# *Inventory Management*

MAS 500

# *Introducing Inventory Management*

# *1*

Best Software, Inc., the recognized leader in accounting software for mid-sized businesses, welcomes you to MAS 500, business software that provides superior power, flexibility, and integration with your existing line of business applications.

Inventory Management can be run with General Ledger only or integrated with other MAS 500 modules. Inventory Management maximizes profitability and customer service by controlling every aspect of your inventory process. This module can help you decide which products to stock, which products to discontinue, how much inventory to buy and when to buy it. Inventory Management's replenishment feature suggests profit-maximizing strategies that can help you succeed in today's highly competitive business environment.

**In this chapter**

# Inventory Management Features

**Introduction**   Inventory Management provides a comprehensive, efficient solution for managing your inventory data while saving time and increasing reporting accuracy. For example, unlimited pricing capabilities allow you to manage inventory cost versus actual price for all past and future periods.

**Pricing**   One of the most powerful features of Inventory Management is the ability to maintain pricing for user-defined pricing types. You can retain and compare different prices for an unlimited number of years, and you can:

- Maintain pricing information separately for each inventory and fiscal year and retain this information indefinitely.

- Maintain price sheets for each warehouse.

- View comparisons of current-year activity, current-year price, revised price, user-defined price sheets, and prior-year activity by period for each item.

- Revise the cost for each item by selecting from among several methods. At the same time, you can retain your original cost figures to provide proper fiscal reporting.

**Flexible item tracking system**   Item management can be maximized in many ways, including:

- Group items by classification for faster and easier data entry.

- Sort reports by item classes to produce more meaningful and informative reports.

- Track item purchase history and item class history by posting date.

- Track changes made to item accounts, providing an audit trail of changes, deletions, or additions made to item data.

**Account override options**

Enhance your ability to track inventory by department or location with the warehouse, batch, purchase product line, and sales product line account segment override features. These features allow you to override specific General Ledger segments during data entry with values assigned to warehouses, purchase product lines, sales product lines, or batches of transactions. This set of features:

- Allows for flexible inventory management.

- Provides the basis for enhanced reporting capabilities.

- Eliminates extra setup tasks while giving you complete account allocation flexibility.

**Automated processes**

Inventory Management simplifies item entry by automatically calculating sales taxes, discounts, and due dates. In addition, you can:

- Automatically distribute inventory amounts to the appropriate General Ledger accounts.

- Create recurring items to save time when entering repetitive data and to eliminate duplicate work each month.

- Set up sales taxes to provide flexibility in maintaining domestic sales tax requirements and meet the Canadian taxing requirements (PST, HST, and GST).

- Process batches quickly and easily. You can process multiple batches simultaneously for inventory transactions, physical inventory, cost tier adjustments, and assembled kits.

**Inventory transactions**

MAS 500 offers a complete set of inventory transaction options, including physical inventory processing, cost tier adjustments, and in-warehouse transfers. Inventory items can also be transferred between warehouses using the Three-Step Transfer method.

**Audit trail options**    Printed reports and registers provide a complete audit trail of detail activity before posting. You can retain detail postings for an unlimited number of years, or you can retain monthly summaries.

### Multi-year history retention
Historical and transactional storage of inventory, purchase product line, and lot/serial transaction data allow you more insight into year-to-year comparisons, trends, and analysis. You can also post to an unlimited number of future periods or inventory/fiscal years or re-open a past year, and specify the inventory/fiscal year to use for printing Inventory Management reports.

### Complete audit trails
Printed reports and registers provide a complete audit trail of detail activity before posting. You can retain detail postings for an unlimited number of years, or you can retain monthly summaries.

### Inventory audit trail
Inventory Management provides an audit trail of any changes, deletions, or additions to the Inventory Management accounts. You can view a report that contains all changes made to data fields.

**Inventory and fiscal year management**    Use these features to update your fiscal years and processing periods:

### Inventory and fiscal calendar
You can change the inventory and fiscal calendars. When a fiscal calendar change occurs, General Ledger updates the General Ledger account history. Prior inventory management history is not revised.

### Flexible inventory periods
You can define an unlimited number of inventory periods in a year. You can also define different ending dates for each inventory period.

**Future period posting**

Post to future inventory periods from Inventory Management or other modules without closing the current period. You can produce Inventory Management reports for the next inventory year without closing the current inventory year.

**Data exchange**

You can import item and inventory item data directly from an external file. You can use ASCII text and delimited text files to import data.

**Reports**

All Inventory Management reports can export data to an external file. Data types supported include ASCII text, HTML, delimited, DIF, Word, Excel, rich text format (.rtf), or Seagate Crystal Reports for MAS 500 (.rpt) files.

# Integrating with Other Modules

**Introduction**  You can use Inventory Management with General Ledger only or integrated with other modules. In an integrated system, modules share common information with related modules. This sharing eliminates double entry of information that is already stored in MAS 500. The modules that can be integrated with Inventory Management are described in this section

**Multicurrency Management**  If you have the MAS 500 Multicurrency Management module, use Set Up MC Options to initialize and maintain home and natural currency options. You can then enter inventory transactions in different currencies.

If you select the exchange rate override option in Set Up MC Options, you can modify the settlement amount of a transaction, otherwise, the exchange rate is fixed at the rate specified in the schedule assigned to the transaction.

MAS 500 also supports currency cross-rate derivation. For example, assume your Australian sales office has purchased goods from Japan. Even though you do not maintain an exchange rate schedule between the Australian dollar and the Japanese yen, with MAS 500 you can resolve the settlement amount if you maintain a home currency schedule with each of the currencies in question.

**Accounts Receivable**  If you have the MAS 500 Accounts Receivable module, you can enter customer specific price schedules and customer/item cross-references. You can also drill down to invoice information from an Inventory Management Inquiry.

Inventory Management uses the customer home currency for retrieving pricing information. You can assign charge or discount schedules to customers or ship to addresses.

> **Tip:** Use Set Up AR Options to integrate Accounts Receivable with the Inventory Management module.

**Accounts Payable**   If you have the MAS 500 Accounts Payable module, use Set Up AP Options to integrate with the MAS 500 Inventory Management module.

You can use MAS 500 Accounts Payable to create vendor cost schedules and vendor/item cross-references. During transaction entry, you can enter vendor minimum requirements, freight information, and reorder requirements. You can drill down to voucher information from an Inventory Management Inquiry task.

You can assign charge and discount schedules to vendors.

**General Ledger**   General Ledger is required to run Inventory Management. When you establish Inventory Management for a company, the chart of accounts information that your entered in General Ledger is available. MAS 500 uses those account numbers to establish accounts in Inventory Management.

**Purchase Order**   When you enter inventory transactions or cost tier adjustments, MAS 500 checks the posting accounts and automatically creates the correct journal entries.

You can use Purchase Order to match stock receipts to customer back orders, update inventory quantities with receipts, retrieve the correct vendor costs, and update purchase order commitments.

> **Tip:**  Use Set Up PO Options to integrate Purchase Order with the Inventory Management module.

**Sales Order**   You can use Sales Order to retrieve the appropriate customer cost, update sales order commitments, process shipments and returns, and update inventory quantities from sales transactions.

> **Tip:**  Use Set Up SO Options to integrate Sales Order with the Inventory Management module.

Chapter 1

# *Setting Up Inventory Management*

# 2

MAS 500 uses familiar inventory components to structure your Inventory Management system. You establish and maintain these components and use them in inventory transactions. This chapter contains the following sections to acquaint you with the components used in Inventory Management.

**In this chapter**

# Setup Process

**Introduction**

This chapter describes all setup tasks for Inventory Management. Use the information as a reference during system implementation and for maintaining your system after implementation is complete.

**Additional information**

See these additional sources of information on system setup.

| Documentation | Information |
|---|---|
| *Implementation Planning* guide | Procedures for planning your implementation. Guidance and methodology for converting your data. Instructions for using Assisted Company Setup. |
| Online Help | Flowcharts, guidelines, worksheets, and procedures for setting up your system |

**Setup steps**

The setup process requires you to establish settings and define information in the following areas. These settings are used throughout the Inventory Management module.

- System Manager setup
- General Ledger setup
- Common Information options
- Inventory Management options
- Fiscal and inventory periods
- Data retention periods
- Default warehouse information
- Item reference information
- Custom fields
- Methods for determining inventory cost and valuation
- Customized batch and transaction information
- Inventory calendar

**System Manager setup**

Before you begin the setup process for Inventory Management, verify the following has been done in System Manager:

- The company you want to set up has been created
- Security groups have been set up for that company
- Users have been set up and assigned to security groups
- Inventory Management has been activated for the company

When security is implemented, verify that appropriate permissions are defined by security group in System Manager for the following Inventory Management tasks:

- Reopening or posting to a closed period or year
- Editing journal transactions
- Changing account types
- Posting batches
- Creating or changing account numbers

For more information, see the *Installation and System Configuration* guide.

**General Ledger setup**

Like all MAS 500 modules, Inventory Management uses accounts and journals set up in General Ledger.

To complete setup of Inventory Management, you must create the following accounts in General Ledger:

- Suspense
- General Ledger for each bank account
- General Ledger Offset account for each Cash Management transaction type
- Receipt for each tender type
- Incoming Freight for each shipping method
- Outgoing Freight for each shipping method

- Cost of Goods Sold for noninventory items and item classes

- Expense for noninventory items and item classes

- Sales for noninventory items and item classes

- Returns for noninventory items and item classes

- Accounts Receivable Sales Tax

- Accounts Payable Sales Tax

- Accounts Payable Use Tax

- Nonrecovery

For information on setup in General Ledger, see the *General Ledger* guide and the online Help.

**Common Information setup**

Like all MAS 500 modules, Inventory Management uses components set up in Common Information. Common Information defines records shared by two or more modules. For example, processing cycles are used by Inventory Management, Accounts Payable, and Accounts Receivable.

The Common Information options that you need to set for Inventory Management are described in *Common Information Options* on page 14.

**Maintaining information**

Use the Inventory Management Maintenance menu to initially set up information about Inventory Management. After you establish this information, use Maintenance windows to revise or update the information. For example, you might return to the Maintenance menu to add items or warehouses, redefine pricing groups, or establish new buyers.

**Inventory Management setup components**

The setup process requires you to establish settings and define information in Inventory Management. These settings are used throughout the module.

The following flowchart summarizes the Inventory Management setup process, including Replenishment options, which are available if the Replenishment module has been installed. Use Assisted Company Setup to guide you through the tasks.

**Set Up Inventory Management**

| Set Up IM Options | Set Up Rank Codes | Set Up Landed Costs | Set Up Sales Product Line | Set Up Warehouses |
|---|---|---|---|---|
| IM Options List | Rank Code List | Landed Costs List | Sales Product Line List | Warehouses List |

| Set Up Freight Classes | Set Up Commodity Codes | Set Up Bins |
|---|---|---|
| Freight Classes List | Commodity Codes List | Bins List |

**Set Up Replenishment**

| Set Up Buyers | Set Up Purchase Product Lines | Set Up Warehouse Replenishment |
|---|---|---|
| Buyers List | | Purchase Product Lines List |

| Set Up Lead Time Formula | Set Up Demand Formulas | Set Up Safety Stock Formulas |
|---|---|---|
| Lead Time Formula List | Demand Formula List | Safety Stock Formula List |

# Common Information Options

## Overview

**Purpose**
Like all MAS 500 modules, Inventory Management uses some components set up in Common Information. Common Information defines records shared by two or more modules.

You may have set some of the Common Information options as you set up other modules; however, you may want to review the information to see that it applies correctly to Inventory Management.

**Required tasks**
Inventory Management requires you to set up the following Common Information tasks:

- Sales tax classes, codes, schedules
- Company tax information
- Units of measure
- Non-inventory items and item classes
- Reason codes

**Optional tasks**
Setting up the following Common Information tasks is optional:

- Set Up CI Options
- Additional countries and states
- Additional postal codes
- Processing cycles
- FOB points
- Business forms

# Setting CI Options

**Purpose**   For each company in MAS 500, use Set Up CI Options to establish the default country code, determine sales tax retention information, enter a suspense account, and determine number of decimal places. The other fields and tabs are not needed for Inventory Management.



**Default country**   Enter the country code to be used as the default when entering addresses anywhere in the company.

**Suspense account**   Specify the account that transactions should be posted to if the originally intended account is invalid or unavailable. The suspense account can also be specified in Set Up GL Options.

**Retain tax information**   Sales tax detail is transaction-level sales tax information. It can be tracked for a maximum of 99 periods. Sales tax history is sales tax detail summarized by posting date. It can be tracked for a maximum of 99 years.

Set the default values for how long sales tax information should be retained. Both kinds of sales tax information are purged with the Purge Sales Tax History task on the Common Information Activities menu. You can override the defaults when you purge the information.

| | |
|---|---|
| **Number of decimal places** | These options are for all inventory, noninventory, and special items. Specify the number of decimal places to be used for items: |

- quantities
- unit cost
- unit price

# Business Forms

| | |
|---|---|
| **Purpose** | Standard printed business forms are included with MAS 500 and are created when modules are activated for the company. Depending on the modules activated, standard forms include checks, invoices, statements, deposit slips, purchase orders, 1099 forms, labels, work orders, packing lists, and others. |
| **Fields** | Use Set Up Business Forms to set default parameters for forms and to set up and maintain custom layouts. |



| | |
|---|---|
| **New forms** | When redesigning a form, save the new form with a new name. This allows you to return to the original format if needed. |
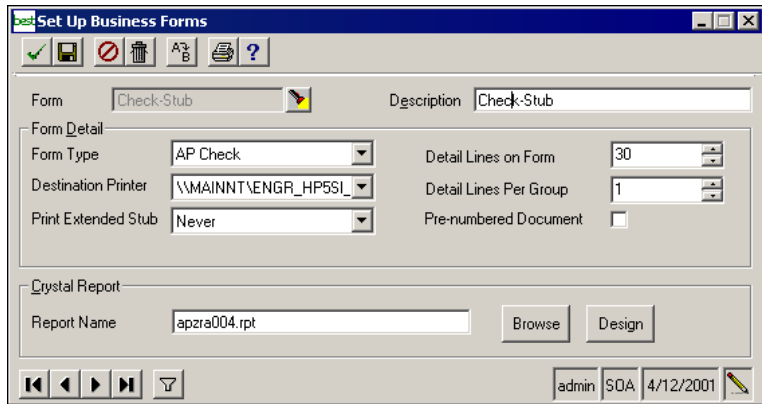
**Defining form detail**
Select the form type, default printer, and detail information. Best practices are for prenumbered documents to be used only with MICR printing.

**Using Crystal Reports**

**File location**
The files in the Report Name field are in the directory named

```
MAS 500 Client\xx\Reports
```

where xx is the module abbreviation.

For example, checks are in MAS 500 Client\IM\Reports. Any new forms you design must be in the correct directory.

**Crystal Reports Designer**
Crystal Reports Professional was used by Best developers to design the form layouts. The runtime version of Crystal Reports is installed with MAS 500. This is used to print forms and reports. To modify existing or create new forms, install Crystal Reports Designer, included with MAS 500 but requiring a separate installation. Refer to the *Installation and System Configuration* guide for information.

To modify a form, click Design. This opens the selected form in Crystal Reports Designer, if it has been installed.

**Ordering forms**
You can order forms designed to work with MAS 500 by contacting Altec, the MAS 500 authorized print provider, at (800) 765-7751.

For more information, refer to the business forms catalog included with MAS 500. If you need a business forms catalog, contact Best Software or your reseller.

# Processing Cycles

**Purpose**
You use Set Up Processing Cycles to identify processes that occur on a regular basis. You can add an unlimited number of cycle names such as *monthly*, *weekly* or *quarterly*.
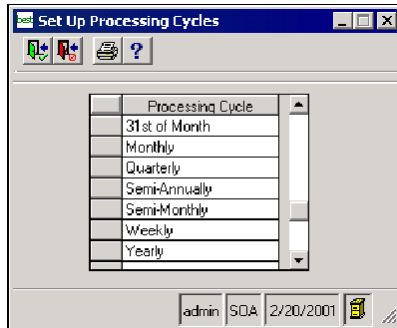


**Using processing cycles**
After you have named processing cycles, you can assign and select processes by cycle. Processing cycles do not cause processes to take place automatically. A processing cycle is merely a device for aiding selection.

**Example**
In Inventory Management you might perform a physical count of sheet metal monthly. In Maintain Inventory you would assign the *monthly* processing cycle to the sheet metal. Then, once a month, in Process Physical Inventory you would select all the items with a processing cycle of *monthly*. The sheet metal would be included. Note that the sheet metal is not automatically included.

# Setting Up Country and State Codes

**Purpose**      The information you set up in this tasks is used whenever you enter an address in any company using the same application database in MAS 500.

Every U.S. state and Canadian province is included with MAS 500. To add additional countries, specify a unique code and description. You can specify an abbreviation and name for each of its states/provinces.
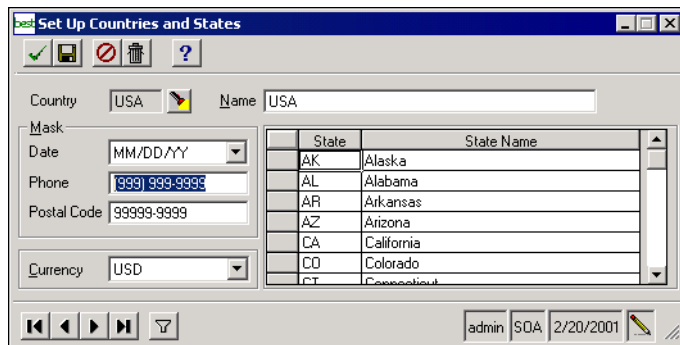


**Masks**      The Date Mask field is not used. The Regional Options in Windows Control Panel determine the date format.

Enter the format to use for accepting and displaying telephone numbers and postal codes for each country defined.

| To format... | Use... |
| --- | --- |
| Numeric characters | 9 |
| Alphabetic characters | N |

**Currency**      If Multicurrency Management is installed, you can define the default currency to use for each country.

# Setting Up Postal Codes

**Purpose**

After you set up countries and states and define the postal code format in Set Up Countries and States, use the Set Up Postal Codes task to add postal codes. A comprehensive list of zip codes for the United States is included with MAS 500.



**Adding postal codes**

You can add additional zip codes, append a four-digit extension to a zip code, or add postal codes for Canada or other countries.

Adding postal codes in Common Information can reduce data entry time and errors. When you enter a postal code in an address field, the correct city, state, and country code are automatically filled in.

# Reason Codes

**Purpose**     You use reason codes to create a standard method of identifying why a transaction occurred. In Accounts Receivable, for example, you can use reason codes to describe why a vendor issued you a debit memo or credit memo.



**Using reason codes**     Reason codes are required for certain transactions such as adjustments, returns, and issues in Inventory Management.

# Units of Measure

**Purpose**
Units of measure are assigned to inventory and noninventory items for stocking, purchasing, and sales throughout MAS 500. Use the Set Up Units of Measure task to define and maintain an unlimited number of units of measure used throughout a MAS 500 company. The system uses the relationships between units of measure when converting from one unit of measure to another.

For example, you can define a measurement of quantity for items you routinely purchase, such as *dozen*, and then apply these quantities when you are entering voucher detail in Accounts Payable. The system will use the unit of measure when calculating the unit cost (*each*).

| Set Up Units of Measure | | |
|---|---|---|
| Type | Quantity | |

| Unit | No. of Each per Unit | No. of Units per Each |
|---|---|---|
| Each | 1 | 1 |
| Box | 10 | 0.1 |
| Case | 120 | 0.0083333333333 |
| Pack | 12 | 0.0833333333333 |
| DuoPak | 2 | 0.5 |

admin   SOA   2/20/2001

**Type**
Choose one of the six predefined unit of measure types: quantity, volume, time, length, area, and weight. You cannot add additional types.

**Units and conversion factors**
The first item in the grid is the base unit of measure. Enter additional units of measure based on the base unit. For each additional unit, enter a conversion factor in either conversion field. The system calculates the other field.

You cannot delete the base unit of any type, though you can rename and redefine it.

# FOB Terms

**Purpose**   Use Set Up FOB to define and maintain FOB terms, which are used to indicate the point in the delivery of merchandise at which ownership of the goods transfers from supplier to customer. Typically the customer is responsible for any freight charges incurred after the FOB point.

FOB terms are used to determine whether sales taxes are applied at the point of origination or applied at the destination.

FOB terms are required if the system is calculating sales taxes. You can use the FOB term to set customer or vendor defaults for who is responsible for paying shipping expenses. FOB terms are available in Accounts Payable, Accounts Receivable, Purchase Order, and Sales Order.



**Setting Up FOB terms**   Typically, you would set up FOB terms for shipping point and destination, although you can create as many FOB terms as needed. Enter a unique FOB code, a full description, and a tax point (source or destination).

# Sales Taxes Overview

**Components**

There are several components to define when setting up sales taxes. The components work together to determine how to calculate and what to calculate on an invoice, purchase order, or sales order.

The following table and the figures on the next page show how the components work together.

| Component | How Used |
|---|---|
| Tax Class | Assigned to shipping methods, inventory and noninventory items. |
| Tax Code | Determines the tax rate for each tax class in the jurisdiction. |
| Tax Schedule | Determines which tax codes to use when calculating sales tax. Default tax schedules are assigned to vendors and customers. |

After the components are defined, the tax class and tax schedule together determine how to calculate taxes. For example, on an invoice, the tax schedule assigned to the customer determines which tax codes are calculated. The tax class is assigned to the item and becomes the default tax class on the invoice.

**All companies**

Unlike the other Common Information defaults and options, sales tax classes, codes, and schedules are shared across modules for all companies that use the Application database.

An additional company-specific component, Company Tax Information determines the posting accounts for each tax code.

# Defining Sales Tax Classes

**Purpose**

Every inventory and noninventory item and shipping method in MAS 500 is assigned a sales tax class. You assign sales tax classes to items you buy from vendors and items you sell to customers.

Taxable and Nontaxable are predefined. You define additional sales tax classes in Maintain Tax Classes.
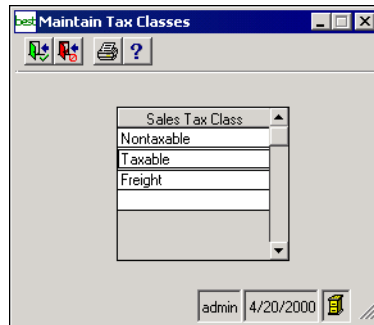


**Using**

For each tax class defined, typically Taxable, Nontaxable, and Freight, determine the rate to use for each jurisdiction.

**Setting up Sales Tax Components**

**Using Sales Tax Components**

**Class assigned to item becomes default class on**

**Schedule assigned to customer becomes default schedule on**

# Defining Sales Tax Codes

**Purpose**         Sales tax codes, which you define in Maintain Tax Codes, are used to create and maintain an unlimited number of taxing authorities. A taxing authority can be a city, state, county, province, or other jurisdiction to which you must report sales tax information.

These sales tax codes become part of one or more tax schedules.
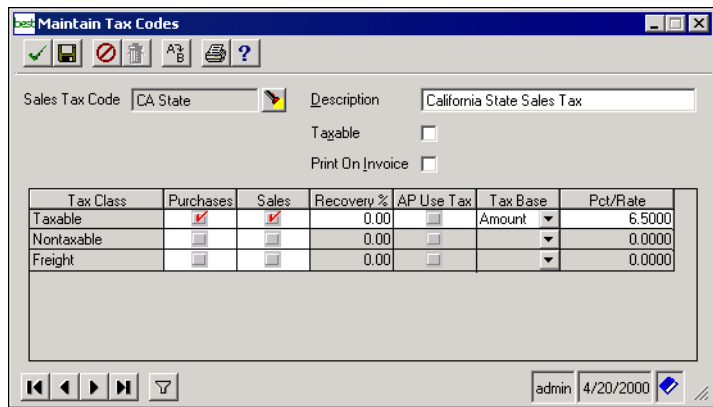


**Tax code options**        Select Taxable if the tax code is taxable by another tax code.

Select Print On Invoice to cause the system to print the tax code individually on invoices rather than grouped into one sales tax amount per invoice.

**Tax class options**       A tax code may include an unlimited number of tax classes. For each tax class associated with a tax code, indicate whether to calculate for purchases, sales, or both.

The recovery percent determines the refund amount you can receive based on the amount of taxes paid to vendors. The difference between the calculated recovery amount and the sales tax amount is the nonrecovery amount. The recovery and nonrecovery amounts are calculated and posted when the

voucher is posted. The posting accounts are defined in Maintain Company Tax Information.

Select AP Use Tax if you are responsible for tracking and reporting the tax on items purchased for this tax class.

For each tax class, in the Tax Base field, choose whether to calculate the rate on the monetary amount or the quantity sold. If you choose Amount, the value in the Pct/Rate field is the percentage. If you choose Quantity, the value in the Pct/Rate field is a monetary amount based on the stock unit of measure.

**Graduated tax rates**

To specify a tax rate based on a range, use Maintain Tax Code Rates. (This is reached from the Maintain Tax Codes window by double-clicking on a row.) You can insert new lines to add a new range.
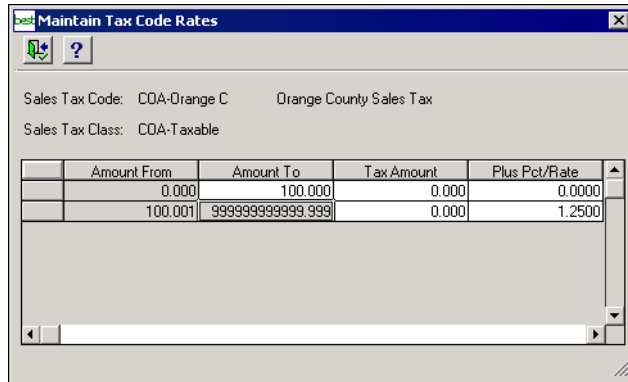


**Flat taxes**

You can create a flat tax amount for use when entering invoices or vouchers. To do so, create a flat tax code for the Taxable sales tax class and use the Maintain Tax Code Rates window, shown above, to enter the flat tax amount. This flat tax code is used to create a new sales tax schedule that can be assigned to vendors or customers. When used in conjunction with an item using the Taxable sales tax class, the sales tax for an entire invoice or voucher, regardless of any other items, will be for the amount specified in Maintain Tax Code Rates.

# Defining Sales Tax Schedules

**Purpose**        Use Maintain Tax Schedules to group tax codes together. Sales tax codes are often grouped in a schedule according to geographic area. For example, a sales tax schedule can include a state, county, and local tax.

You must assign a default sales tax schedule to every vendor and customer. The default sales tax schedule can be overridden when entering transactions. A different sales tax schedule can be assigned to each line item on a transaction.
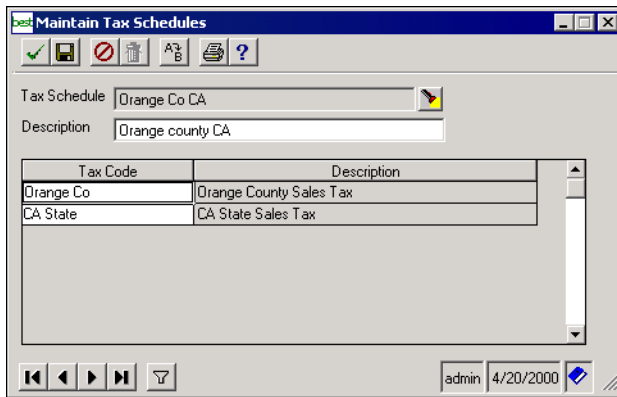


**Tax order**        Taxes are calculated in order of how the tax codes are listed in the schedule. Select taxable tax codes before selecting tax-on-tax codes when creating tax schedules.

# Defining Company-Specific Tax Information

**Purpose**

You define company tax information for each tax code for each company in Maintain Company Tax Information.



Enter the tax registration number issued by the taxing authority. The registration number is printed on tax reports submitted to the tax authority.

Enter the number on the tax exemption certificate, which allows for tax exemptions in certain tax jurisdictions.
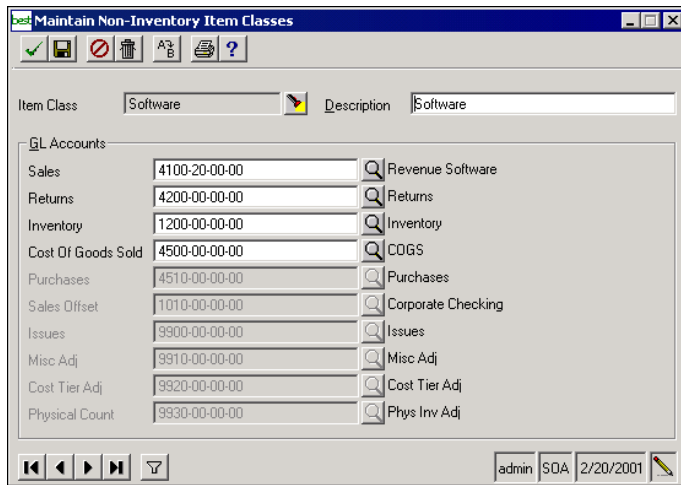
# Noninventory Items

## Overview

**Purpose**          Noninventory items are used for noninventory items such as services, comments, and business expenses.

On-hand quantity and warehouse information are not tracked for noninventory items.

Transaction quantities, sales, and cost of sales accounts are tracked for each item. (You can produce a report of these items with the Non-inventory Items History Report from the CI Reports menu.)

**Tasks**            There are two tasks to complete to set up noninventory items:

- Maintain Non-inventory Item Classes
- Maintain Non-inventory Items

**Where used**       Non-inventory items are used in Accounts Payable, Accounts Receivable, Sales Order, and Purchase Order.

## Defining Noninventory Item Classes

**Purpose**          Use Maintain Non-Inventory Item Classes to define groups of noninventory items. Item classes provide these capabilities:

- Link classes of noninventory items to default General Ledger accounts.

- Provide flexibility when printing reports by including only specific classes

**Posting accounts**     For each noninventory class you set up, specify the default posting account for sales, returns, and cost of goods sold. When defining a noninventory item, the general ledger accounts from the noninventory item class assigned may be accepted or changed for individual items in the class.
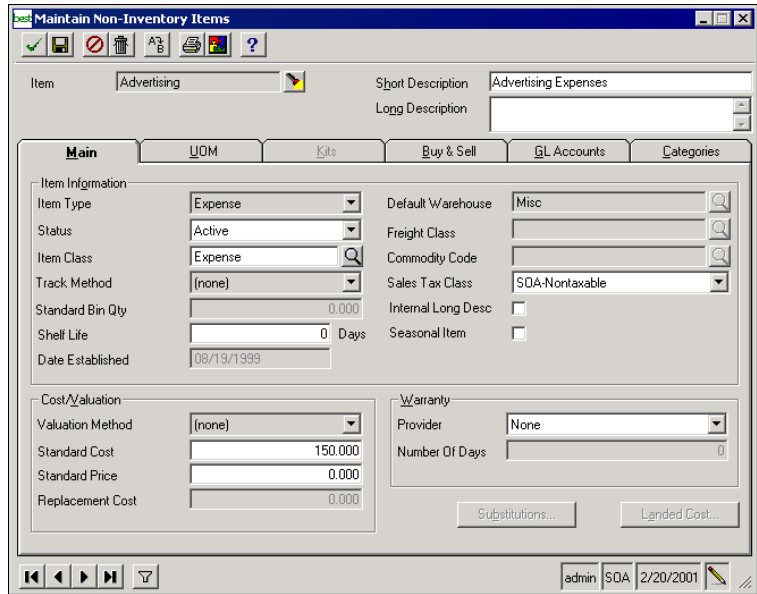
# Defining Noninventory Items

**Introduction**     After you have defined noninventory item classes, use the Maintain Non-Inventory Items task to define and maintain noninventory items, link the items with the item class and with general ledger accounts, and set the tax class for the item.

**Main tab**     The Main tab is used to define the properties for each noninventory item.

The item type determines how the item can be used. Choose from these types:

| Item Type | How Used |
|---|---|
| Comment Only | Comments that can appear on any transaction |
| Expense | Items that can only be purchased |
| Miscellaneous | Items that can be either purchased or sold |
| Service | Items that can only be sold |

The status determines if the item can be used when entering transactions and if it is deleted when purging data.

| Status | Effect |
|--------|--------|
| Active | Item can be used when entering transactions |
| Inactive | Item cannot be used when entering transactions, but the history is maintained |
| Discontinued | Functions the same as *Inactive*, but serves as separate selection criterion for reports |
| Deleted | Cannot be used on an invoice and is deleted automatically with the Purge Non-Inventory Item History task in Common Information |

The standard cost and price are used as default amounts when entering transactions. The cost and price can be modified if Allow Cost Override and Allow Price Override respectively are selected on the Buy & Sell tab and if the user has the appropriate security event permission.

**UOM tab**



The UOM tab is used to establish the stock unit of measure and the unit of measure used when purchasing and selling the item. Target UOM is not used for noninventory items. The availability of the other fields depends on the Item Type.

**Buy & Sell tab**    The Buy & Sell tab determines how quantities can be entered
for an item as well as if the cost and price can be changed
when entering transactions.
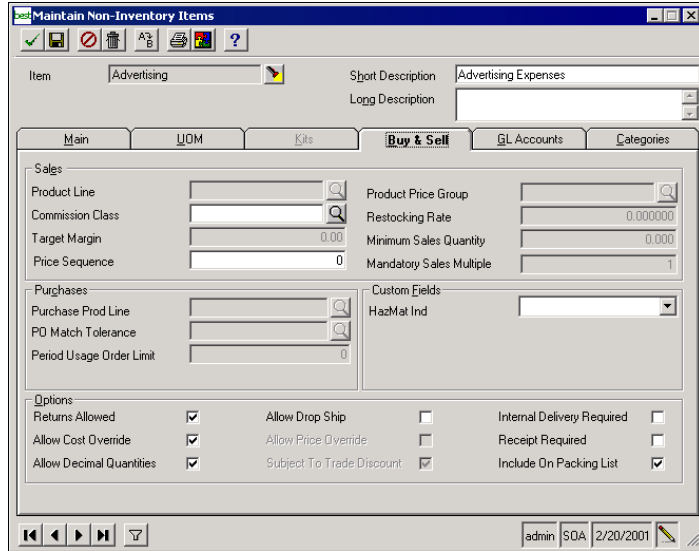


**Sales**
Commission class determines how commissions are
calculated for a salesperson and is defined in Set Up AR
Options. Select the default commission class here; it can be
overridden.

**Purchases**
Purchase order tolerance codes are used to compare the cost
and quantity received on a voucher to the original purchase
order entered. The tolerance code you select for this item
becomes the default during receipt and invoice matching; it
can be overridden at that time. Purchase order tolerance
codes are defined in Set Up Tolerance Codes in Purchase
Order and are used if matching is selected in Set Up PO
Options.

**Options**
If you do not select to allow overrides of cost or price, it
cannot be changed when entering a transaction. In that case,
the standard cost or price, defined on the Main tab, is used as

the amount when entering transactions. If you select to allow overrides, and the user has the appropriate security event permission, the standard cost or price can be overridden.

Some of the options appearing in this section are used for inventory items only. You can select the options to indicate that the item is subject to trade discount and to require a receipt.

**GL Accounts tab**   The GL Accounts tab allows you to modify the default posting accounts that were set up for the noninventory item class.
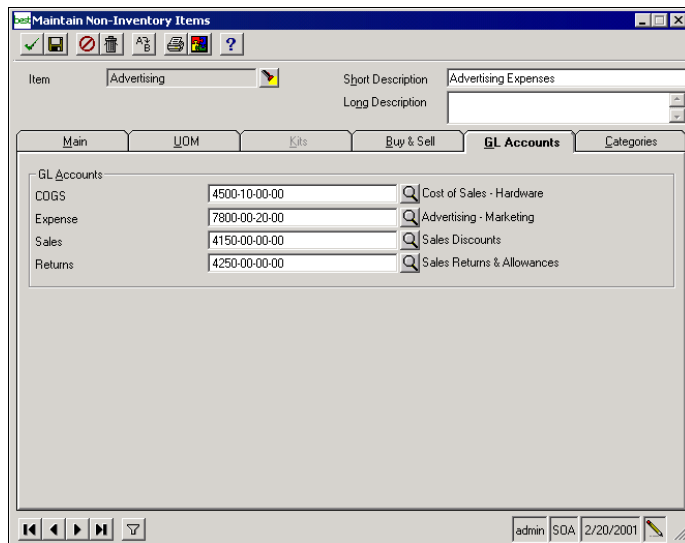


The expense account is available if the item type is expense. The expense account can be modified when entering transactions in Accounts Payable and Purchase Order. This account, if not blank, overrides the default account on Maintain Vouchers.

**Categories tab**   Use the Categories tab to make a noninventory item available through the eCustomer Internet application. Select the product categories for classifying the item and an image of the item to appear on the Web site. Refer to the *Internet Applications* guide for complete information.
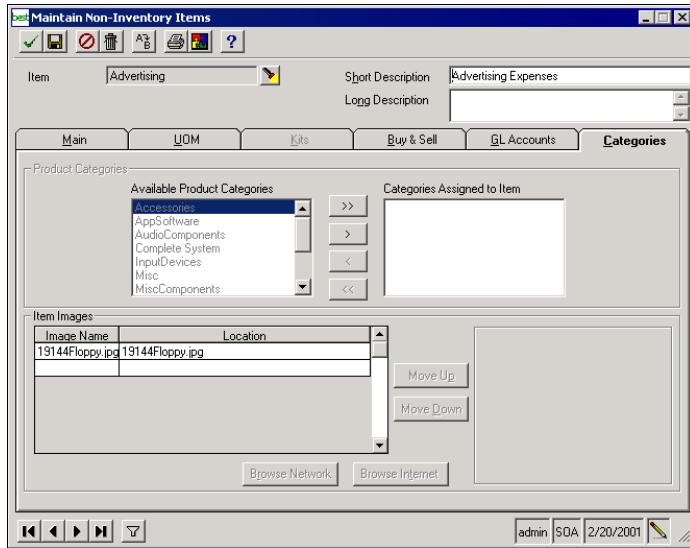
# Inventory Management Options

**Purpose**  Set Up IM Options includes a variety of settings used to tailor Inventory Management to your specific accounting requirements. Use this task to set defaults that are used throughout Inventory Management and to activate or deactivate features and processing options.

**Tab functions**  The Set Up IM Options window includes four tab pages of information:

- Main
- General Ledger
- Data Retention
- Miscellaneous

## Main options

**Purpose**  The Main tab is used to set up and maintain item class and warehouse defaults, batch-related settings, current fiscal period, and cost and valuation methods, along with negative quantity allowance and system units of measure definitions.

**Warehouse and item class defaults**

You have the option to set the following defaults for item class and cost and price warehouses.

**Default item class**

You can define a default for the most frequently used item class, which identifies the General Ledger accounts affected by the receipt, sales, or movement of an item. A new item is automatically assigned to this class unless you override the default in Maintain Items.

**Default cost and price warehouses**

You can define the cost and price warehouses to determine the default cost or price for an item when there is no warehouse associated with a transaction or when multiple warehouses exist.

**Negative quantities**

You select the way in which the system handles negative quantity transactions.

**Allow negative quantity on-hand**

Select Allow Neg Qty On Hand to allow negative quantity inventory transactions. If you do not select this option and you enter an inventory quantity which results in a negative quantity on-hand, an error message appears, prompting you to either change the quantity or cancel the transaction.

**Negative tier cost method**

You can select the negative tier cost method that determines the unit cost of an item in transactions that involve negative quantity on-hand. These negative cost tier methods include Average, Landed, Last, Replacement, and Standard. You must select Allow Neg Qty On Hand to enable this option.

**Allow private batch**

Select this option to allow users to create private batches. If you allow private batches, users with the appropriate security levels can create and process private batches. Otherwise, all batches are considered public and can be processed by any user.

**Update replacement cost**

Select this option to update the replacement cost of an item automatically. The replacement cost is updated with the purchase order cost at the time of stock receipt as well as the voucher line cost at the time of invoice posting.

**Adjustment cost method**

The adjustment cost method determines the unit cost for a positive transaction and all subsequent positive transactions against the cost tier. You can select a cost method to use for cost tiers created as a result of an adjustment.

**Internal lead time (days)**

You can estimate the number of days required for a purchase order to be issued to the vendor once it has been created by the buyer.

**Cost and valuation methods**

Inventory Management tracks period balances and valuations on a calendar-period basis. Period totals are kept indefinitely until cleared by the purge process.

With the exception of the Inventory Valuation Report all inquiries, reports, and drill downs only report period totals. The Inventory Valuation Report allows you to value all or part of inventory at any given date (calendar or fiscal) based on any supported cost methodology. The date specified can be any date for which transactional data is available. Future quantities and valuations for inventory items are also available.

Inventory valuation can be based on a variety of methods, each of which can change the reported value of goods. However, each item can have only one valuation method.

**Valuation method**
Select the valuation method to use to determine the cost method for valuation on inventory for all stock items. For lot serial items, you can determine the cost method by selecting a lot valuation.

The inventory valuation methods are:

| Method | Description |
|--------|-------------|
| FIFO (First In First Out) | relieves the oldest stock layers in the cost tiers first, leaving the most recent cost layers on-hand |
| LIFO (Last In First Out) | relieves the most recent stock layers in the cost tiers first, leaving the stock's oldest cost layers on-hand |
| Moving Average | weighted averaged unit cost used for inventory transactions that increase the inventory currently in stock |
| Actual | can be used only for serialized or lot controlled inventory. This method maintains the actual cost of a specific piece or batches of inventory |
| Standard Cost | allows you to manually enter the standard cost for the stocking unit of the product. This standard cost is used in the inventory cost tiers rather than any transaction related cost |

**EOQ cost method**
You can also select the cost method to determine the unit of cost for an item using the Economic Order Quantity calculation.

**Lot valuation method**
You can specify the costing method to use for the valuation of lot serial items during inventory valuation.

**Inventory Management periods**

You can define the current fiscal period and year and the inventory calendar period and year. The posting process issues warnings if you attempt to post transactions with a posting date outside of the current fiscal period and year.

**System units of measure**

You can select the weight and volume unit of measure that the system uses for recording inventory volume and weight. For example, the volume unit of measure specifies the target purchase requirement of certain purchase product lines from a vendor. The purchase history records the volume and weight of received stock in the specified units of measure.

# General Ledger Options

**Purpose**

Use the General Ledger tab page to view the relationship between Inventory Management and the General Ledger module.

These parameters control how material costs and other charges post to General Ledger. You can specify General Ledger account segment overrides that correspond to warehouse, batch, sales product line, or purchase product line. You can also specify whether the account posts to General Ledger in summary or detail.
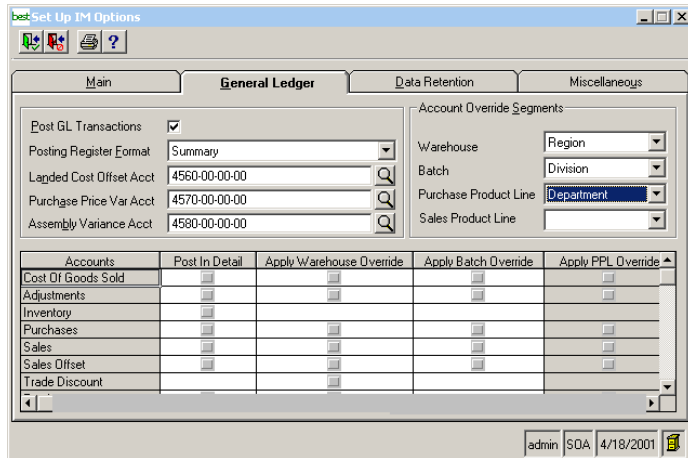
**Post GL transactions**

Select this option to update General Ledger transactions when you post inventory transactions. If you do not select this option, you must use the General Ledger Register to transfer the General Ledger posting information to another general ledger system.

If you deselect this option and the posting register format is set to None or Summary, existing values in the Account Override Segments fields are cleared.

**Posting register format**

Use this option to determine the way in which the General Ledger Posting Register prints after the transaction register prints.

If you select Detail, the General Ledger Posting Register prints at the end of each register in the format in which the data will update General Ledger. If you select Summary, a summarized list of General Ledger accounts prints at the end of each transaction register.

If you select Summary or None and the Post GL Transactions option is deselected, the Post in Detail options in the grid are disabled.

**Landed cost variance account**

Select the General Ledger account to use to post a variance in the landed cost due to a difference between the actual landed cost and landed cost assigned to the item. This option is disabled if you have the Purchase Order module.

**Purchase price variance account**

Select the General Ledger account to use to post a variance in the purchase price. This option is disabled if you have the Purchase Order module.

**Assembly variance account**

Select the General Ledger account to use for posting differences between the cost of the sum of individual kit components and the cost of the assembled or disassembled kit. The Process Kit Assembly transaction must be modified to use this account instead of the Purchase Price Variance account.

**Account segment override options**

In your General Ledger chart of accounts, you define account sub-segments that have a valid range of entries. This feature allows you to create accounts in other modules and for special purposes without having to establish all possible valid accounts when you first implement General Ledger.

In Set Up IM Options, you define the overrides that apply to a warehouse, purchase product line, sales product line, or transaction batch.

Select the account segment for which you want to allow overrides. After you select an account segment, you can select specific accounts in the account grid located at the bottom of the window.

Use the warehouse override feature to change the defaults associated with a warehouse. Use the batch override option to apply a group of transactions to a specific account segment.

### Warehouse override
The warehouse override allows you to define which segment of the General Ledger account to override. You select the segment override value in Maintain Item Classes.

### Batch override
The batch override option gives you additional General Ledger account assignment flexibility as you enter transactions.

### Purchase product line override
The purchase product line override allows you to define which segment of the General Ledger account segment to override. You select the segment override values in Maintain Item Classes.

### Sales product line
The sales product line override allows you to define which segment of the General Ledger account segment to override. You select the segment override values in Maintain Item Classes.

# Data Retention Options

**Purpose**      To manage your data effectively, MAS 500 allows you to implement your company's data retention policy and determine how long to keep various types of information in your database. You use the Data Retention tab page to select the periods or years to retain information. The data retention policy that makes sense for you depends on business needs or possibly government requirements.



**Transactions and History**      Use these options to determine the number of months or years to retain the following transactions and historical information.

- Inventory transactions
- Outdated prices
- Inactive items
- Inventory
- Purchase product line
- Lot/serial transactions

At the end of the specified time period, the records will be marked as deleted and purged as part of period end processing.

**Maintenance audit options**    Use these options to establish how additions, changes, or deletions made to vendors are tracked. You can determine whether the additions, changes, or deletions are tracked in summary, detail, or not tracked at all.

To retain information for any additions, changes, or deletions made to vendors, set the Log Retention based on the volume of transactions you expect to incur and the available storage space on your disk.

# Miscellaneous Options

**Purpose**    Use the Miscellaneous tab page to enter price sheet descriptions as well as determine whether quantities available are included or excluded from sales orders and purchase orders.
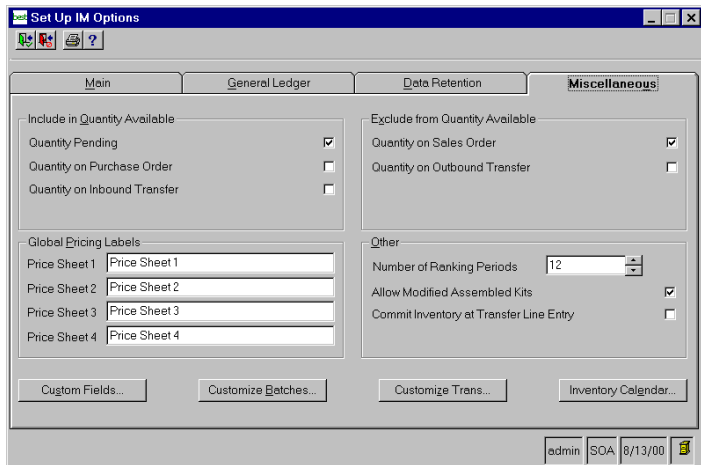
**Including in quantity available**    You can specify whether quantity available includes quantities pending, quantities on purchase orders, quantities on inbound transfer orders, or a combination.

**Excluding from quantity available**    You can specify whether quantity available excludes quantities on sales orders, on outbound transfers, or both.

**Global pricing labels**    You can customize the title for the list and first four price sheets by entering a unique description for each price sheet. These customized titles appear in Maintain Price Sheets for all companies.

**Other**    You can select the number of ranking periods that are included in the Rank Inventory Items task.

You can also allow modifications to assembled kits and have inventory committed at transfer line entry rather than when the entire transfer transaction is saved.

# Set Up Custom Fields

**Purpose**    You can customize sorting of Inventory Management information by creating up to four user fields for warehouses and four user fields for items

**Access**    Use the Custom Fields button on the Set Up IM Options Miscellaneous tab to access the Set Up Custom Fields dialog.

Custom fields associated with warehouses are entered in Set Up Warehouses, and custom fields associated with items are entered in Maintain Items and Maintain Item Classes, where you can establish a default custom value for all items in a class.

For example, you might set up a custom field called Region. The Region custom field would automatically display in Maintain Items, where you would enter a region for the item. You could then print a report that shows items by region.
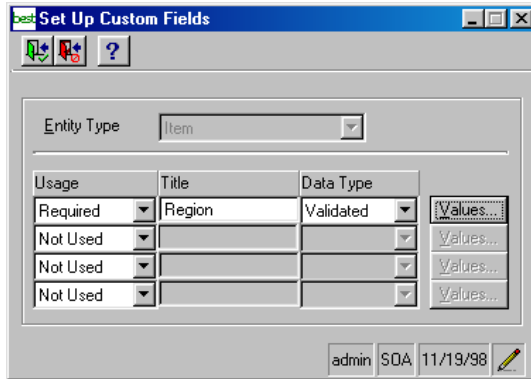


**Defining custom fields**

Nonvalidated fields accept any information of the data type (date, numeric, or alphanumeric) specified for them. Validated custom fields accept only the predefined values you set up for them in Set Up Custom Field Values.

Use Set Up Custom Field Values to enter and maintain the valid entries for each validated custom field. The field values you enter here appear in a selection list wherever the field appears in Inventory Management.
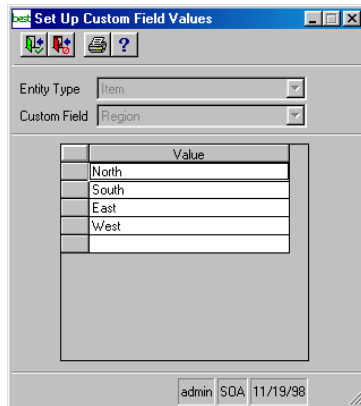
**Printing list of field values**    From this task, you can also print the Custom Field Values List, which lists each validated custom field and its assigned value and description.

# Customize Batches

**Purpose**    Use the Customize Batches button on the Set Up IM Options Miscellaneous tab to access the Customize Batches dialog. By completing this dialog you can identify the contents of various batches by entering a code that corresponds to the transactions in the batch. For example, you can identify all inventory transaction batches with the code IT and all physical count batches with the code PC or another code of your choosing.

**Renumbering**    You can control the next number for batches. The number entered becomes the next number used when you select the "#" button in the next batch field in the application.

| Description | Batch ID | Next Batch | Posting Comment |
|---|---|---|---|
| Inventory Transactions | IT | 5 | Std With ID |
| Physical Count | PC | 2 | Std With ID |
| Cost Tier Adjustments | CU | 1 | Std With ID |
| Kits | KT | 2 | Std With ID |

admin  SOA  11/19/98
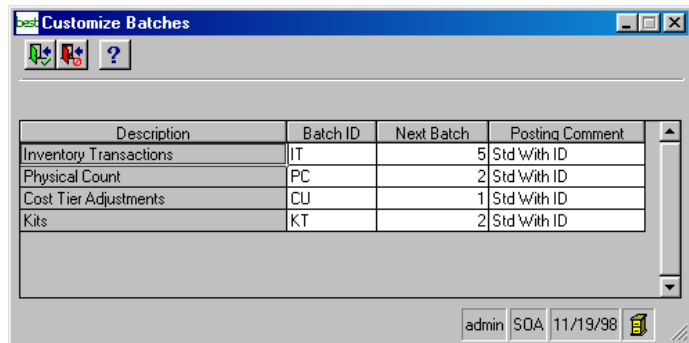
**Format**    You can select a format for the posting comment for batches. The choices are as follows:

• Std With ID includes the vendor number, transaction date, and transaction ID (transaction type and number)

• Std With Name includes the vendor name and the transaction ID

- Std With Comment includes the transaction ID, vendor number, and transaction comment from the transaction being posted

- Tran Comment includes the transaction ID, the entity number, and the detail description found on the transaction being posted

# Customize Transactions

**Purpose**

Use the Customize Trans button on the Set Up IM Options Miscellaneous tab to access the Customize IM Transactions dialog. By completing this dialog, you can identify Inventory Management transactions by specifying a two character ID to identify the transaction type and the default General Ledger journal code to use for posting. For example, if your sales journal code is SJ, you can select this journal for all SJ transactions. You also identify the next transaction number and effect on quantity on-hand.

**Customize IM Transactions**

| Description | Tran Type | Journal | Next Number | Effect on Quantity-On-Hand |
|---|---|---|---|---|
| IM Sale | SA | IM | 2 | Decrease |
| IM Sale Return | SR | IM | 1 | Increase |
| IM Purchase | PU | IM | 4 | Increase |
| IM Purchase Return | PR | IM | 1 | Decrease |
| Transfer In | TI | IM | 1 | Increase |
| Transfer Out | TO | IM | 1 | Decrease |
| Issue | IS | IM | 1 | Decrease |
| Physical Count | PC | IM | 1 | Increase |
| Cost Tier Adjustment | CA | IM | 1 | No Effect |
| Adjustment | AJ | IM | 2 | Increase |
| Kit Assembly | KT | IM | 2 | Increase |
| Kit Assembly Component | KC | IM | 1 | Decrease |
| SH-Shipment | SH | SJ | 1 | Decrease |

admin | SOA | 11/19/98

**Numbering**

You should only change automatic numbering to a higher number to avoid creating duplicate transaction numbers.

# Inventory Calendar

**Purpose**     Use the Inventory Calendar button on the Set Up IM Options
Miscellaneous tab to access the Inventory Calendar dialog.
You use the Inventory Calendar to define the periods you
want to use for inventory control. You can define any
number of periods for a year and assign the number of
working days in each period.



**Using the
inventory
calendar**     The Inventory Calendar starts on 01/01 and ends on 12/31
for any year; and it may be different than the fiscal calendar.
You can copy a new inventory year from a previous one by
selecting Copy From and then the year you want to copy. The
system tracks projected demand, demand adjustments,
ending quantity, and ending value based on the inventory
periods you establish for each item.

Working days per period are used to calculate the daily demand for the period. You can divide a year into any number of periods such as months or weeks. For each period, the number of working days defaults, but can be adjusted to accommodate holidays and weekends.

# Supplementary IM Setup Options

## Rank Codes

**Purpose**

Inventory Management independently ranks products based on four different criteria: cost of goods sold, units sold, hits (number of times sold), and margin dollars. Each criterion provides valuable information to properly analyze your investment in stocked inventory.



**Using rank codes**

You can sort products in a warehouse in descending order for each of the four criteria. You can specify up to 20 ranks, identified by the capital letters A through T, with associated percentages. For example, you might rank items responsible for the top 80% of the total cost of A item goods, the next 15% as B items, the next 4% as C items, and those items responsible for the last 1% of sales as D items. The assigned percentages must equal 100%.

The system uses the ranks to determine an item's demand variance. Ranks are included on the Unusual Usage Report.

# Landed Costs

**Purpose**
You create landed costs to set up estimates of additional charges or costs that you may incur when you purchase an item from a vendor. Landed cost can be applied to items or vendors.
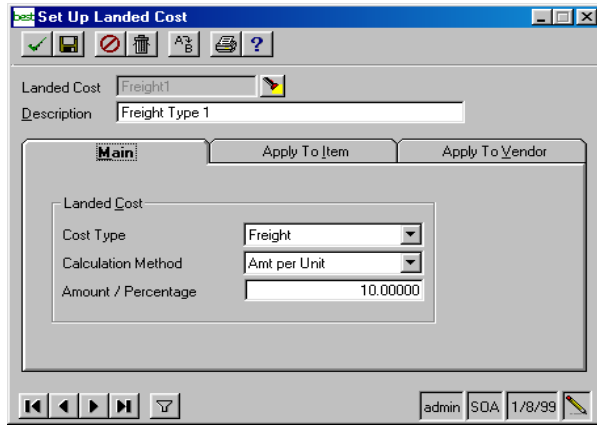


**Using landed costs**
Landed cost charges are added to the cost listed on the vendor's purchase order to provide an approximation of an item's actual cost. Landed costs are based on either a percentage of cost or a flat amount per the stocking unit of measure.

You can apply landed costs to an item in Maintain Items or in Maintain Vendors in Accounts Payable.

# Sales Product Lines

**Purpose**    You can create and maintain sales product lines to group items for sales analysis purposes. You can enter a description, indicate a target gross margin percentage, and select a commission class for each sales product line. You can also specify a trade discount and allow price overrides.

# Warehouses

**Purpose**

You can create and maintain warehouses in Set Up Warehouses. Many of the fields are used to default information throughout the system. Each company must have at least one warehouse, however, you can set up an unlimited number of warehouses for each company.
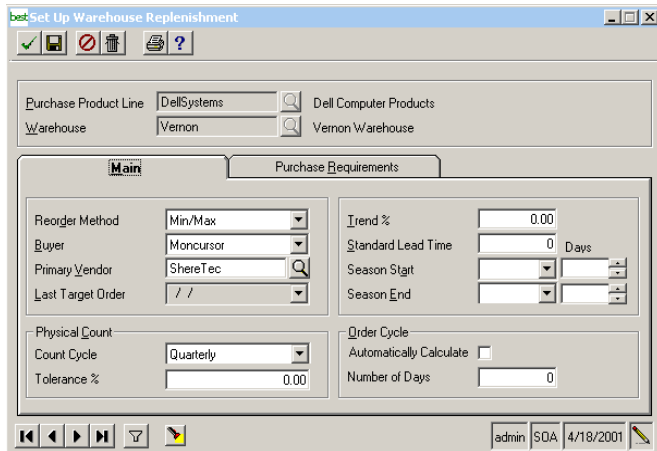


The information maintained in Set Up Warehouses is divided into five tab pages.

**Main tab**

Use this tap to determine information that is generally static for the warehouse as a whole, such as qualified lead time variables, associated warehouses, sales tax schedules, and contacts. You can also allow customer back orders and the use of bins.

> **Warning:** Allow Customer Back Order is also an option in Sales Order. If either option is set to No, customer back orders are not allowed

**Address tab**

This tab is used to maintain default mailing and shipping address information for the warehouse.

**Replenishment**    You use this tab to track reordering and restocking information. You can determine how items are reordered and the default method to use for the warehouse. You can also maintain the restocking method and rate to track charges to the customer for returned items. You can view the last inventory ranking.

Other fields include minimum/maximum/maximum seasonal demand multiple, minimum/maximum order cycle, and demand variance rank type. For each demand variance rank type, a high and low percentage is used to identify large variances in demand.

**GL Accounts**    Use this tab to select General Ledger accounts for stocked items. You can also select these accounts in Maintain Item Classes, Maintain Inventory, and Set Up Warehouses. Selecting the accounts in Set Up Warehouses and Maintain Item Classes is optional while they are required in Maintain Inventory. With this task, you can produce the Warehouse List, which lists all warehouses you established.

**Transfers**    Use this tab to establish shipping and receiving warehouse relationships that are used in three-step transfers as well as freight and surcharge handling, approval criteria, and defaults.

**Creating inventory**    After you have stocked one warehouse with items, you can automatically stock subsequently created warehouses with items using a one-step process called *Create Inventory* on .

# Create Inventory

**Purpose**        After you have created items (Maintain Items) and warehouses (Set Up Warehouses), you can use Create Inventory to stock these warehouses with selected items. Create Inventory provides an alternative to individually adding the items to a warehouse using Maintain Inventory.



**Process**        The Create Inventory process consists of four steps:

- Selecting the items
- Selecting inventory attributes
- Compiling a list of qualified items
- Adding the items to the warehouse

**Precautions**    If you are using the Replenishment module, you must establish the relationship between the warehouses and the purchase product line using Set Up Warehouse Replenishment from the Maintenance menu.

**Maintenance**    After you have added the items to the warehouse, you can use Maintain Items to modify an individual item. You can also use Maintain Inventory to modify the inventory attributes.

# Bins

**Purpose**

You use Set Up Bins to maintain bin information in your warehouses. Each warehouse can have an unlimited number of bins, however a bin can only be located in one warehouse. You can repeat bin identifiers by warehouse. You must select Use Bins in Set Up Warehouses to enable this option.
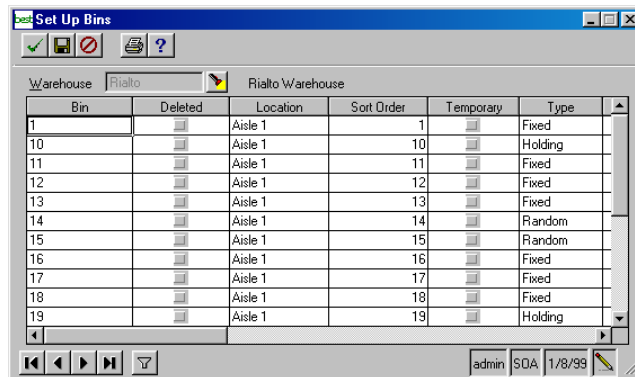


**Bin types**

You can select the following bin types:

- Fixed bins are associated with a specific item, but can have multiple items at varying quantities. You can associate multiple fixed bins with the same item.

- Random bins are associated with one item at a time. A random bin can only have items added to it if the bin is empty (quantity equals zero) or if the item to be added is the same item as the one that is currently in the bin. You must select Track Qty at Bin in Set Up Warehouses to enable this option.

- Holding bins are only used as a place to store goods until they are placed elsewhere. You cannot use holding bins in transactions that decrease inventory (Sale, Issue,

or Transfer To), with the exception of purchase returns. Items in a holding bin are considered on-hand for valuation, but are not available for fulfillment.

**Note:** You must empty bins before deleting them or changing the bin type.

You can select any bin type as a temporary bin. The system deletes these bin types when their quantity is reduced to zero. You must select Track Qty at Bin in Set Up Warehouses to enable this feature.

**Printing bin labels**

Bin labels help organize your warehouse. You can print the labels and place them on each bin to identify its bin ID and the items located in the bin.

You can select to print the labels in two formats. You can print one item per bin on an address label (1" x 4$^1$/$_4$") or you can print up to six items per bin on a shipping label (3$^1$/$_3$" x 4$^1$/$_4$").

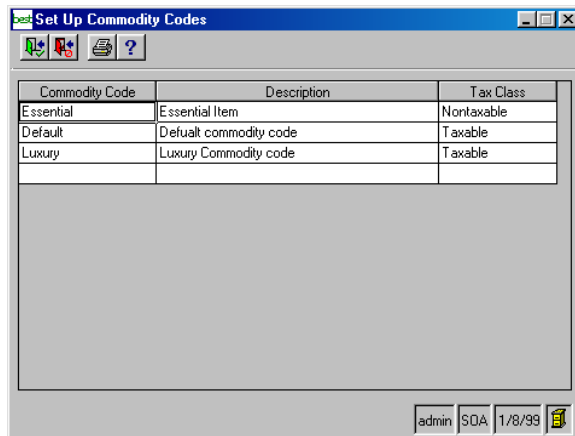**Tip:** You can use standard labels by Avery (5661 and 5665) or any compatible label.

You can modify the predefined bin labels in Set Up Business Forms in Common Information.

# Commodity Codes

**Purpose**     You use commodity codes to classify items for tax and other regulatory purposes. You can enter and modify commodity codes and their descriptions through Set Up Commodity Codes. You can also specify the tax class, however, you must set up Sales Tax Classes in Common Information before creating commodity codes. You can assign commodity codes to items in Maintain Items.

> **Note:** Commodity codes assigned to items are validated against the list of codes maintained in Set Up Commodity Codes.
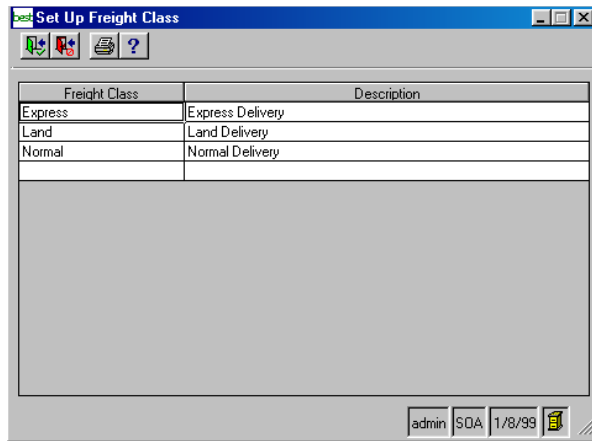
# Freight Classes

**Purpose**
You enter and modify freight classifications and their descriptions in Set Up Freight Classes, and then assign freight classes to each item in your warehouse. For example, it may cost one amount to ship chemicals (per unit weight or volume) and a different amount to ship steel pipe. As a result, you can obtain a summary of the weight or volume being shipped on a particular order.



**Using freight classes**
You assign freight classes to an inventory item in Maintain Items. Once freight classes are assigned, you can print a list by classification showing weight and volume by purchase order.

> **Note:** You can use freight classes to prepare bills of lading.

# Pricing Options

**Purpose**
When setting up Inventory Management, you create pricing information. This section provides an overview of the pricing hierarchy and Inventory Management tasks that encompass pricing.

**Pricing Hierarchy**
In MAS 500, you have several options for pricing inventory items, ranging from defining a single price for an item, to defining price breaks and discounts for an item for a single customer, during a specific date range, when delivering from a particular warehouse. The system determines the price for an item by searching for the item price according to the following hierarchy:

1   Item - customer address

2   Item - customer

3   Item - national account

4   Product price group - customer address

5   Product price group - customer

6   Product price group - national account

7   Matrix (PPG-CPG) - customer address (customer price group)

8   Matrix (PPG-CPG) - customer (customer price group)

9   Base product price group

10  Customer address price base - plus or minus optional adjustment percent (price sheets or costs)

11  Customer (main) address price base - plus or minus optional adjustment percent

12  List price - price sheet

13  Item - standard price (item only)

**Price sheets**
Price sheets contain the base prices used when pricing customer sales orders.

You can base the price of an item on a list price or any of the four predefined price sheet descriptions that you defined in Set Up IM Options. You can also base the price on the replacement cost, moving average cost, or standard cost, if the price sheet does not contain a price for that item. For serialized items, you can base the price on a specific cost.
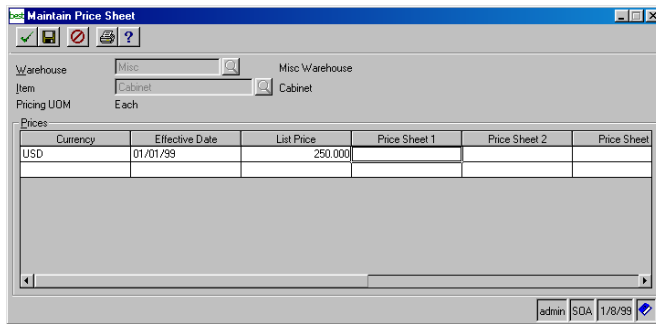


Using the pricing unit of measure, you can sell an item in one unit of measure (such as, each) and maintain prices based on another quantity (such as, per hundred).

You can maintain separate price sheets for each warehouse. While this provides tremendous flexibility to vary prices, it may also present an overwhelming amount of maintenance. To avoid unnecessary data entry, any warehouse can utilize the price sheets and other pricing records maintained for another warehouse.

> **Tip:** You can maintain prices for an item in multiple currencies by using the Multicurrency Management module.

**Product price groups**

Use this task to set up and maintain an unlimited number of product price groups. Then assign a product price group to each item in Maintain Items. This allows you to use the same product price group on an unlimited number of items, and maintain the product price group in one place.
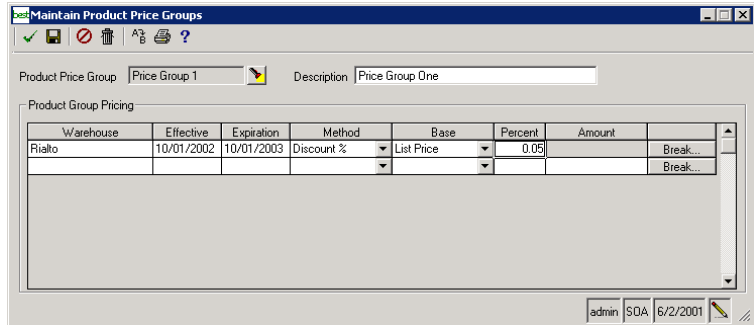


Product price groups, in conjunction with customer price groups, are used to relate pricing information to groups of items within a company. The categories defined by product price groups have many uses. For example, you can define a group for items that all have the same discount, or you can use product price groups to represent product lines, such as hardware or software.
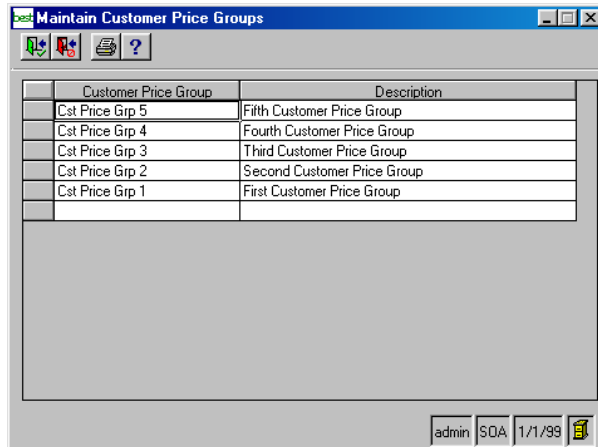
**Base pricing**

In addition to defining the product price groups for a company, you can define base pricing information for a product price group that will be applied for customers that do not belong to a specific customer price group; or, if the pricing schedule for the customer's price group and the item's product price group is expired or cannot be found.

**Customer price groups**

You use customer price groups to classify customers for pricing purposes. You typically assign these price groups to each customer or customer address record. You can maintain an unlimited number of customer price groups, therefore, you do not need to maintain an entire set of pricing records for each customer or customer ship-to address.

Customer price group classifications are independent of any other grouping. For example, you may decide to group customers into sales analysis categories by type of business, but assign customer price groups according to each customer's yearly purchases.

| Customer Price Group | Description |
| --- | --- |
| Cst Price Grp 5 | Fifth Customer Price Group |
| Cst Price Grp 4 | Fourth Customer Price Group |
| Cst Price Grp 3 | Third Customer Price Group |
| Cst Price Grp 2 | Second Customer Price Group |
| Cst Price Grp 1 | First Customer Price Group |

**Contract pricing**     You use Maintain Contract Pricing to create and maintain specific customer pricing strategies. You can establish specific customer discount policies for buying a certain inventory item or inventory items assigned to a product price group.

You can also define prices for a specific customer address. If the address is blank, then the prices apply to the customer only.



Each contract price record contains:

- Effective and expiration dates for the discount structure.

- An unlimited number of price breaks based on the quantity, monetary amount, weight, or volume for each product price group or item. The price determined at each break level is derived from either:

- A particular item price column (from Maintain Price Sheets), replacement cost, average cost, or standard cost. An optional discount or markup percentage can be applied to the applicable price column or cost.

- A fixed monetary amount.

**Matrix pricing by product group**

Use Matrix Pricing by Product Group to set up and maintain product group pricing and to provide a link between the product price group and the customer price group.
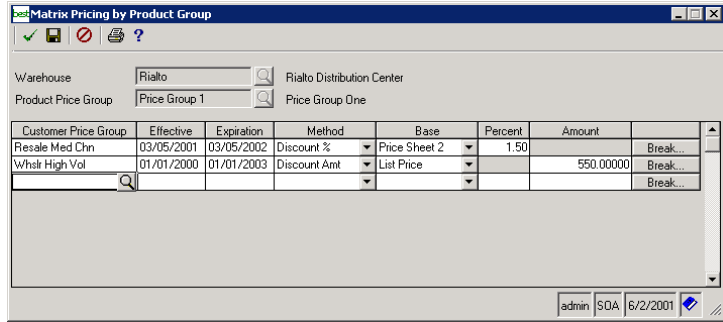


You define the structure of group pricing records for the product group pricing. Each record contains the effective and expiration date, discount price method, any one of the price bases (that is, on the list price, any of the four price sheets, replacement cost, moving average cost, standard cost, or a customer price sheet), discount percent, and a price break depending on the break type. You can also combine break types on a single order to allow the customer to qualify for a price break.

**Matrix pricing by customer group**

Use Matrix Pricing by Customer Group to set up and maintain customer group pricing and to provide a link between the customer price group and the product price group.
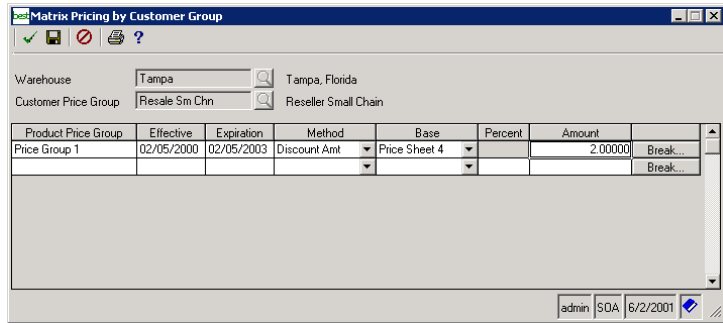


You define the structure of group pricing records for the customer group pricing. Each record contains the effective and expiration date, the discount price method, any one of the price bases (that is, on the list price, any of the four price sheets, replacement cost, moving average cost, standard cost, or a customer price sheet), a discount percent, and a price break depending on the break type. You can also combine break types on a single order to allow the customer to qualify for a price break.

# Replenishment

**Purpose**
Activating the Replenishment module provides the mechanism for keeping your warehouses properly stocked. Replenishment uses current stock status, purchasing history, selling history, and projections to calculate order frequency and quantity.

**Replenishment tasks**
There are several tasks that must be set up prior to using Replenishment. These tasks are discussed in this section and consist of the following:

- Maintain Buyers
- Set Up Lead Time Formulas
- Set Up Demand Formulas
- Set Up Safety Stock Formulas
- Set Up Purchase Product Lines
- Set Up Warehouse Replenishment

**Buyers**
Buyers are required before you can manually or automatically create purchase orders. You set up and maintain the buyer records using Set Up Buyers. This includes establishing a code name for the buyer and specifying the maximum amount of purchase for which the buyer is authorized.
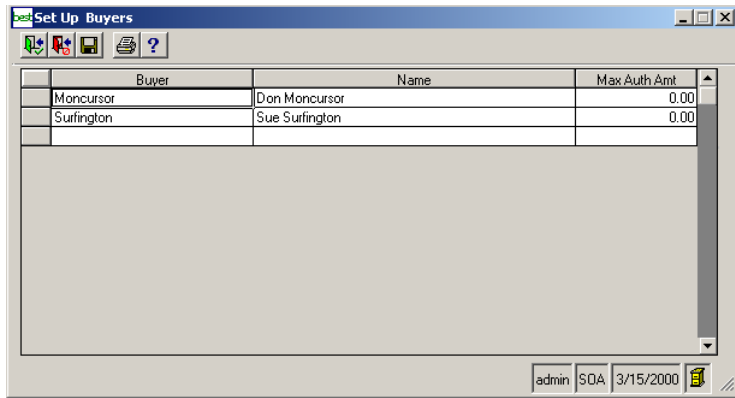
**Using buyers**
Buyers can be defined in Inventory Management and in Purchase Order. You can also assign a default buyer to an item/warehouse combination in Maintain Inventory and to a vendor in Accounts Payable.

**Lead time formulas**

Lead time formulas are used to calculate the projected days needed to replenish an item. This information is used when determining when an order should be placed for an item and represents the number of days that elapse between the purchase order issue date and the receipt date.

**Set up lead time formulas**
Lead time formulas are defined through Set Up Lead Time Formulas from the IM Replenishment menu. Lead time formulas can be assigned to purchase product lines and item/warehouse combinations.



**Calculating a lead time formula**
In calculating lead time, you can add a weight factor to prior receipts to determine the importance of the receipt in the calculation. You can also define a minimum and maximum percentage to determine if a lead time is qualified to be used in the calculation. This percentage is defined in Set Up Warehouses.

**Sample lead time formula**

The projected lead time formula is calculated as follows:

**Total Lead Time/Total Weight = Projected Lead Time**

For example, if you only wanted to consider the three most recent lead times, you could define them as follows:

| Lead Time | Weight Factor |
| --- | --- |
| Most recent receipt | 3 |
| Second most recent receipt | 2 |
| Third most recent receipt | 1 |
| **Total weight** | **6** |

The projected lead time would be calculated as follows:

| Actual Lead Time | Weight * Days |
| --- | --- |
| Most recent receipt = 10 days | 3 * 10 = 30 |
| Second most recent receipt = 8 days | 2 * 8 = 16 |
| Third most recent receipt = 5 days | 1 * 5 = 5 |
| **Total lead time** | **51** |

The current projected lead time for the item would be:

**51 / 6 = 8.5 days**

If a weight had not been applied the projected lead time would be calculate as follows:

**Total Days (23) / Number of Receipts (3) = 7.67 days**

**Demand formulas**   Demand formulas are used to calculate the projected demand for an item. This information is used to determine when an item should be ordered to meet future demands. Previous usage such as quantities sold, used in assembled kits, and adjusted in inventory transactions are used in calculating demand. Drop ship and transfer items are not used.

**Set up demand formulas**

Demand formulas are defined through Set Up Demand Formulas from the IM Replenishment menu.



**Calculating a demand formula**

In calculating demand, you can add a weight factor to prior usage to determine the importance of usage in the calculation. You can also define trend percentages (positive or negative) to include in the formula. Trend percentages represent anticipated changes in the volume of usage recorded for an item. These percentages are defined for a specific purchase product line/warehouse combination in Set Up Warehouse Replenishment and for a specific warehouse in Set Up Warehouses.

**Sample demand formula**

The projected demand formula is calculated as follows:

**Total Usage / Total Weight = Future Demand**

For example, if you only wanted to consider the usage recorded in the last three inventory periods, you could define them as follows:

| Usage Period | Weight Factor |
|---|---|
| Most recent period | 3 |
| Second most recent period | 2 |
| Third most recent period | 1 |
| **Total weight** | **6** |

The projected demand would be calculated as follows:

| Period & Usage | Weight * Days |
|---|---|
| Most recent period = 40 | 3 * 40= 120 |
| Second most recent period = 35 | 2 * 35= 70 |
| Third most recent period = 30 | 1 * 30 = 30 |
| **Total usage** | **220** |

The current projected demand for the item would be:

$$220 / 6 = 36.67$$

If a weight had not been applied, the projected demand would be calculated as follows:

**Total Usage (105) / Number of Periods (3) = 35**

If a 10% trend percentage (percentage of the calculated demand) had been included with weight and usage, the projected demand would be calculated as follows:

**(Total Usage/Total Weight) + (Trend Percentage * Calculated Demand) = Future Demand**

**(220 / 6) + (.10 * 36.67) = 40.34**

**Safety Stock formula**

Safety stock is an additional quantity of items you keep on hand in case of such occurrences as increased sales and delay in receipt of ordered items. The safety stock amount is also used to determine an item's order point.

**Calculation and formula**

The basic safety stock formula is

**Safety Stock Days Supply * Daily Demand = Safety Stock**

Daily demand is calculated internally. Safety stock days supply is calculated based on the calculation method selected in the Set Up Safety Stock Formulas window. The available methods are:

- Percentage of lead time
- Days supply
- Demand/sales deviation

**Purchase product lines**

Use Set Up Purchase Product Lines to group inventory items into product lines that can be placed on a purchase order to accurately calculate order cycles. When an item approaches its reorder point, the other items in the purchase product line can also reviewed to make an efficient purchase from a vendor.

You can group items in a product line by a vendor's warehouse location or a vendor's order requirements. Item, replenishment, and inventory information default when you select a purchase product line in Maintain Items and Maintain Inventory. You can also assign a buyer to a purchase product line and indicate the seasonal start and ending dates.
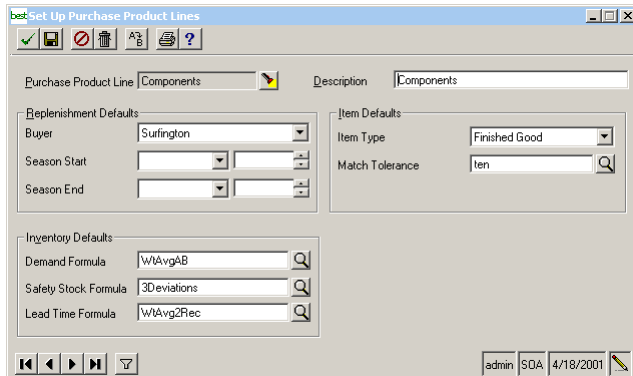


You should only specify the default demand, safety stock, and lead time formulas if a majority of items assigned to the purchase product line will use the formulas selected.

**Warehouse replenishment**

Use Set Up Warehouse Replenishment to establish the purchasing requirements for a selected warehouse and purchase product line. You can select the primary vendor, order cycle, purchase requirements and physical count information.



The order cycle defines the average number of days it takes to use enough products to achieve a target purchase order. This information is then used to determine how long you should wait between each purchase order. Only stock receipts associated with the primary vendor are reviewed, and the number of days in the prior 12 months is determined by the inventory calendar.

You can specify the vendor's purchasing requirements for the amount, quantity, volume, and weight to qualify for free freight, minimum order, and target order. The target information is used for all items assigned to the purchase product line/warehouse combination

# Items and Item Classes

**Purpose**
You maintain detailed information about each item so that you can use that information when processing transactions. This section is an overview of the elements required to establish items.

Before you enter items in Maintain Items, you define classes for grouping your items in Maintain Item Classes.

**Preliminary IM setup**
You are not required to set up the following tasks before you enter items in Maintain Items, however, doing so before setting up items will determine defaults.

- Create warehouses in Set Up Warehouses and assign a default warehouse in Set Up IM Options. The default warehouse is used when you create new items.

- Create freight classes in Set Up Freight Classes to determine the cost of shipping the items.

- Create commodity codes in Set Up Commodity Codes to group items for tax purposes.

- Create sales and purchasing product lines in Set Up Sales Product Lines and Set Up Purchase Product Lines to use for replenishing inventory quantities.

- Define commission classes in Maintain Commission Classes in Accounts Payable to determine the amount of commission earned by salespersons for the sale of an item.

**Item Classes**   Item classes provide a way to link items in groups and use these classes to supply defaults when setting up individual items, thus saving you time and effort in establishing and maintaining individual items.
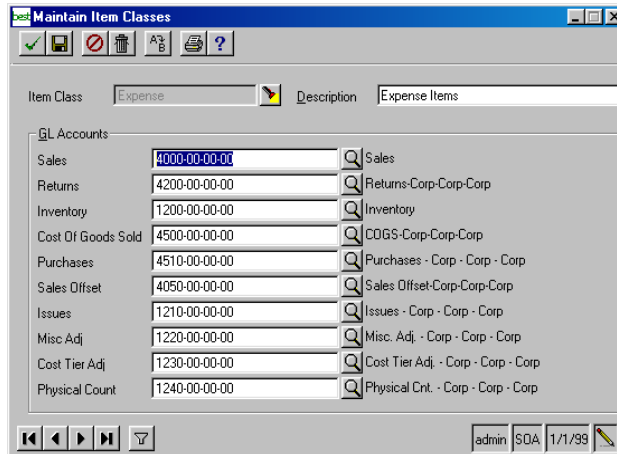


### Understanding item classes
Item classes provide a convenient method for distinguishing items by group, and they add flexibility to your item tracking and reporting.

Here are some uses for item classes:

- You can establish item classes by inventory type.

- You can use item classes to select the General Ledger accounts to use when you generate and post transactions in Inventory Management.

- You can change the item class (and with it the General Ledger posting accounts) on each transaction.

### Where to establish item classes
After you have decided how to categorize and identify item classes, enter information for each item class. To add a new item class, select Maintain Item Classes from the Inventory Management Maintenance menu.

**Adding items**
Once you determine how to organize your items in different item classes, you can then create the individual item records. When you add items, you establish other information such as substitutions, landed costs, kits, and sales and purchasing information.

The automatic data entry feature speeds up processing and reduces the possibility of data entry errors. For example:

- If you have established an item class and are assigning an item to that class in Maintain Items, much of the information you entered appears automatically in Maintain Items.

- Much of the information that you establish for individual items automatically appears in tasks throughout Inventory Management. For example, when you select an item in Process Inventory Transactions, The system automatically supplies some of the information needed to process the transaction.
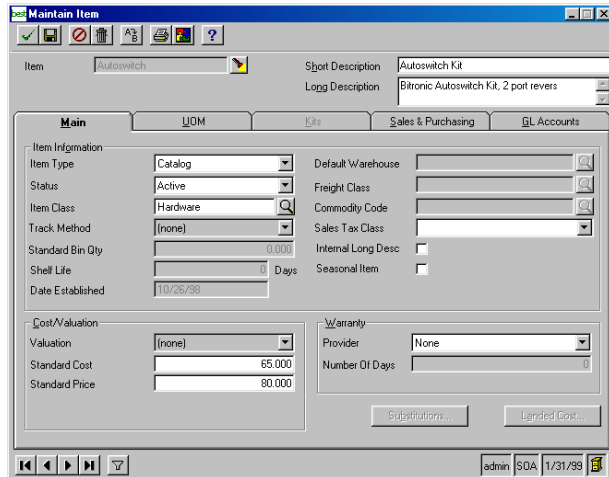


You can change information for an item as you establish the item. For example:

- You can create and maintain substitutions and landed costs that apply to the item.

---

- You can override the item class when you enter a new item. You must verify that you want to assign the new item class values to the item. The new values are used as the default for all transactions for the item. You can override the default for individual items.

**Understanding item types**

Item types govern the way in which the item is handled for inventory movement, relief, and receipt processes. The following item types are supported:

- Inventoried stocked items
- Non-inventory items

   **Note:** Accounts Receivable and Accounts Payable transaction entry tasks only accept non-inventory types if you are not using the Sales Order and Purchase Order modules.

*Inventoried stocked items* are physically stocked within a warehouse and are categorized by the following classifications:

- **Finished Goods**. Finished good items are typically kept in stock and sold to a customer.

- **Raw Material**. Raw material items are used to make another item, such as a kit, and generally are not sold directly to a customer.

   **Note:** Raw Materials and Finished Goods are not processed differently; they are included as flags for convenience only.

- **Build-to-Order Kits**. Commonly associated items can be bundled into a single inventory item. These items are stored separately: the kit is not stored as a pre-assembled kit. The items in a build-to-order kit are listed separately on the packing list and physically collected by the packer when ordered. Kit assembly then becomes part of the shipping process

   Some additional attributes of a build-to-order kit are as follows:

▶ An assembled kit can be part of a build-to-order kit, but a build-to-order kit cannot be part of any other kit.

▶ The component list of an individual build-to-order kit can be modified by substitution, adding or deleting an item, or changing the quantity of an item.

▶ Build-to-order kits cannot have an associated lot or serial number, but the components of a build-to-order kit can have lot or serial numbers

▶ The components of a build-to-order kit are relieved when the item ships

- **Assembled Kits**. This classification allows you to combine items into a stocked, separately inventoried item. This allows simple assembly (single level) situations. Inventory quantities are maintained on assembled kits at all times.

  Some additional behaviors of assembled kits are as follows:

  ▶ An assembled kit can be part of another kit

  ▶ An assembled kit can have an associated lot or serial number

  ▶ An assembled kit can be purchased pre-assembled.

  ▶ The component list of an individual assembled kit can be modified by substitution, adding or deleting an item, or changing the quantity of an item.

  ▶ Assembled kits can be disassembled and their parts returned to inventory in one operation.

  ▶ The components of an assembled kit are relieved when the kit is built

  **Tip:** You can classify all categories of inventoried stocked items as seasonal.

*Non-inventory items* are not physically stocked items and can be described as follows:

- **Expense Items.** Items that are restricted to Accounts Payable and Purchase Order only. Only the unit of measure is recorded; no inventory levels are carried, no availability is tracked, and non-inventory items cannot be associated with bins.

- **Service Items.** Items that are not stocked but can be sold. Similar to expense items except service item is restricted to Accounts Receivable and Sales Order.

- **Miscellaneous Items.** Items that can be purchased, sold, or both, but quantities are not tracked. You can use miscellaneous items in any module.

- **Comment Items.** This item class is used to associate a description with an item code. No other information is recorded, it is a method for placing comments on the various documents that are produced.

**Serial and lot tracking**

You can use serial and lot tracking for situations where inventory is serialized (such as cars or appliances) or grouped into lots (such as carpet or pharmaceuticals).

The system tracks lot and serial numbers during receiving and shipping. Therefore, lot and serial tracking is required only during the receiving and shipping processes and is not needed during other processes, such as purchase order entry or sales order entry.

> **Note:** You can enter a unit of measure conversion factor only if tracking is specified as Lot or None.

**Tracking serial numbers**
You can specify serial number tracking for one or more item numbers. This requires that you identify each unit with a unique serial number.

**Tracking lots**
You can specify lot number tracking for one or more item numbers. This requires grouping units of that item into lots of one or more items. The lot is identified by a unique lot number. An item can be both lot tracked and serialized.

# Maintain Inventory

**Purpose**   You use Maintain Inventory to create and maintain warehouse-specific information for an item and warehouse combination. You also manually enter or modify replenishment and stocking information for a specific warehouse.



You can maintain information such as the buyer, replenishment calculation, demand calculation, and bin locations. The information maintained is divided into four tab pages—Main, Replenishment, GL Accounts, and Preferred Bins—on which you can set up inventory default information and set up General Ledger posting accounts.

**Item stocking and replenishing**   You can enter or modify replenishment and stocking information for a specific warehouse in Maintain Inventory.

> **Note:** For more information on the replenishment process, refer to *Replenishment* on page 72.

Replenishment information maintained through this task includes:

• Buyer, which is the person responsible for replenishing this item.

- Replenishment Path, which is the item's supply source, such as a purchase product line or another company location. If you change the replenishment path, the system updates the entire replenishment process for the warehouse.

- Demand Formula, which is the method used for calculating projected future sales of the product.

- Replenishment Parameters, which is the information that determines when the stock of the product is replenished, minimum and maximum stock quantities, suggested reorder quantity, cost of replenishment, and carrying cost percent.

Stocked item information maintained through this task includes:

- Bin Locations. You can specify primary and secondary locations if the item is maintained in bin locations that are not temporary bins.

- Physical/Cycle Count Information. The cycle in which the item is physically counted to verify the accuracy of stock quantities.

  **Tip:** Create items before entering inventory information.

Although inventory information is warehouse-specific, default values for certain columns display when entering new records. You can modify the data only if the default value is inappropriate for the specific company location. You can maintain these default values using Maintain Items, Set Up Warehouses, and Set Up Purchase Product Line.

Chapter 2

# Vendor items

**Purpose**

Use Maintain Vendor Items to maintain cost information for each inventory item for an unlimited number of vendors. For each item, you enter the cost breaks, vendor item number, vendor's list price, unit of measure, standard replacement cost, country of origin, discount method, break type used to determine the base cost discount, and ordering options. This is an optional setup task.
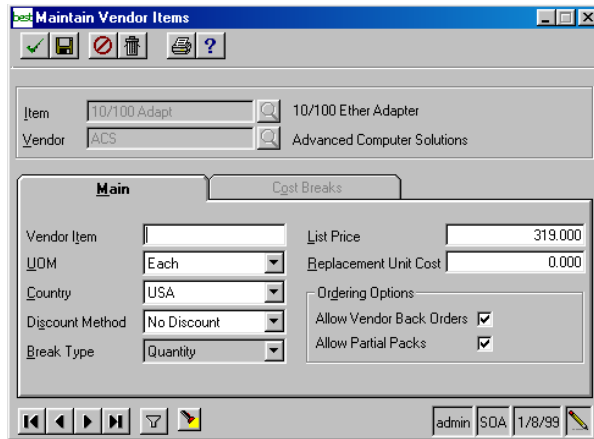
# Customer items

**Purpose**

Some of your customers may have their own item tracking numbers and may use those numbers when ordering items from you. By entering their customer ID, their item tracking number, and your item ID for that item in Maintain Customer Items, you can maintain a customer-item cross reference. This is an optional setup task.

Chapter 2
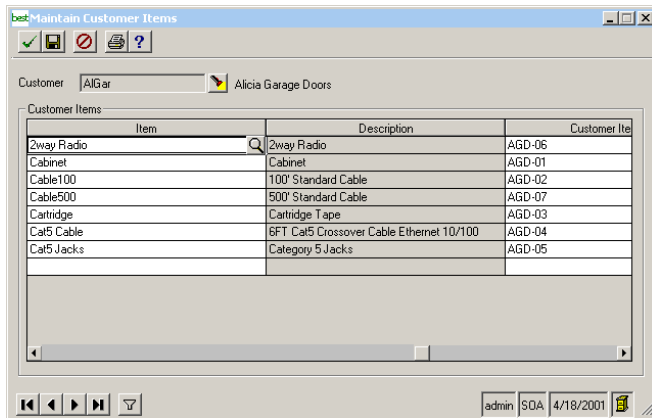
# *Working with Transactions*

# 3

The Inventory Management module is designed to process and track all of your warehouse transactions. It is based on a batch processing model that allows you to efficiently manage a large volume of transactions.

**In this chapter**

# Processing Transactions

**Overview**　　This section provides general information for processing inventory transactions, physical inventory, cost tier adjustments, and kits. For step-by-step instructions, refer to the Help for the specific task.

**Daily activities**　　Use the Activities menu to complete routine and periodic Inventory Management tasks. For example, you can process inventory transactions, assemble kits, replenish inventory, and transfer stock within a warehouse.

**Flowchart**  The following flowchart summarizes the Inventory Management transaction process.
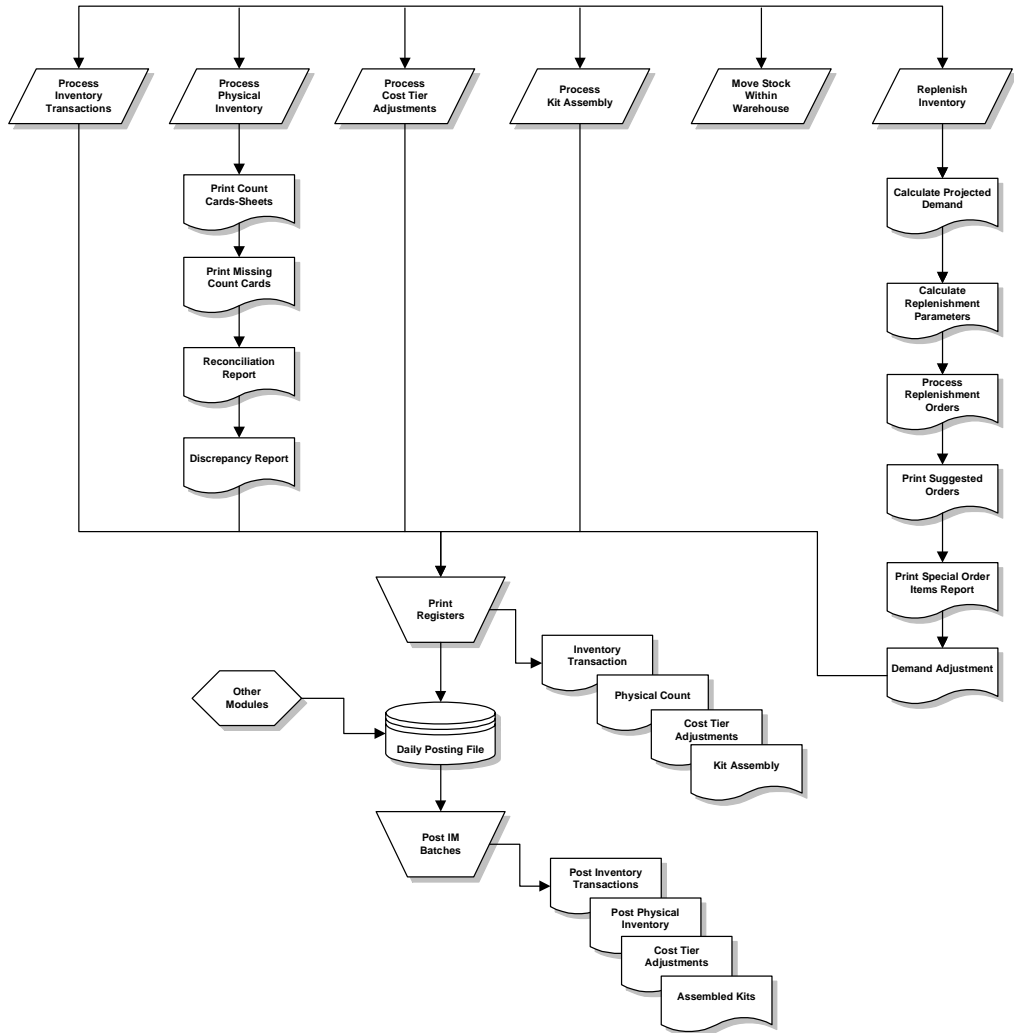
# Batch Processing

**Overview**

Inventory Management processes most transactions in batches. One batch may contain either a single transaction or hundreds of transactions. To create batches, enter additional data in existing batches, print batch registers, and post batches, use the following Inventory Management tasks:

- Process Inventory Transactions. Enter various types of transactions to accurately record inventory movement within a warehouse.

- Process Physical Inventory. Enter inventory quantities for a warehouse and compare them to the database quantities.

- Process Cost Tier Adjustments. Process cost tier adjustments for items within a warehouse.

- Assemble Kits. Combine or assemble several items into kits.

   **Note:** Review batch registers to proof transactions before posting them.

**Batch entry windows**

When you select these tasks, a batch entry window appears, from which you can either open a batch or create a new batch. After this is done, you open a data entry window to enter individual transactions. Before you exit the batch, the batch entry window appears again so that you can view batch totals.

   **Tip:** You can process one or more batches simultaneously.

**Additional information**

For more information on batch processing, see the *Getting Started* guide and the Help.

# Process Inventory Transactions

**Purpose**

The system uses inventory transactions to record the movement of inventory items. Use Process Inventory Transactions to enter batch information for a particular warehouse.



**Reasons to use inventory transactions**

You create many transactions that affect inventory costs and balances in other modules. For example, you normally enter sales to customers in Sales Order, and you typically process stock receipts from vendor shipments in Purchase Order. However, inventory-related transactions do not always originate in other modules:

- Your company may not be using integrated Inventory Management with Sales Order and Purchase Order; however, you still need to process sales orders and stock receipts.

- You may want to use inventory items for internal purposes. That is, remove inventory from your warehouse, but not sell it to a customer.

- You may need to adjust the quantity on-hand to reflect found or missing items.

An inventory transaction does not affect the balance of an inventory item until you post the transaction. To provide an item's "real time" quantity to salespeople and others that must always have access to the quantity available for sale, the system maintains a pending quantity of each item in the warehouse.

The system can automatically assign a unique transaction number to each transaction, or you can manually enter a transaction number, and the system verifies that it is unique.

**Reason codes**      To further describe each transaction, you can use reason codes and enter comments. For example, you could enter a reason code for a purchase return that indicates why you returned the items.

**Process overview**      When you first open this task, the batch entry window appears. After you enter the batch information, record information for each transaction. When you are finished entering batch and transaction information, you can post the batch of invoices from the batch entry window.

Use these windows:

- Enter Inventory Transactions. Click the Enter Transactions button on the Process Inventory Transactions window to enter inventory transactions. Enter the transaction number, transaction type, quantity, unit of measure, unit cost, extended amount, account number, and reference code. If you enter a transfer out transaction, you can specify the warehouse to which you are transferring items and a reason code.

- Register/Post. Print the Inventory Transaction Register and post the batch.

**Transaction types**     The following transaction types are supported:

| | |
|---|---|
| Issue | Used for stock requirements, such as issuing stock for a project or to an internal department. You must enter a General Ledger offset account to specify which General Ledger account to debit. |
| Adjustment | Adds or removes stock from a warehouse. An adjustment can be either a negative or positive quantity. |
| Sale | Use only if you do not have Sales Order. |
| Purchase | Use only if you do not have Purchase Order. |
| Transfer Out | Allows the movement of inventory between warehouses or between bins in the same warehouse. A separate task must be available to enter a move between different bins in the same warehouse. Transferring items between warehouses is performed in transaction entry. |
| User-Defined | Allows you to define an unlimited number of inventory transactions for adjustment purposes. The user-defined transaction maintenance includes the inventory offset account to use for the transaction. It also includes the effect on the quantity on-hand for the transaction type; whether the transaction increases, decreases, or has no effect on the quantity on-hand. |
| Sale Return | Allows you to return a sales transaction if you do not have Sales Order. |
| Purchase Return | Allows you return a purchase transaction if you do not have Purchase Order. |

**Note:** Sale, Sale Return, Purchase, and Purchase Return transaction types only affect the quantities

on-hand, applicable cost tiers, and related General Ledger accounts. These transaction types do not update sales order quantities, purchase order quantities, or back order quantities.

**Pending and on-hand quantities**

When you enter a transaction, the quantity shipped, received, or adjusted immediately affects the item's pending quantity. Items added to a holding bin are not included in the item's on-hand quantity.

**Entering lot/ serial/bin distributions**

If you maintain the on-hand quantities by bin location, you enter the affected bin as you enter each line item for each transaction. If items are indicated as serial and lot controlled you are required to enter the applicable serial and lot numbers. When a transaction is posted, both the on-hand and pending quantities are adjusted accordingly.

**Entering kit components**

If you maintain component lists for build-to-order and pre-assembled kits in Maintain Items, you can select the Components button in the Enter Inventory Transactions window to view a list of all the component information for the kit. You can also enter component quantities.The Kit Components window can also be accessed from the Enter Kit Assembly or Enter Kit Disassembly windows. Build-to-order kits cannot be both lot and serial controlled; however, the kit components can be lot or serial controlled.

The system uses kit component transactions to relieve the components of a build-to-order kit when a build-to-order kit is sold.

**Affecting cost tiers**

In addition to an item's physical quantity, each inventory transaction also affects the items cost tiers. For example, sales orders and outgoing transfers reduce the remaining balance quantity in an existing cost tier. Adjustment transactions also affect the remaining balance quantity in a specific cost tier. The actual cost tier affected is determined by the cost method specified for the company. Stock receipts and incoming transfers create a new cost tier record containing the received quantity and associated cost.

**Printing inventory transactions**

An advantage the system provides is the flexibility of printing transactions.

- If you print transactions from the batch entry window in Process Inventory Transactions, you print invoices in the current open batch.

- You can print a single invoice by selecting the Print button on the transaction entry window.

- You can print a single transaction or several batches of transactions at one time using the print process.

Inventory transactions print using specifications that you established in Set Up Business Forms in Common Information.

> **Tip:** You must print the Inventory Transaction Register prior to posting transactions.

**Posting inventory transactions**

After you enter and print transactions, you can post the information to General Ledger. Before you post transactions, verify the accuracy of the batch by printing and reviewing the Inventory Transaction Register.

**Posting options**
You can post transactions in either Process Inventory Transactions or Post IM Batches. If you post transactions through Post IM Batches, you must print the Inventory Transaction Register and you can post the batch without having to access Process Inventory Transactions. If you post transactions through Process Inventory Transactions, you must print the register, verify its accuracy, and then post the batch.

**On-hand and pending quantities**
A transaction does not affect the inventory balance of an item as soon as it is entered. The on-hand quantity, as well as cost information and General Ledger accounts, are updated when you post the transaction. However, the system maintains a pending quantity of each item in a warehouse before posting occurs.

**Posting General Ledger transactions**
If you selected to post General Ledger transactions in Set Up IM Options, posting automatically distributes transaction amounts to the General Ledger accounts assigned to the item class, and applies any segment override, if applicable. If the General Ledger account is invalid, an error log entry is created and the batch cannot be posted.

> **Note:** You cannot select the same segment override for warehouse, batch, purchase product line, or sales product line.

# Process Physical Inventory

**Purpose**  Use Process Physical Inventory to indicate the start of the physical inventory or cycle count process. The primary use of processing physical inventory is to determine the process by which to count and record the inventory in a warehouse against the quantities that exist in the database.
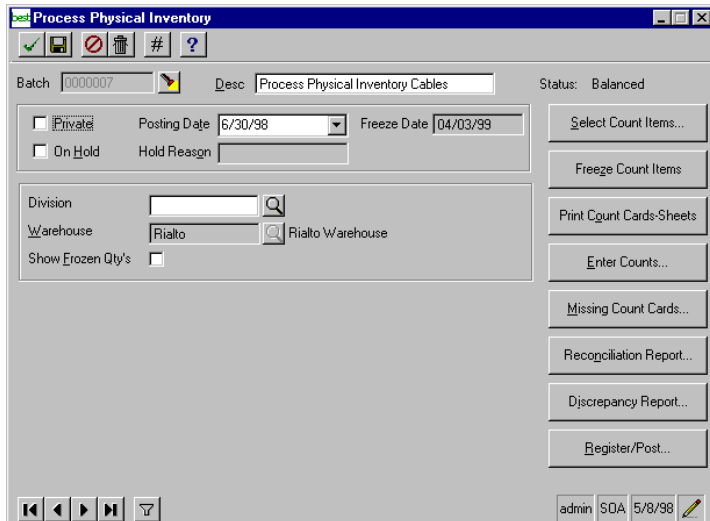
**Setup**

**Count cycle process**

To prevent the quantities in the warehouse and in the database from differing, you want to count your inventory based on a count cycle process that you define in Process Physical Inventory. You can select the items to count by a range based on item, bin, product rank, or other defined criteria.

**Count cycle frequency**

You assign a cycle counting frequency to every item in a warehouse, which can be once a month, bimonthly, or once a year. You set up cycle count frequencies in Set Up Processing Cycles in Common Information.

**Process overview**

The windows accessed from Process Physical Inventory are used as follows:

| | |
|---|---|
| Select Count Items | Enter criteria for selecting items to count during the physical inventory process. |
| Freeze Count Items | Freeze the items to count for the current batch. Once a batch is frozen, the freeze date and time display on the batch window and this option becomes disabled. |
| Print Count Cards-Sheets | Print either the count cards or count sheets to use to facilitate the counting process. |
| Enter Counts | Enter the counts that were taken during the physical count process. You can also generate a report of missing count cards. |
| Missing Count Cards | Print count card or count sheet numbers to show which control numbers are missing. |

Reconciliation Report  Print this report to view transactions that affected the inventory balances of the items frozen for the physical count process.

Discrepancy Report  Print this report to view those items whose on-hand quantity differs from the physical count by more than the specified tolerance percent.

Register/Post  Print the Physical Count Register and post the batch.

**Selecting items to count**  The physical counting or cycle counting process begins with the selection of items or bins for counting. The items you select for the counting process can be a set of bins or items depending on how you are maintaining your inventory.
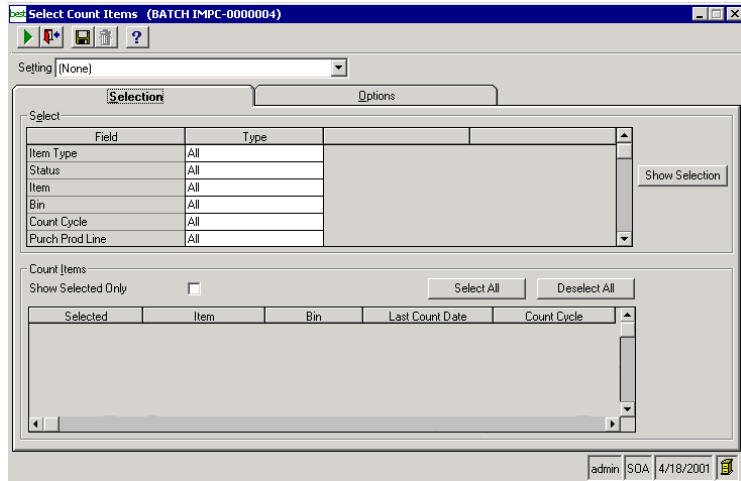


You select items for inclusion in the count cycle process based on the search criteria you enter. The system displays all items that match the specified criteria. The item, bin, last count date, and count cycle display. You are not required to select all items that satisfy the specified search criteria or

those having a higher priority due to missing a count cycle. You can select items other than those that have lapsed their stipulated count cycle.

**Control numbers**    When selecting items to include in the cycle counting process, the system can automatically assign a unique control number when printing count cards, or you can manually enter a beginning and ending control number.

**Freezing count items**    Click Freeze Count Items to take a snapshot of the current inventory. You must freeze the count items to enable the buttons on the batch entry window. Freezing inventory does not stop transactions from occurring in inventory. You can still process transactions while performing the count.

### Reporting
You can print the Reconciliation Report to view all transactions that have been frozen. After you print the report, the count items are manually adjusted. Therefore transactions and counting are performed simultaneously.

The Physical Inventory Reconciliation Report lists the inventory transactions processed after you froze the count.

**Printing count card-sheets**

Click Print Count Card-Sheets to print the count cards or count sheets to facilitate the manual counting of the item in inventory using preprinted forms.
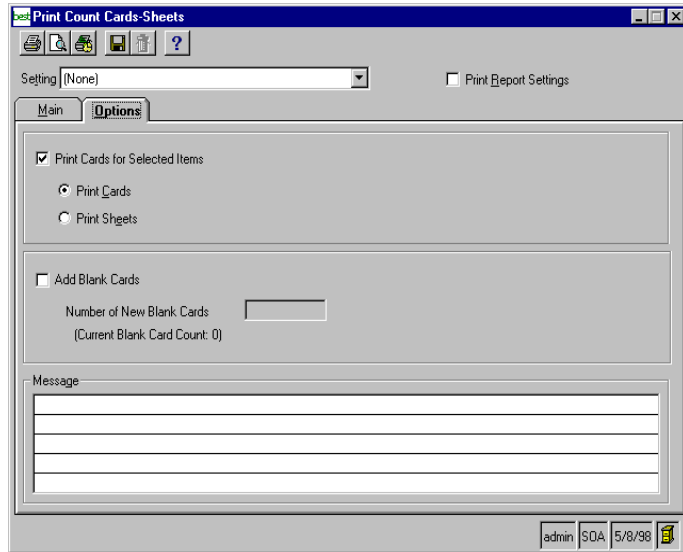


You can sort and select item criteria to further limit the information that prints. You can also print blank card-sheets and select the number of blank card-sheets to print.

**Entering counts**    Click Enter Counts to enter the physical count for each item counted. You can print a Missing Count Cards report to see if any count entries were missed. You can only enter physical count amounts in the stocking unit of measure.



**Printing count information**    Before posting, you can print and reconcile the count information to verify accuracy. You can print the missing count card-sheets, reconcile the count, and view discrepancies.

**Missing count cards**    Print the Missing Count Cards Report to obtain a list of all the records created for the current warehouse and batch containing unentered counts. You do not have to enter information for printed count cards or count sheets whose items were not counted, or unused blank cards.

**Reconciling the count**    Print the Reconciliation Report to view transactions that were entered after the quantities were frozen for the physical inventory count process. This report helps reconcile the inventory physical process without affecting business operations.

You can view posted or pending transactions that involve inventory counted in the current physical counting process.

- Posted transactions are only included if their post date is greater than the freeze date of the current physical inventory batch.

- Pending transactions are only included if they were logged after the freeze date of the current physical inventory batch.

**Viewing discrepancies**

Print or view the Discrepancy Report to list all items whose count differs from the on-hand quantity by more than the percentage defined in Maintain Inventory. You can print this report to verify that all significant discrepancies have been corrected.

> **Note:** Corrections can be made to the existing physical inventory records. Manual recounts should be performed for major discrepancies.

**Posting count information**

After you enter physical inventory counts, you can post the information to General Ledger. Before you post physical inventory, verify the accuracy of the batch by printing and reviewing the Physical Count Register.

**Posting options**

You can post physical inventory in either Process Physical Inventory or Post IM Batches. If you post transactions through Post IM Batches, you must print the Physical Count Register and you can post the batch without having to access Process Physical Inventory. If you post transactions through Process Physical Inventory, you must print the register, verify its accuracy, and then post the batch.

**On-hand and pending quantities**

Physical counts do not affect the inventory balance of an item as soon as it is entered. The on-hand quantity, as well as cost information and General Ledger accounts, are updated when you post the physical count. However, the system maintains a pending quantity of each item in a warehouse before posting occurs.

# Process Cost Tier Adjustments

**Purpose**    Use Process Cost Tier Adjustments to create cost adjustment transactions to track the value of inventory.



**Process overview**    Use the windows accessed from Process Cost Tier Adjustments as follows:

Enter Transactions    Enter the adjustment to the inventory cost tier transaction depending on the type of inventory valuation method selected for an item. You can also adjust the cost for the cost tiers: direct cost, freight cost, tax cost, and other cost.

Register/Post    Print the Cost Tier Adjustment Register and post the batch.

**Features of cost tier adjustment**

Features include the following:

- You can select a combination of item and warehouse, which defaults from the batch window, to display all available cost tiers.
- When you adjust a cost tier, you do not create a new cost tier; you only adjust the cost in each existing cost tier.
- You cannot update pending cost tier records or create more than one pending transaction for one cost tier.

**Maintaining cost tiers**

Cost tiers and quantities are maintained by Inventory Management to record the actual cost, quantity decrease, or increase in inventory in order to provide accurate cost information. Within each cost tier you can track a number of different costs for an item. The system tracks cost tiers by item by warehouse and potentially by lot and serial number.

**Note:** Negative cost tiers cannot be adjusted.

**Valuation methods**
The following rules apply to each valuation method you select for an item:

- If an item's valuation method is LIFO, FIFO, or Actual (SIM), you can have more than one cost tier.
- For standard and average, only one cost tier exists.
- You can also use negative cost tiers when inventory levels are driven to negative quantities.

**Note:** If you select the standard valuation method, you cannot adjust the cost tiers for Freight, Tax, or Other costs.

**Cost tier types**

You enter cost tier adjustments to record any differences in the actual cost of the item. The types of costs that you can adjust for each cost tier are:

- Direct
- Freight
- Tax
- Other

**Printing cost tier adjustments**

An advantage the system provides is the flexibility of printing cost tier adjustments.

> **Tip:** Print the Cost Tier Adjustment Register before posting cost tier adjustments.

If you print cost tier adjustments from the batch entry window in Process Cost Tier Adjustments, you print cost tier adjustments in

**Posting cost tier adjustments**

After you enter cost tier adjustments, you can post the information to General Ledger. Before you post cost tier adjustments, verify the accuracy of the batch by printing and reviewing the Cost Tier Adjustment Register.

### Posting options

You can post cost tier adjustments in either Process Cost Tier Adjustments or Post IM Batches. If you post transactions through Post IM Batches, you must print the Cost Tier Adjustment Register and you can post the batch without having to access Process Cost Tier Adjustments. If you post transactions through Process Cost Tier Adjustments, you must print the register, verify its accuracy, and then post the batch.

### Posting General Ledger transactions

If you selected to post General Ledger transactions in Set Up IM Options, posting automatically distributes cost tier adjustments to the General Ledger accounts assigned to the item type, and applies any segment override, if applicable. If the General Ledger account is invalid, an error log entry is created and the batch cannot be posted.

# Process Assembled Kits

**Purpose**          Use Process Assembled Kits to build preassembled kits for stock. You can enter the batch number, description, posting date, and warehouse.
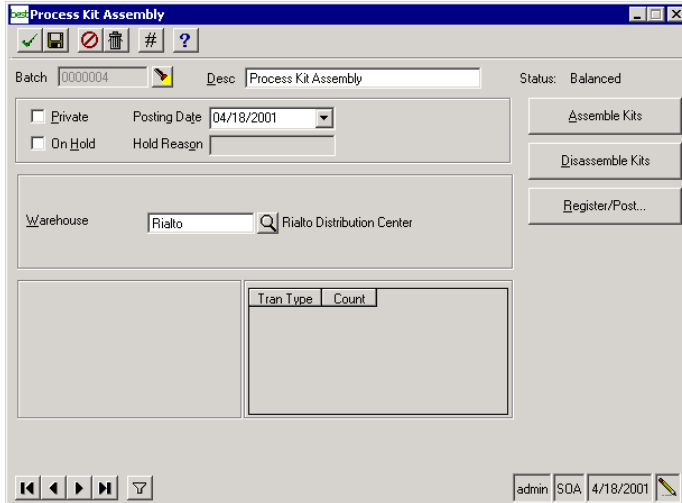


**Process overview**   Use the windows accessed from Process Assembled Kits as follows:

| | |
|---|---|
| Enter Kit Assembly | Build a kit from the specified inventory components and stock it in a warehouse as an inventory item. |
| Enter Kit Disassembly | Disassemble a kit and return its components to inventory in one step. Modified kits can also be disassembled and their components returned to inventory. |
| Register/Post | Print the Kits Assembly Register and post the batch. |

**Supported kit types**

Both build-to-order and preassembled kits are supported.

- Build-to-order kits include inventory and noninventory items and are assembled when a sales order or out-going transfer is entered.

- Preassembled kits are assembled in advance of customer orders and maintained in inventory as a stocked item.

- Preassembled kits can be purchased and stocked in inventory as single items.

- The components list of individual kits can be modified by adding or deleting an item and by changing the quantity.

- Preassembled kits can be disassembled and their component parts returned to inventory in one transaction.

  **Note:** Components for both build-to-order and preassembled kits are maintained in Maintain Items.

**Assemble/ disassemble kit transactions**

You can build preassembled kits for stocking purposes. You can also disassemble a preassembled kit and return the components to inventory. For either transaction, enter the following information:

- Item number of the preassembled kit

- Number of kits to assemble

- Bin location in which to store the assembled kit, if Track Qty At Bin is selected for the warehouse

- Lot number, if the kit item is lot controlled

- Serial number, if the kit item is serialized

  **Tip:** If Track Qty At Bin is selected for the warehouse, you must select the bins from which the required quantities of each component are removed from inventory.

**Negative quantities**

If a kit component's quantity available is less than the quantity required to assemble a kit, a warning message appears during the assembly process. If you continue to assemble the kit, the quantities for the item become negative. You must select Allow Neg Qty On Hand in Set Up IM Options to allow negative quantities.

**Printing assembled/ disassembled kits**

You can print assembled and disassembled kits from the Register/Post button on the batch entry window in Process Assembled Kits. You can select the transactions to print for the current open batch. You must print the Kit Register prior to posting assembled kit transactions.

**Posting kits**

After you enter and print transactions, you can post the information to General Ledger. Before you post transactions, verify the accuracy of the batch by printing and reviewing the Kit Register.

### Posting options

You can post transactions in either Process Assembled Kits or Post IM Batches. If you post transactions through Post IM Batches, you must print the Kit Register and you can post the batch without having to access Process Assembled Kits. If you post transactions through Process Assembled Kits, you must print the register, verify its accuracy, then post the batch.

A transaction does not affect the inventory balance of an item as soon as it is entered. The on-hand quantity, as well as cost information and General Ledger accounts, are updated when you post the transaction.

Kit transactions always use the inventory kit account and General Ledger inventory component account for posting transaction amounts that you defined in Maintain Inventory.

**Kit assembly posting**

For each component:

- The on-hand quantities in the warehouse bin are decreased and pending quantities are increased accordingly

- The quantities in the appropriate cost tiers are decreased

- The quantity used to build the assembled kits is posted

For the kit item:

- The on-hand quantities in the warehouse bin are increased and pending quantities are decreased accordingly

**Kit disassembly posting**

For each component:

- The on-hand quantities in the warehouse bin are increased and pending quantities are decreased accordingly

- The quantities in the appropriate cost tiers are increased

- The quantity removed from the assembled kits is posted

For the kit item:

- The on-hand quantities in the warehouse bin are decreased and pending quantities are increased accordingly

**Cost tier handling**    If the valuation method is:

- FIFO or LIFO, a new cost tier is created

- Standard, the existing cost tier is updated

- Average, a new cost tier is created with the recalculated average cost, the previous cost tier closes, and the quantity remaining transfers to the new cost tier

- Actual, a new cost tier is created for each lot or serial number

**Inventory posting examples**

The following illustrates a typical General Ledger posting for a $1000.00 kit assembly transaction:

| GL Account | Debit | Credit |
|---|---|---|
| Inventory account of the Kit | 1000 | |
| Inventory account of each component | | 1000 |

Also for each component transaction, the General Ledger component account is debited by the transaction amount of the kit item and the inventory and noninventory expense accounts of each item component is credited by the transaction amount of the component transaction.

**Standard valuation method**
If an item used in a kit has a valuation method of Standard, the user-defined standard unit cost of the item is used to calculate the amount to credit the General Ledger account. If the amount to credit the kit's General Ledger account does not match the total debit amount from the component's General Ledger account, the system posts the difference to the Purchase Price Variance account to balance the transaction.

**Posting to General Ledger accounts**
If you selected to post General Ledger transactions in Set Up IM Options, posting automatically distributes transaction amounts to the General Ledger accounts assigned to the item class, and applies any segment override, if applicable. If the General Ledger account is invalid, an error log entry is created and the batch cannot be posted.

# Move Stock Within Warehouse

**Purpose**     Use Move Stock Within Warehouse to move a quantity of a
product, including lot and serial items, from one bin location
to another within the same warehouse. You can consolidate
stock and open a bin for other items.



For example, you may want to consolidate inventory and free
up one of the bin locations currently storing the items or you
may want to move surplus inventory from the excess bin
location to the primary bin location.

> **Tip:** If all movement of a single item occurs within
> the same warehouse, no cost tier adjustments or
> General Ledger updates are needed.

# Rank Inventory Items

**Purpose**

Use Rank Inventory Items to have the system calculate the rank for the item in a single warehouse or all warehouses. Rank codes can be entered manually in Maintain Inventory, but processing this task overrides and updates those codes.
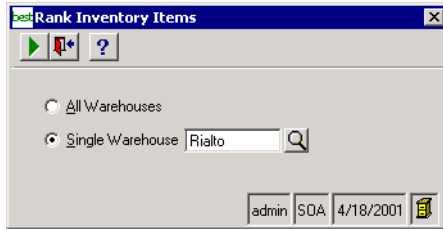


**Process**

Use this task to rank all inventory items for the four rank codes (Cost of Goods Sold, Gross Margin Percent, Quantity Sold, and Hits) previously set up in Set Up Rank Codes. The ranking process uses historical data based on the number of periods defined in Set Up IM Options. You can also update the rank codes at period end by selecting the Update IM Rank Codes option in Period End Processing.

# Post IM Batches

**Purpose**
Use Post IM Batches to print registers and post batches for any Inventory Management batch. You can also perform this activity in the individual programs from which batches originate; for example, you can post transactions in Process Inventory Transactions and cost tier adjustment transactions in Process Cost Tier Adjustments. You can only post balanced batches.
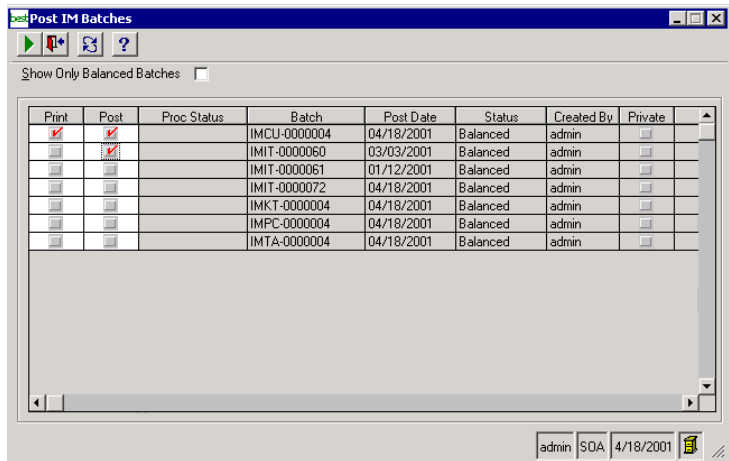


**Posting options**
You can sort batches by batch number or posting date, specify whether you want any batches with a status of Balanced to display. Once a batch is posted, it no longer appears in the window.

You can print registers for any number of batches that appear in the window, regardless of batch size. You can also print multiple registers for a batch without posting the batch.

# Purge IM Data

**Purpose**  Use Purge IM Data to selectively purge records outside the normal period-end processing task. When you purge using this task, you specify the inventory transactions to purge, or use the defaults from the data retention settings selected in Set Up IM Options.



> **Warning:** Before using this task, establish a data retention policy to avoid deleting required data. Back up your databases before purging.

**Purging options**  You can purge data by item, item class, and warehouse. Purging can be performed by individual records, a range of records, or all records within each selection criteria option.

**Purge dates**  The system purges records based on document date rather that the last closed inventory or fiscal period end date.

**Additional information**  For information on purging data during period-end processing, see *Purging data* on page 136.

# Transfers

**Overview**   The system provides you with the ability to transfer items from one warehouse to another using the three-step transfer process, which consists of the following tasks:

**1**   Entering and approving the transfer request

**2**   Shipping the items from the shipping warehouse to the transit warehouse

**3**   Receiving the items, which moves them from the transit warehouse to the receiving warehouse

**Replenishment and transfers**   The replenishment process also uses three-step transfers to restock warehouses that are supplied from another warehouse rather than from a vendor. Transfer orders created using replenishment are approved automatically for picking and shipping.

# Enter Transfer Orders

**Purpose**    Use Enter Transfer Orders to specify the items you want transferred from one warehouse to another. To be eligible for transfer, an item must be defined in both the shipping and receiving warehouses; this is done in Maintain Inventory.



**Setup requirements**    Business rules that govern transfers are set up on the Transfers tab of Set Up Warehouses. These rules establish GL accounts used for transfers, how surcharges and freight charges are applied, and how automatic approvals are handled. These rules also define shipping, receiving, and transit warehouse relationships. Business rules must be defined before three-step transfers can be processed.

In addition, how transfers affect the calculation of available quantity is defined on the Miscellaneous tab of Set Up IM Options. Also specified here is whether the creation of a transfer places a commitment against inventory immediately (at line entry) or when the entire transfer request is completed. Note that commitments are not actually placed until the transfer line is approved.

**Restrictions**          Restrictions are as follows:

- Sales taxes do not apply to transfers.

- Substitutions are not allowed.

- Multicurrency processing is not supported.

- Transfers must be within the same company.

# Approve Transfer Orders

**Purpose**          When a transfer order is first entered, it is subject to an automatic approval process that is defined in Set Up Warehouses. Use Approve Transfer Orders to manually approve transfers that are not approved using the automatic process.

**Approval method**    Manually entered transfers must be approved before they can be shipped, and approvals are done on a line-by-line basis. The approval method used is defined in Set Up Warehouses as follows:

| | |
|---|---|
| Always | All transfer requests automatically approved |
| Never | All transfer requests must be manually approved |
| Above line point | Stock level remains above line point or maximum quantity on hand |
| Above order point | Stock level remains above order point or minimum quantity on hand |

**Picking process**    Once approved, the transfer order is picked just as a sales order is, creating pick lists and shipping lines. Then when the transfer shipment is posted, it is moved to the specified transit warehouse. The purpose of the transit warehouse is to facilitate the three-step transfer process. It is not available for most of the usual inventory transactions, including physical inventory or cycle count.

**Receiving transfers**    When the transfer shipment has been moved to the transit warehouse, it is available for receiving. Transfer items are received just as items on purchase orders are, using Process Receipt of Goods. During receipt posting the items are moved from the transit warehouse to the receiving warehouse.

# Adjust Transfer Discrepancies

**Purpose**  Use Adjust Transfer Discrepancies to correct an imbalance in the transfer warehouse. If, during the three-step transfer process, receiving a transfer leaves a balance (positive or negative) in the transit warehouse, a transfer discrepancy occurs. A discrepancy occurs when the quantity shipped does not equal the quantity received.



**Process overview**  Use the windows accessed from Adjust Transfer Discrepancies as follows:

| | |
|---|---|
| Transfer Discrepancy Adjustments | Enter information for the batch, including transfer warehouse. |
| Adjust Transfer Discrepancies | Select items, the reason code, and the GL account used to offset the transit warehouse inventory account. |
| Register/Post | Print the Transfer Discrepancy Adjustment Register and post the batch. |

**Discrepancy adjustment types**
There are three types of discrepancy adjustments that can be made:

- Reconcile the balance (adjust the balance to zero)
- Return the remainder to shipping warehouse
- Forward the remainder to receiving warehouse

**Causes of discrepancies**
Discrepancies can be caused by such conditions as miscounting, faulty data entry, breakage or incorrect lot or serial numbers.

# Print Transfer Orders

**Purpose**
Use Print Transfer Orders to print selected transfer orders.
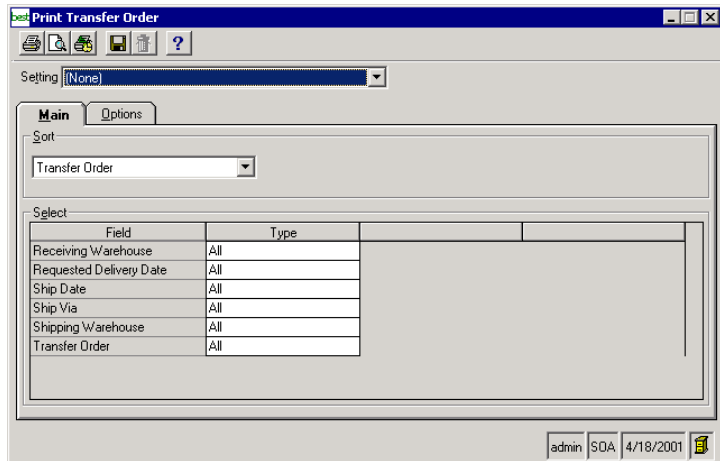


**Printing options**
Selected transfer orders can be sorted by transfer order number or by originator. In addition, previously entered transfer order or transfer order line comments can be included or you can enter a different comment to be included.

# Replenish Inventory
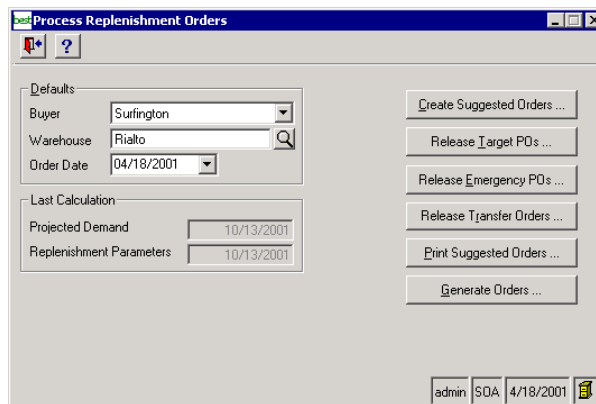
**Overview**     The primary use of replenishing inventory is to restock the
warehouse based on specific items or purchase product lines.
Before replenishing your inventory, you must activate the
Replenishment module within Inventory Management then
set up replenishment options such as warehouses, buyers,
and purchase product lines using the Replenishment tasks
under the maintenance menu.

## Process Replenishment Orders

**Purpose**     Use Process Replenishment Orders to determine the process
by which to replenish the inventory in a warehouse. You can
create suggested orders, approve target orders, approve
emergency orders, print suggested orders, and generate
purchase orders.



> **Note:** Emergency buy quantities are only calculated for
> items assigned to purchase product lines.

**Creating and printing suggested orders**

You can replenish the inventory in a warehouse by creating suggested orders for purchases, transfers, and assembled kits. You can also release suggested purchase and transfer orders, print suggested orders, and generate purchase and transfer orders.

**Releasing emergency purchase orders**

An emergency order includes any inventory item with a replenishment position below its stated minimum quantity. The suggested buy quantity provides enough inventory to meet anticipated sales and transfer demands until the next target order can be placed and received. You can release emergency orders for purchase product lines that do not meet the target requirement of the vendor.

> **Note:** Emergency buy quantities are only calculated for items assigned to purchase product lines.
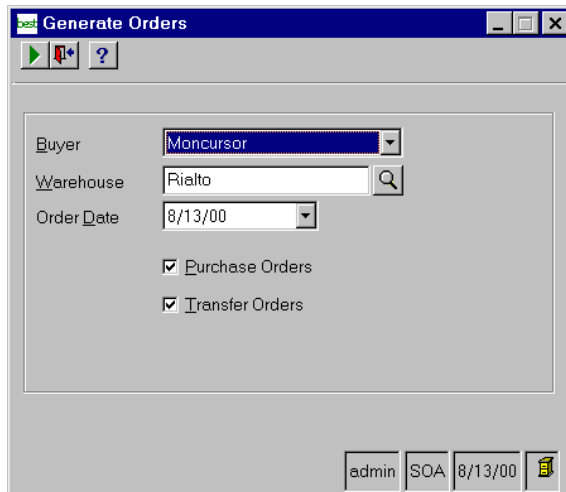
**Releasing target and transfer orders**

The target or transfer order quantity of an item is equal to the standard order quantity or a vendor break quantity. You can also approve target and transfer replenishment orders for any items whose replenishment position is below its minimum quantity, line point, or maximum inventory level.

The Release Process window displays summary information by purchase product line for all items in need of replenishment with a vendor purchase order.

**Generating orders**     Use Generate Orders to generate orders approved in Release Target Orders, Release Emergency Orders, and Release Transfer Orders. You can further control the orders that are generated by specifying the buyer, warehouse, and order date, as well as limiting order generation to purchase orders only, transfer orders only, or both.



Each released order generates one purchase order or transfer order. The purchase order generated for each released target order carries a status of Unissued. The status of each released transfer order is Open. Transfer orders created by replenishment processing are automatically approved. For those purchase orders generated for released emergency orders, the status is Expedite.

> **Note:** Emergency purchase orders can only be generated if you selected Expedite in Enter Purchase Orders.

# Calculate Projected Demand

**Purpose**        Use Calculate Projected Demand to calculate the projected demand for items in a purchase product line for a specific year and period.
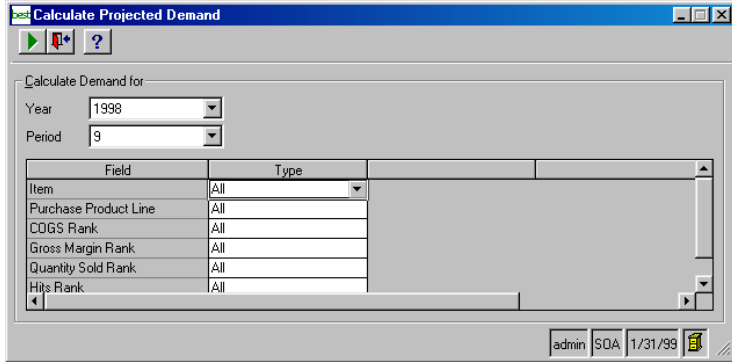


**Setup**        To calculate a projected demand, you must specify a demand formula for the item in Maintain Inventory.

**Calculation options**        You can calculate demand for items with a specific rank or ranks based on three elements:

- A weighted average of sales (or adjusted sales if present) for an item in previous periods.

- Optional trend percentages that reflect anticipated increases or decreases in sales for a warehouse and purchase product line in a warehouse.

- Anticipated future demand.

**Calculation formula**        Past and future year/period usage adjustments that are entered using Demand Adjustment are used for calculating the projected demand. An item's projected demand is calculated for all warehouses that stock the inventory item.

# Print Suggested Orders

**Purpose**         Use Print Suggested Orders to view a list of the items that are in need of replenishment.
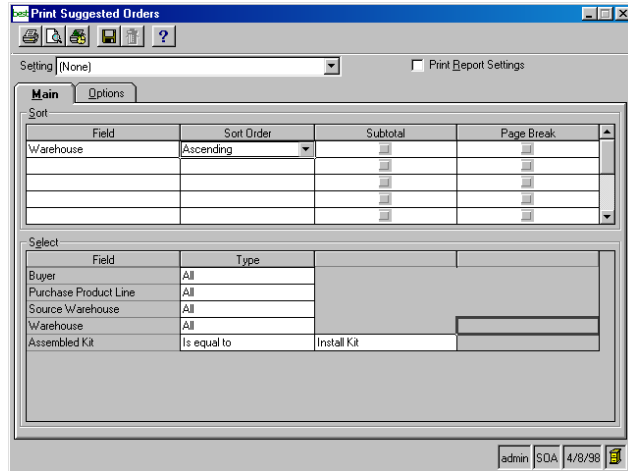


**Format options**   You can print this list in one of three formats:

- Kit assembly
- Transferred item
- Purchase product line

**Sort options**     You can also choose from various sort options to further define the information that prints. For example, the report can be sorted by replenishment source, such as source warehouse, or specific product line.

# Special Order Items Report

**Purpose**      Print the Special Order Items Report to view a complete list of special order items that have not been assigned to a replenishment source or have been assigned a source but are not on a suggested replenishment order. This list includes items that are on the sales order but not entered in Maintain Items.
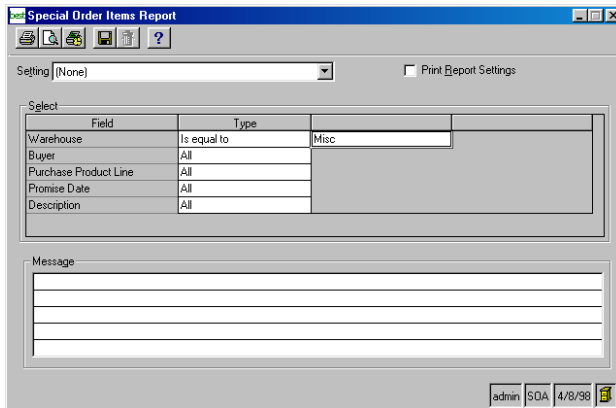


**Sort options**      You can choose from various sort options to further define the information that prints, such as warehouse, buyer, or purchase product line.

# Demand Adjustment

**Purpose**     Use Demand Adjustment to adjust the sales usage history of an item and its associated warehouse. You can also make an adjustment to the past or future usage of that item to more accurately reflect your replenishment needs, and add comments to describe the adjustments that are made.

# Period-end Processing

**Overview**

Use Process Period End to select activities to perform at the end of each fiscal period. When you close a period or the fiscal year, you can perform five tasks:

- Print reports
- Purge data
- Close the inventory period
- Close the fiscal period
- Update inventory management rank codes
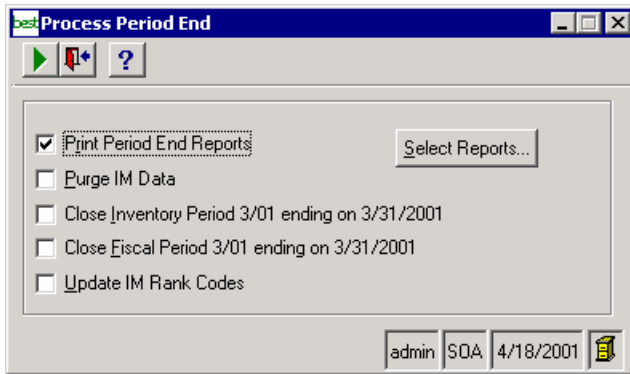


Once complete, period-end processing advances the Inventory Management current period forward to the next inventory or fiscal period. If you are performing a year-end close, the system advances the current year to the next accounting year. You must have defined the future periods in General Ledger prior to closing the current inventory or fiscal period in Inventory Management.

**Backing up your data**

Make a backup of your MAS 500 databases before purging and performing period-end processing.

**Data retention policy**

Before using this task, establish a data retention policy to avoid deleting required data.

**Flowchart**     The following flowchart summarizes the Inventory
                  Management period-end process.

**Periodic Activities**
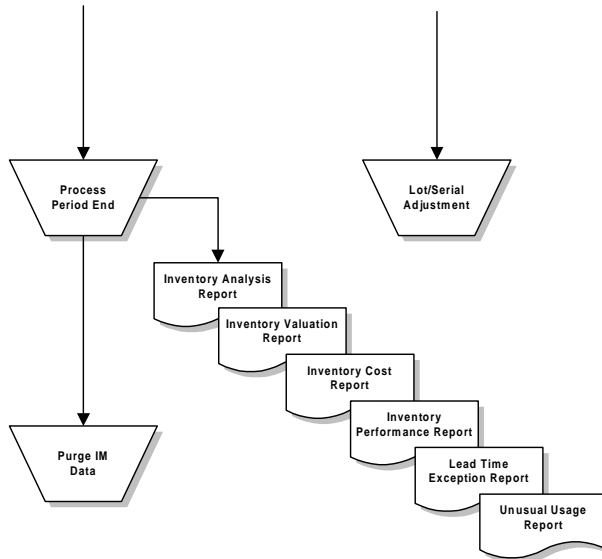


**Printing period-
end reports**     Click the Select Reports button to select which reports to
                  print automatically during period-end processing.
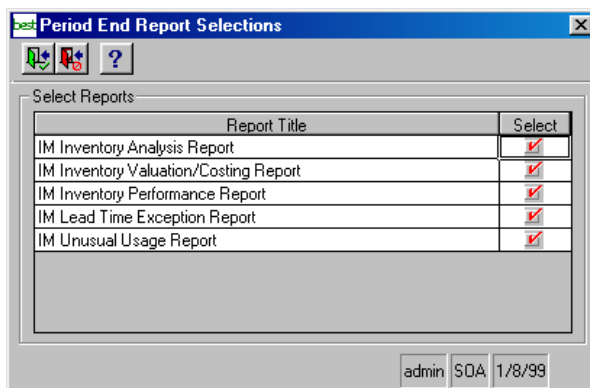
**Purging data**
As you use Inventory Management, you accumulate a tremendous amount of information. The purge process allows you to eliminate unwanted records, saving disk space, and allowing your system to efficiently perform inquiries and process data.

**Warning:** Back up your databases prior to purging.

### Purging schedule
You can purge data at any time, however, the normal procedure is to purge information during period-end processing. You can use period-end processing as a means for purging data without running any other period-end processing tasks. Purging data during period-end processing allows you to purge data according to the retention time you selected in Set Up IM Options.

### Purging outside the normal period-end processing
To purge records outside the normal period-end processing, use Purge IM Data.

**Closing the inventory or fiscal period**
Use Process Period End to close the current open inventory or fiscal accounting period defined in Set Up IM Options. However, if you opened a previously closed inventory or fiscal period to make adjustments, the selected period may be several periods prior to the current period and must be closed again. Process Period End may close an inventory or fiscal period of a prior fiscal year if it has been reopened.

**Tip:** Verify that the next period is defined in General Ledger before you close a period.

**Entering transactions in future accounting periods**

If you are entering transactions in future inventory or fiscal periods, you may not be concerned with advancing to the next inventory or fiscal period. In this case, period-end processing primarily ensures that additional transactions can be entered into prior periods only by authorized users in previous periods.

**Updating Inventory Management rank codes**

Select this option to update the rank codes as part of your period-end processing. You must previously set up the rank code percentages in Set Up Rank Codes. After this task is processed, view the updated rank information in Maintain Inventory. This task is optional.

# Inventory Management Utilities

**Introduction**  Use Inventory Management Utilities to make global inventory/item changes, import data, and make lot/serial adjustments. For more information, see the *Data Import* guide and the Help.

## Global Item Change

**Purpose**  Use Global Item Change to make changes to a number of items in inventory. This allows you to customize the replenishment, stocking, and reporting characteristics for the current company.

> **Note:** You cannot change global inventory for a transit warehouse.

**Selection options**     You can select an item, item type, commodity code, status, track methods, item class, purchase product line, and sales product line. You can also select the fields and new values for the change group depending on the field that displays for the item.

# Global Inventory Change

**Purpose**     Use Global Inventory Change to make changes to inventory for customizing the replenishment, stocking, and reporting characteristics in each warehouse for the current company.



**Selection options**     You can select an item, item type, commodity code, track method, buyer, item class, purchase product line, sales product line, warehouse, cost of goods sold rank, gross margin rank, quantity sold rank, and hit rank. You can also select the fields and new values for the change group depending on the field that displays for the item.

# Lot/Serial Adjustment

**Purpose**

Use Lot/Serial Adjustment to adjust an incorrectly entered serial or lot number. You can also adjust the expiration date of the lot item.

If an item is tracked by both lot and serial number and adjustments must be made to both numbers, you must make the lot and serial number adjustments independently.

# IM Import

**Purpose**          Use IM Import to transfer data from another module or another application to Inventory Management. You can also transfer Inventory Management information from a remote location or company to consolidate the information at a central site. You can import data formatted as ASCII text or delimited text.
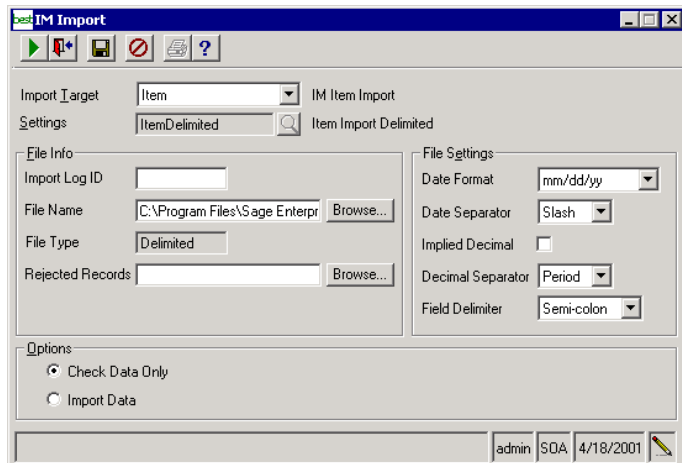


**Sample data list and import log**          You can produce the Import Sample Data List, which shows you how data will appear according to the file you are importing and the specifications you have assigned. You can check for formatting problems before you perform the import process by printing the Import Log.

After you complete the import process, you can review the Import Sample Log. This report provides an audit trail of imported data records.

Chapter 3

# *Working with Reports and Inquiries*

# 4

This chapter describes the report and inquiry options available in the Inventory Management module. For information on MAS 500 report types and features, and how to generate and print reports, see the *Getting Started* guide.

**In this chapter**

# Reports as Auditing Tools

In an accounting routine, you use reports to establish a record of Inventory Management activity for your warehouse items. Some reports become a part of your daily routine, while others you may use only at the end of the inventory or fiscal period. Both ensure that you create an audit trail for situations requiring you to retrieve inventory data.

**Routine audit trail**

As you complete daily tasks and enter transactions, you can use registers to check transactions before you post them and a report to plan cash expectations.

The registers are: the Inventory Transaction Register, the Physical Inventory Register, the Cost Tier Adjustments Register, and the Kits Assembly Register. These registers allow you to ensure that all entries are correct before posting. Printed copies of the registers provide a permanent audit trail of Inventory Management transactions.

Depending on the register, the information detailed can include warehouse quantities as well as the line item detail for individual items, cost adjustments, and items within a kit.

The *Inventory Transaction Report* is a report that you will also produce routinely. This report provides a summary of posted inventory transactions. With the *Inventory Transaction* Report, you can see the warehouse, transaction date range, transaction creation date, or transaction post date.

**Periodic audit trail**

When you close the current accounting period, the reports presented in this section provide you with a record of warehouse activity that you may want to save, particularly before you purge old data.

The *Inventory Valuation Report* shows you the value of inventory for items within a warehouse based on prior periods. This report provides a concise overview of item history to help you determine future warehouse inventory.

The Inventory Performance Report provides a record of all items within a warehouse. Use the report to calculate the gross margin, adjusted gross margin, customer service level, inventory turnover, and return on investment for each item in your warehouse.

# Inventory Management Reports

## Overview

**Definition**      Reports present a record of activity over a period of time

**Reports**      Inventory Management reports are generated from the Reports menu.

## Inventory Analysis Report

**Contents**      The Inventory Analysis Report compares the current dollar amount of inventory invested within a warehouse to the annual cash flow that results from the investment. You can print this report based on the total inventory cost to compare the investment in each item, sales product line, and purchase product line to the cash flow they generate. A running

cumulative total allows you to see what percentage of the total inventory is invested in the products with the highest current cost and the associated cash flow.

**Period End Settings**

In Process Period End, you can select to print the report automatically as part of period-end processing. In the Inventory Analysis Report task, you must set up report settings to specifically include period end information and save those settings as "Period End" in the Settings field. If you do not define a setting of Period End, the default report settings are used (report settings are set to All).

**Formats**

The report is available in these formats:

| Format | Description |
| --- | --- |
| Summary | Prints one line for each tem, item cost, cumulative cost, cumulative cost percent, sales, date estimate, cumulative sales, and cumulative sales percent. |
| Detail | Prints the summary information as well as the purchase product line, sales product line, and buyer. |

**Generating**

Select Analysis Reports then Inventory Analysis from the Reports menu.

# Inventory Cost Report

**Contents**

The Inventory Cost Report is a "snap shot" of inventory cost or valuation at the point of time when the report is generated. You can select the Inventory Valuation or Cost Report to print. If you select the Inventory Cost Report option, you can select the cost basis and include zero value inventory items on the report. If you select the Inventory Valuation Report option, you can include the cost tier detail

as well as zero value inventory items on the report. In either report you can choose to include inventory held in transit warehouses.

> **Warning:** Print the Inventory Cost Report only after posting all inventory transactions. Printing it beforehand creates inaccurate results.

**Period End Settings**

In Process Period End, you can select to print the report automatically as part of period-end processing. In the Inventory Cost Report task, you must set up report settings to specifically include period end information and save those settings as "Period End" in the Settings field. If you do not define a setting of Period End, the default report settings are used (report settings are set to All).

**Formats**

The report is available in these formats:

| Format | Description |
| --- | --- |
| Summary | Prints one line for each costing date, item, warehouse, quantity on-hand, inventory item value, and total inventory value. |
| Detail | Prints the summary information as well as item description, item type, purchase product line, sales product line, valuation method, cost of goods sold, ranks quantity sold, gross margin percent, hits, and units of measure. |

**Options**

You can choose to have any of the following included in the report:

- Cost Tiers
- Zero Value Items
- Transit Warehouses

**Generating**

Select Inventory Cost from the Reports menu.

# Inventory Performance Report

**Contents**

Use the Inventory Performance Report to calculate five critical measurements of inventory performance of finished goods, pre-assembled and build-to-order kits. The calculations performed for each inventory item selected for the report include Gross Margin, Adjusted Gross Margin, Customer Service Level, Inventory Turnover, and Return on Investment.

> **Tip:** You can print this report after data is purged or after period-end processing.

**Period End Settings**

In Process Period End, you can select to print the report automatically as part of period-end processing. In the Inventory Performance Report task, you must set up report settings to specifically include period end information and save those settings as "Period End" in the Settings field. If you do not define a setting of Period End, the default report settings are used (report settings are set to All).

**Format**

The report is available in these formats:

| Format | Description |
|---|---|
| Summary | Prints the item, investment percent, date established, gross status, adjusted margin percent, customer gross margin percent, inventory service level percent, ranking type, report range, and return of turnover. |
| Detail | Prints the buyer, purchase product line, and rank subtotals as well as the summary information. |

**Generating**

Select Analysis Reports > Inventory Performance from the Reports menu.

# Inventory Transactions Report

**Contents**        The Inventory Transaction Report allows you to view posted inventory transactions that were entered using Purchase Order or Sales Order.

**Format**          The report is available in these formats:

| Format | Description |
| --- | --- |
| Summary | For each transaction type, prints transaction date, warehouse, total sales amount, and total transaction amount. |
| Detail | Prints a line item for each transaction. |

**Options**         You can choose to have any of the following included in the report:

- Pending Transactions
- Transit Warehouses

**Generating**      Select Inventory Transactions from the Reports menu.

# Inventory Valuation Report

**Contents**

The Inventory Valuation Report allows you to determine inventory value based on transactions or posting that occurred within a specified date range. This report is primarily used to reconcile the inventory value with the General Ledger or the Inventory Transactions report since it contains information on cost tier activity against an inventory item. Valuation details include information about cost tier values for an item and the individual unit costs per tier as determined by a calculation of the Tier Value/Tier Quantity.

> **Note:** If you use Multicurrency Management, the currency ID, currency restriction, and the option to revalue the account are also available.

**Format**

The report is available in these formats:

| Format | Description |
| --- | --- |
| Summary | Prints one line for each account and includes the item, warehouse, unit of measure, quantity on-hand, valuation method, and inventory value. |
| Detail | Prints multiple lines per account and includes the account group, type, cash flow code, status, effective dates, posting type, and extended comment. |

**Options**

You can choose to have any of the following included in the report:

- Start and end dates to define the valuation period
- Omission of items having zero inventory valuation
- Transit warehouses
- Report basis as either posting or transaction date

**Generating**

Select Inventory Valuation from the Reports menu.

# Kit Components Where Used Report

**Contents**  Use the Kit Component Where Used report to list kits containing a specific component. Only standard kits (those found in IM Maintain Items) are contained in the report. Modified kits are not included.

In addition, this report includes only single-level kits. An indication is given if the component is part of a nested kit, but the actual nested kit is not specified. A kit containing the component will be flagged as nested if the kit containing the component is itself a component of other kits.

**Options**  You can list all assembled kits, all build-to-order (BTO) kits, or both. You can also list components for a specific warehouse or all warehouses. Only those kits stocked or built in the specified warehouse are listed. Also, only components in that warehouse are listed.

**Sorting**  Components are sorted in accordance with the criteria entered in the Sort grid on the Main tab. They are always sorted by warehouse first, but you may also choose to sort the components in the warehouse by other criteria selected in the grid.

The kits in which a component is found may be sorted by item, item description, or by item type (Assembled kit versus BTO kit) as specified on the Options tab of the report window.

**Generating**  Select Kit Components Where Used from the Reports menu.

# Lead Time Exception Report

**Contents**
Use the Lead Time Exception Report to view a list of receipts that are excluded from the projected lead time calculation and the reason for the exclusion. Some receipts are specifically excluded from lead time calculation on the purchase order. Other receipts do not qualify based on system validation.

Items appear in the report, having been excluded from lead time calculations. if any of the following conditions are met:

- the item is not received from the primary vendor
- actual lead time exceeds the maximum qualified lead time percent of the current projected lead time days
- actual lead time is less than current projected lead time days for an item by the minimum lead time percent
- item is manually excluded from lead time calculation.

    **Important:** You can generate this report only after completing period-end processing.

**Period End Settings**
In Process Period End, you can select to print the report automatically as part of period-end processing. In the Lead Time Exception Report task, you must set up report settings to specifically include period end information and save those settings as "Period End". If you do not define a setting of Period End, the default report settings are used (report settings are set to All).

**Format**
The following information is appears on the report:

- Receipt Date
- Lead Time (days)
- Projected Lead Time (days)
- Vendor Description
- Reason Code and Description

**Generating**
Select Analysis Reports then Lead Time Exception from the Report menu.

# Lot-Serial History Report

**Contents**         The Lot-Serial History Report displays transactions for items
                     that are serial and lot number tracked. You can limit the
                     transactions listed by specifying serial and lot number ranges.
                     You can used this report to determine which customers
                     received a particular item so that you can notify them for
                     such things as maintenance reminders or recalls.

**Format**           For each item on the report, the following information is
                     shown:

- Warehouse
- Lot/Serial Number
- Transaction Number
- Transaction Type
- Transaction Date
- Posting Date
- Customer
- Unit of Measure
- Quantity

**Generating**       Select Lot-Serial History from the Reports menu.

# Low Cost Report

**Contents**      The Low Cost Report displays purchasing opportunities from the primary vendor or an alternate vendor that result in a lower net adjusted cost for an item. You can print this report to display an item's current replacement cost and the current landed cost of an item by warehouse from the primary vendor. This report also prints other vendors who supply this item at a lower cost along with their quantity and price break information based on their unit cost and landed cost. For a particular item the resulting adjusted unit cost allows you to determine the best price available.

**Format**      The report is formatted as follows:

| Report Section | Description |
| --- | --- |
| Primary Vendor | Shows item and description, warehouse, buyer, purchase product line, primary vendor, purchase unit of measure, stock unit of measure, current unit cost, replacement cost, and landed cost. |
| Lower Cost Vendors | Shows minimum purchse quantity (vendor UOM), vendor unit cost (vendor UOM), vendor unit cost (stock UOM), and landed unit cost (stock UOM) |

**Generating**      Select Analysis Reports then Low Cost from the Reports menu.

# Negative On Hand Quantity Report

Use the Negative On Hand Quantity Report to summarize all inventory items that have a negative inventory on-hand quantity within a warehouse. You can view the items by warehouse or bin location (if you maintain inventory balances by bin).

You can also include incoming replenishment orders for the item showing the quantity on order, replenishment source, and projected date of arrival.

**Format**

For each item on the report, the following information is shown:

- Warehouse
- Stock UOM
- Bin
- Quantity on Hand
- Order Number
- Source
- Transaction UOM
- Order Quantity
- Date Expected

**Generating**

Select Negative On Hand from the Reports menu.

# On Hand Lot-Serial Report

**Contents**     The On Hand Lot/Serial Report shows the total quantity on-hand for all bin locations within a warehouse for every item that is lot and serial number tracked. You can print the lot and serial numbers for items that are maintained from the date of receipt.

**Format**       For each item on the report, the following information is shown:

- Unit of Measure
- Source
- Bin
- Lot
- Serial
- Quantity on Hand
- Warehouse
- Expiration

**Generating**   Select On Hand Lot-Serial from the Reports menu.

# Stock Status Report

**Contents**      Use the Stock Status Report to obtain an overview of current stock levels. You can display only current stock status or include replenishment information. You can also specify what cost to use (such as Average, Landed, Last, Replacement, or Standard) and select to include zero value inventory items and inventory in transit warehouses.

**Format**      For each item on the report, the following information is shown:

- Item Type
- Warehouse
- Quantity on Hand
- Quantity on Purchase Order
- Quantity on Transfer Out
- Available Quantity
- Order Point/Minimum Stock

- Stock UOM
- Purchase Product Line
- Quantity Pending
- Quantity on Sales Order
- Quantity on Transfer In
- Replenishment Position
- Unit Cost

**Generating**      Select Stock Status from the Reports menu.

# Transit Warehouse Variance Report

**Contents**

The Transit Warehouse Variance Report contains information about transfer discrepancies. Such discrepancies occur when there is a difference between quantity shipped and quantity received, leaving a positive or negative balance in the transit warehouse. You can choose to include pending receipts and adjustments in the variance calculation.

> **Note:** Only transfers carrying a status of open and having a variance quantity not equal to zero appear in the report.

**Format**

The report is available is these formats:

| Format | Description |
|--------|-------------|
| Summary | Prints a line for each transfer order showing total amounts and total variance. |
| Detail | For each transfer order, prints a line for each item in the order. |

**Generating**

Select In-Transit Warehouse Variance from the Report menu.

# Transfer Status Reports

**Contents**  The Transfer Status Report functions as both an open transfer and a transfer status report. If you choose to include pending transactions, they are used in calculating the quantity open to receive. (Pending transactions are those included in unposted batches.)

**Format**  The report is available in these formats:

| Format | Description |
|---|---|
| Summary | Prints a line for each transfer order, showing order date, request date, scheduled ship date, shipping warehouse, receiving warehouse, ship method, transit warehouse, and status. |
| Detail | For each transfer order, prints a line for each item in the order, showing the summary information as well as status, unit of measure, quantity ordered, quantity shipped, quantity adjusted, quantity received, and quantity open to receive. |

**Generating**  Select Transfer Status from the Reports menu.

# Unusual Usage Report

**Contents**

The Unusual Usage Report displays unusual sales volume for items within a warehouse by buyer or purchase product line.

You can include past period statistics and enter the number of periods to include. Only items with a significant percentage (high or low) difference depending on their demand variance rank are included on the report.

**Period End Settings**

In Process Period End, you can select to print the report automatically as part of period-end processing. In the Unusual Usage Report task, you must set up report settings to specifically include period end information and save those settings as "Period End." If you do not define a setting of Period End, the default report settings are used (report settings are set to All).

**Options**

You can choose to have any of the following included in the report:

- Rank Type

  ▶ Cost of Sales

  ▶ Gross Margin Percentage

  ▶ Hits

  ▶ Quantity Sold

- Past Period Statistics
- Number of Periods

**Generating**

Select Analysis Reports > Unusual Usage from the Reports menu.

# Inventory Management Registers

## Overview

**Definition**       A register is a list of the transactions that you are posting.

**Registers**       Inventory Management registers are generated from tasks on the Activities menu.

## Cost Tier Adjustment Register

**Contents**       The Cost Tier Adjustment Register offers detailed information on each cost tier adjustment that you are about to post. The information includes the transaction number, item, transition amount, unit of measure, and cost adjustments for each line entry. You produce the register from Process Cost Tier Adjustments.

**Formats**       The register is available in these formats:

| Format | Description |
|--------|-------------|
| Summary | Prints the post date, journal, batch number, warehouse, item, item description, valuation method, cost date, quantity, unit of measure, and amount. |
| Detail | Prints the summary information as well as the transaction ID, transaction date, lot and serial number, user, tax, freight, and total. |

**Generating**       Generate this register from Process Cost Tier Adjustments.

# Inventory Transaction Register

**Contents**

The Inventory Transaction Register provides information on all transactions you have selected for posting through Process Inventory Transactions.

Included on the register are the sales, sale returns, purchases, purchase return, adjustment, user defined fields, and miscellaneous issue for each transaction.

**Format**

The register is available in these formats:

| Format | Description |
| --- | --- |
| Summary | Prints the posting date, item, item description, item type, date, unit of measure, quantity, and amount. |
| Detail | Prints the post date, item, reason code, lot number, serial number, creator, unit cost, and bin, as well as the summary information. |

**Generating**

Generate this register from Process Inventory Transactions.

# Kits Register

**Contents**    The Kits Register provides information on all assembled and build-to-order kits. You can access this register two different ways. First, while posting kit assembly/disassembly transactions and second, during inventory transaction posting for build-to-order kit sales.

A Kit Register contains transaction information for all transactions in the batch. A build-to-order kit register only contains the build-to-order kit transactions in the batch. One transaction exists for each component of the kit item.

**Format**    The register is available in these formats:

| Format | Description |
| --- | --- |
| Summary | Prints the post date, kit item, description, transaction date, unit of measure, quantity, unit cost, and amount. |
| Detail | Prints the summary information as well as the bin, lot/serial number, transaction number, component items, and component descriptions. |

**Generating**    Generate this register from Process Kit Assembly.

# Physical Count Register

**Contents**    The Physical Count Register provides information on all physical count and miscellaneous adjustment transactions. Your selection is restricted only to items and bins, but the transactions included are for each item, bin, lot, and serial. If counts for a specific item were not entered, MAS 500 assumes the item was not counted and is not included on the register

> **Note:** All items selected for counting represent a transaction.

**Format**    The register is available in these formats:

| Format | Description |
| --- | --- |
| Summary | Includes the post date, freeze date, item, freeze quantity, counted quantity, unit of measure, and transaction quantity. |
| Detail | Includes the summary information as well as the bin and lot/serial number. |

**Generating**    Generate this register from Process Physical Inventory.

# Inventory Management Lists

## Overview

**Definition**          Lists contain settings and definitions established for the operation of Inventory Management.

**Lists**               Generate these lists from tasks on the Reports menu or by clicking the Print button in the associated maintenance task.

# Bins List

**Contents**     The Bins List provides a list of all established bins in a warehouse. You can use this list to track quantities of an item within a specific warehouse.

**Format**     The register is available in these formats:

| Format | Description |
| --- | --- |
| Summary | Includes the bins and locations for each warehouse. |
| Detail | Includes the location, bin type, warehouse, bin number, and whether it is a temporary bin. |

**Generating**     Produce this list in one of the following ways:

- Select Other Lists then Bins List from the Reports menu.

- Click the print button in Set Up Bins (Maintenance menu).

# Buyer List

**Contents**     The Buyer List reports all buyers that have been identified in Maintain Buyers. You can use this list to track all buyers for the current company.

**Generating**     Produce this list in one of the following ways:

- Select Replenishment Lists then Buyers List from the Reports menu.

- Click the print button in Set Up Buyers (Maintenance menu).

# Commodity Code List

**Contents**      The Commodity Code List provides a summary of commodity codes, their descriptions, reference groups, effective from and to dates, and status for the current company.

**Generating**    Produce this list in one of the following ways:

- Select Other Lists then Commodity Code List from the Reports menu.

- Click the print button in Set Up Commodity Codes (Maintenance menu).

# Matrix Pricing by Customer Group List

**Contents**      The Matrix Pricing by Customer Group List provides a list of all customer group prices for the current company. You can view information such as the effective dates, customer price groups, product price group, and warehouse.

**Generating**    Produce this list in one of the following ways:

- Select Price Lists and then Matrix Pricing by Customer Group from the Reports menu.

- Click the print button in Matrix Pricing by Customer Group (Maintenance menu).

# Customer Item List

**Contents**     The Customer Item List provides information about all the customer items you defined in Maintain Customer Items such as customer, item, item description, and customer item.

**Generating**     Produce this list in one of the following ways:

- Select Other Lists then Customer Item List from the Reports menu.

- Click the print button in Maintain Customer Items (Maintenance menu).

# Customer Item Pricing List

**Contents**     The Customer Item Pricing List provides a list of all customer item pricing. You can view information such as the effective dates, customer, and current warehouse for each customer product.

**Generating**     Produce this list in one of the following ways:

- Select Price Lists then Maintain Customer Pricing from the Reports menu.

- Click the print button in Maintain Customer Items (Maintenance menu).

# Customer Price Group List

**Contents**       The Customer Price Group List displays a list of each customer group and the customers within the specific group for the current company.

**Generating**     Produce this list in one of the following ways:

- Select Price Lists then Customer Item List from the Reports menu.

- Click the print button in Maintain Customer Price Groups (Maintenance menu).

# Customer Product Pricing List

**Contents**       The Customer Product Pricing List provides a list of all customer product group prices. You can view information such as the effective dates, product price groups, customer, warehouse, method, and packing list form.

**Generating**     Produce this list in one of the following ways:

- Select Price Lists then Product Pricing List from the Reports menu.

- Click the print button in Maintain Contract Pricing (Maintenance menu).

# Demand Formulas List

**Contents**       The Demand Formulas List provides a list of all demand calculation formulas.

**Generating**     Produce this list in one of the following ways:

- Select Replenishment Lists then Demand Formula List from the Reports menu.

- Click the print button in Set Up Demand Formulas (Maintenance menu).

# Freight Classes List

**Contents**    The Freight Classes List provides a summary of all the defined freight classes. Included in the list is the freight class and description.

**Generating**    Produce this list in one of the following ways:

- Select Other Lists then Freight Class List from the Reports menu.

- Click the print button in Set Up Freight Classes (Maintenance menu).

# IM Options List

**Contents**    The IM Options List displays all settings established in Set Up IM Options. These settings determine many Inventory Management options and many become the default values used throughout Inventory Management.

The IM Options List allows you to view settings for item information, fiscal period/year, inventory period/year, and default warehouse. Also included are options for General Ledger integration, such as General Ledger posting register format, segment overrides, and so on. This list also includes other options, such as history retention periods, audit tracking options, and number of ranking periods.

**Generating**    Produce this list in one of the following ways:

- Select Other Lists then IM Options List from the Reports menu.

- Click the print button in Set Up IM Options (Maintenance menu).

# Inventory List

**Contents**
The Inventory List provides a list of all inventory items for the current company. Included in this list is information such as the item and warehouse.

**Format**
The list is available in these formats:

| Format | Description |
|---|---|
| Summary | Includes the item, item description, warehouse, and warehouse description. |
| Detail | Includes information for unit cost, ranks, physical count, source, order point, line point, order cycle, and General Ledger accounts. You can also select to include preferred warehouse bins. |

**Generating**
Produce this list in one of the following ways:

• Select Other Lists then Inventory List from the Reports menu.

• Click the print button in Maintain Inventory (Maintenance menu).

# Item List

**Contents**                 The Item List provides information about all the items you
                             defined in Maintain Items such as item type, item
                             description, sales tax class, freight class, date established,
                             track method, valuation method, and commission class.

**Format**                   The list is available in these formats:

| Format | Description |
| --- | --- |
| Summary | Includes the item type and short description. |
| Detail | Includes specific information for the item, unit of measure, sales, sales product line, purchasing, custom fields, and General Ledger accounts. You can select to include the landed cost, substitution items, or unit of measure. |

**Generating**               Produce this list in one of the following ways:

- Select Other Lists then Item List from the Reports
  menu.

- Click the print button in Maintain Items (Maintenance
  menu).

# Item Class List

**Contents**      Use the Item Class List to view a list of classes that you defined for items in Maintain Item Classes. The information for each item class in the list includes item class name, class override segment value, associated General Ledger accounts, and descriptions. You can also specify a range of item classes or include all item classes.

**Generating**      Produce this list in one of the following ways:

- Select Other Lists then Item Class List from the Reports menu.

- Click the print button in Maintain Item Classes (Maintenance menu).

# Landed Cost List

**Contents**      The Landed Cost List provides a summary of all landed costs defined for a company. This list includes the landed cost, description, cost type, calculation method, and amount or percent.

**Generating**      Produce this list in one of the following ways:

- Select Other Lists then Landed Cost List from the Reports menu.

- Click the print button in Set Up Landed Cost (Maintenance menu).

# Lead Time Formulas List

**Contents**
Print the Lead Time Formulas List to view a list of lead time formulas. Information for each lead time formula includes the formula, description, prior receipt, and weight.

**Generating**
Produce this list in one of the following ways:

- Select Replenishment Lists then Lead Time Formula List from the Reports menu.

- Click the print button in Set Up Lead Time Formulas (Maintenance menu).

# Price Sheet List

**Contents**
Price sheets contain the base prices used when pricing customer sales orders. The Price Sheet List displays the account category, including the account types and account groups that fall under the category.

You can maintain a list price and up to four column prices for each item in a warehouse. The list includes the account category, account type, account type description, account group, and account group description.

**Generating**
Produce this list in one of the following ways:

- Select Price Lists then Price Sheet List from the Reports menu.

- Click the print button in Maintain Price Sheets (Maintenance menu).

# Product Category List

**Contents**
The Product Category List provides a list of all product categories and shows which subcategories are assigned to other categories. This list can also show all the items assigned to each category.

**Format**
The list is available in these formats:

| Format | Description |
| --- | --- |
| Summary | Includes category names and parent product categories. |
| Detail | Includes summary information and also list all items in each category and parent category. |

**Generating**
Produce this list in one of the following ways:

- Select Other Lists then Product Category List from the Reports menu.

- Click the print button in Set Up Product Category (Maintenance menu).

# Matrix Pricing by Product Group List

**Contents**
The Matrix Pricing by Product Group List provides a list of all product group prices for the current company. You can view information such as the effective dates, customer price groups, product price groups, and warehouse.

**Generating**
Produce this list in one of the following ways:

- Select Price Lists and then Matrix Pricing by Product Group from the Reports menu.

- Click the print button in Matrix Pricing by Product Group (Maintenance menu).

# Product Price Group List

**Contents**      The Product Price Group List displays a list of each product price group and the products within the group for the current company.

**Generating**      Produce this list in one of the following ways:

- Select Price Lists then Product Price Group List from the Reports menu.

- Click the print button in Maintain Product Price Groups (Maintenance menu).

# Purchase Product Line List

**Contents**      The Purchase Product Line List provides a list of purchase product lines you entered in Set Up Purchase Product Line.

**Format**      The following two report formats are available:

| Description | Format |
| --- | --- |
| Summary | Includes the purchase product line and description. |
| Detailed | Includes the purchase product line information including the defaults for item, inventory, and replenishment. You can also include the warehouse purchase product line and product purchase requirement details. |

**Generating**      Produce this list in one of the following ways:

- Select Replenishment Lists then Purchase Product Line List from the Reports menu.

- Click the print button in Set Up Purchase Product Line (Maintenance menu).

# Rank Codes List

**Contents**     You can print a list of inventory ranks for each ranking method established for a company. MAS 500 supports four ranking methods; cost of goods sold, gross margin, quantity sold, and hits.

**Generating**     Produce this list in one of the following ways:

- Select Other Lists then Rank Codes List from the Reports menu.

- Click the print button in Set Up Inventory Ranks (Maintenance menu).

# Safety Stock Formulas List

**Contents**     The Safety Stock Formulas List displays each safety stock formula defined. Included on the list is the safety stock formula, description, calculation method, lead time percent, supply days, deviation period, and deviation multiplier.

**Generating**     Produce this list in one of the following ways:

- Select Replenishment Lists then Safety Stock Formula List from the Reports menu.

- Click the print button in Set Up Safety Stock Formulas (Maintenance menu).

# Sales Product Lines List

**Contents**  Print the Sales Product Line List to view a list of sales product lines that you established in Set Up Sales Product Line. Included on the list is the sales product line, description, target margin, commission class, subject to trade discounts, and whether to allow price overrides.

**Generating**  Produce this list in one of the following ways:

- Select Other Lists then Sales Product Lines List from the Reports menu.
- Click the print button in Set Up Sales Product Lines (Maintenance menu).

# Vendor Items List

**Contents**  The Vendor Item List provides a list of vendors supplying all items along with the costing details of each vendor. With this list, you can compare various prices and discounts offered by vendors depending on the items they supply.

**Format**  The following two report formats are available:

| Format | Description |
| --- | --- |
| Summary | Includes the basic vendor data, such as the item, vendor, unit of measure, discount method, break type, list price, replacement unit of cost, whether to allow partial packs, and whether to allow vendor back orders. |
| Detailed | Includes the complete vendor cost break data. This format includes the summary data as well as the to and from ranges and amount. |

**Generating**  Produce this list in one of the following ways:

- Select Other Lists then Vendor Items List from the Reports menu.
- Click the print button in Maintain Vendor Items.

# Warehouses List

**Contents**

The Warehouses List provides a list of all warehouses that you defined in Set Up Warehouses. You can specify a range of warehouses or include all warehouses.

**Formats**

The list is available in these formats:

| Format | Description |
| --- | --- |
| Summary | Includes the warehouse, description, and whether it is a transit warehouse. |
| Detailed | Includes the summary information as well as all of the defined fields in Set Up Warehouses. |

**Generating**

Produce this list in one of the following ways:

- Select Other Lists then Warehouse List from the Reports menu.

- Click the print button in Set Up Warehouses (Maintenance menu).

# Inventory Management Logs

## Overview

**Definition**  Logs contain a chronological record of events associated with a processing task, such as importing and exporting data.

**Logs**  The Inventory Management logs are:

## Import Log

**Contents**  The Import Log lists all records that you have imported into MAS 500. You can review the list to check the format and the accuracy of the data coming into the system. With the hard copy that this list provides, you can create an audit trail of imported data that may have errors or inconsistencies.

## Error Log

**Contents**  The Error Log provides batch references to transactions that were not posted due to errors in the transaction detail. This list includes the error number, error type, severity, and error comment. With the hard copy that this list provides, you can view the errors which occurred during transactions, such as the import process.

# Inventory Management Inquiries

## Overview

**Definition**    Inquiries provide a means to access stored detail information.

**Drilling down**    Within Inventory Management, you can drill down or drill around to records to view stored detail. For example, you might want to view a list of inventory transactions, or a complete listing of all prices, purchase product lines, and stock status for items in a warehouse.

**Filtering data**    Many Inventory Management inquiries allow you to select criteria by which to filter the data. If you frequently use the same selection criteria, you can save the settings by selecting Save on the toolbar.

**Sorting**    Selecting a column heading in an Inventory Management Inquiry grid toggles the sort order of the column.

**Inquiries**    Inventory Management inquiries are generated from the Inquiry menu:

# Cost Inquiry

**Contents**    Use this inquiry to compare the available price or quantity discounts when purchasing individual items, and to compare and specify the purchase quantity.

If you specify a quantity, the options that have a purchase quantity equal to the quantity specified display. For example, if a vendor does not offer a cost break that has a purchase quantity equal to the specified quantity, all cost breaks with lower and higher purchase quantities display. However, if you do not specify a quantity, all available purchase options display.

**Viewing**    Produce this inquiry in one of the following ways:

- Select Cost Inquiry from the Inquiry menu.

- Right-click in the Item field in the following windows and select Cost from the popup menu that appears:

    ▶  Maintain Price Sheets

    ▶  Maintain Inventory

    ▶  Lot/Serial/Adjustment

# Inventory Inquiry

**Contents**    Use the Inventory Inquiry to view a list of inventory at a specified warehouse. When you open the Inventory Inquiry window and specify the warehouse, all active inventory for that warehouse appears in the list. The list includes such information as item, buyer, and purchase product line. You can narrow the list by using the Selection window to specify the search parameters.

**Viewing**    Produce this inquiry by selecting Inventory from the Inquiry menu.

# Inventory Status Inquiry

**Contents**      Use this inquiry to view item information in a specific warehouse. You can determine the selection of items for distribution when increasing or decreasing inventory from another task, such as Sales Order shipping or Purchase Order receiving. You can view the serial number, lot number, expiration date, bin, preferred bin, and available quantity.

**Replenishment Position window**      To display the Replenishment Position window, select the **...** (More) button. You can view all the components that are used to calculate the replenishment position of the item in the selected warehouse. The calculation for replenishment position includes the quantity on-hand, pending quantity increase and decrease, and quantity on sales order and on purchase order.

**Viewing**      Produce this inquiry in one of the following ways:

- Select Inventory Status from the Inquiry menu.

- Right-click in the Item field in the following windows and select Inventory Status from the popup menu that appears:

  ▶ Maintain Price Sheets

  ▶ Maintain Inventory

  ▶ Lot/Serial Adjustment

- In the Lot/Serial/Bin window, right-click in any row in the grid and select Inventory Status from the popup menu that appears:

# Inventory Transaction Inquiry

**Contents**   Use this inquiry to view the pending and posted transactions for a specific item in one or more warehouses. You can select the warehouse, item, transaction number, transaction type, transaction status, reason code, transaction date, post date, transaction quantity, and transaction amount.

**Drilling down**   You can also drill down to the Bin/Lot/Serial Inquiry by right-clicking a transaction in the grid.

> **Note:** You cannot drill down to the Bin/Lot/Serial Inquiry for build-to-order sale transactions or cost tier adjustments.

**Viewing**   Produce this inquiry in one of the following ways:

- Select Inventory Transaction from the Inquiry menu.

- Right-click in the Item field in the following windows then select Inventory Transaction from the popup menu that appears:

  - ▶ Maintain Price Sheets
  - ▶ Maintain Vendor Items
  - ▶ Maintain Inventory
  - ▶ Maintain Items
  - ▶ Lot/Serial Adjustment
  - ▶ Stock Status Inquiry

- Right-click on any row in the grid of the following windows then select Inventory Transaction from the popup menu that displays:

  - ▶ Serial Transaction
  - ▶ Lot Transaction

| | |
|---|---|
| **Bin/Lot/Serial** | Use this inquiry to view the bin/lot/serial information for each transaction. You can retrieve the bin and distributed quantity in each bin. If an item is tracked by lot or serial numbers, you can also view the lot and serial numbers used in the transaction. |
| **Viewing** | Produce this inquiry by right-clicking on any transaction in the grid. |

# Items Inquiry

| | |
|---|---|
| **Contents** | Use the Items Inquiry to view a list of items within the company. By default, only active items are shown but, using the selection window, you can include other types of items as well as specifying other parameters to restrict the list. |
| **Viewing** | Produce this inquiry by selecting Items from the Inquiry menu. |

# Item History Inquiry

| | |
|---|---|
| **Contents** | Use this inquiry to list the transaction history for a specific item in one or more warehouses. You can display data based on the inventory period, warehouse, and item. This inquiry is useful for reviewing trends in the market for an item. |
| **Viewing** | Produce this inquiry in one of the following ways: |

- Select Item History from the Inquiry menu.
- Right-click in the Item field in the following windows and select Item History from the popup menu that appears:

  ▶ Maintain Price Sheets
  ▶ Maintain Vendor Items
  ▶ Maintain Inventory
  ▶ Maintain Items
  ▶ Lot/Serial Adjustment
  ▶ Stock Status Inquiry

# Lot Summary Inquiry

**Contents**        Use this inquiry to quickly access information regarding lot data and to drill down to the original transaction. You can view the lot information, status of a particular lot in different warehouses, and expiration date.

**Viewing**        Produce this inquiry in one of the following ways:

- Select Lot Summary from the Inquiry menu.

- Right-click on the Item field on one of the following screens and select Lot Summary from the popup menu that appears:

    ▶ Maintain Price Sheets

    ▶ Maintain Vendor Items

    ▶ Maintain Inventory

    ▶ Maintain Items

    ▶ Lot/Serial Adjustment (for lot numbered items)

    ▶ Stock/Status Inquiry (for serialized items)

**Lot Transaction**    Use this task to view the original lot transaction. You can retrieve the lot information for the receiving customers, supplying vendors, and transferring warehouse.

**Viewing**

Produce this inquiry by right-clicking on any transaction in the grid.

# Price Inquiry

**Contents**      Use this inquiry to view price and availability quotations. You can view information such as the price a customer will pay for a specified quantity range, current quantity on-hand, current available quantity, current replenishment position, last purchase quantity, and last purchase date and price. You can also obtain information based on warehouse, customer ID, customer address ID, item ID, currency, and date.

> **Tip:** To clear the inquiry data grid and display new information, select a value in any field.

**Viewing**      Produce this inquiry in one of the following ways:

- Select Price Inquiry from the Inquiry men.

- Right-click in the Item field in of the following windows then select Price from the popup menu that appears:

    ▶ Maintain Price Sheets

    ▶ Maintain Inventory

    ▶ Lot/Serial Adjustment

# Purchase Product Line

**Contents**      Use this inquiry to view a summary of activity by inventory period for the purchase product line specified. You can select the warehouse, purchase product line, and date.

**Viewing**      Produce this inquiry by selecting Purchase Product Line from the Inquiry menu.

# Serial Summary Inquiry

**Contents**   Use this inquiry to quickly access information regarding serial data and drill down to the original transactions, including the serial availability within each selected warehouse

**Viewing**   Product this inquiry in one of the following ways:

- Select Serial Summary from the Inquiry menu.

- Right-click on the Item field in the following windows then select Serial Summary from the popup menu that appears:

    ▶   Maintain Price Sheets

    ▶   Maintain Vendor Items

    ▶   Maintain Inventory

    ▶   Maintain Items

    ▶   Lot/Serial Adjustment (for serialized items)

    ▶   Stock Status Inquiry (for serialized items)

**Serial Transaction**   Use the Serial Transaction inquiry to view the original serial transactions. You can retrieve the serial information for receiving customers, supplying vendors, and transferring warehouse.

Produce this inquiry by right-clicking in any row in the grid and selecting Drill Down from the popup menu that appears.

# Stock Status Inquiry

**Contents**    Use this inquiry to view the current status of an inventory item for each warehouse in a company. Depending on how the item is maintained, you can view information such as the existing warehouse, quantity on-hand, available quantity, quantity on hold, replenishment position, order point, line point, minimum stock level, and maximum stock level. The quantity on hold represents items stored in staging bins; this quantity is not included in quantity available.

> **Note:** Quantity Pending, Quantity on Sales Order, and Quantity on Purchase Order are included or excluded based on the settings in Set Up IM Options.

**Replenishment position window**    You can right-click on a row to access the Replenishment Position window.

**Viewing**    Produce this inquiry in one of the following ways:

- Select Stock Status from the Inquiry menu.

- Right-click on the item field in one of the following windows and select Stock Status from the popup menu that appears:

    ▶  Maintain Price Sheets

    ▶  Maintain Vendor Items

    ▶  Maintain Inventory

    ▶  Maintain Items

    ▶  Lot/Serial Adjustment

# Transfer Order Line Quantities Inquiry

**Contents**    The Transfer Order Line Quantities task allows you to view quantity information about the transfer item selected from the Enter Transfer Orders grid. The quantities displayed i include these amounts:

- ordered
- received
- open to ship

- shipped
- adjusted
- open to receive

**Viewing**    Access this inquiry dialog in one of the following ways:

- Click the Line Quantities button in the item line in Enter Transfer Orders.

- Right-click the line items and select Line Quantities from the popup menu that appears.

# Transfer Order Line Summary Inquiry

**Contents**    Use the Transfer Order Line Summary inquiry to view transfer order line items. The selected line items are displayed in a grid that contains the following information:

- item number and description
- unit of measure
- transfer order number and date
- receiving and shipping warehouses
- quantities ordered, shipped, received, and adjusted
- status (open, planned, or closed)

**Viewing**    Produce this inquiry by selecting Transfer Order Line Summary from the Inquiry menu.

# Transfer Order Summary Inquiry

**Contents**          Use the Transfer Order Summary inquiry to view a list of
                      transfer orders currently on file. The selected transfer orders
                      are displayed in a grid that contains the following
                      information:

- transfer order number and date
- shipping, transit, and receiving warehouses
- shipping method
- status (open, planned, or closed)

**Viewing**           Product this inquiry by selecting Transfer Order Summary
                      from the Inquiry menu.

# Warehouse Inquiry

**Contents**          Use the Warehouse Inquiry to view a list of warehouses
                      within the company. The list includes such information as
                      location, contact, and if it's a transit warehouse. The
                      information in the list depends upon the parameters you
                      select in the Selection window.

**Viewing**           Product this inquiry by selecting Warehouse from the Inquiry
                      menu.

# *Index*