Suppose that the purchasing manager orders a large quantity of labeled paper bags and jar labels for SweetLife's needs. The Wingman Printing Company vendor, from which these goods were purchased, sent a bill to SweetLife, which delivered to the warehouse of the company's main office. Acting as the purchasing manager, you need to enter the purchase order, enter the accounts payable bill for the purchase order, and later, when the goods arrive to the wholesale warehouse, create and process a purchase receipt related to the purchase order.

Lesson 9: Processing Purchase Returns at the Calculated Cost

Learning Objectives

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

- Create a purchase return document
- Specify the items to be returned and define at which cost the items will be issued from inventory
- Process the purchase return and the related inventory and accounts payable documents

Applicable Scenarios

In most cases, the purchasing process is completed when your company receives the goods and the corresponding accounts payable bill is released to adjust your outstanding balance with the vendor. In some cases, however, items are delivered in an unsatisfactory condition or shipped by mistake should be returned to the vendor for replacement or reimbursement.

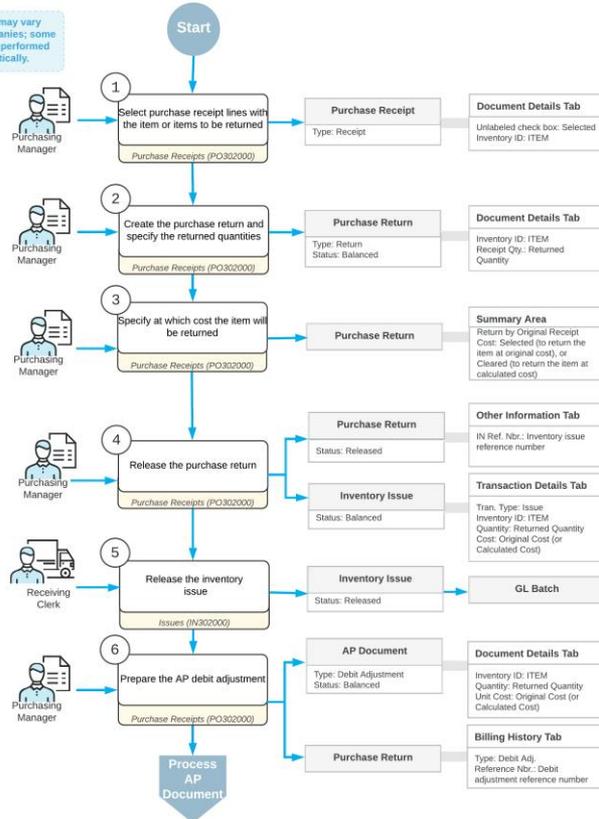
A vendor return can also occur when services were not rendered or were provided partially and your company should be reimbursed. The standard purchase return process includes the creation of a purchase return document, the specification of the returned items and their quantities, the issuing of the returned item from inventory, and the adjustment to the outstanding vendor balance in the system in the returned amount.



Lesson 9: Processing Purchase Returns at the Calculated Cost

Purchase return processing

Job titles may vary across companies; some jobs can be performed automatically.



Story

Suppose that on January 30, 2019, the SweetLife purchasing manager notices that three packs of paper that were purchased and delivered on January 29, 2019 have been damaged during shipping. The purchasing manager has decided to return these packs to the Spectra Stationery Office vendor without requesting a replacement. You, acting as the purchasing manager, need to create and process a purchase return of the damaged items at the cost calculated by the system.

Lesson 10: Processing Prepayments for Purchase Orders

Learning Objectives

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

- Configure the default prepayment amount for a vendor
- Create a prepayment request for a purchase order
- Create a prepayment from a prepayment request
- Apply a prepayment to an accounts payable bill created for a purchase order
- Process a single prepayment for multiple purchase orders
- Process multiple prepayments for a purchase order

Applicable Scenarios

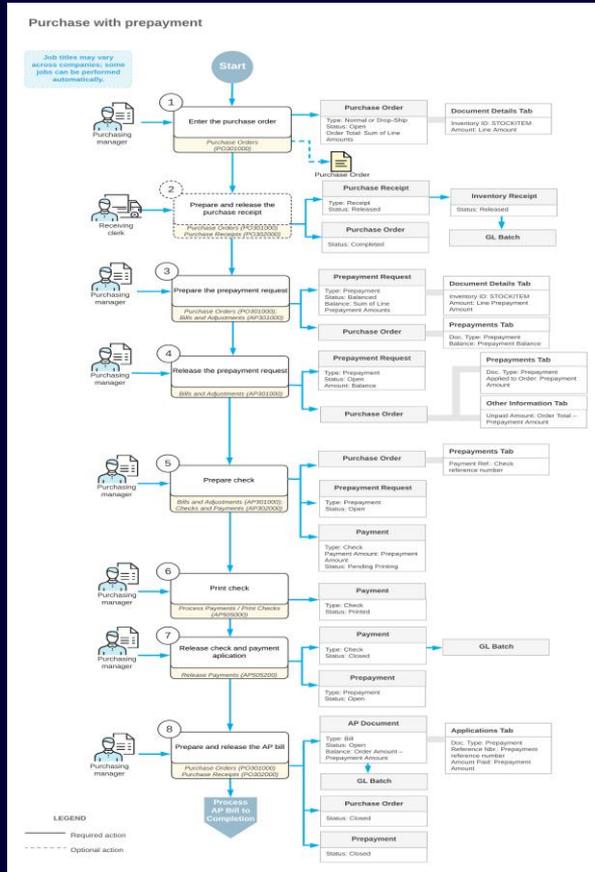
You create and process a

prepayment in the following cases:

- You are processing a new purchase order for the vendor that requires a partial payment in advance before the ordered items will be sent.
- You have corrected the details of an existing purchase order that was already prepaid, so that an extra prepayment amount needs to be processed.



Lesson 10: Processing Prepayments for Purchase Orders



Implementation Activity

Story

Suppose that the Wingman Printing Company vendor (from which SweetLife buys paper bags with personalized labels) notifies the SweetLife company that future orders will need to be partially paid in advance before the vendor starts to manufacture the goods for the order. The vendor requests that your company pay 15% of any order in advance, and for paper bags, the vendor instead requests a prepayment of 25%. You, as the implementation manager, need to configure the vendor so that the prepayment amount will be automatically filled in for each newly created prepayment.

Lesson 10: Processing Prepayments for Purchase Orders

Process Activity: To Process a Payment

Story

Suppose that on January 30, 2019, the SweetLife Fruits & Jams company has ordered a large quantity of labeled paper bags for SweetLife's needs. The Wingman Printing Company vendor has requested an advance payment in the amount of \$500.

Acting as the SweetLife purchasing manager, you have to enter the purchase order and record a request for a prepayment. You then need to make a payment by check for the prepayment request, process the purchase order to completion, and make sure the prepayment was applied to the bill created for the purchase order.

Lesson 10: Processing Prepayments for Purchase Orders

Process Activity: To Process Multiple Prepayments for a Purchase Order

Story

Suppose that on January 30, 2019, the SweetLife Fruits & Jams company has ordered a large quantity of labeled paper bags for SweetLife's needs. The Wingman Printing Company vendor has requested an advance payment in the amount of \$500. Suppose that on February 7, 2019, the vendor notifies you that additional prepayment in the amount of \$200 is needed for the order. Also suppose that the first prepayment request has not been paid yet.

Acting as the SweetLife purchasing manager, you have to enter the purchase order and record the prepayment request. Then you need to create the second prepayment for the same purchase order, and pay both prepayment requests with the same check. Finally, you process the order to completion and make sure that both prepayments have been applied to the AP bill that you prepare for the purchase order.

Lesson 11: Processing Direct Sales

Learning Objectives

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

- Create a SO invoice for a direct sale
- Add to the SO invoice a sale line not linked to a previously prepared sales order
- Add to the SO invoice a line with a link to a previously prepared sales order
- Process the direct sale to completion

Applicable Scenarios

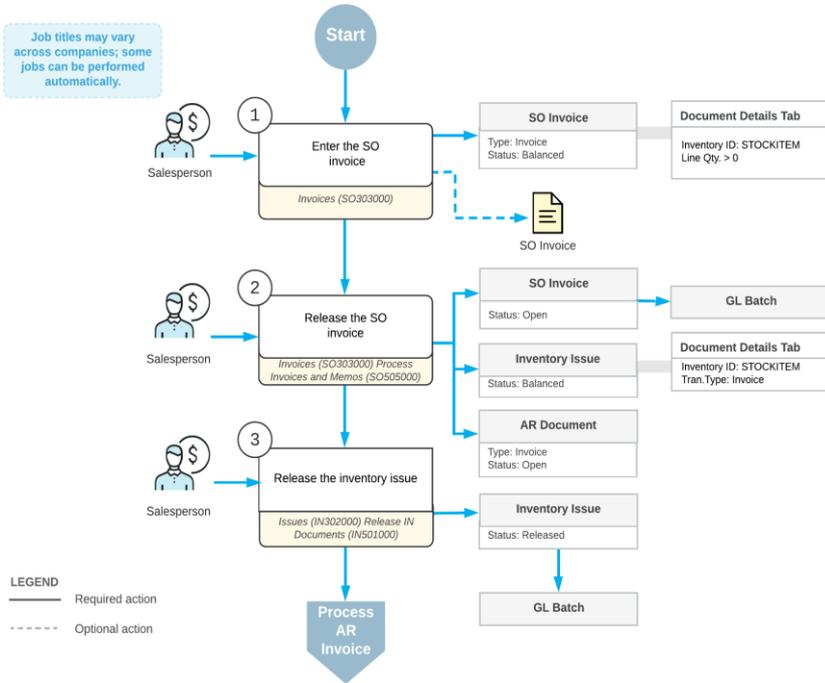
You create and process a SO invoice in the following cases:

- The customer comes to the retail store, purchases goods, and directly procures the items, so that you need to process a direct sale through the POS system. In this case, you create and process only the SO invoice; there is no need to process a related shipment or sales order.
- The customer picks up all or a part of items included in a sales order that has been added to the system based on a phone or online sale. In this case, you need to process a direct sale through the POS system by linking the SO invoice you create to the related sales order.



Lesson 11: Processing Direct Sales

Direct sale



Story

Suppose that on January 29, 2019, an individual customer (that is, a customer purchasing items for personal use rather than for a company) ordered five small jars of apple jam and 15 pounds of oranges on the company's website, and selected the option to pick up these items and pay for them in the SweetLife retail store. When the customer submitted the order on the website, a sales order was created in Acumatica ERP.

Then on January 30, 2019, the customer comes to SweetLife store and picks up ordered apple jam (five small jars) from the store shelves; the customer also picks up one small jar of orange jam (which was not in the online sales order). For the remainder of the website order, the customer asks to have the items shipped to the customer's address. The sales manager of the SweetLife store needs to scan the goods that the customer has picked up, enter them by using the POS terminal, and collect payment from the customer. After the customer pays for the picked goods, the sales manager needs to give him a receipt. You will act as the sales manager in performing the needed actions in the system.

Lesson 12: Processing Direct Returns

Learning Objectives

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

- Create a SO credit memo for a direct return
- Add to the SO credit memo a return line with a link to an original sales document
- Add to the SO credit memo a replacement line
- Process the direct return to completion

Applicable Scenarios

You create and process a direct return in the following cases:

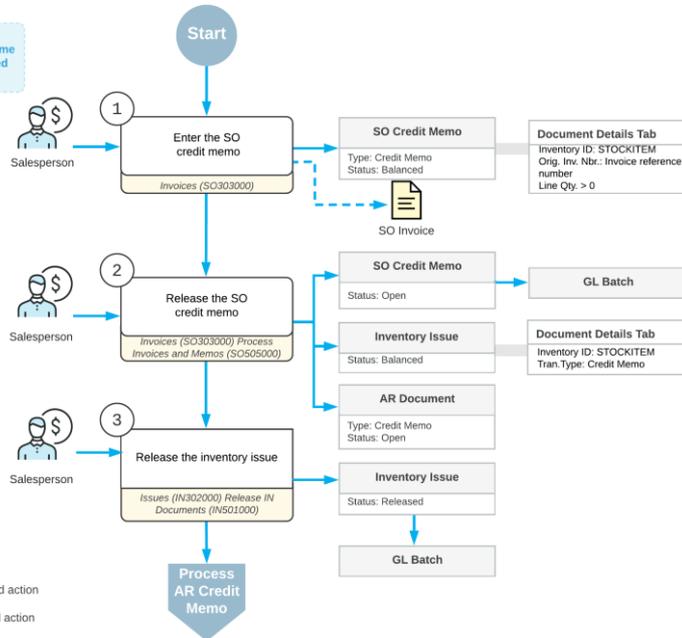
- When the customer returns goods directly at the store. In this case, you process a SO credit memo in the system.
- When the customer returns goods directly at the store and requests the replacement of returned items. In this case, you process either an SO credit memo or an SO invoice, and the document includes both return lines and replacement (sales) lines.



Lesson 12: Processing Direct Returns

Direct return

Job titles may vary across companies; some jobs can be performed automatically.



Story

Suppose that on January 30, 2019, an employee of the small retail customer FourStar Coffee & Sweets Shop has come to the SweetLife store and asked for an exact replacement of a large jar of apple jam that is leaking. This jar is one of ten jars that were bought two days ago, on January 28, 2019.

Acting on behalf of the sales manager of the SweetLife company, you need to process the return of the jar and the sale of the new jar by using the POS terminal. The previous sale, dated January 28, 2019, was recorded through the SO invoice (created automatically through the integration of the POS system and Acumatica ERP), which was paid in full and now has the *Closed* status. You need to replace the inventory item with the same item at the same price, so that no payment needs to be processed.



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