QAD Enterprise Applications
Standard & Enterprise Edition

Training Guide
Sales Orders

70-3230A
QAD 2011.1 Standard & Enterprise Edition
Lab: Enterprise Edition 2011.1 r01 - Training
Workspace: 10USA > 10USACO
September 2011

SalesOrders_TG_v2011_1SE_EE.pdf/lkk/njm

QAD Inc.
100 Innovation Place
Santa Barbara, California 93108
Phone (805) 566-6000
http://www.qad.com

Contents

What's New?

The following table summarizes significant differences between this document and the last published version.

Date/Version	**Description**	**Reference**
September 2011.1 EE	Rebranded for QAD 2011.1 EE	---

About This Course

Course Description

QAD designed this course to cover the basics of preparing to implement the Sales Order Management module of QAD Enterprise Applications. The course includes:

- An introduction to the Sales Order Management module
- An overview of key business issues
- Setting up the Sales Order Management module
- Operating the Sales Order Management module
- Setup and process Sales Quotes
- Setup and process Sales Analysis
- References to other QAD materials, such as user guides and on-line help
- Activities and exercises throughout the course
- Students practice key concepts and processes in the Sales Order Management module

Course Objectives

By the end of this class, students should be able to:

- Analyze some key business decisions before setting up the Sales Order Management module
- Setup and operate the Sales Order Management module
- Use sales quotes with sales orders
- Use sales analysis

Audience

- Implementation consultants
- Members of implementation teams
- Operators

Prerequisites

- *Initial QAD Enterprise Applications Setup* training course
- Basic knowledge of QAD Enterprise Applications, as it is used in your business
- Working knowledge of the manufacturing industry in general

Course Credit & Scheduling

- This course is valid for 30 credit hours. It is designed to be taught in five days

Virtual Environment Information

The hands-on exercises in this book should be used with the Enterprise Edition 2011.1 r01 - Training environment, in the 10USA > 10USACO workspace.

QAD Web Resources

From QAD’s main site, you can access QAD’s Learning, Support, or Print Solution sites.

http://www.qad.com/

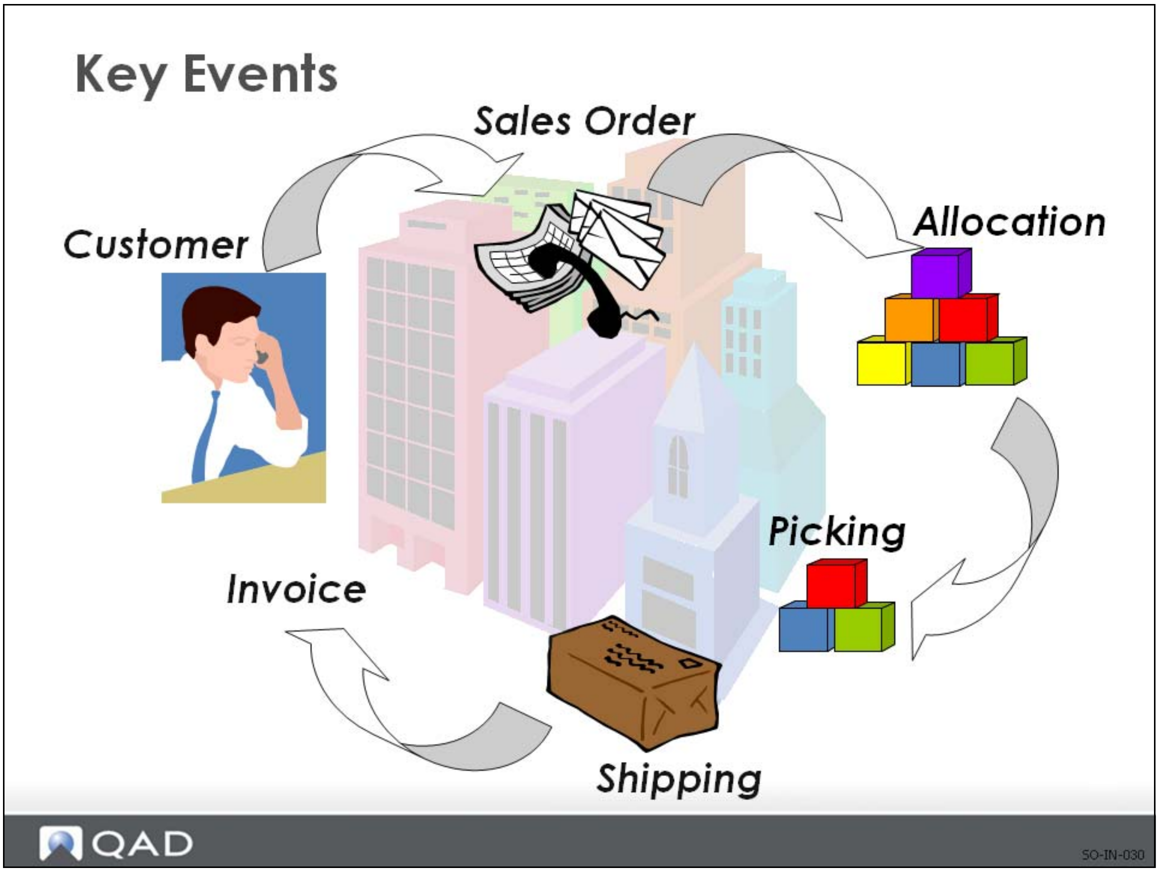
Chapter 1

Introduction to Sales Orders

Overview

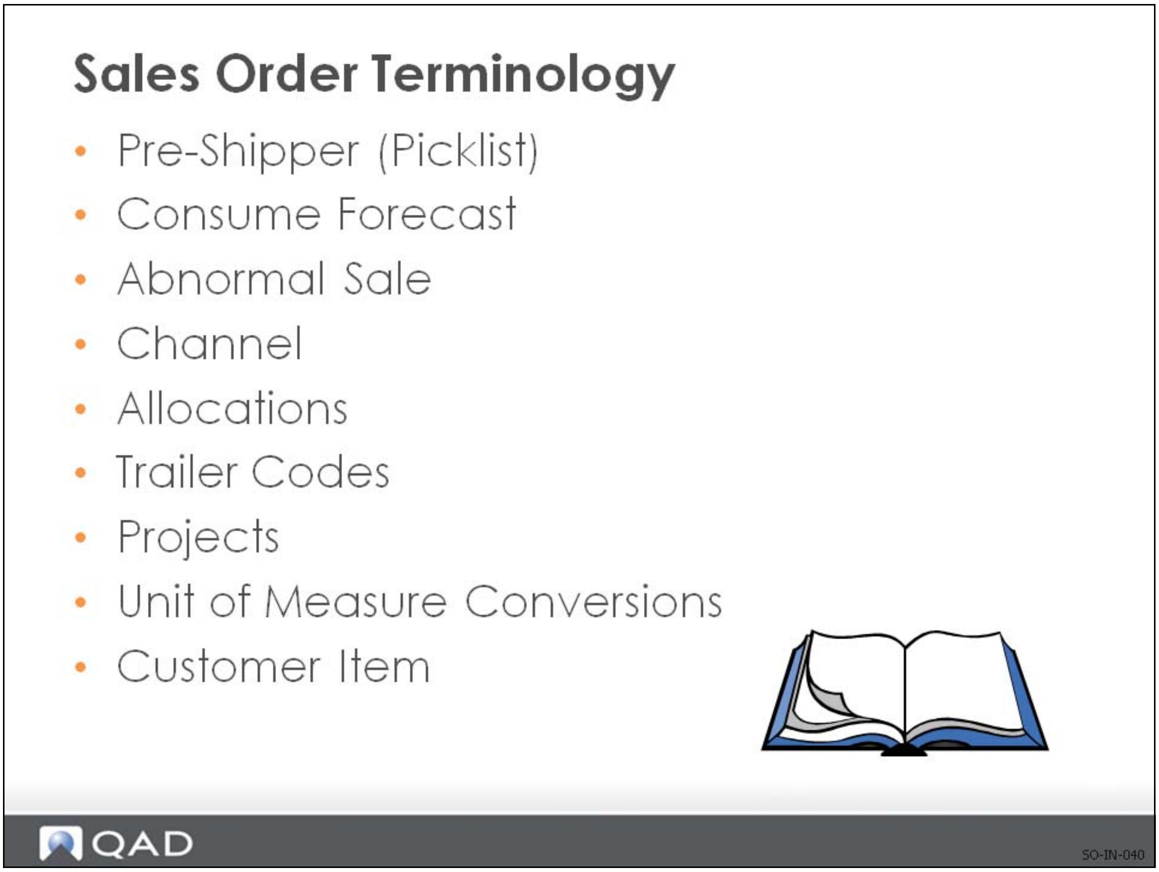
The Introduction is an overview of what will be covered in the Sales Order Management Training Guide.

Sales Order Key Events



- Customer places quote or sales order
- Inventory is allocated
- Inventory is picked
- Shipment is processed
- Customer is invoiced

Terminology



Pre-Shipper.

A preliminary and temporary shipper created either automatically from detailed allocation, or manually using the Pre-Shipper/Shipper Workbench. Pre-shippers are also referred to as *picklists*.

Consume Forecast

Determines whether the quantity ordered consumes available forecast.

Abnormal Sale

Unexpected sale.

Channel

Identifies the distribution channel through which this sales quote, order, or invoice originated.

Allocations.

The act of reserving inventory for a specific purpose. Does not name specific inventory, and no physical movement of inventory takes place.

Trailer Codes.

Special add-on charges that apply to customer orders.

Project Code

Optional component of an account number defined in GL setup functions. Other components are account, sub-account, and cost center. Project codes are not available for all GL transactions. Inventory value, but not physical inventory, can be tracked by project codes.

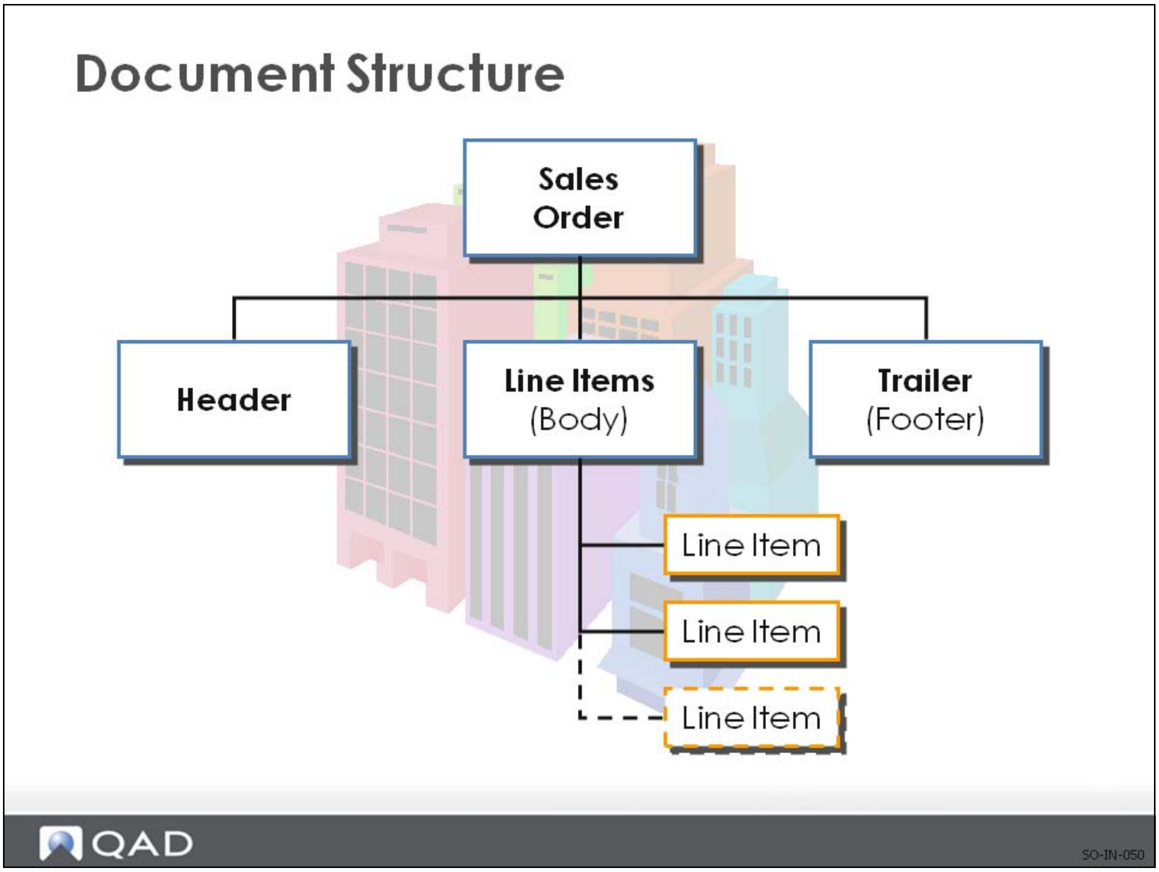
Unit of Measure Conversion

The ratio of the alternate unit of measure to the item’s unit of measure.

Customer Item.

Item which customer orders but using his own item number.

Sales Order Document Structure



Parts of the sales order consist of a header, line items, and a trailer. Each part is displayed in a separate frame.

Header

The header frame includes the sales order generic information:

- Defines customer information
- Applies to the entire order

Line Items

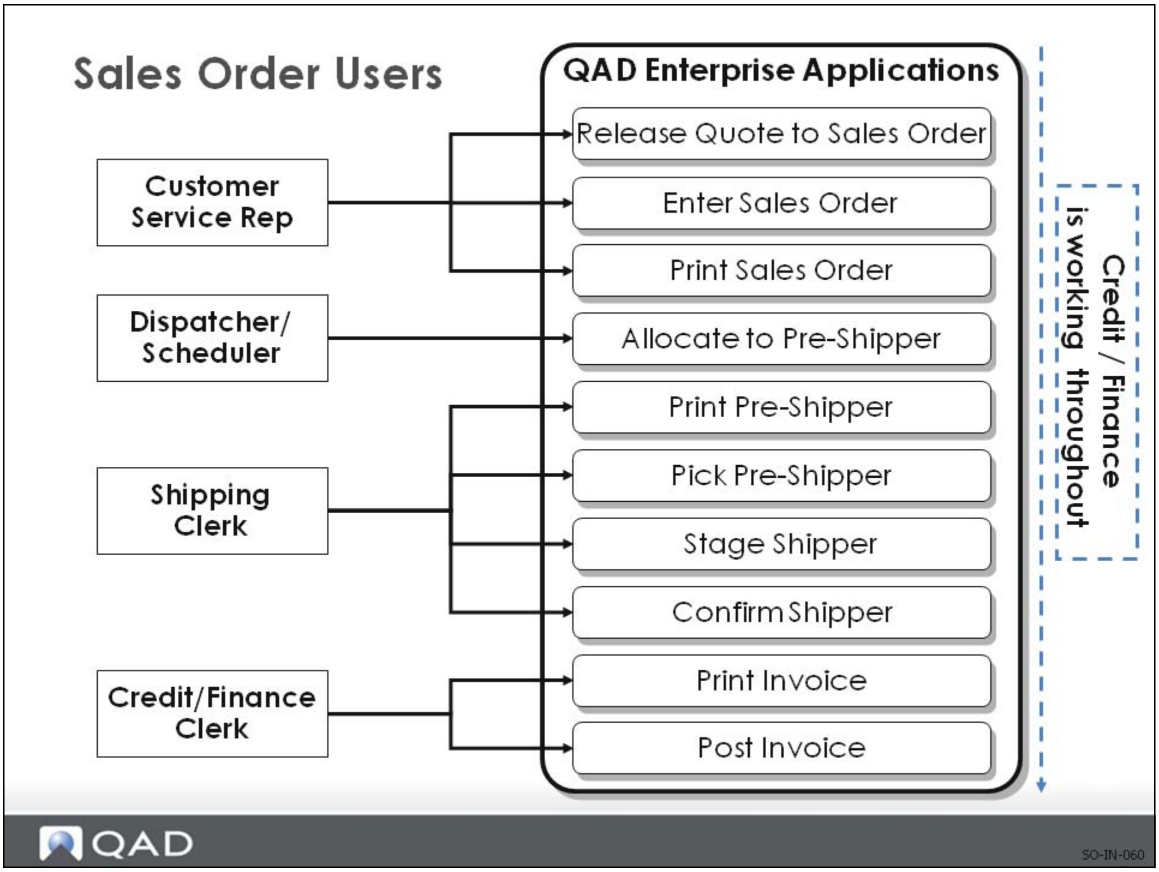
The line items frame includes all items on the order. Each line item lists:

- Item number
- Quantity ordered
- Unit of measure, and
- Pricing information.

Trailer

The trailer frame presents the total value of the entire order, including any taxes, discounts, and special charges that may apply.

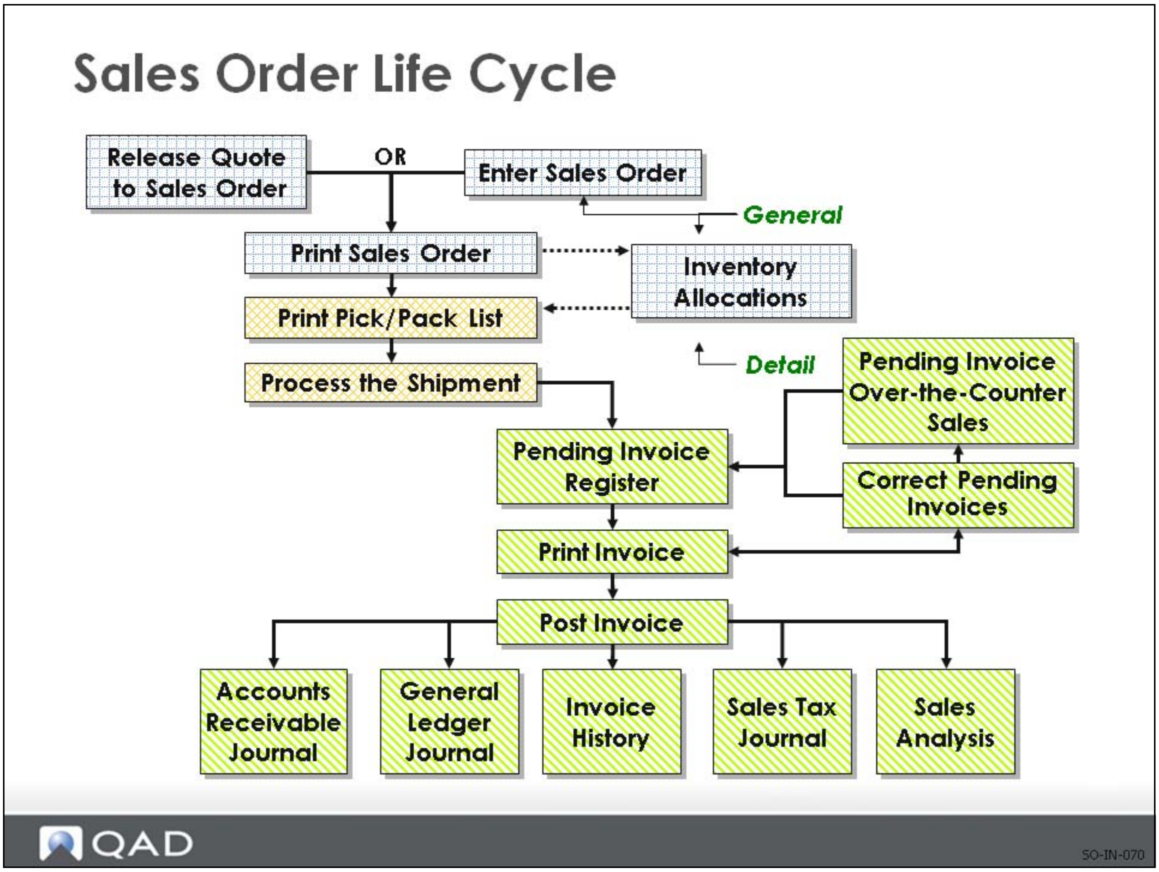
Typical Users



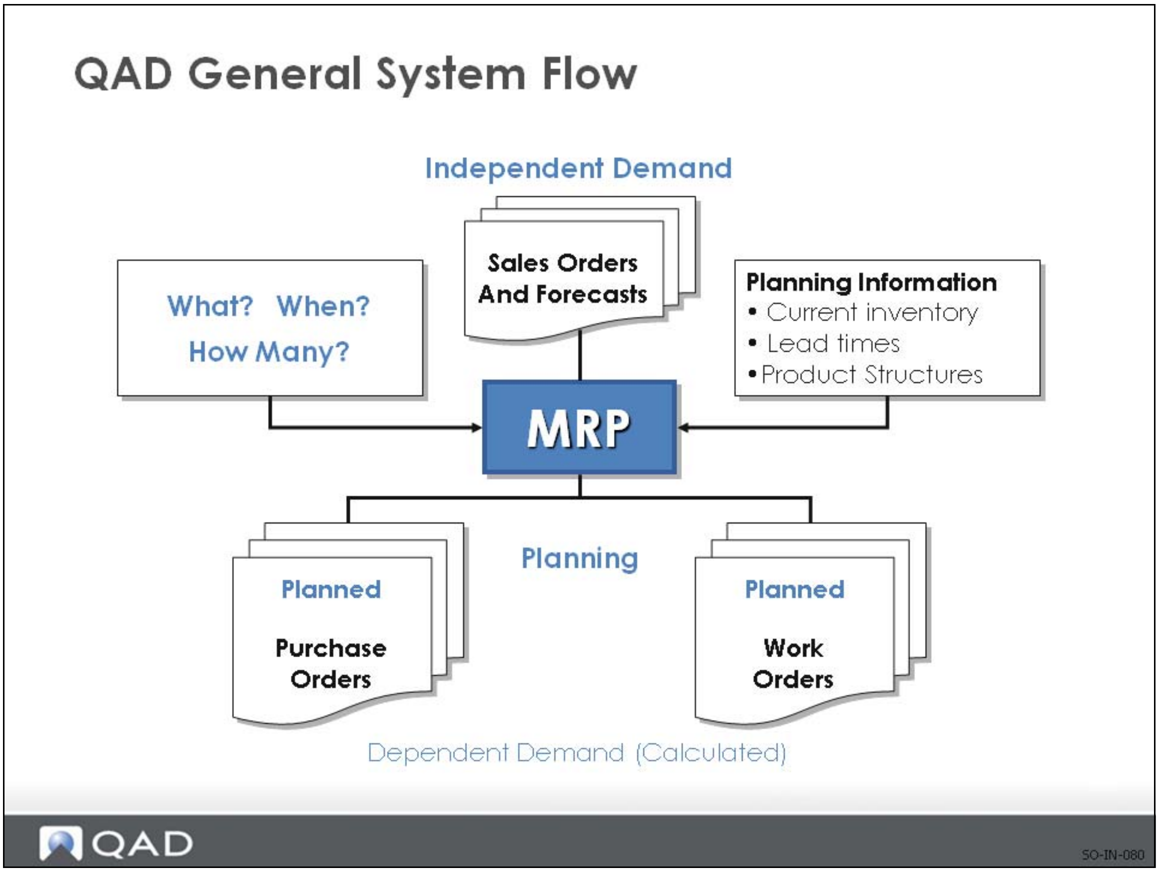
Various people typically control key tasks.

- Sales representatives enter sales orders into the system
- Schedulers create pre-shippers and the allocations
- Shipping clerks may do any or all of the shipper documents
- Credit/Finance clerks manage invoicing processes

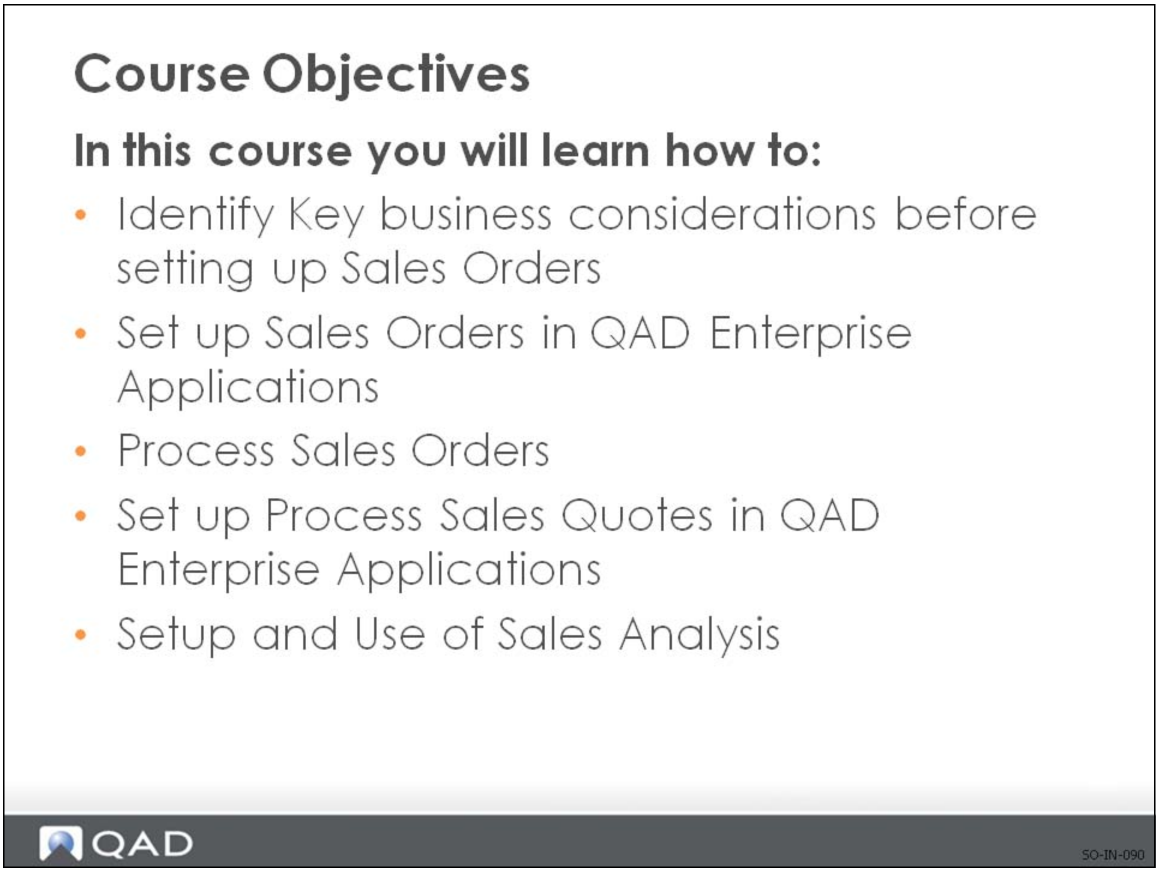
Sales Order Life Cycle



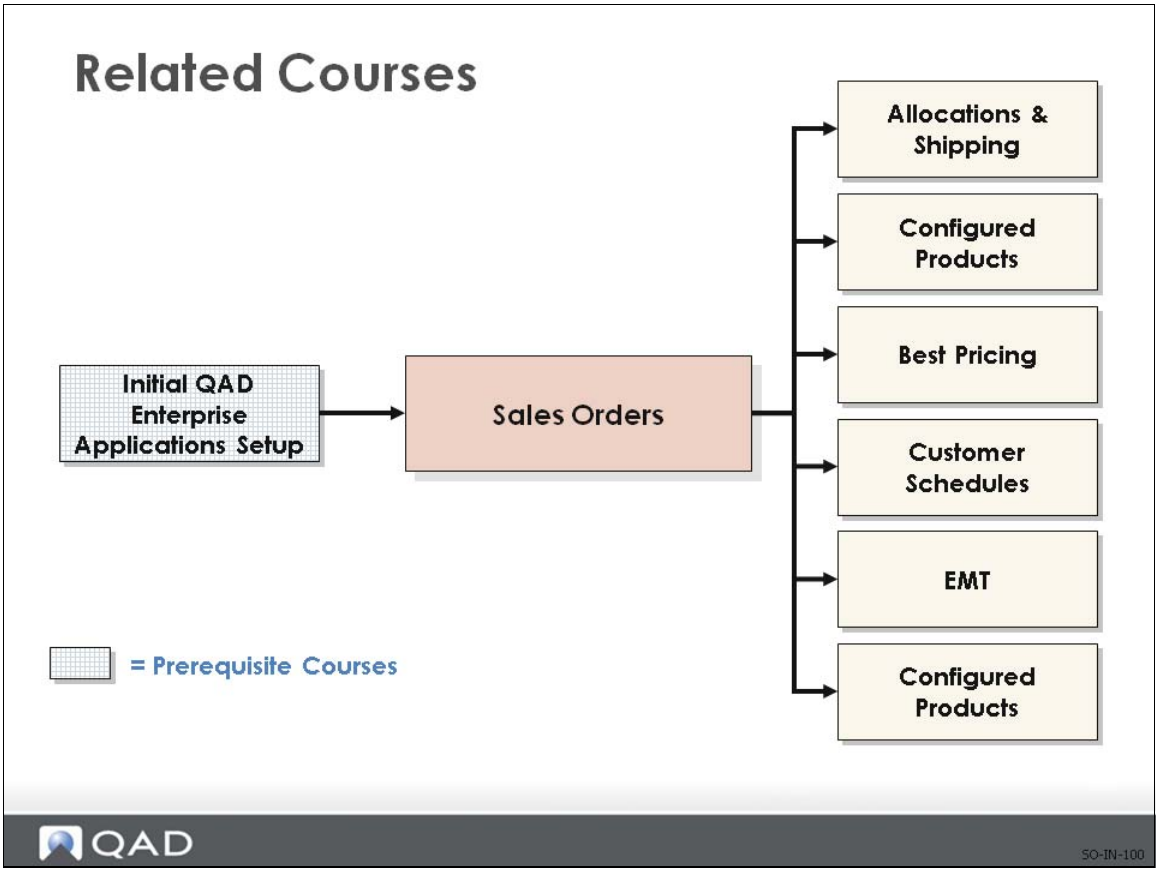
QAD General System Flow



Course Objectives



Related Courses



Summary

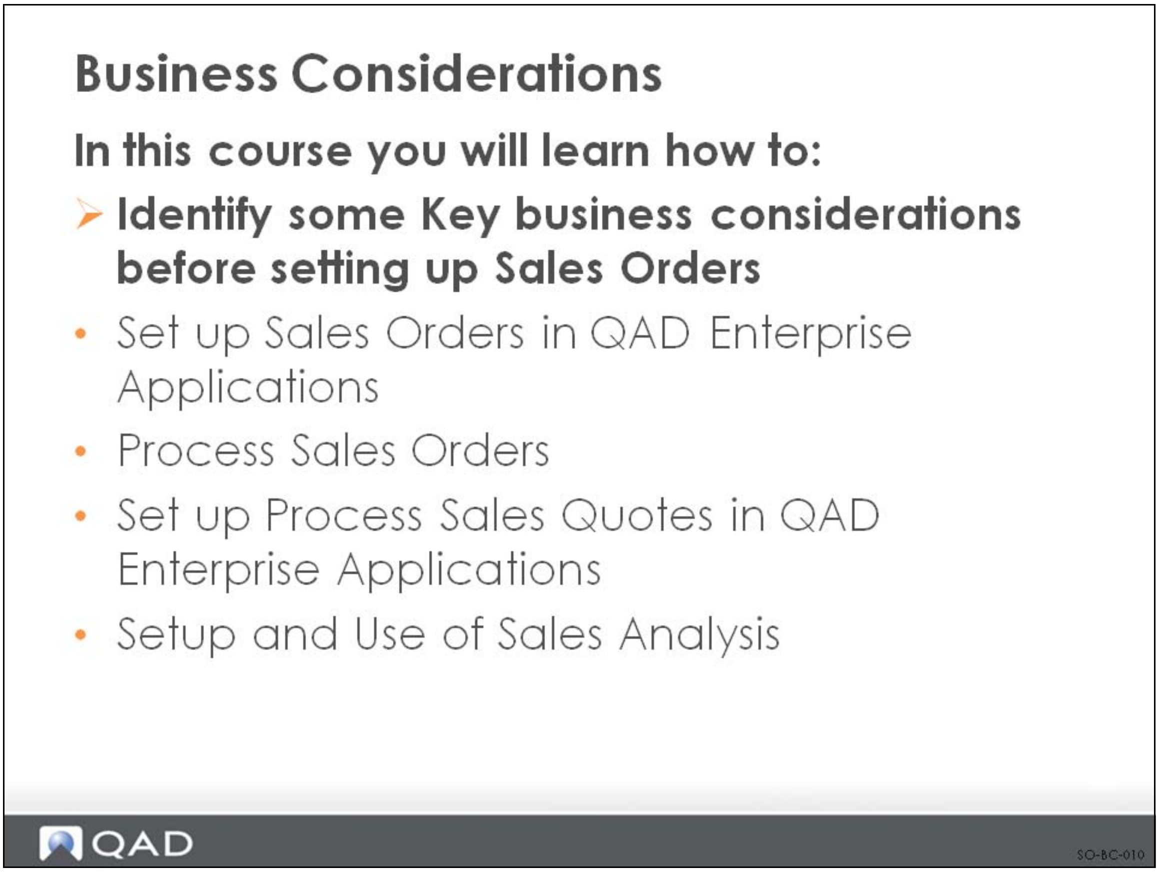
✓ **Introduction to Sales Orders**

- Business Considerations
- Set up Sales Orders
- Process Sales Orders
- Set up and Process Quotes
- Set up and Use Sales Analysis

SO-IN-110

Chapter 2

Business Considerations

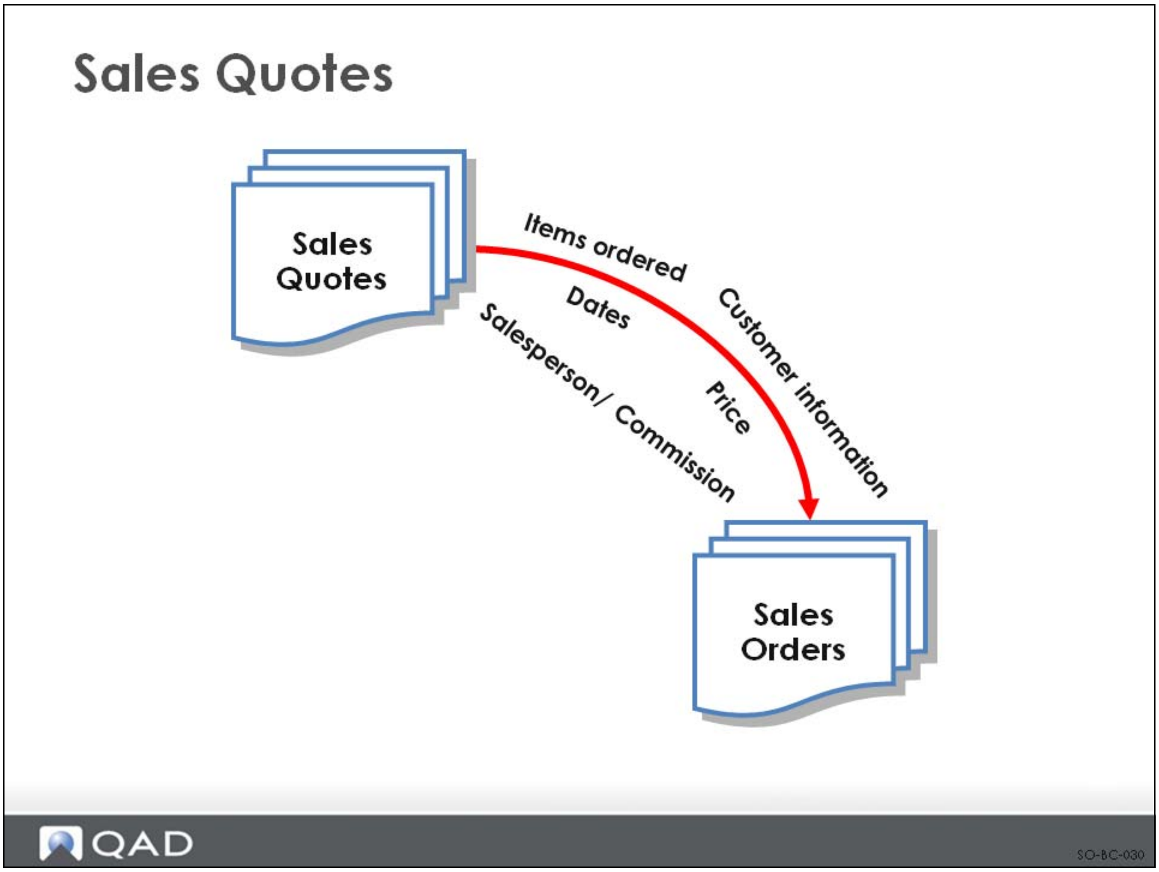

Business Considerations
In this course you will learn how to:
Identify some Key business considerations before setting up Sales Orders
Set up Sales Orders in QAD Enterprise Applications
Process Sales Orders
Set up Process Sales Quotes in QAD Enterprise Applications
Setup and Use of Sales Analysis
QAD
SO-BC-010

Business Considerations

- Sales Quotes
- Configured Products
- Sales Analysis
- Credit Management
  - Credit Limits
- Approvals
- Freight Calculations
- Commissions
- Import/Export
- EDI
- Customer Schedules
- Containerization

SO-BC-020

Sales Quotes



Sales Quotes Allow You To

- Respond to a customer request for a quote
- Monitor the status of a quote
- Provide visibility on potential gross margin contribution
- Provide history by item number or customer
- Generate reports on expired quotes that did not result in a customer order

Why Consider?

- Can be released to a Sales Order
- Can be used as a template for a
  - Recurring sale
  - Lease
  - Service contract (if not using SSM)

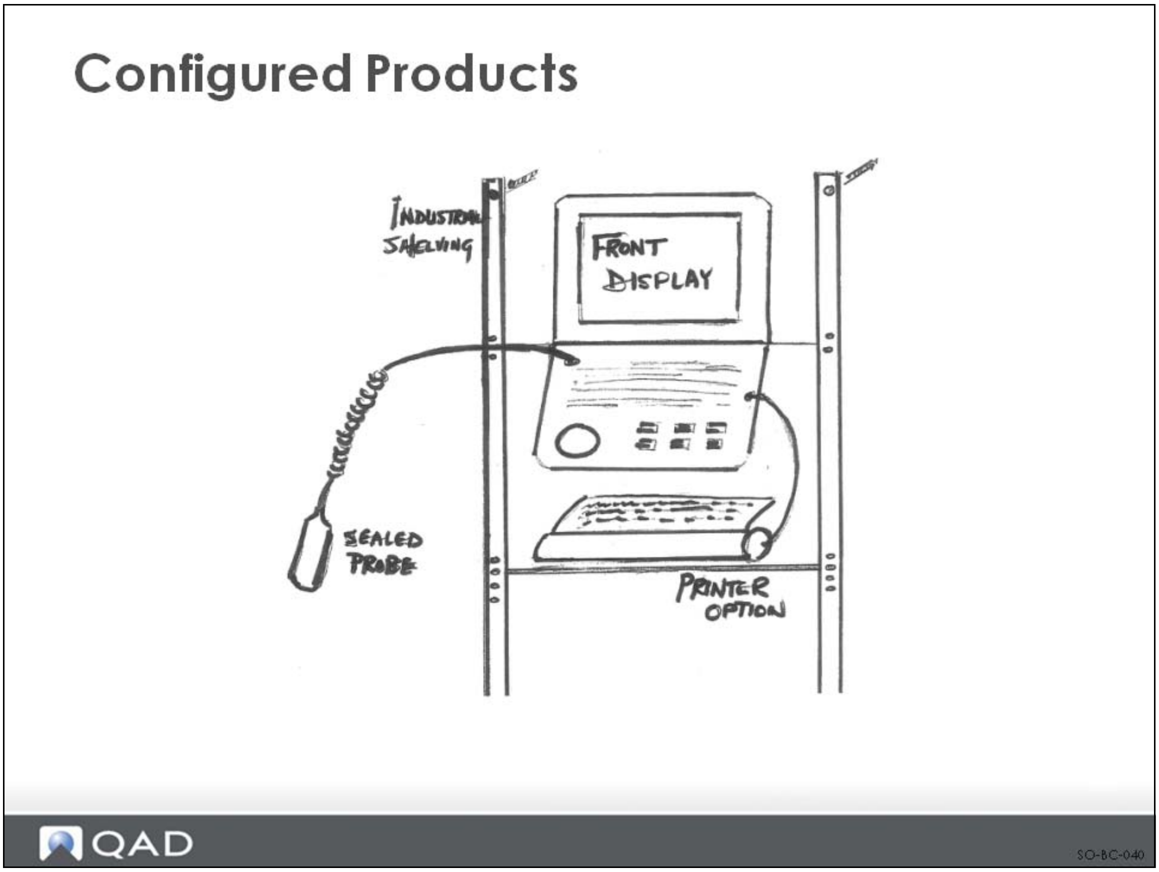
Setup Implications

- Sales Quote Control needs to be setup

- When releasing a Sales Quote to a Sales Order, the “Release Flag” in Sales Quote Maintenance must be set to Yes

See in this training guide: *Sales Quotations* on page 173

Configured Products



Configured Products Are

- Products assembled to order from lower-level items that can be master scheduled and made to stock
  - The actual production of configured products is controlled by a final assembly schedule driven by customer orders rather than by a master schedule

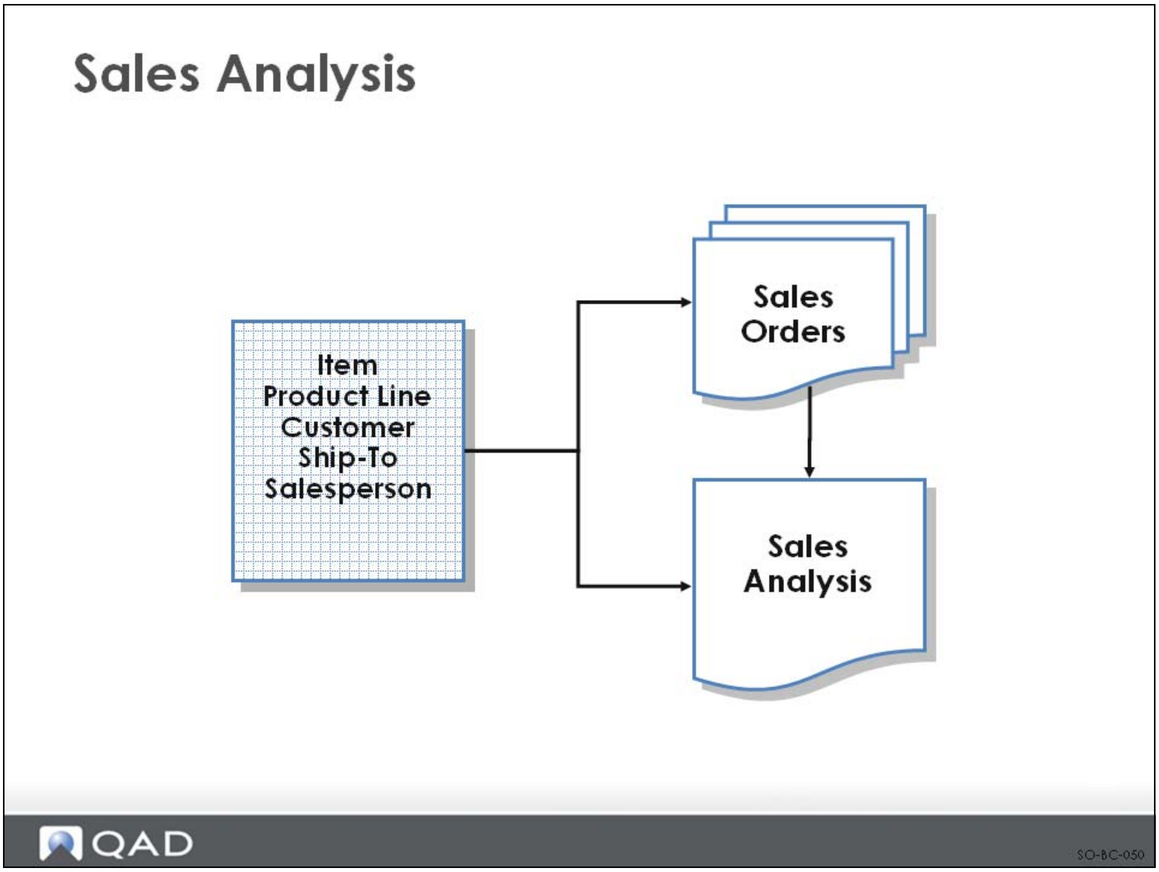
Why Consider?

- How you enter the sales order line(s) with Due Dates and Effective Dates affect the configured items sold

Set up Implications

- Configured Products Control needs to be set up properly

Sales Analysis



Sales Analysis Allows You To

- Analyze results of sales order shipment transactions
- Track salesperson performance
- Generate sales reports
- Track invoiced sales and sales history

Why Consider?

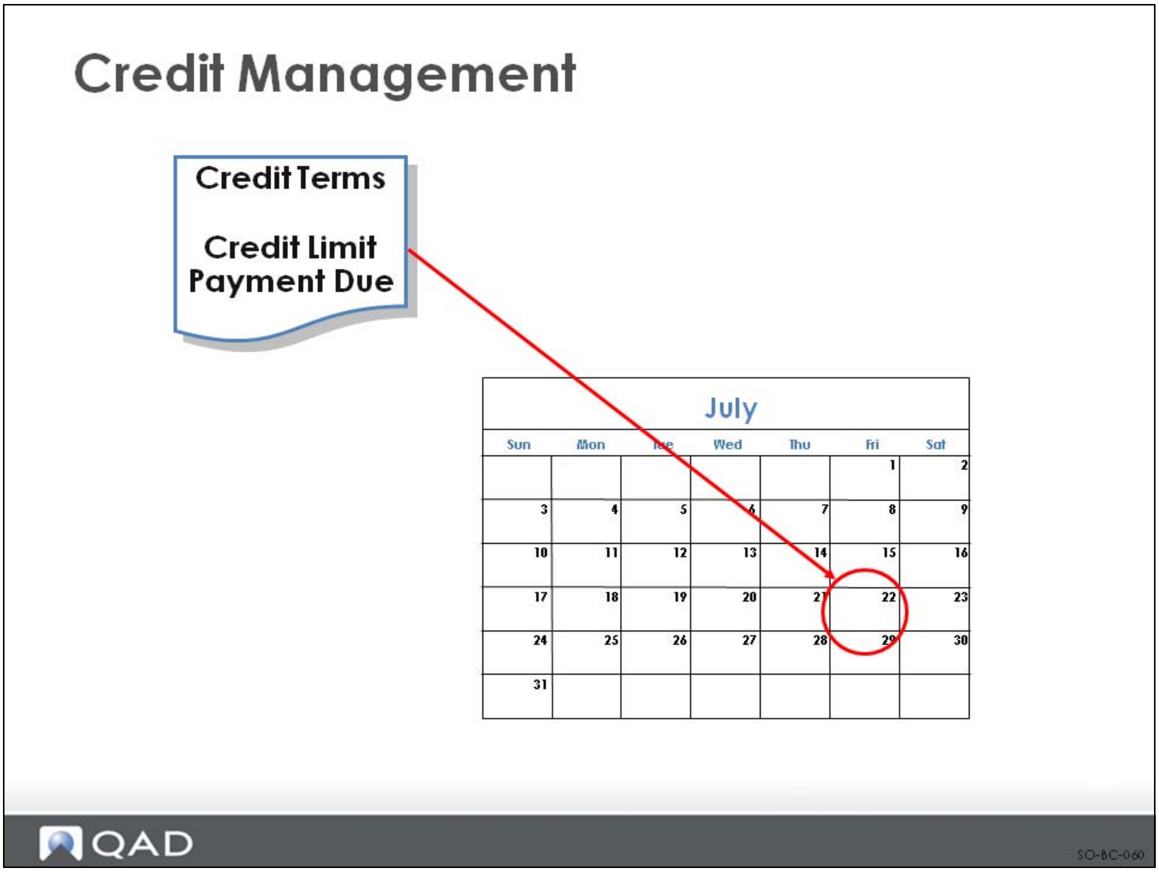
- Should charges/discounts be placed on the sales order line or the trailer?
    - Trailer charges/discounts do not affect Sales Analysis
- Memo Items affect Sales Analysis differently than Inventory Items sold

Setup Implications

- Sales Order Control needs to be set to interface with Sales Analysis

See in this training guide: *Sales Analysis* on page 207

Credit Management



Credit Management Allows You To

- Reduce your credit risk by alerting you or restricting shipments to customers who are on credit hold or over their credit limits
- Setup default credit term codes for processing customer payments, debit/credit memos, and so on
- Manage due dates
- Calculate default due dates, discount dates, and discounts for goods and services

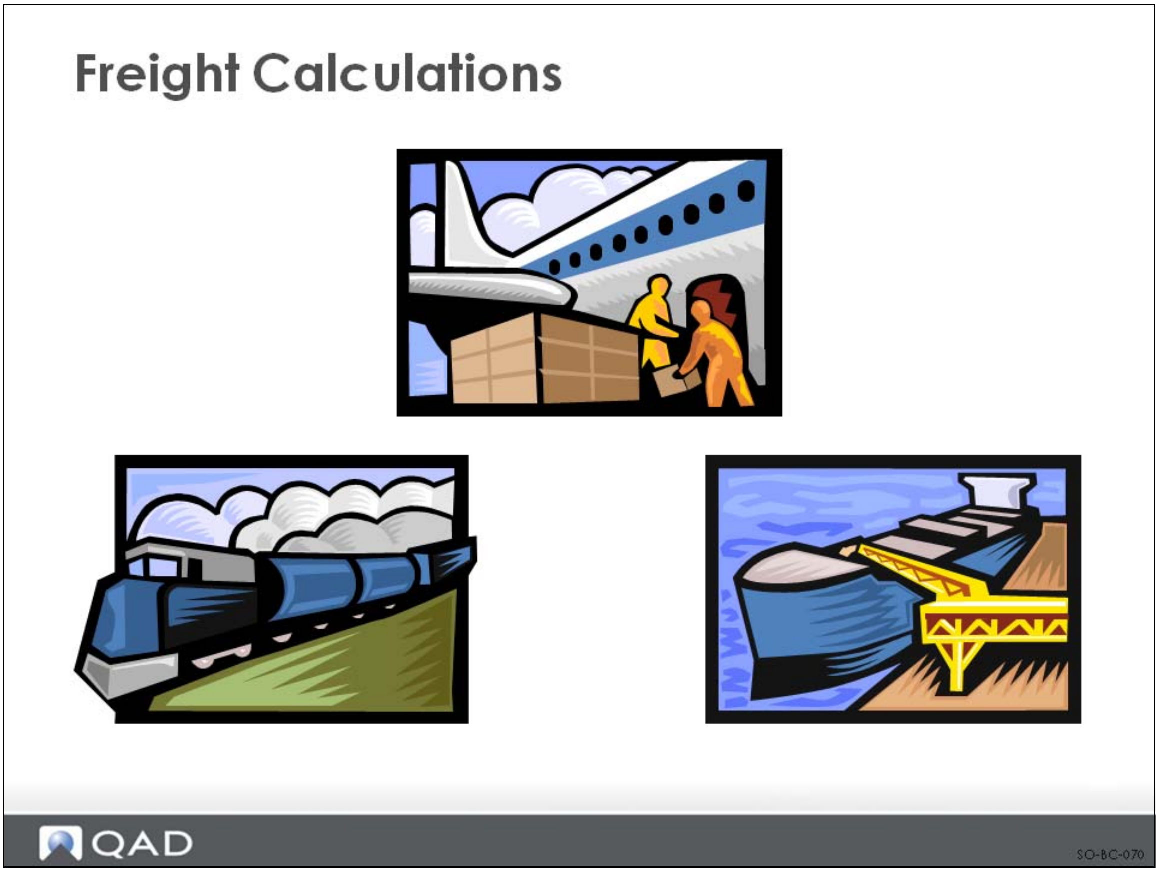
Why Consider?

- Credit is checked while you begin entering a Sales Order and again when you reach the trailer
    - The system can automatically put the order on hold if the customer is over their credit limit or if the current order puts them over their credit limit
    - This also affects the decision if the order should be “confirmed” or not

Setup Implications

- Sales Order Control needs to be set to determine if the order should automatically be placed on hold or not when doing the Sales Order Maintenance function

Freight Calculations



Freight Calculations Allow You To

- Manage a costly part of conducting business

Why Consider?

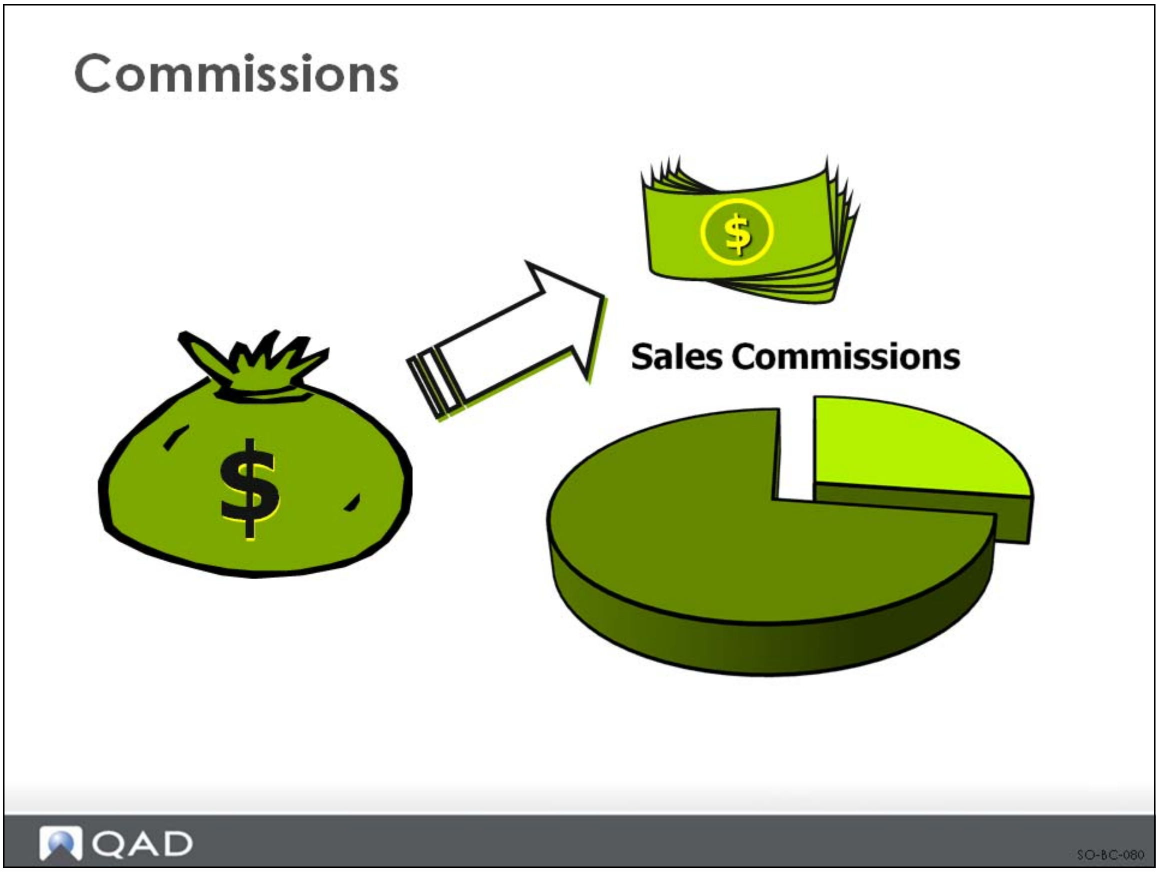
- For many companies today, freight is a huge cost in relation to their products
    - Freight calculations can be very complicated
    - Freight calculations can be difficult to setup and maintain

Setup Implications

- Freight Terms need to be referenced on the Customer Records
- Sales Order Control needs to be set to calculate freight properly

See in this training guide: *Freight* on page 45

Commissions



Commissions Allow You To

- Enhance salesperson performance with commission incentives

Why Consider?

- Because commissions are “incentive” sales, many methods exist for marketing departments to calculate commissions
  - Sometimes commissions can only be calculated “off the system”

Setup Implications

- The following are some items which need to be determined before setting up Salespersons, Customers, and the Sales Order Control:
  - Method of calculation
  - Percentages
  - Geographic regions
  - Product lines

See in this training guide: *Salespersons/Commissions* on page 58

Import/Export

Importing/Exporting Allows You To

- Increase your business market or product line by conducting business in several countries
- Accommodate the requirements of inter-country reporting

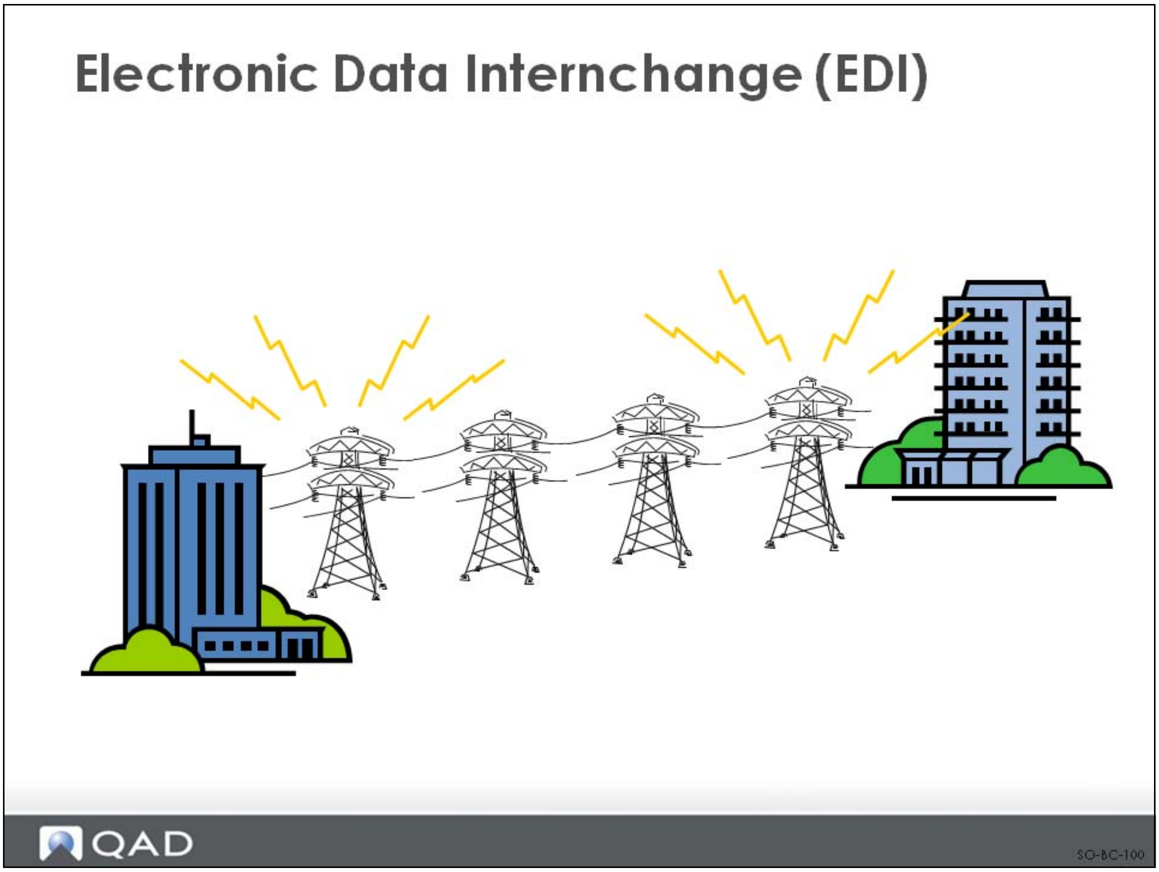
Why Consider?

- Legal requirements may require certain records to be maintained, such as shipping documentation
- Partial shipments are usually avoided due to freight, duties, and excessive paperwork

Setup Implications

- Intrastat data may need to be set up to capture data required for reporting

Electronic Data Interchange (EDI)



EDI Allows You To

- Support the import and export of standard business transaction documents between customers and suppliers using e-mail systems

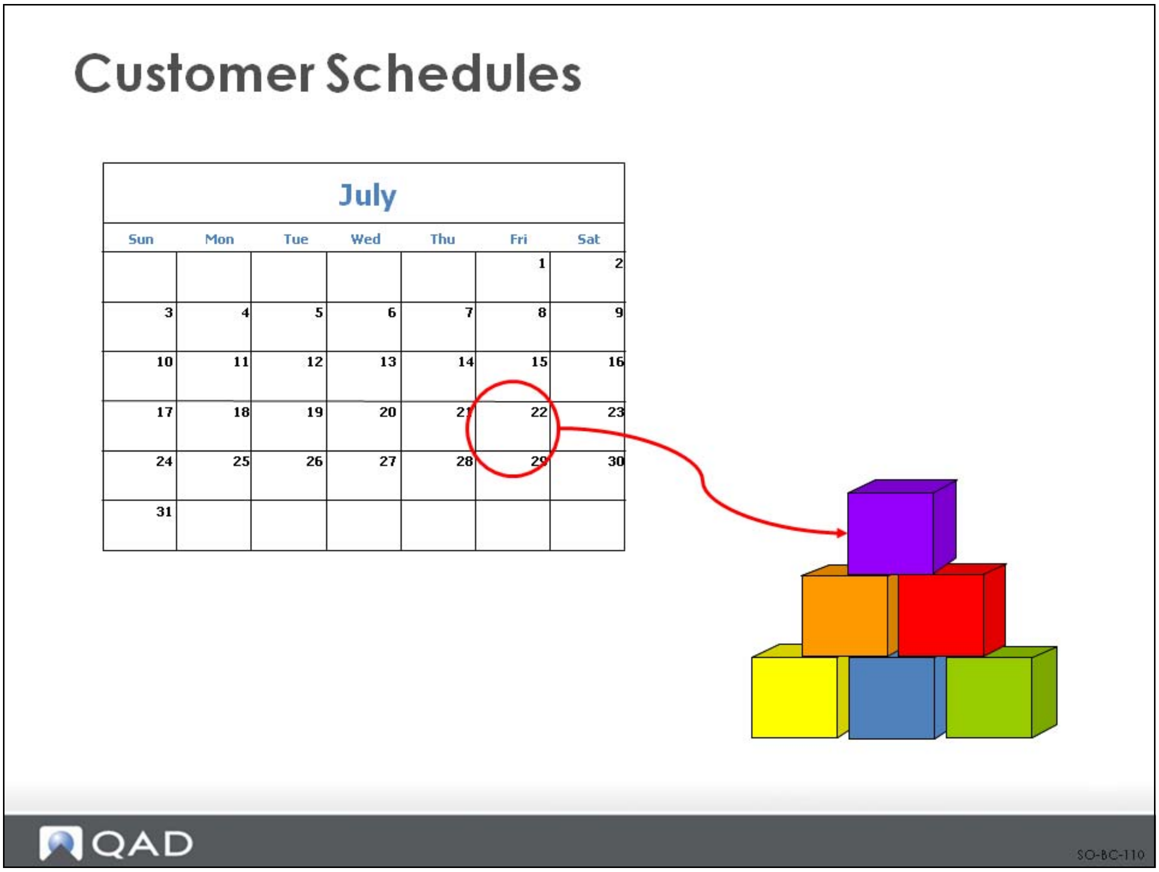
Why Consider?

- Reduce/eliminate paperwork involved in supply chain which reduces a companies overhead

Setup Implications

- EDI software needs to be setup

Customer Schedules



Customer Schedules Allow You To

- Supply to a schedule of dates and quantities rather than a separate sales order for every date required
- Match your shipment planning calendar to customer order periods

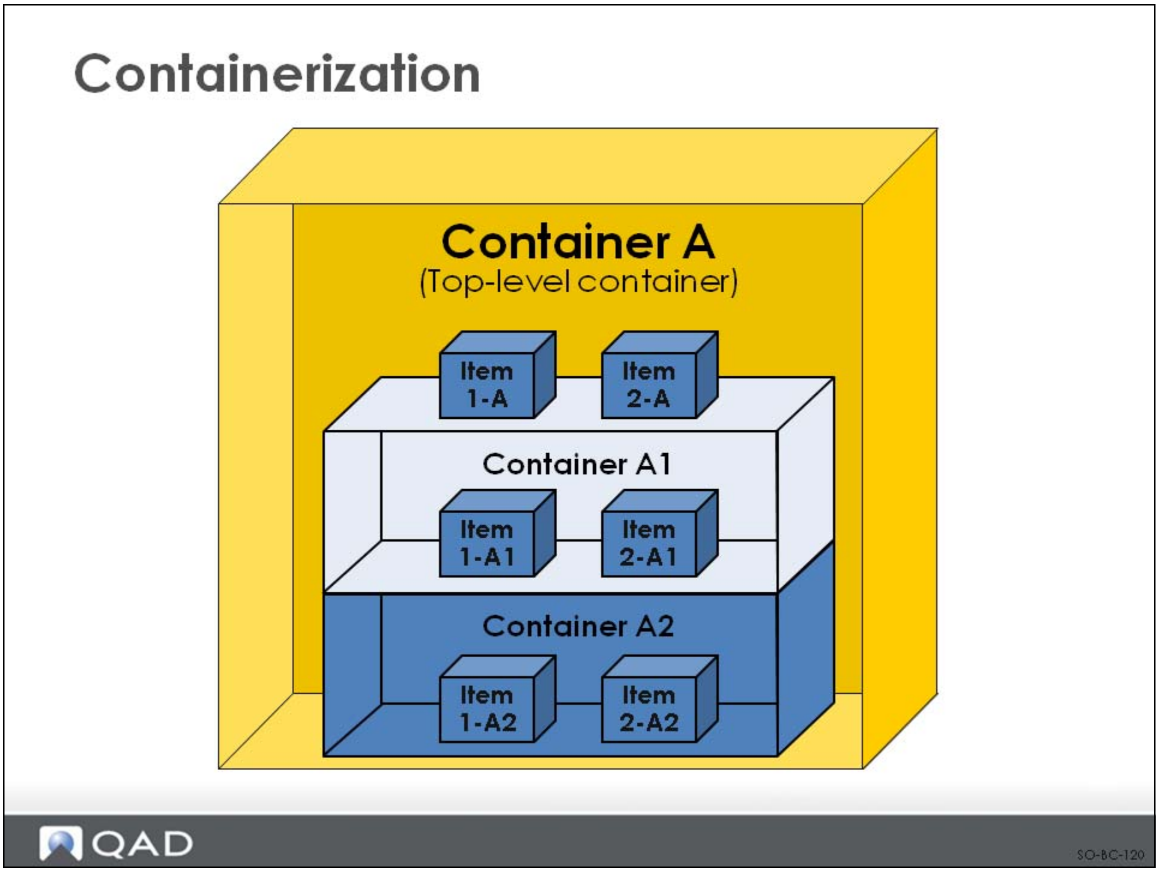
Why Consider?

- Many companies negotiate contracts with customers to deliver components or raw materials on a regular basis based on MRP requirements
  - Making out a “discrete” Sales Order for each purchase is not efficient
  - A faxed or EDI schedule is sent with delivery dates and quantities
  - Many companies require Customer Schedules to be setup to handle their Supplier Schedules

Setup Implications

- Customer Records need to be set up to support Customer Schedules

Containerization



Containerization Allows You To

- Package and store finished goods at the end of a production line and warehouse them in single-level containers before shipping
- Consolidate goods going to the same location

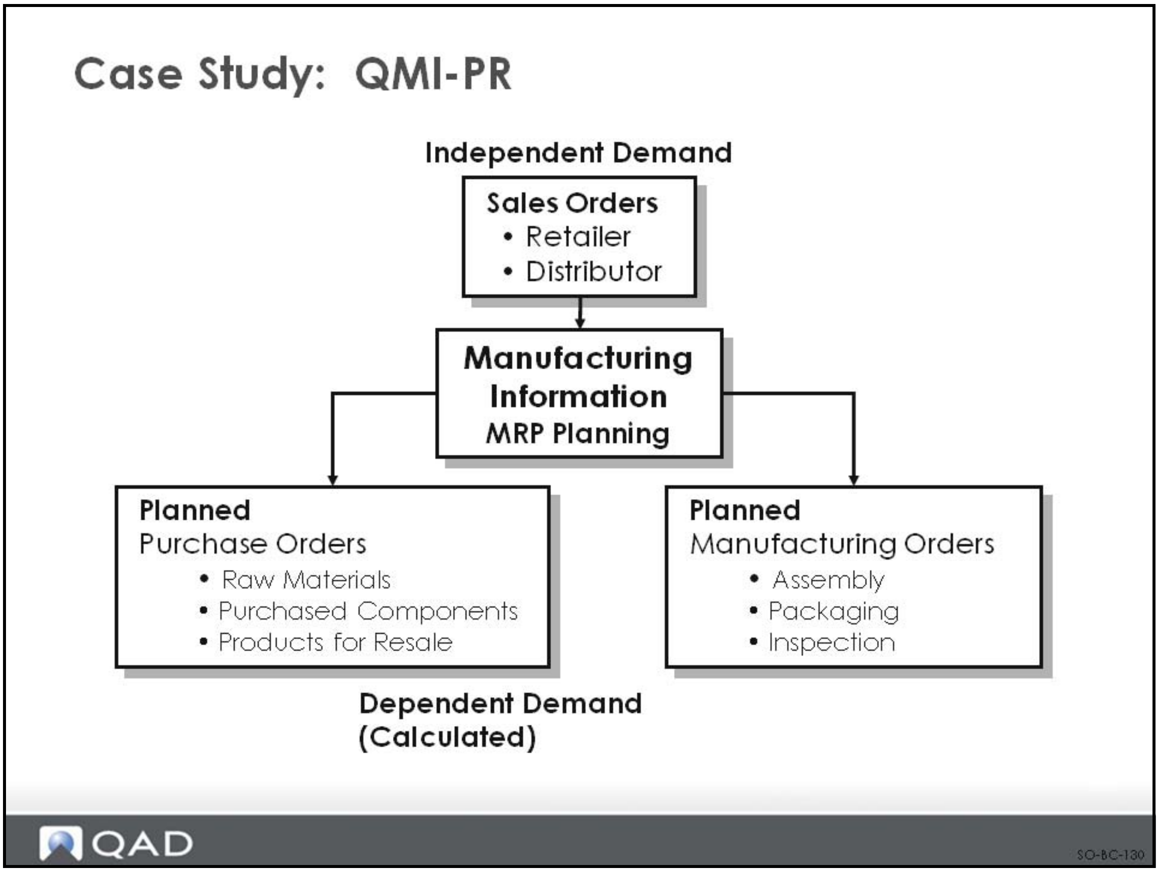
Why Consider?

- May impact how orders are entered
  - Usually connected to Customer Schedules

Set up Implications

- Customer Records should be set up to support Customer Schedules

Case Study



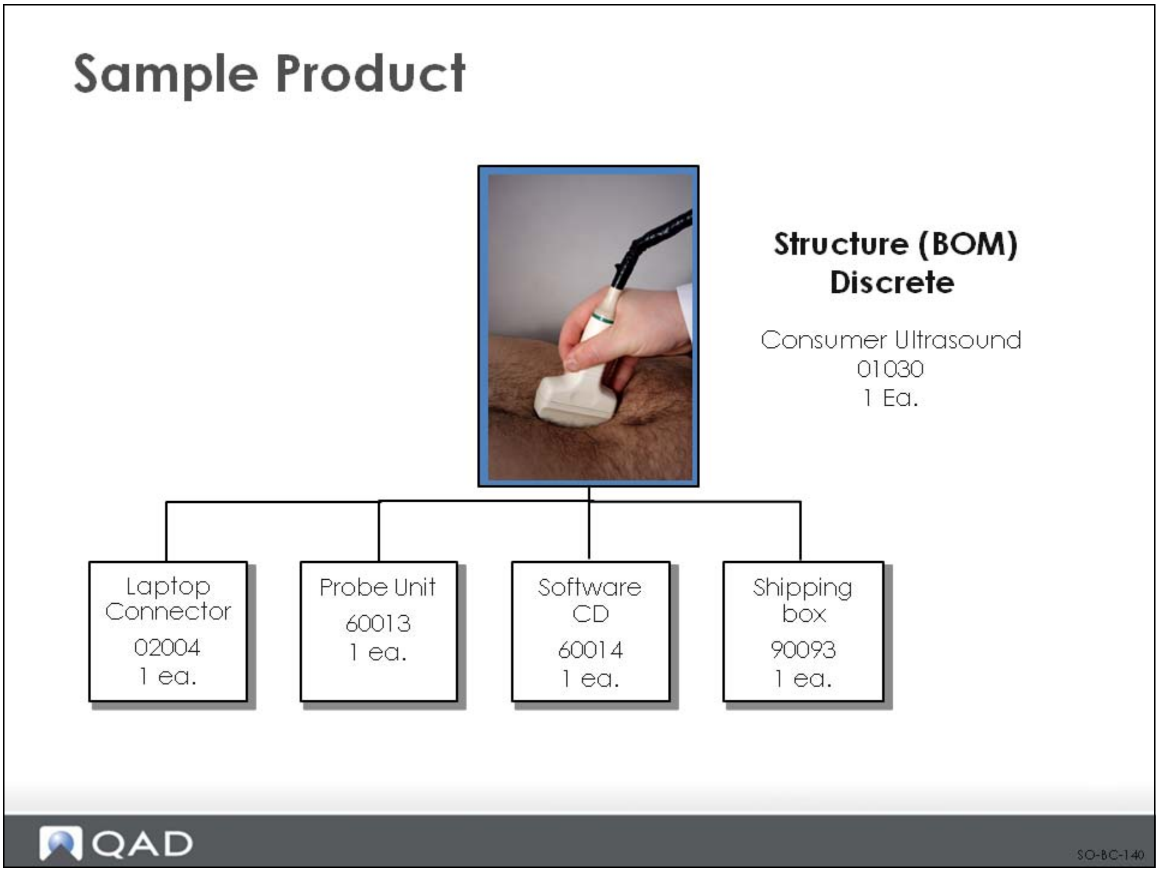
The QMI-PR manufactures and distributes bicycle components and related products. These products are sold to retail stores and distributors.

QMI-PR is a wholly owned subsidiary of a large company. It prepares its own financial statements and provides the holding company with GL results for consolidation. The company's manufacturing operations are based in San German, Puerto Rico. All the activities for this class occur at a site called 10-100 in the training database.

Sales and purchases occur between the U.S. and various countries and are recorded in U.S. dollars. Customers generate sales orders. Customers can be distributors or retailers.

The database for this class has been initialized with data for the QMI-PR company

Product Description



QMI-PR assembles products from purchased and manufactured components.

As both a discrete and a process manufacturer, QMI-PRl uses both work orders and repetitive functions to control its manufacturing.

Some customers purchase a specially made display rack for use with the bicycle chain lube product line. These racks are configured to order.

Focusing Activity

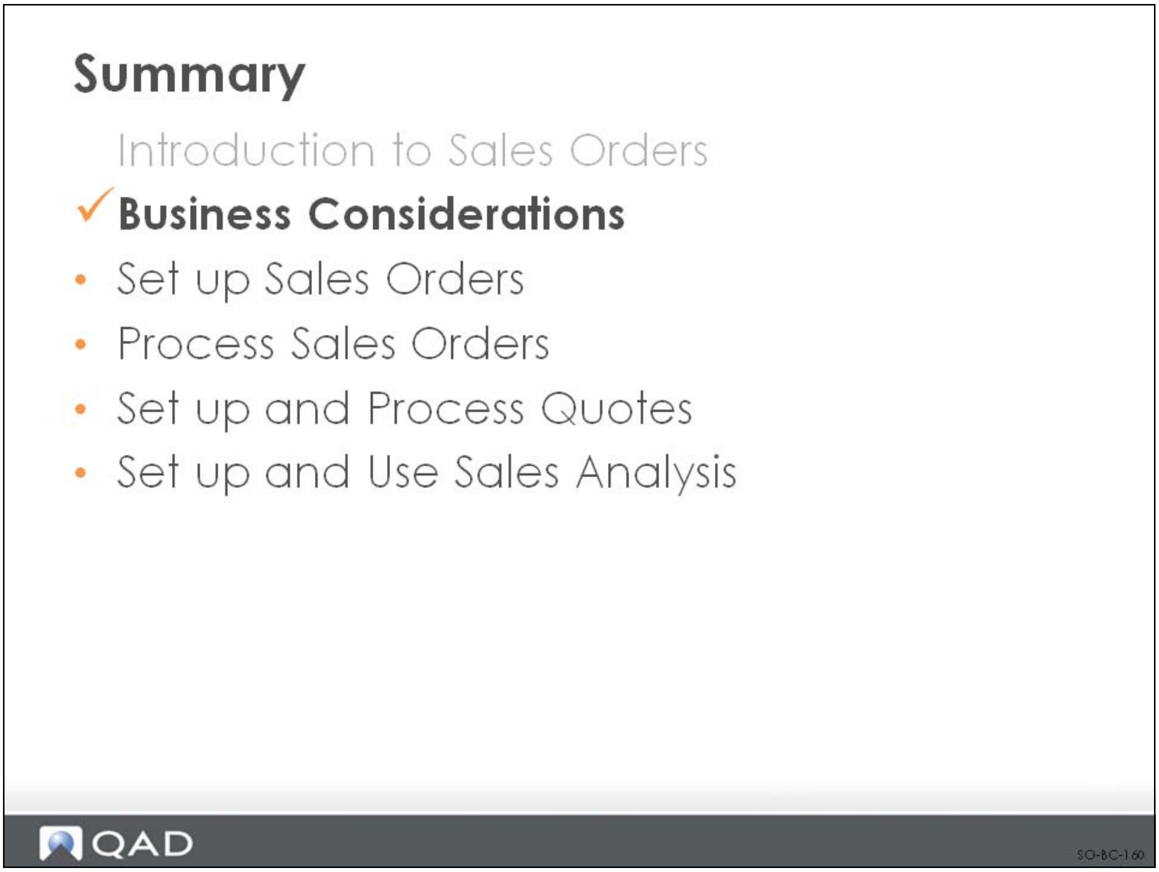
Individually, or in small groups, examine QMI-PR against the business issues discussed in this chapter. Consider the following:

1. The business expectations given this type of company, and
2. Additional information you may need to elicit to successfully implement Sales Orders for this company.
3. Additional consider these issues relative to your own companies needs and expectations.

Do not look ahead in this training guide or at the QAD software. The purpose of this exercise is to help you (and your group) focus on what is important to this company about Sales Orders. (Hint: There are no right or wrong answers.)

Your instructor may ask you to list your requirements on an easel or white board to make it easier to share your findings with the whole class.

After you have had a chance to brainstorm your requirements (15 to 20 minutes), your instructor may ask each group to quickly review its findings, and may compile a master list for your class.


Summary
Introduction to Sales Orders
Business Considerations
Set up Sales Orders
Process Sales Orders
Set up and Process Quotes
Set up and Use Sales Analysis
QAD
SO-BC-160

Chapter 3

Sales Orders Setup

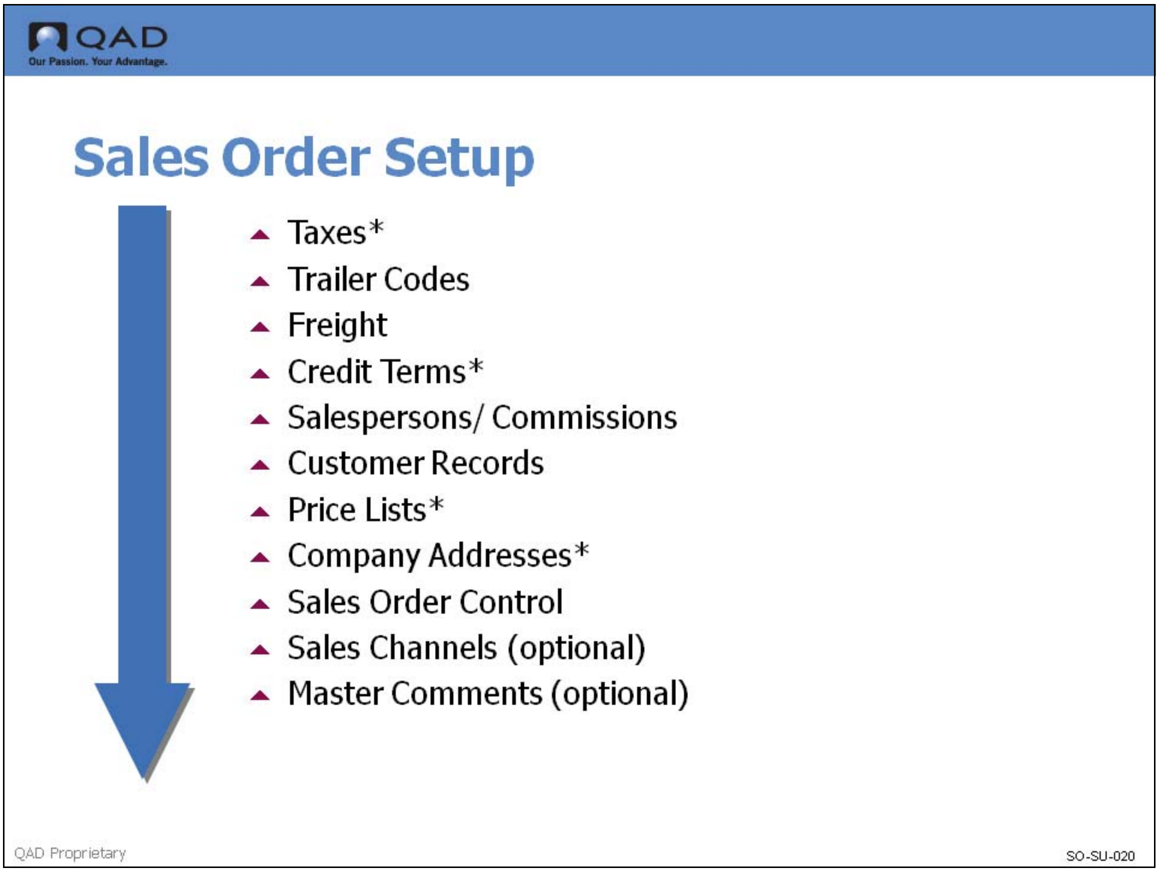
Set Up Sales Orders

In this course you will learn how to:

- Identify key business considerations before setting up Sales Orders
- **Set up Sales Orders in QAD Enterprise Applications**
- Process Sales Orders
- Set up Process Sales Quotes in QAD Enterprise Applications
- Setup and Use of Sales Analysis

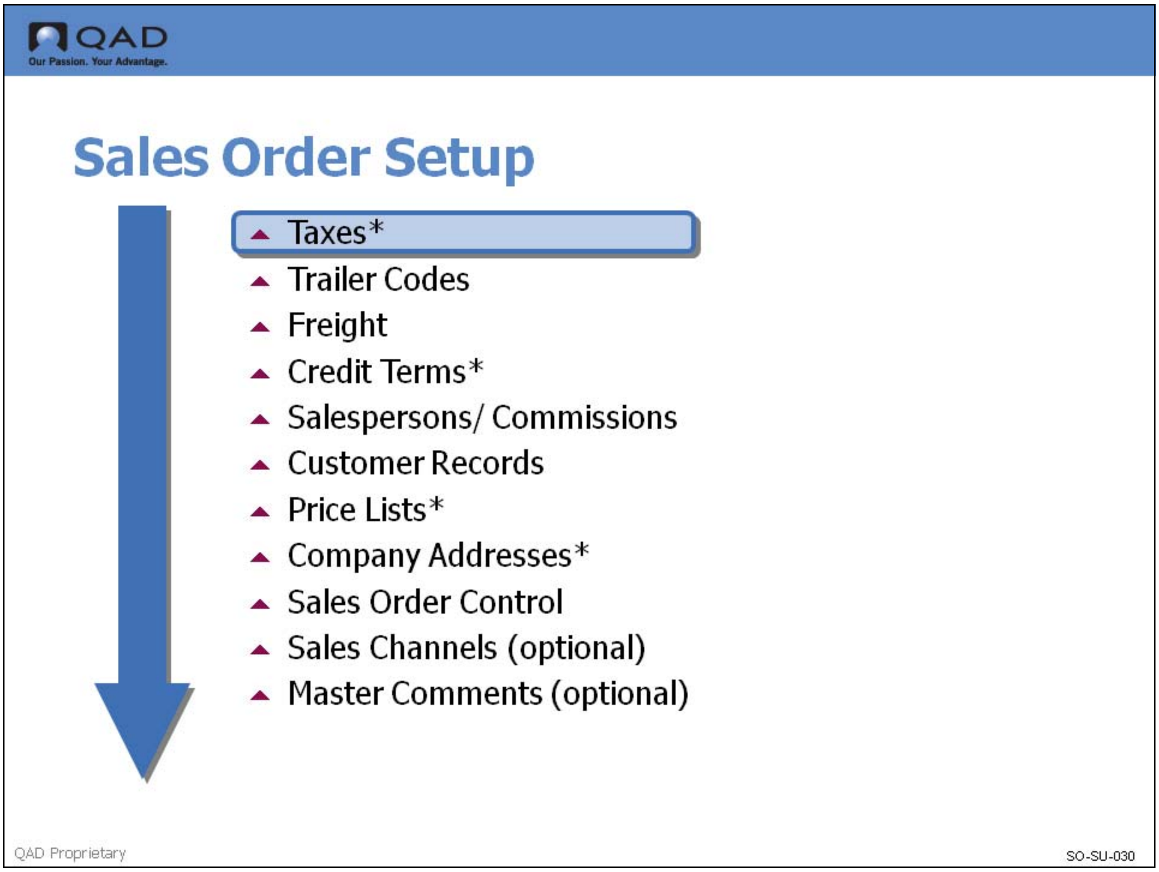
QAD SO-SU-010

Sales Order Setup

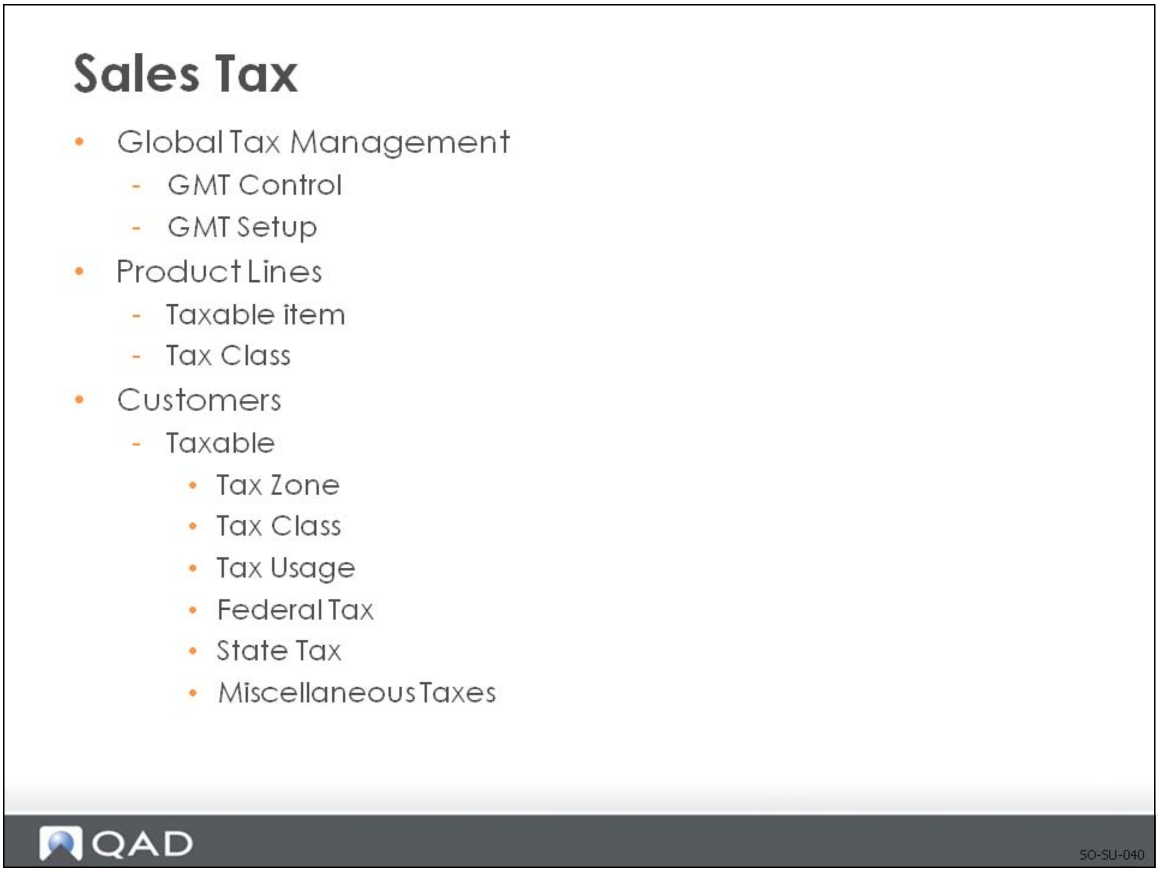


This illustration is a suggested set up sequence of master data for the Sales Order module which is based on information that flows from one master data to another and prerequisites that need to be accomplished before setting up this data. This course will follow this suggested setup sequence. Optional steps are noted as such. Steps with an asterisk (*) are required for this course, but are covered at length in another course.

Taxes


QAD
Our Passion. Your Advantage.
Sales Order Setup
Taxes*
Trailer Codes
Freight
Credit Terms*
Salespersons/ Commissions
Customer Records
Price Lists*
Company Addresses*
Sales Order Control
Sales Channels (optional)
Master Comments (optional)
QAD Proprietary
SO-SU-030

Sales Taxes

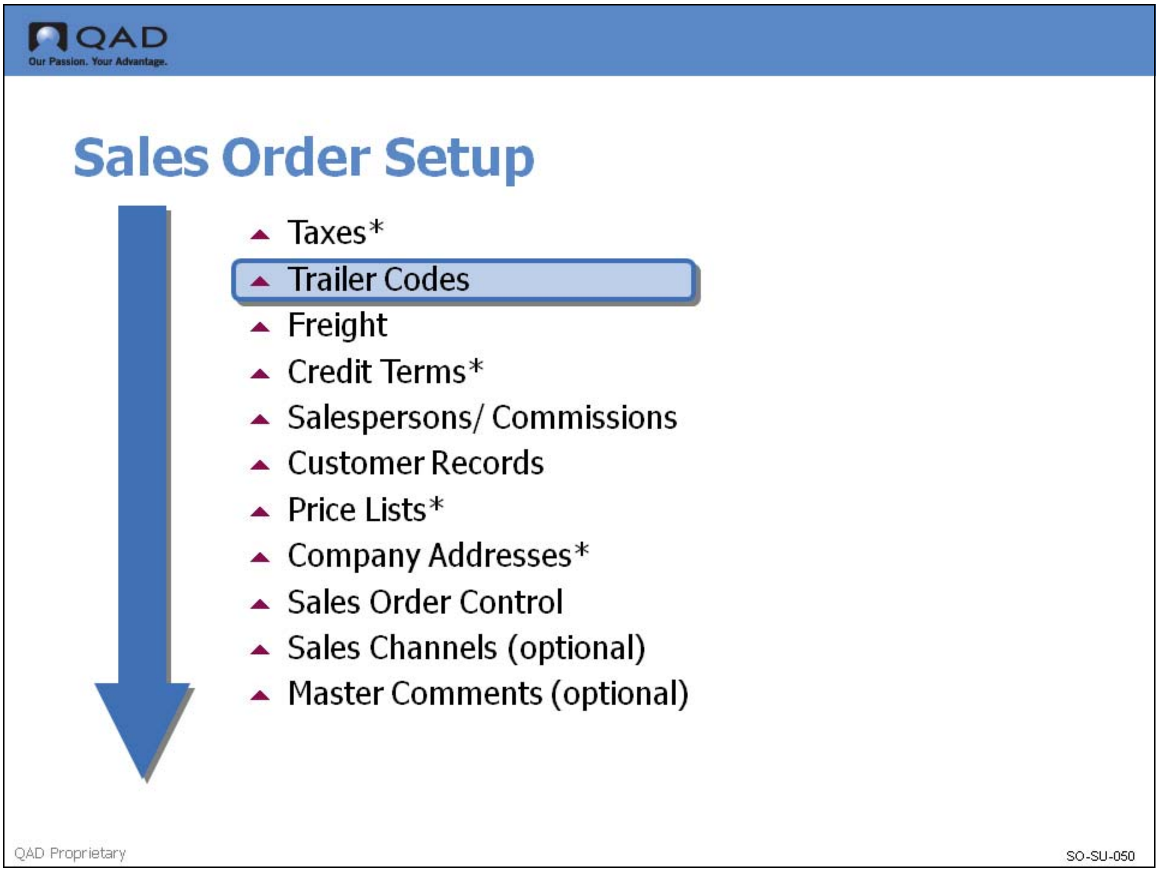


Global Tax Management (GTM)

- A tax processing system that addresses factors that vary considerably between countries:
  - Types of taxes
  - Formulas used to calculate taxes
  - When taxes are assessed

Note Covered in the course Global Tax Management

Trailer Codes

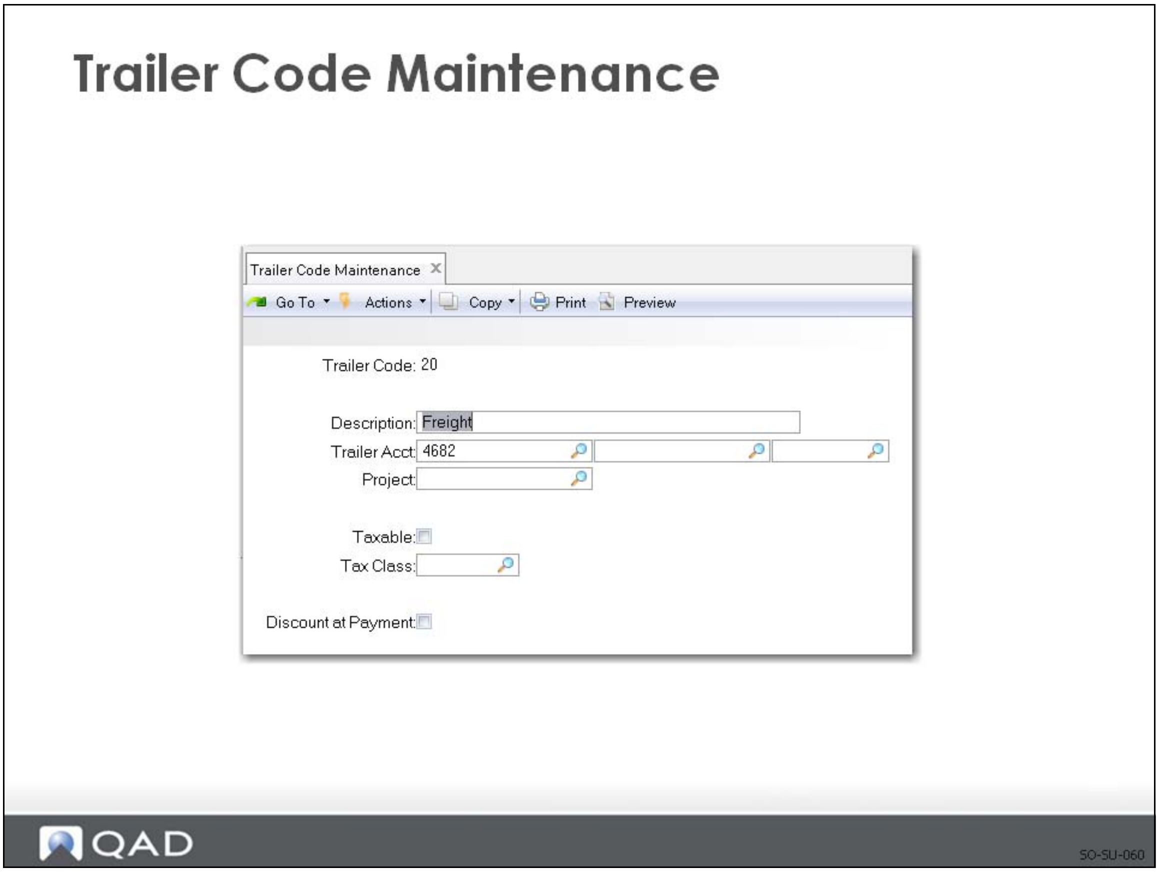


Sales Orders frequently have miscellaneous charges associated with them. You setup codes for these charges in Trailer Codes Maintenance.

Trailer Codes must be setup:

- After Tax Rates because some trailer items are subject to taxation
- Before Sales Order Control so you can specify frequently used codes as defaults
- Before entering sales orders so these charges can be accessed during order entry

Trailer Code Maintenance



Description: Companies may setup miscellaneous charges for items such as

- Freight
- Service
- Special charges

Note Trailer amounts are not part of a total Sales Order discount. Trailer items are not subject to commission.

Accounts

Trailer accounts a GL account, and may include a sub-account and or cost center.

Project

- Optionally the trailer amounts may be tracked to a project code.

Taxes

Taxes are calculated automatically by the system. Trailer codes can be marked as taxable and associated with a GL account.

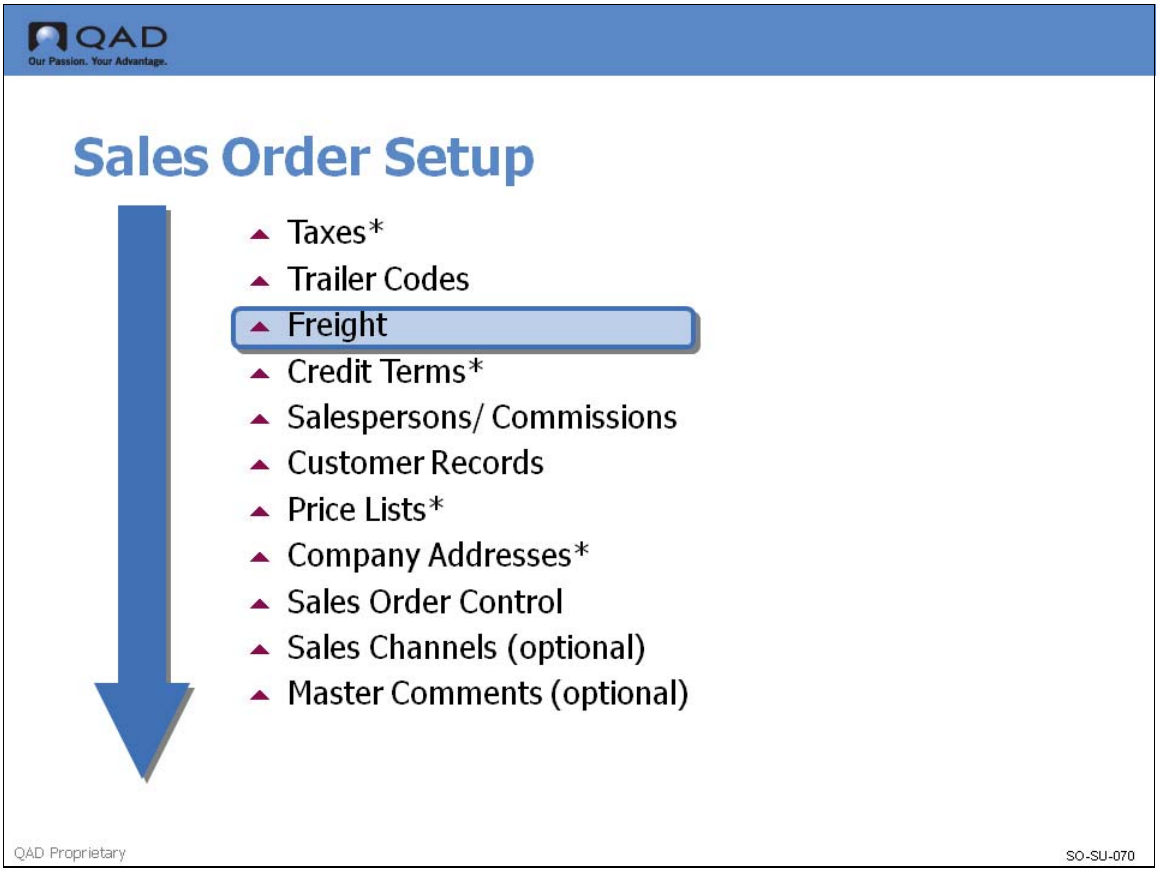
- GTM

- Enter the tax class of this trailer code

Once Trailer Codes are established, the three most frequently used taxable and non-taxable codes can be specified as defaults in the Sales Order Control.

- These defaults display on the trailer of every order but can be changed manually during sales order entry and shipments.

Freight



Freight charges are typically added to:

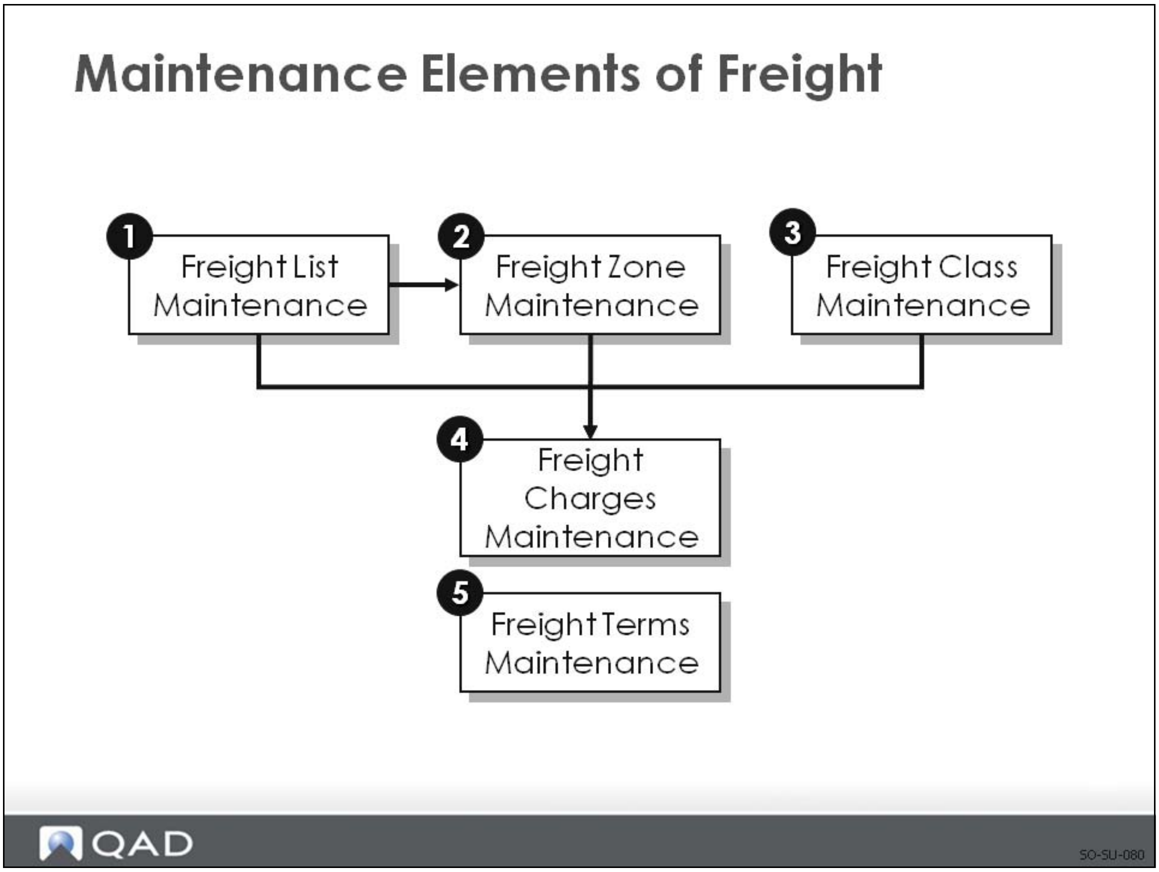
- Sales Orders
- Customer Return Material Authorizations (RMA)

Note RMAs are handled by the QAD Service/Support Management module. If you do not have the SSM module, use the method discussed in this training guide.

See in this training guide: *Returns* on page 165

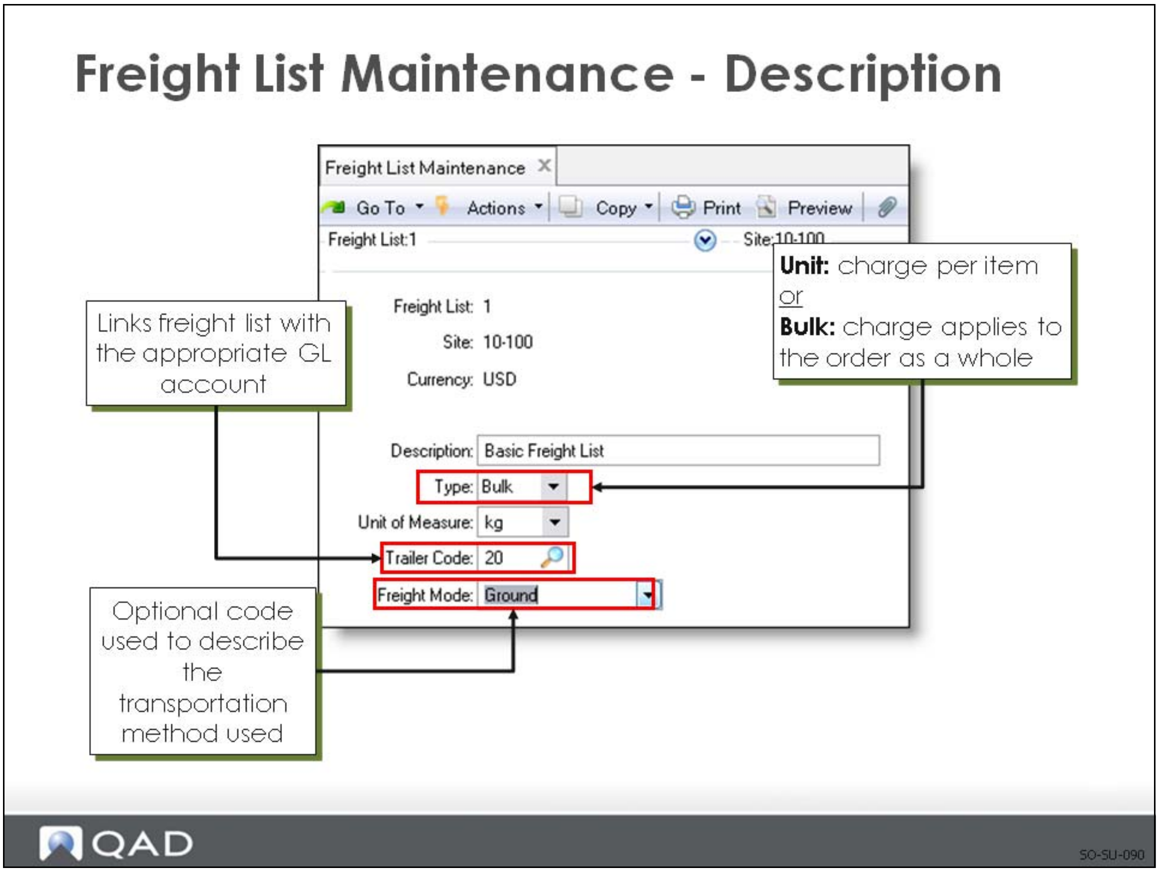
Data affecting freight charges is derived from three sources:

- The sales order itself
- Customer master information
- Freight master information entered in the Freight Charges Menu



The five key maintenance elements related to freight charges are described in the following pages.

Freight Element 1: Freight List Maintenance

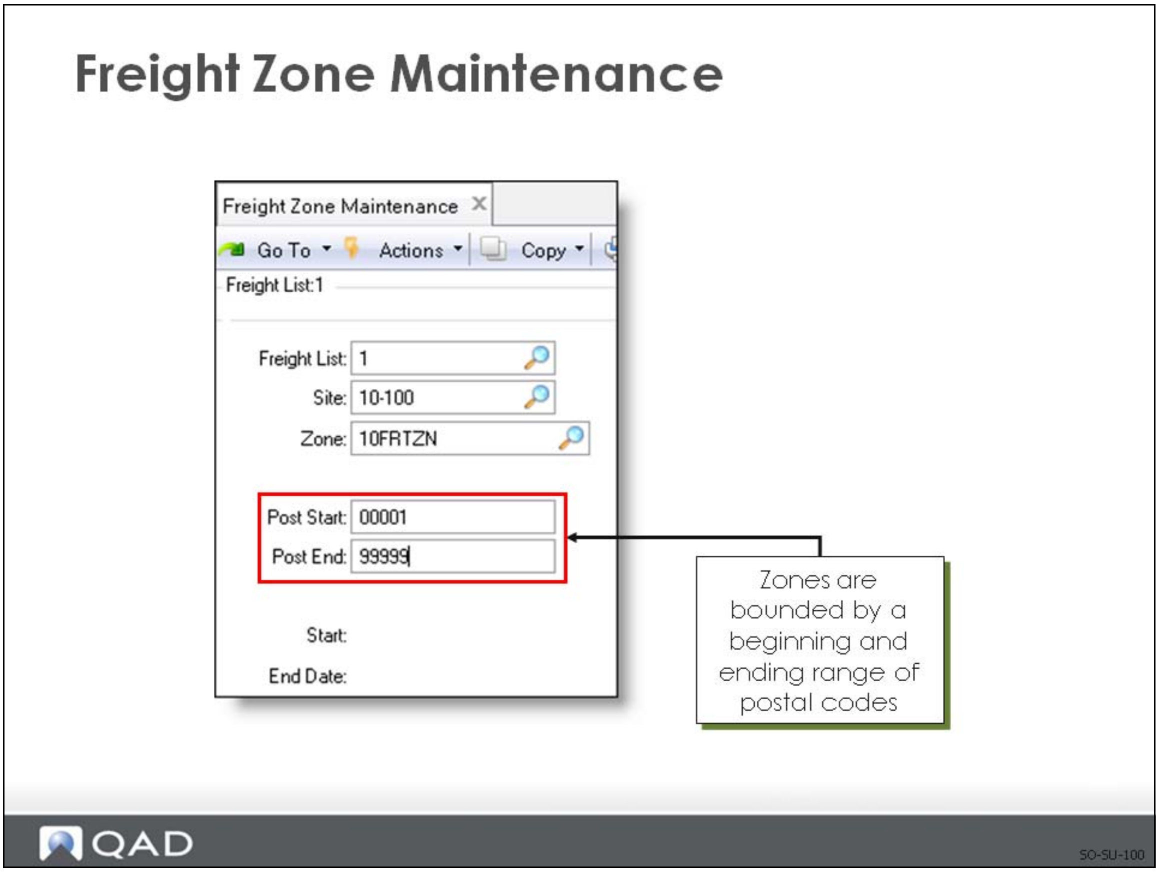


Use to define charges that apply to sales quotes and orders.

Setting up Freight List Maintenance includes:

- At least one freight list for each shipping company used
  - May need more than one list if the shipping company supports different types of transportation
- Different currencies if your shipper delivers to other countries
- Defined lists per site if the same shipper transports from more than one warehouse or manufacturing site

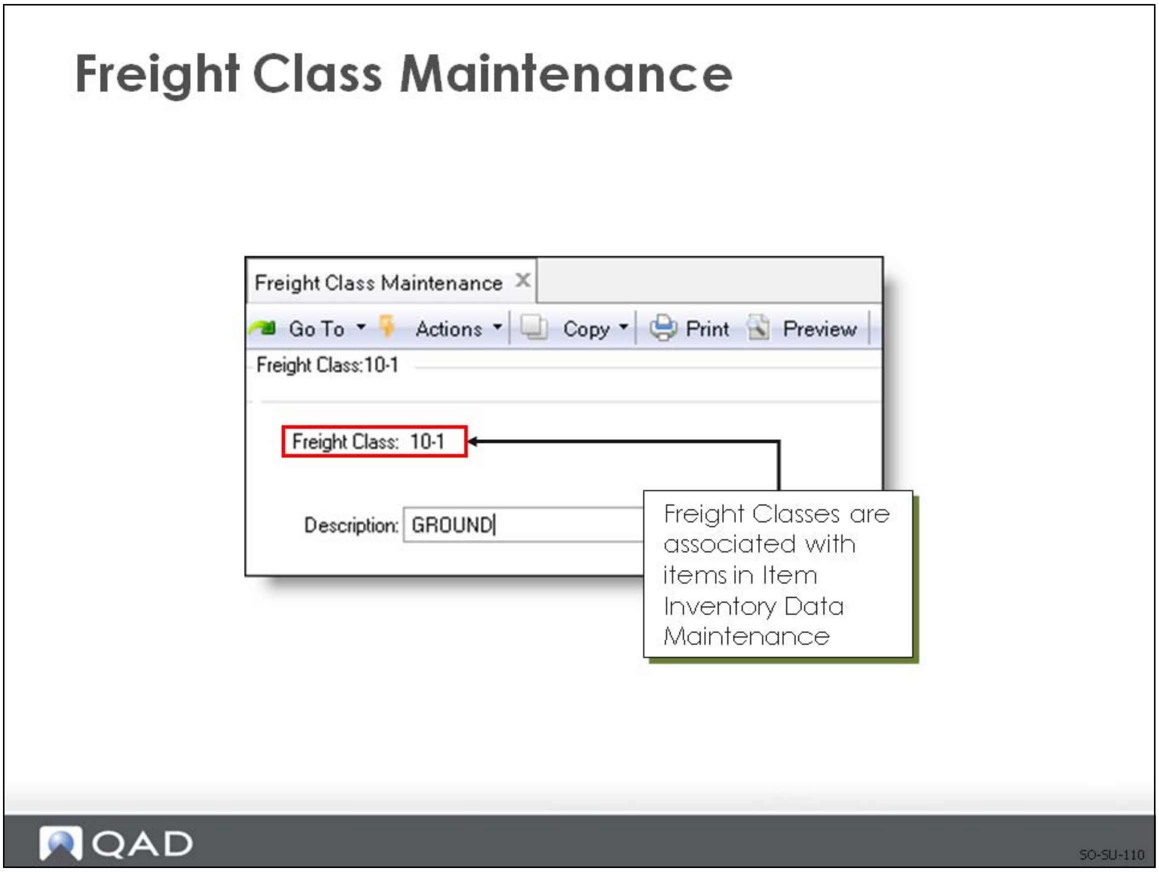
Freight Element 2: Freight Zone Maintenance



Use to set up geographic areas related to a freight list:

- Zones are based on the Ship-To postal code
- Zones can be related to a site by specifying a value in the Site field
    - If the Site field is left blank: Blank = All
- Starting and ending dates can be assigned as needed
- This function sets up zones only

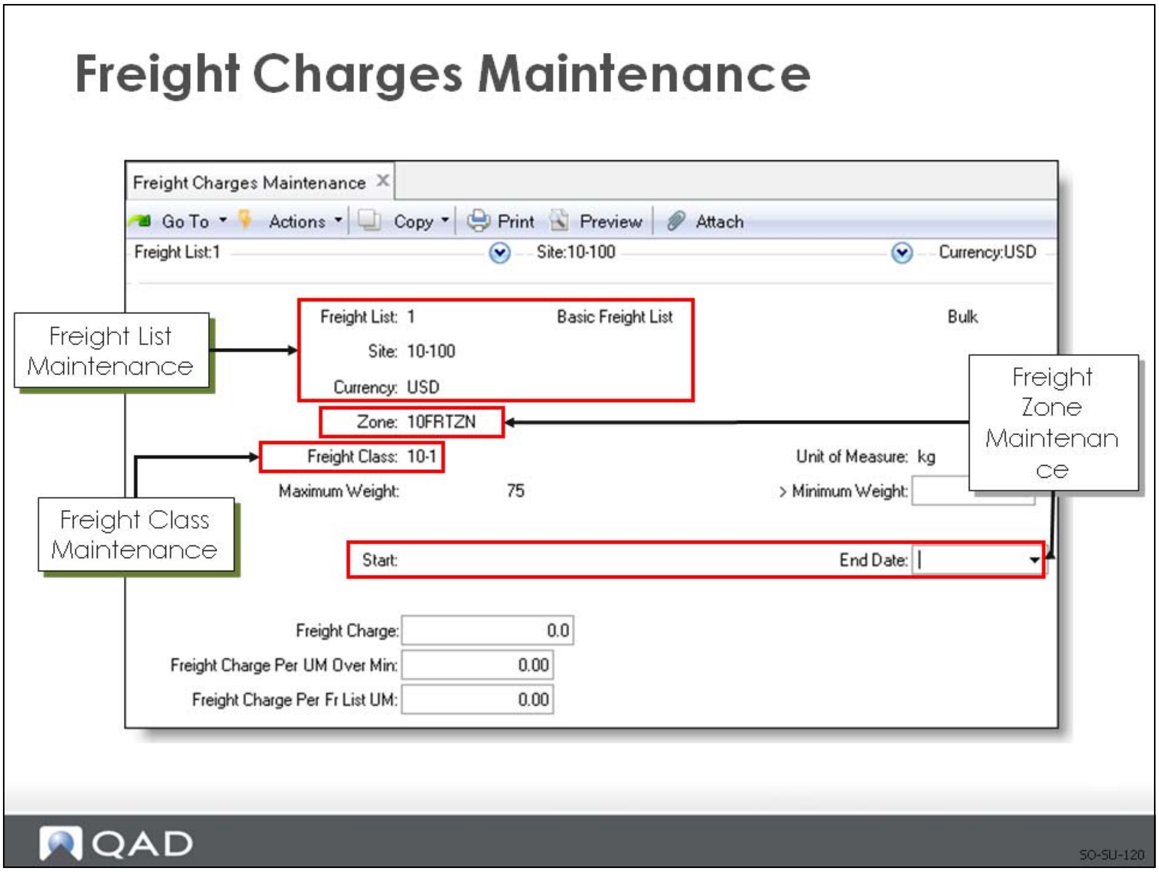
Freight Element 3: Freight Class Maintenance



Use to set up classes as used in calculating the freight charges defined in Freight Charges Maintenance.

- Freight Class distinguishes different types of shipments requiring different charges

Freight Element 4: Freight Charges Maintenance



Use to:

- Relate a freight list, class, and zone
- Specify how charges are calculated
- Phase in new charges if fees rise or fall after a certain date

Key fields used to determine freight charge:

- Use *Freight Charge* to indicate a flat rate per shipment as set by Freight List Maintenance
- Use *Freight Charges Per UM Over Minimum* to indicate a surcharge over the minimum
- Use *Freight Charges Per Freight List UM* to indicate a weight-based fee

Freight Element 5: Freight Terms Maintenance

Freight Terms Maintenance is not directly related to the other freight maintenance functions.

Freight terms determine:

- Whether or not to apply freight charges to a particular order or to specify them in general for a particular customer
- How the freight charges are calculated

The different types of freight terms are defined on the following page.

Types of Freight Terms

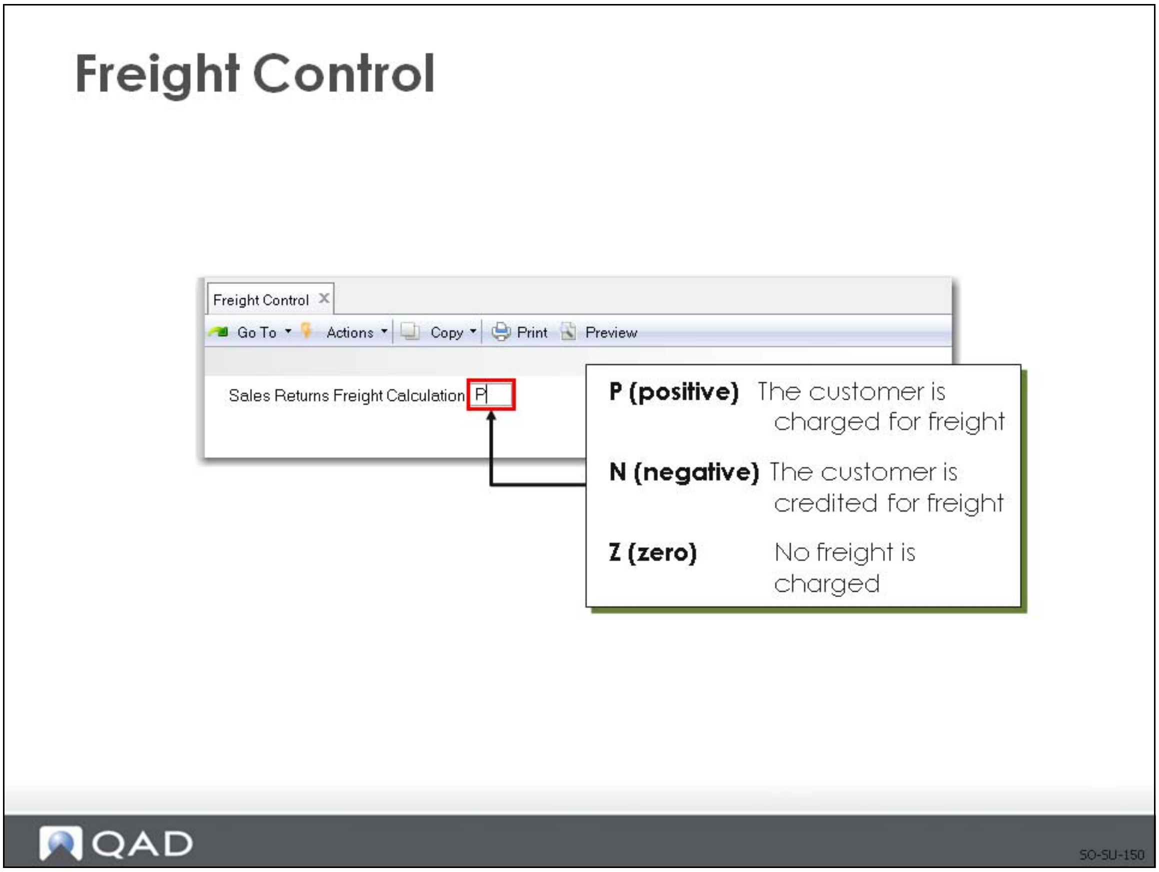
Types of Freight Terms

Type	Description
Add	Calculated and placed on the trailer
Allow	Calculated and shown as a negative amount on the trailer
Collect	Accrued freight charges are calculated and placed on the trailer
Include	Calculated and added to the item's unit price (after you exit the order line item screen)
Prepaid	Freight is not calculated – it is prepaid or is a part of the selling price
Will Call	Freight is not calculated – the customer is responsible for the shipping arrangements

QAD SO-SU-140

By defining freight terms, you can assign your own codes and descriptions to these six types.

Freight Control



- Valid values are [P], [N], and [Z]

Note This determines how the system handles automatic freight charge calculations for sales order returns only. In QAD Enterprise Applications, sales order returns are shipments with negative quantities.

Exercise: Trailer Codes and Freight Charges

1 Make sure the following trailer codes have already been set up in the system.

Trailer Code	Description	Trailer Account
10	Service	4681
20	Freight	4682
30	Special	4683

2 Use Freight List Maintenance (2.20.1) to set up the following freight list.

Freight List:	20FRT
Site:	10-300
Currency:	USD
Description:	UPS ground
Type:	Bulk
Trailer Code:	20
Unit of Measure:	KG

3 Use Freight Zone Maintenance (2.20.4) to set up the following freight zone.

Freight List:	20FRT
Site:	10-300
Zone:	20FRT-US
Post Start:	0000000000
Post End:	ZZZZZZZZZZ
Start Date:	[blank]
End Date:	[blank]

4 Use Freight Class Maintenance (2.20.7) to set up the following freight class.

Freight Class:	10-3
Description:	Ground express

Set up Freight Charges

5 Use Freight Charges Maintenance (2.20.10) to set up the following freight charges.

Freight List:	20FRT
Site:	10-300
Currency:	USD
Zone:	20FRT-US
Freight Class:	10-3
Maximum Weight:	1000
Minimum Weight:	5
Start Date:	[blank]
End Date:	[blank]
Freight Charge:	8
Freight Charge Per UM Over Min:	0.5
Freight Charge Per Fr List UM:	1

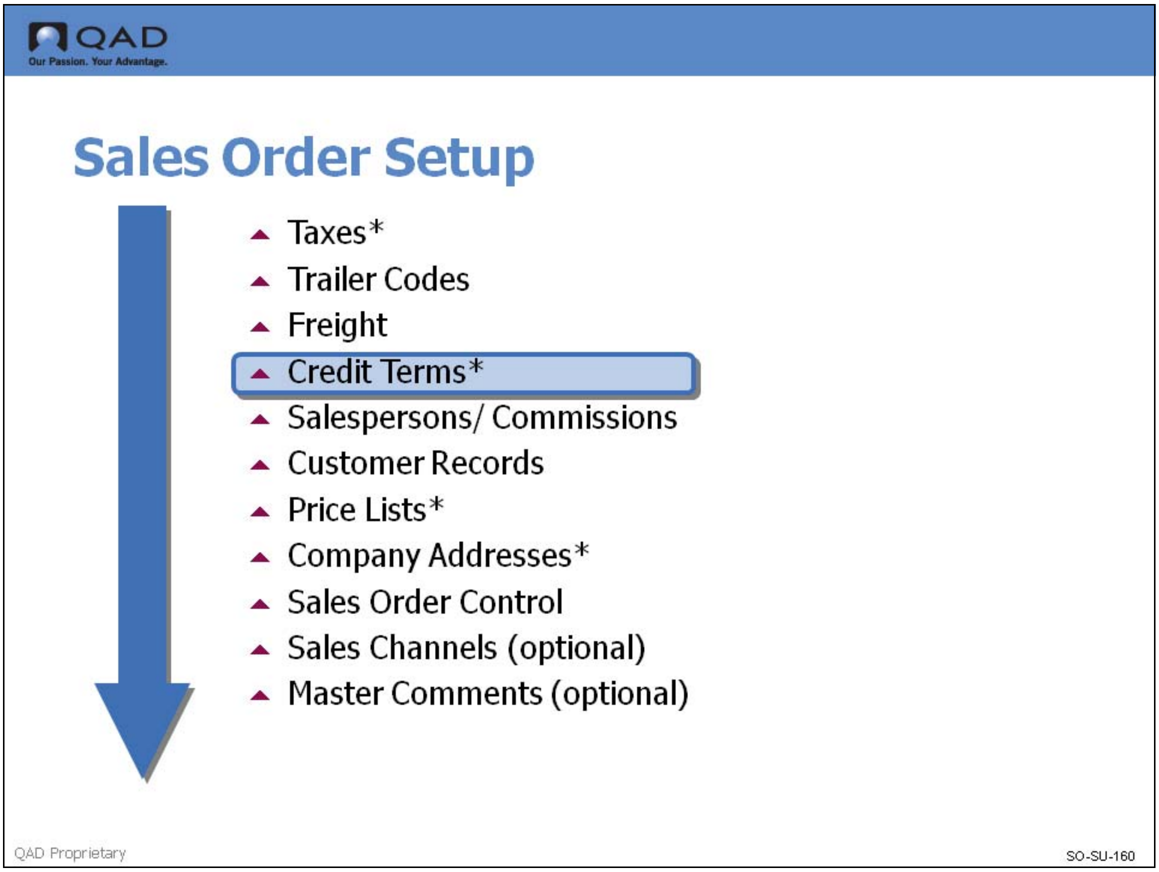
6 Use Freight Terms Maintenance (2.20.13) to set up the following freight terms.

Freight Terms	Description	Type
ADD	Freight as added	1
ALLOW	Freight as Credited	2
COLLECT	Accrued freight added	3
INCLUDE	Freight added to price	4
PREPAID	Prepaid or included	5
WILLCALL	Customer responsible	6

7 Use Freight Control (2.20.24) to set Sales Returns Freight Calculation to P so that customers are charged freight on sales returns.

8 Use Item Inventory Data Maintenance (1.4.5) to set the freight class to 10-3 for items 03021, 03022, and 03023.

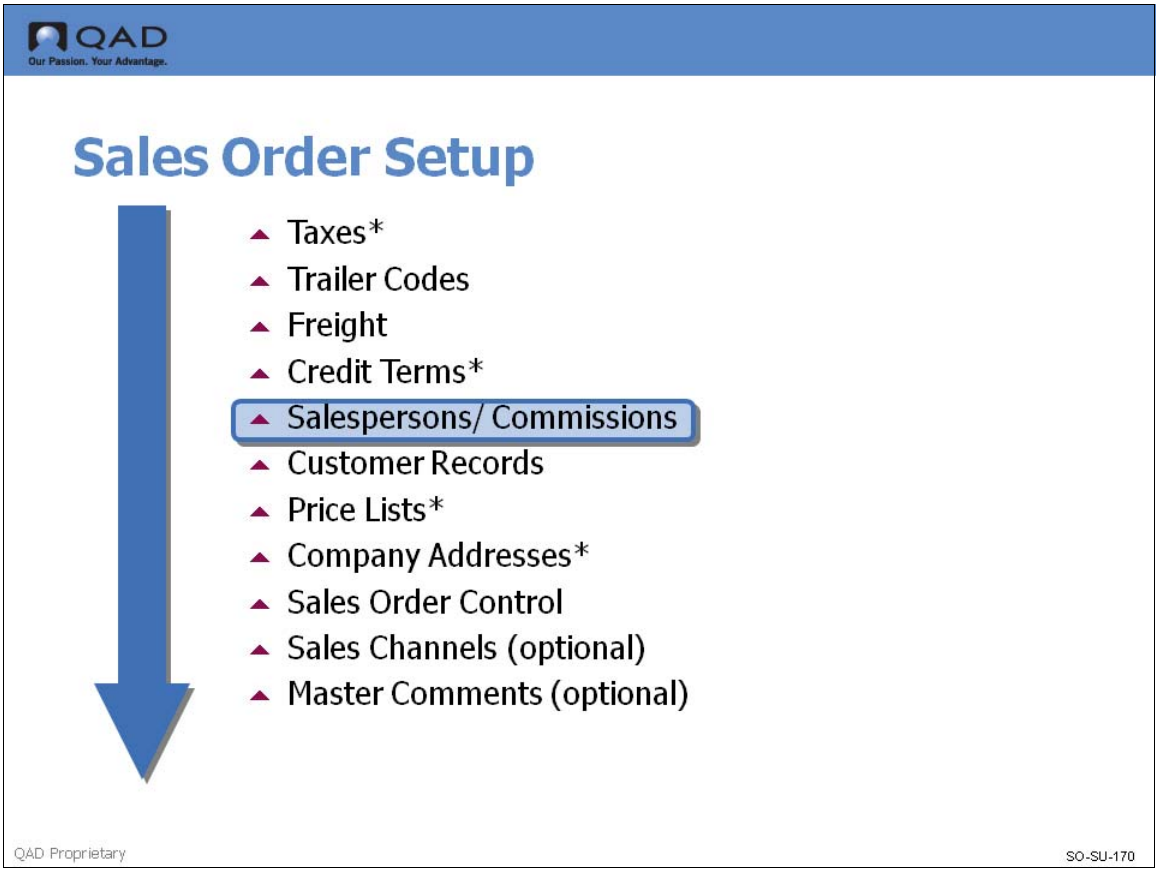
Credit Terms



QAD Enterprise Applications uses credit terms codes to calculate the default:

- Due date
- Discount date
- Discount for goods and services that are bought and sold

Note Any of these calculated fields can be overridden manually.

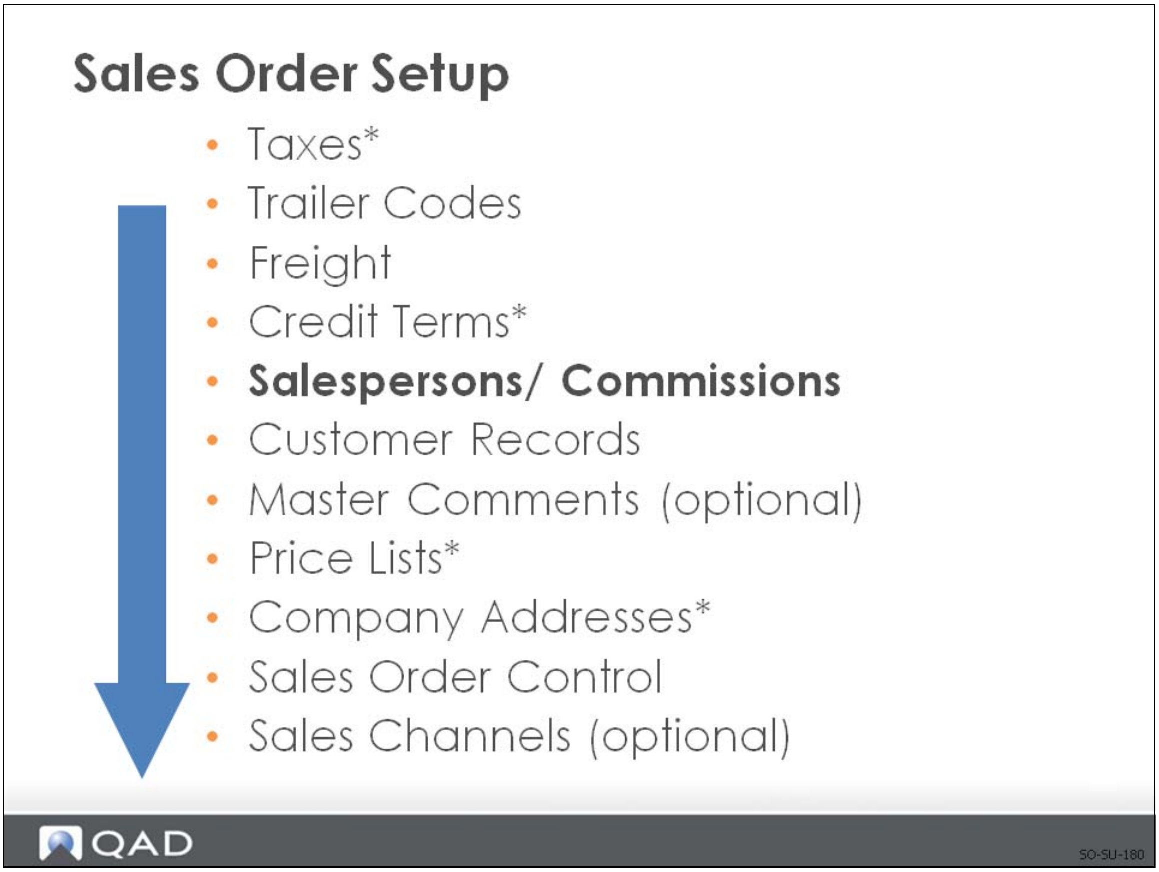


Set up Credit Terms before Customer Data in order to setup each customer with a default credit terms code, used when processing:

- Invoices
- Customer payments
- Debit/credit memos

Note Credit terms are setup in the System Administration module and are used for both purchasing and sales orders.

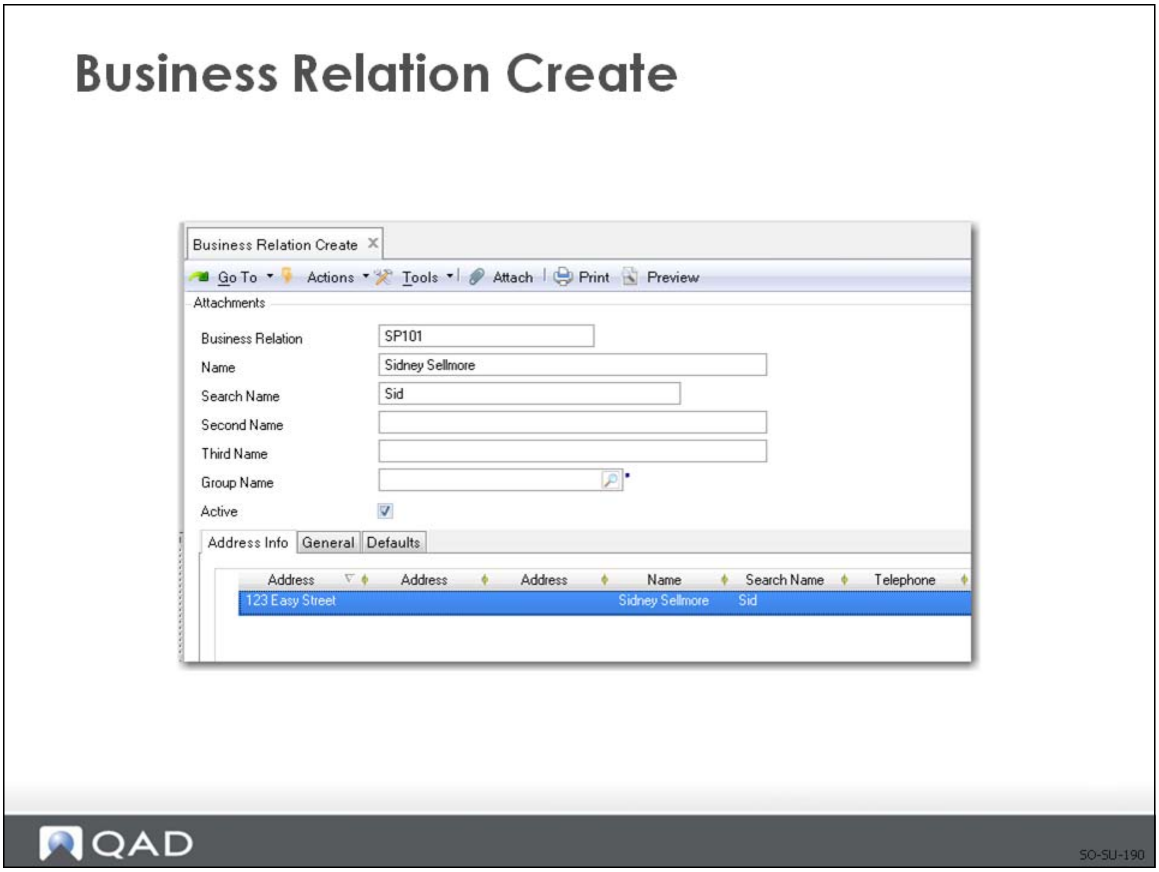
Salespersons/Commissions



Set up salespersons

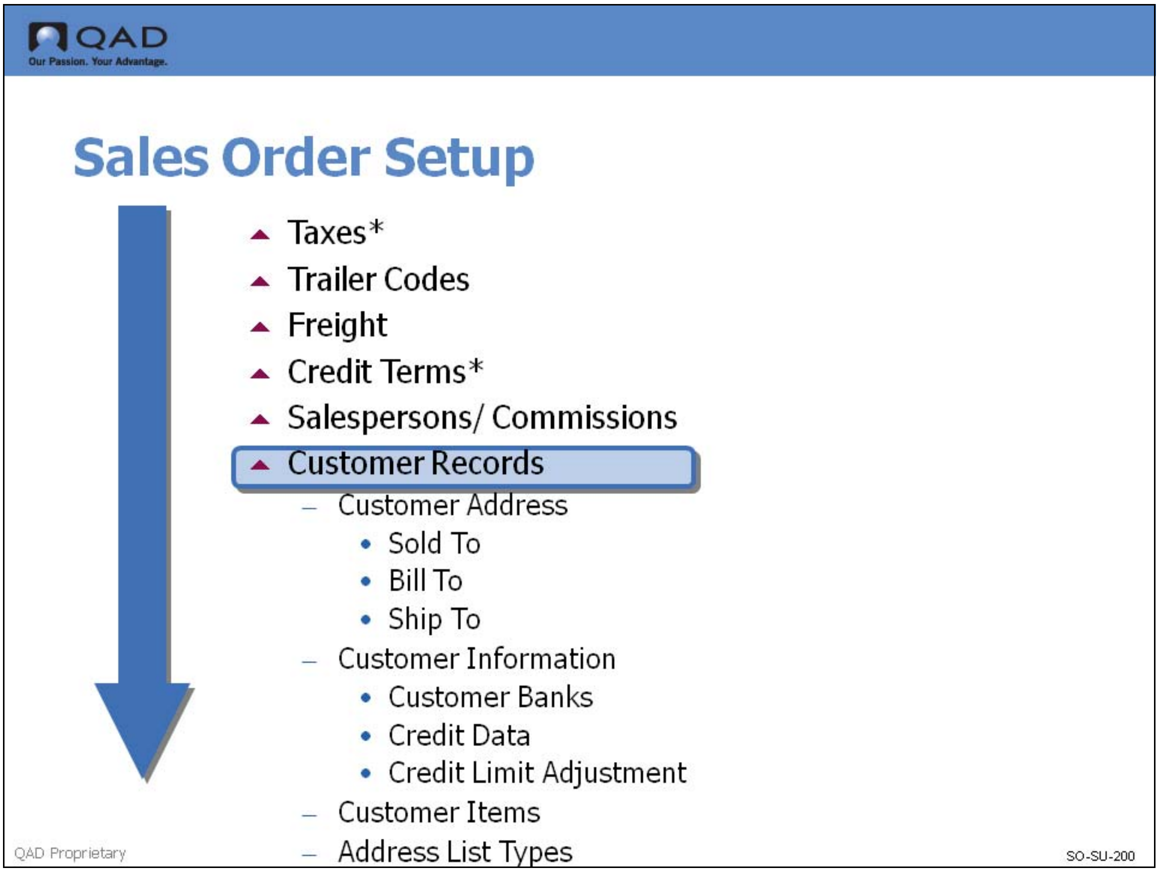
- Before defining customers because customers can have up to four default salesperson codes
  - Customer salesperson codes and the salesperson commission percentages are used as defaults on sales orders
  - Define a business relation for the salesperson.

Business Relation Create



Once the business relation is created use Salesperson Maintenance to define the territory and basic commission.

Customer Records



Set up Salespersons:

- With a default commission percentage and a user-defined territory
    - Detailed commission percentages can be entered for product lines and/or customers
    - Monthly quotas can be set up in Sales Analysis

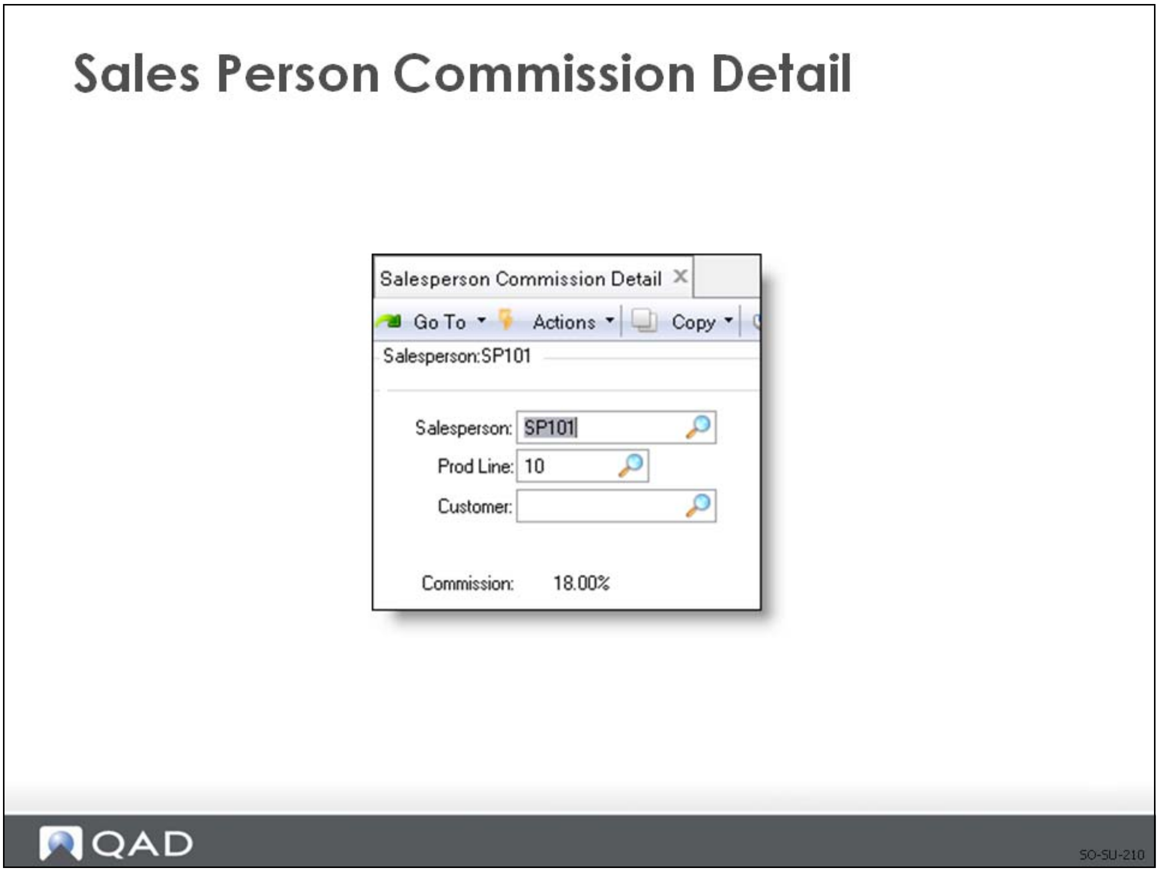
Salesperson Payments Report lists:

- Invoices the customer has paid
- Those credited to each salesperson
- Unapplied payments
    - This makes it possible to pay commissions only after the customer has paid the invoice

Note The *Based on Sales/Margin* field in the Salesperson Commission Report calculates commissions which indicates how commission amounts are calculated according to:

- Bookings
- Shipments
- Or accounts receivable payments

Sales Person Commission Detail



Detail Commission percentages allow you to base the commission on product lines and/or customers for the salesperson.

Exercise: Credit Terms and Salespersons

Set Up Credit Terms

1 Use Credit Terms View (36.1.10.3) to review the credit terms already set up on the system. Double-click on some of the records to view details.

2 Use Credit Terms Create (36.1.10.1) to set up a new credit term.

Credit Term Code:	2-0/15
Description:	2% cash discount due 15 days
Payment Type:	Normal
Active:	Yes
Normal Tab	
Min Due Day:	15
Daily Overdue Int%:	0.5
Discount Tab	
Discount Percentage:	2
Period Type:	Days
No. of Periods:	0
Supplementary Days:	0

Set Up Salesperson and Commission

1 Use Business Relation Create (36.1.4.3.1) to create a new business relation.

Business Relation:	10-SP03
Name:	<Your Name>
Headoffice Address	
Address:	588 Lotus Street
City:	Los Angeles
Country Code:	USA
Tax Zone:	USA

2 Use Salesperson Maintenance (2.5.1) to

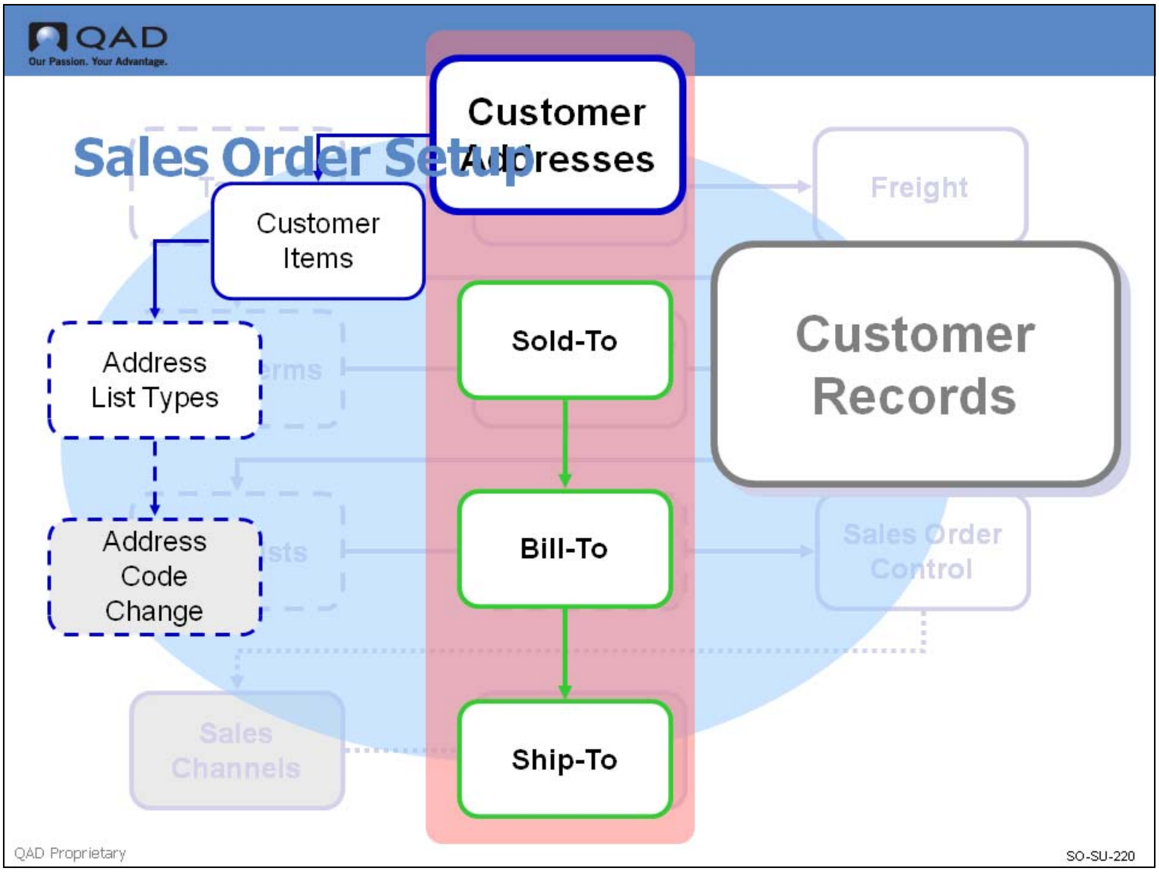
Salespsn:	10SP03
Business Relation:	10-SP03
Commission:	15%

3 Use Salesperson Commission Detail (2.5.6) to set up commission detail for the salesperson.

Salesperson:	10SP03
Prod Line:	[blank]
Customer:	10C1000
Commission:	18%

4 Use Salesperson Quota Maintenance (7.17.1) to add four months of quota at 500 per month, starting in the current month.

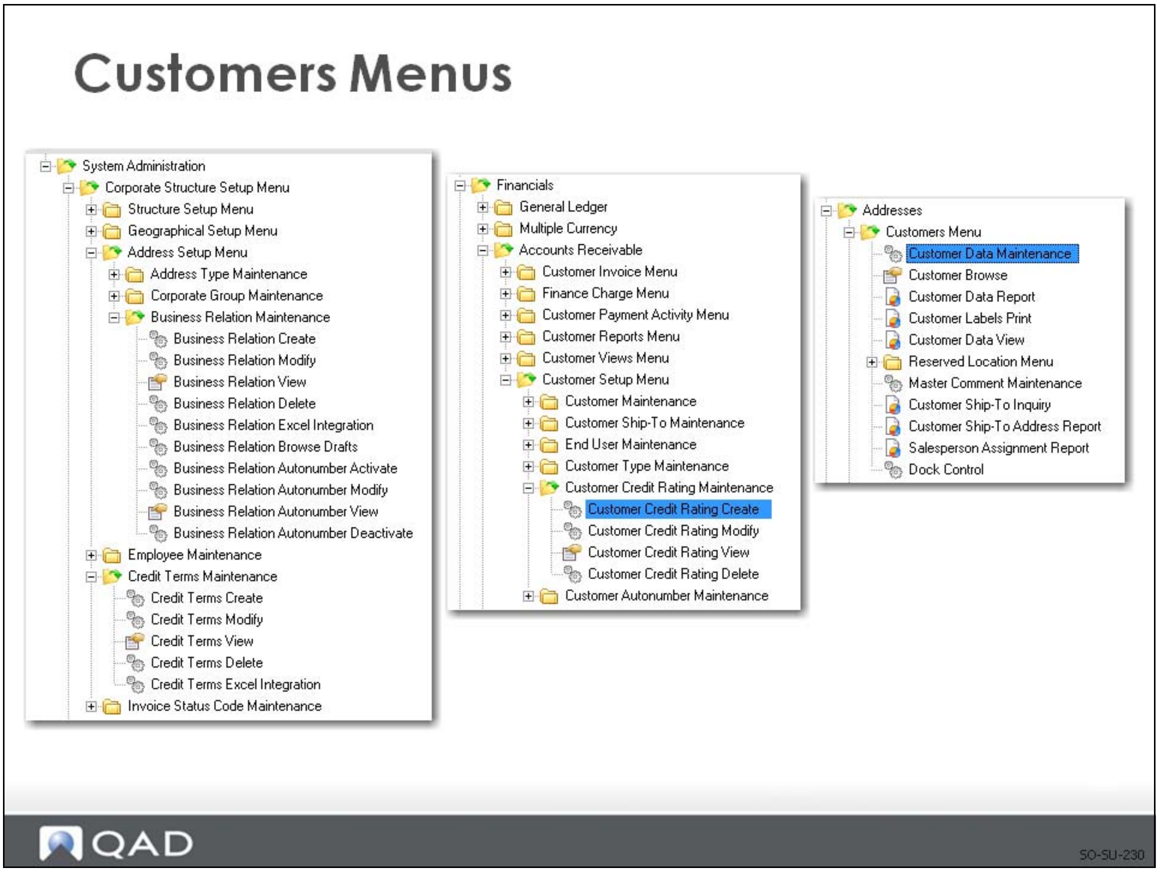
Customer Records



Customer Records contain default information pertaining to the customer:

- Addresses
- General data
- Banks
- Credit data
- Customer items
- Address list types

Customers Menu

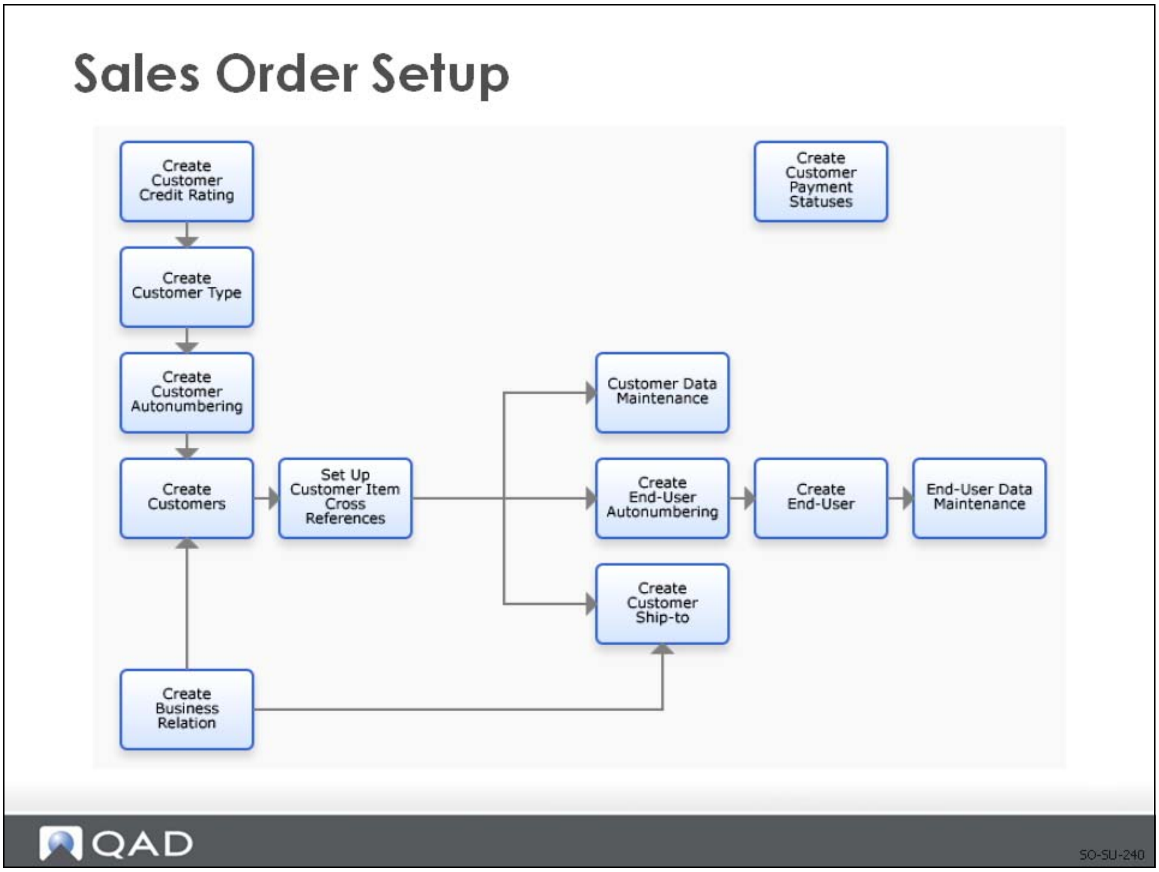


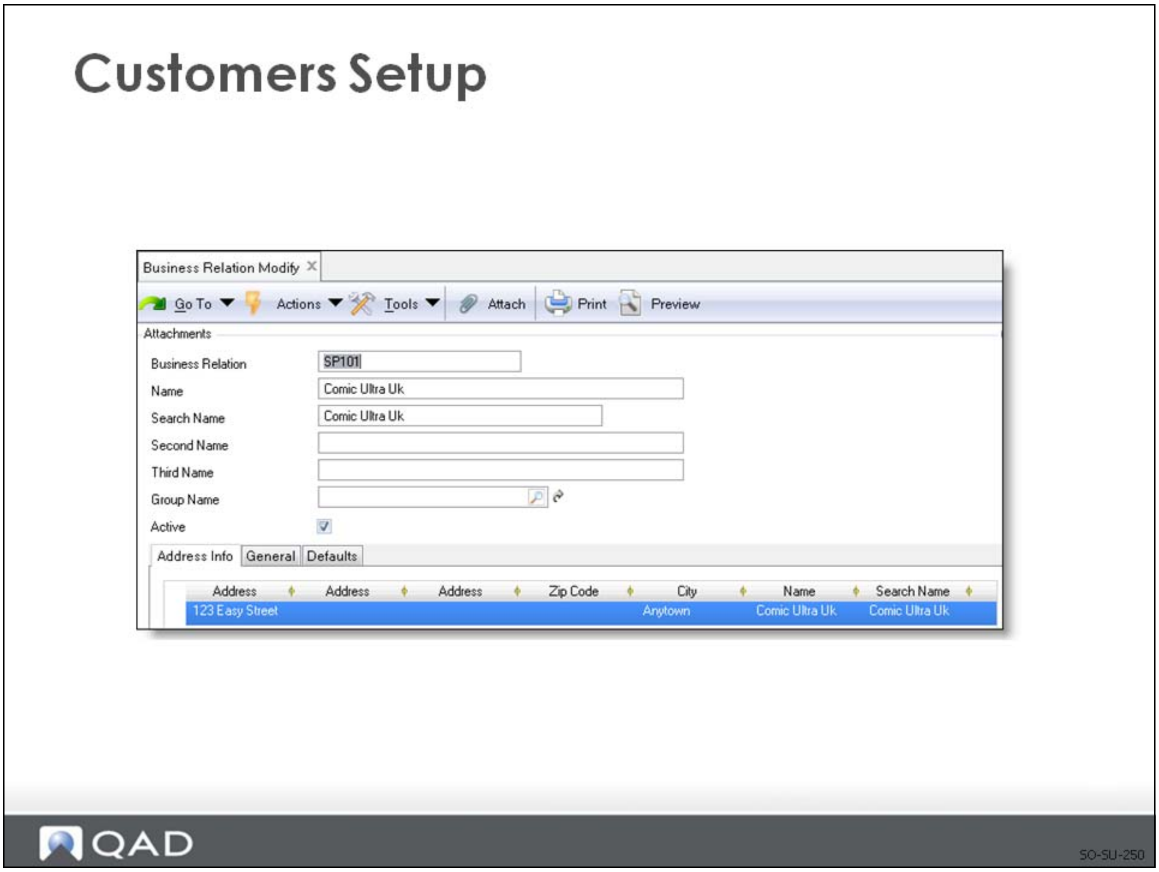
Many of the tasks associated with customer setup are in the system administration, financial, and master Data addresses menu functions. These tasks are usually restricted by role based system security. While explaining many of these this course will focus on the functions accessed in the sales order module

Used in:

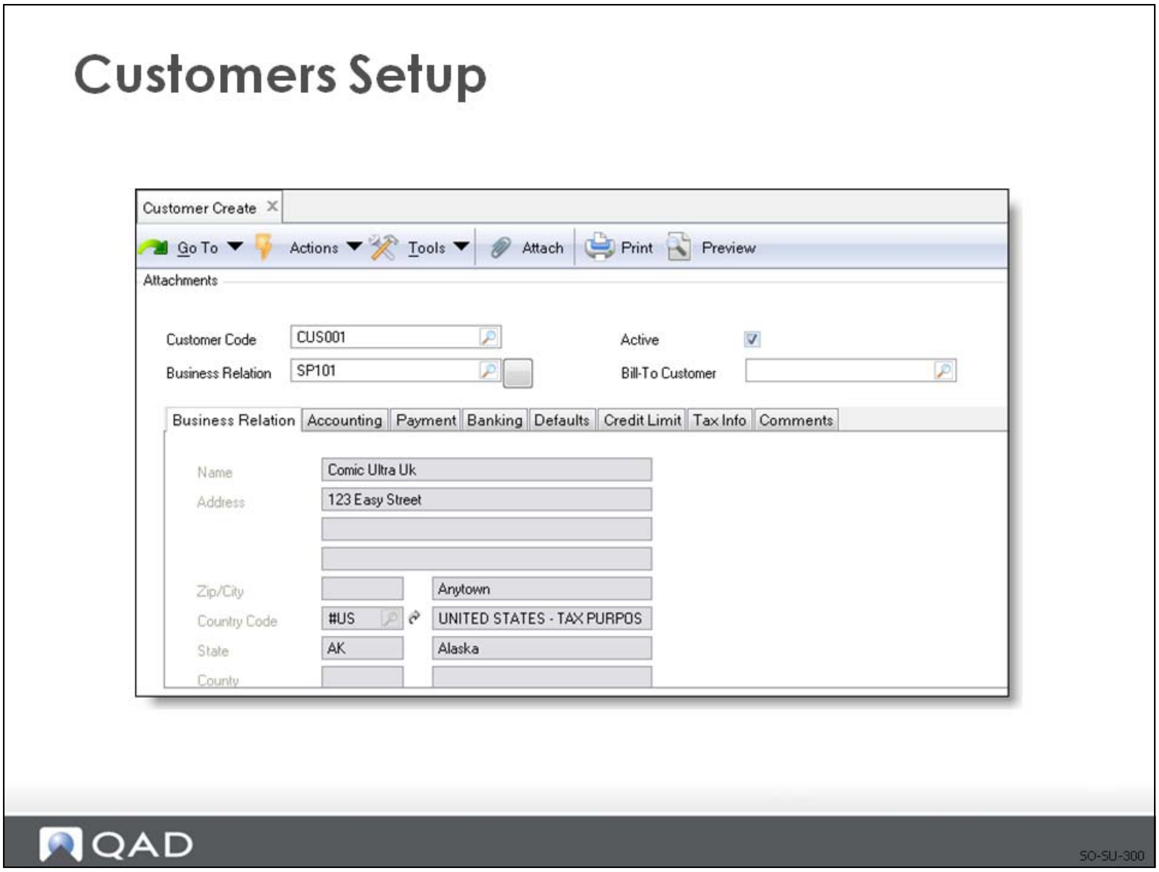
- Sales Quotations
- Sales Orders
- Invoices
- Accounts Receivable
- Service and Support Management

Customer Setup



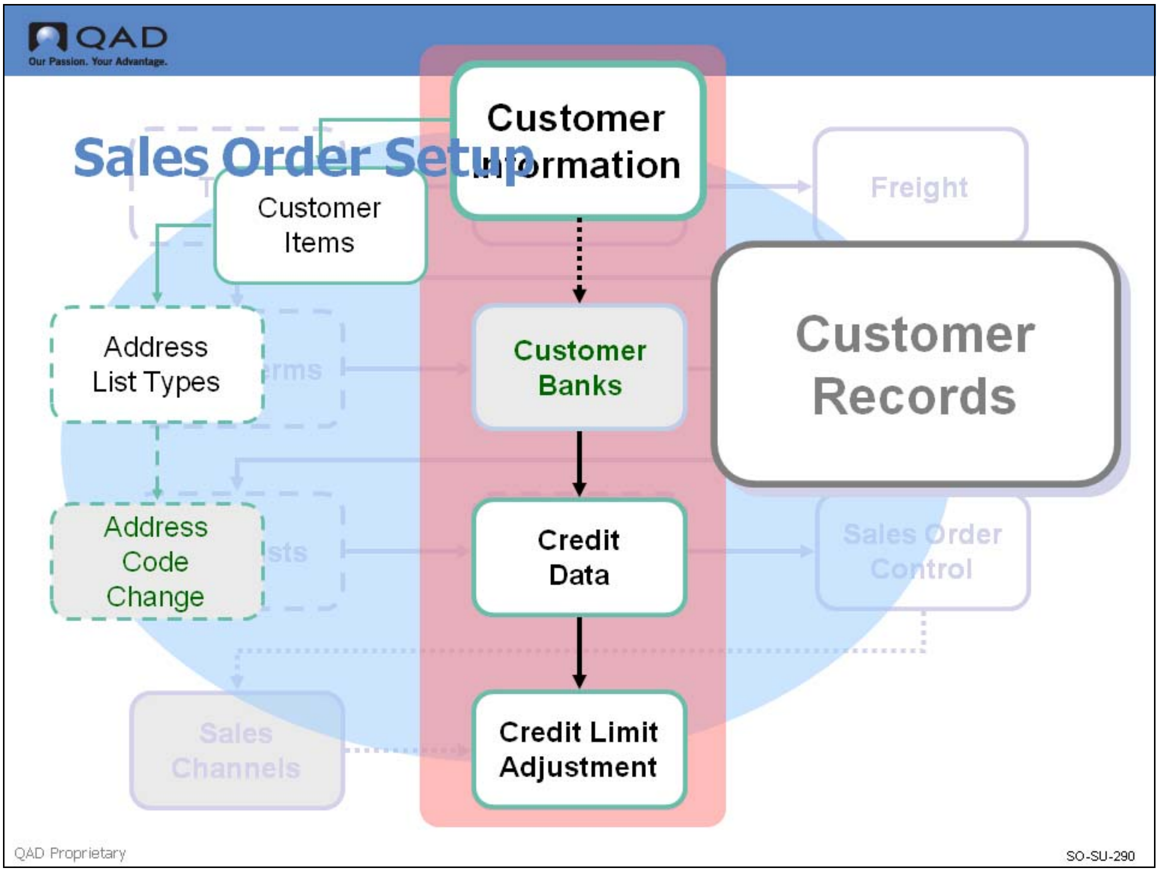


As with salesperson, customer setup begins by establishing a business relation. Not the modify screen is shown as once created the record cannot be viewed in the create screen.



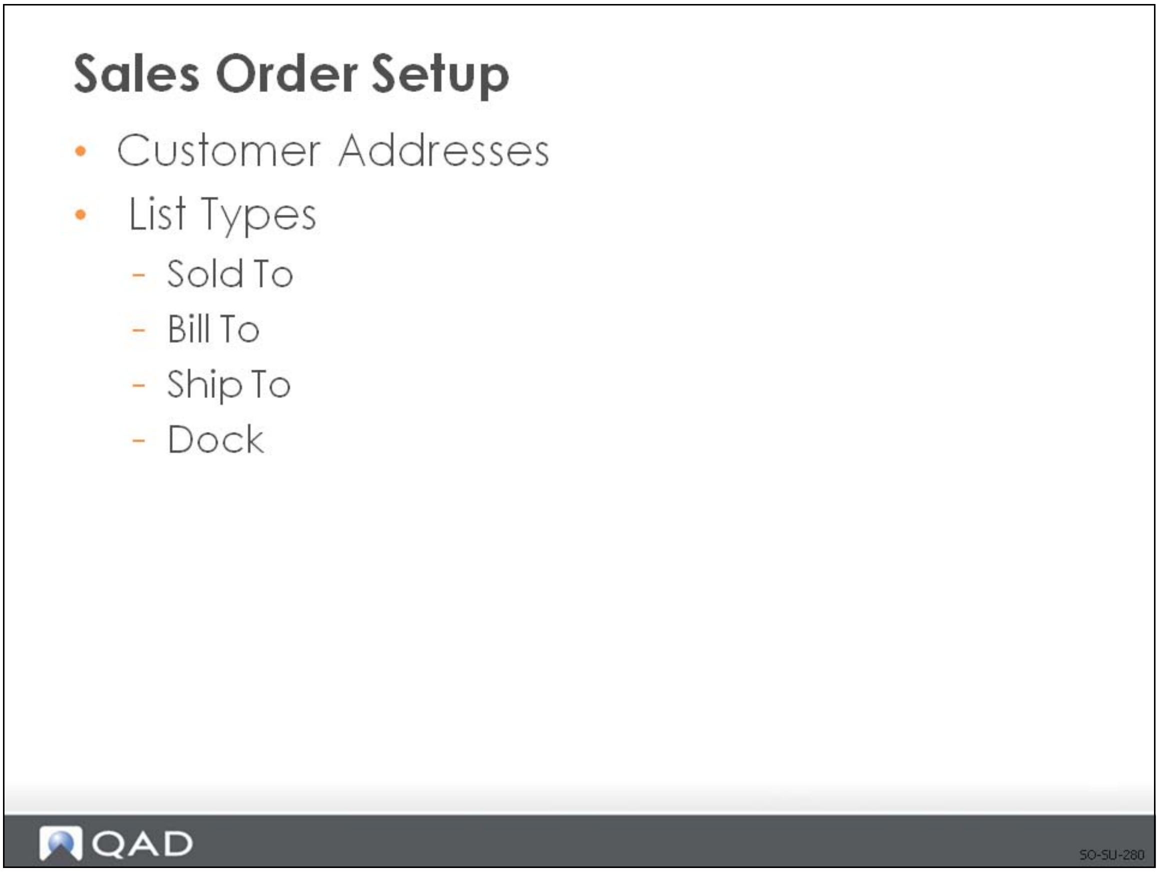
Setup continues with Customer Create. In Customer Create you can assign a Bill to Customer. Note the tabs for business relation, accounting, payment, banking, credit limits and tax info. These functions, along with Customer Type, End User Create, Customer Ship To Create, Customer Credit Rating Maintenance and Customer Auto Numbering are maintained in the customer setup menu under accounts receivable. These functions are covered in the Financial Training Courses.

Sales Order Setup



Customer Type codes are user defined in Customer Type Create and assigned in Customer Create under the Accounting tab.

Customer Addresses



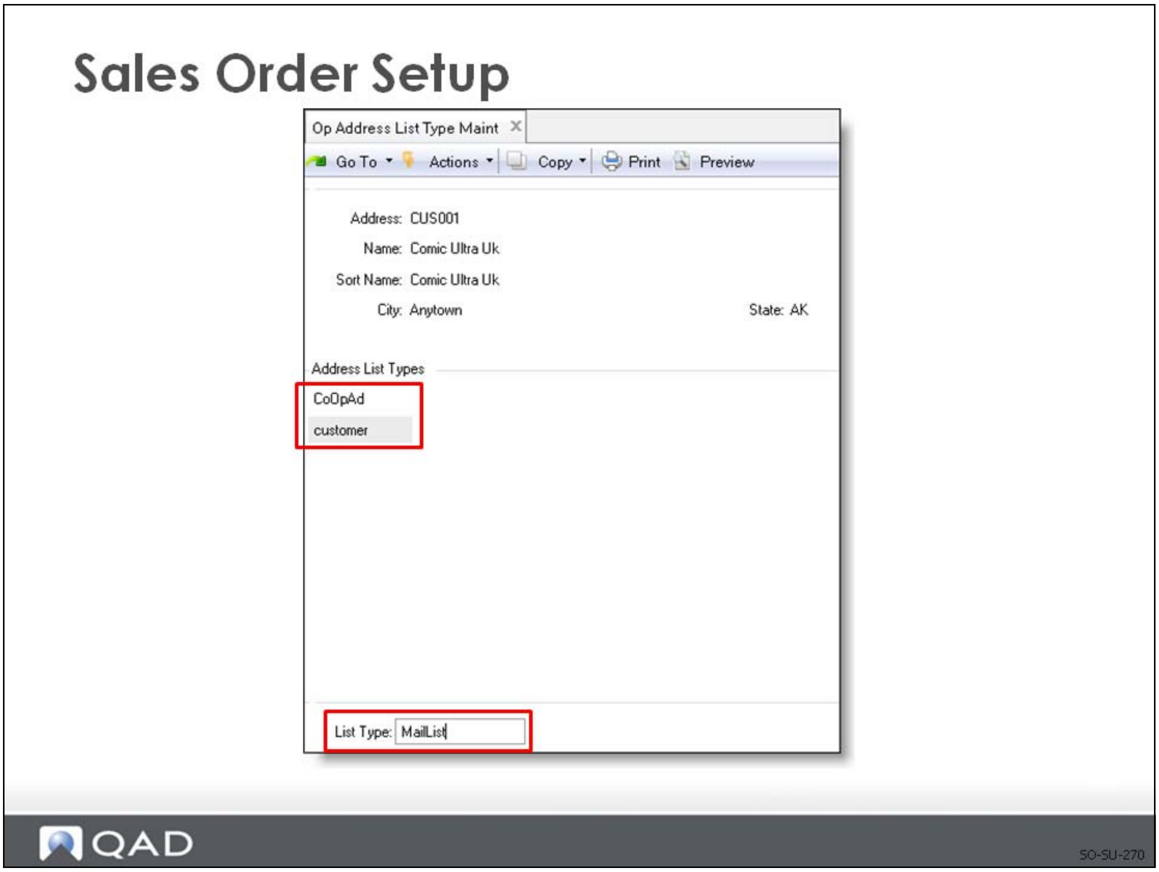
Values associated with a customer address:

- Determine default field values in other functions

QAD references three customer addresses for a Sales Order:

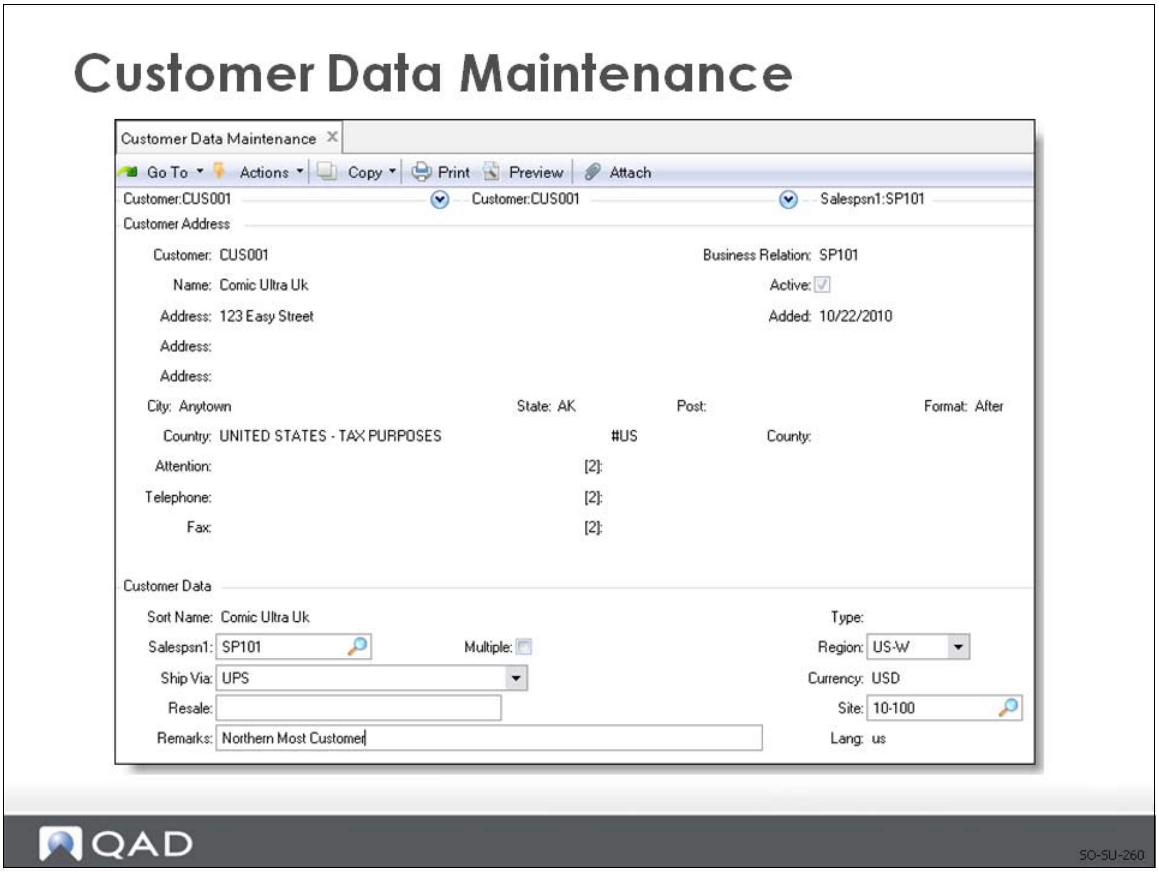
- The sold-to customer places the order
- The bill-to customer pays the invoice
- The ship-to customer receives the order
  - A dock address may be used when additional delivery detail is required as in a specific dock number at a warehouse or in the case where Dock on opposite sides of a warehouse have different street addresses.

Sales Order Setup



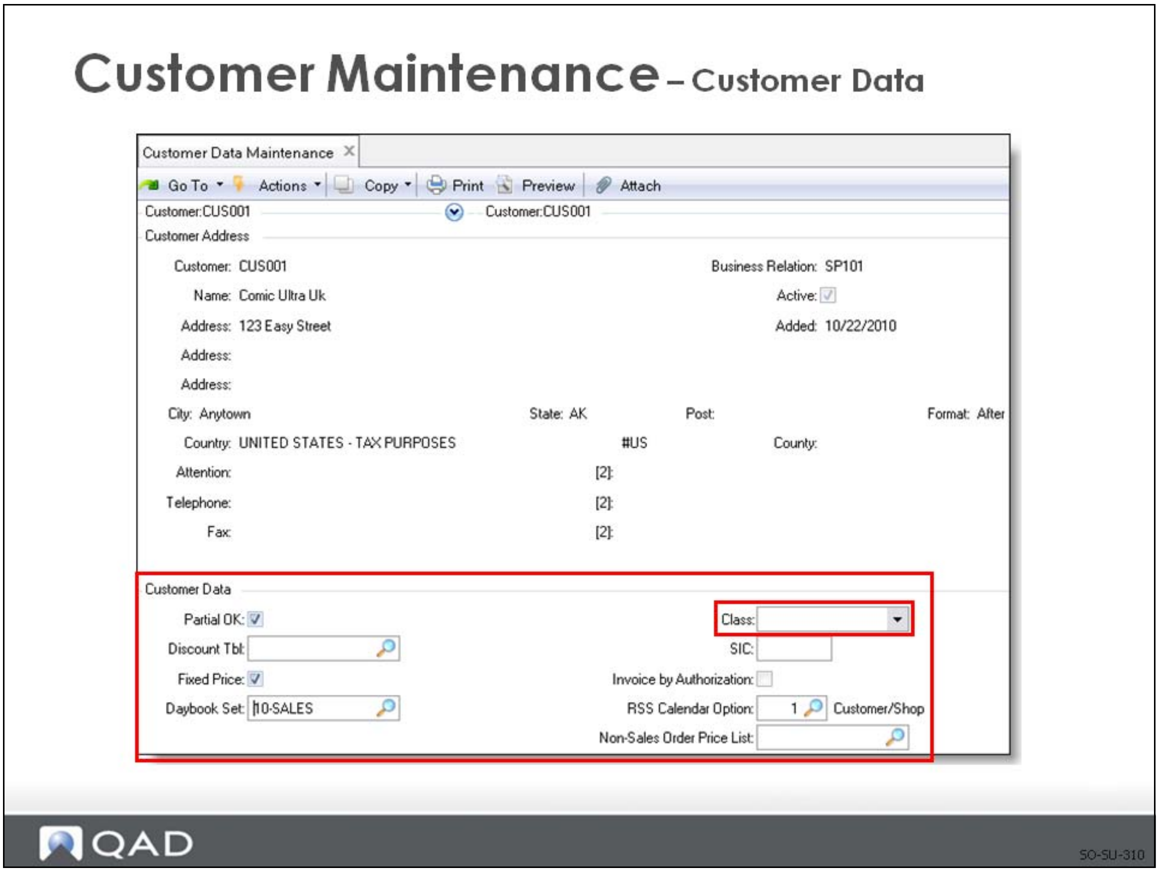
The system stores operational address codes in one table and uses list type to identify the type of address each code represents. List types are assigned automatically based on the program used to create or update the code. In addition user defined address list types may be created. An address can have multiple list types. The following system-assigned list types are valid: Slsprsn; Company; Enduser; Customer; Ship-to; Supplier; Dock; Carrier; Engineer.

Customer Data Maintenance



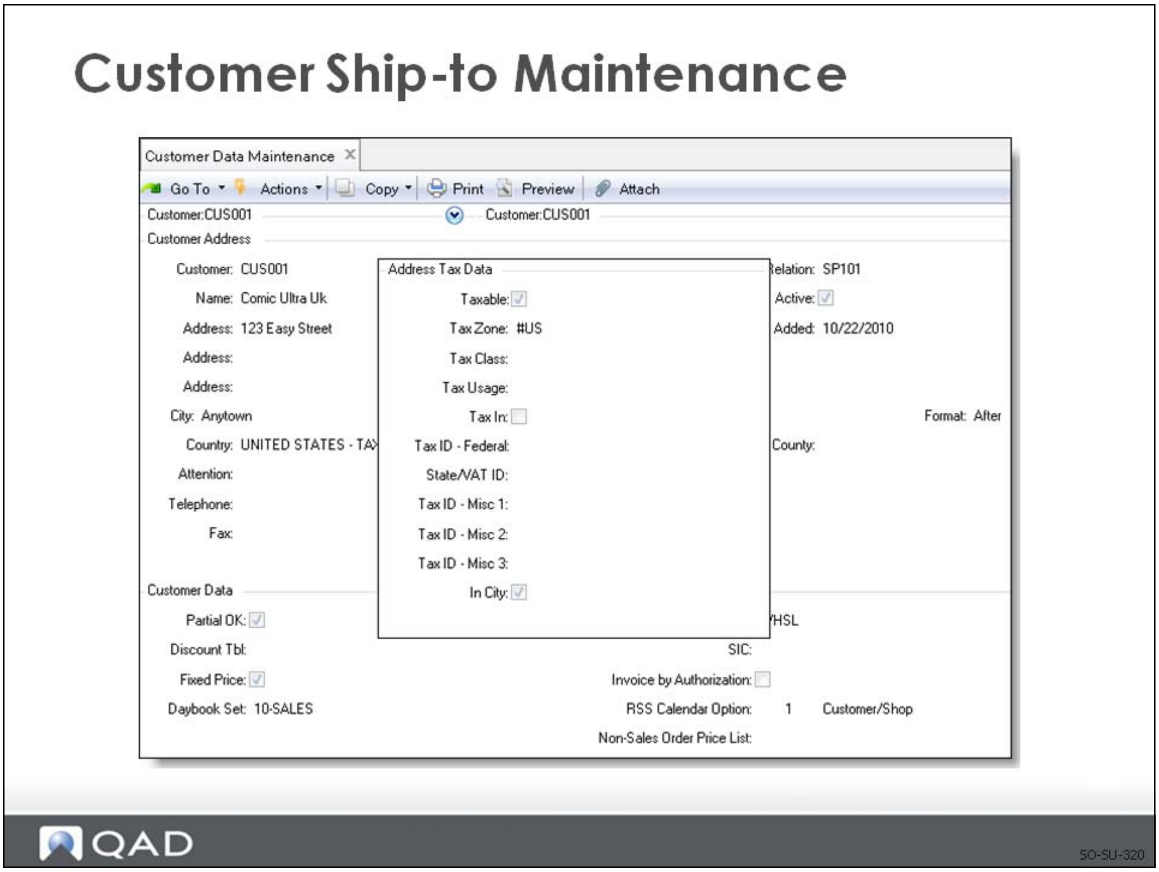
Customer Data Maintenance (formerly Customer Maintenance) is located in the Addresses Menu under Master Data.

- Salesperson: Enter the primary salesperson for this customer. Checking multiple will open a pop-up window which allows up to four salespersons to be linked to this customer, The Ship Via is the default method and defaults to other documents. Regions are user defined and are set up in Region Maintenance. Site is the default ship-from site for this customer. The language code is set up in customer create and is the language you prefer to communicate to this customer with.
- Clicking Next advances to the next frame of customer data

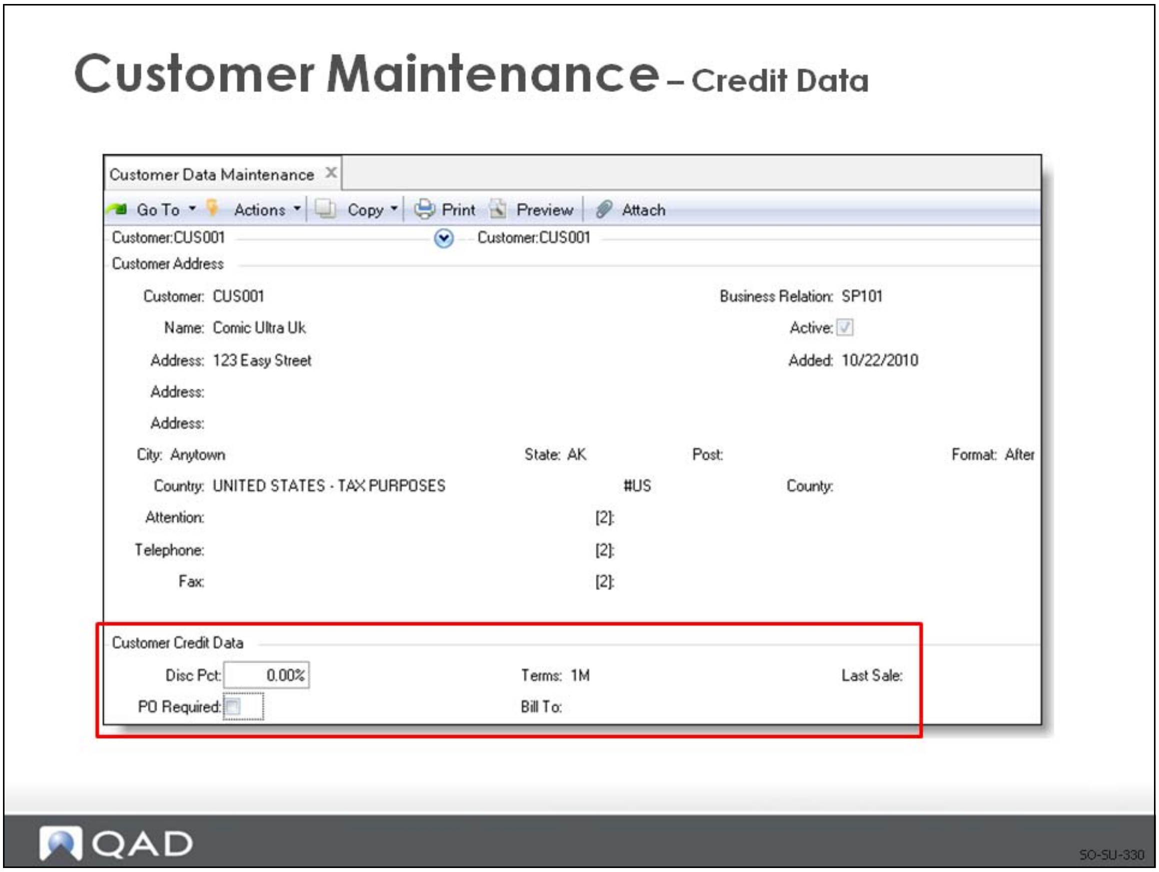


You can use customer class when allocating scarce inventory by running Sales Order Auto Allocations for a range of customer class codes. The first allocation can go to the highest class of customers, the next to the next highest, and so on.

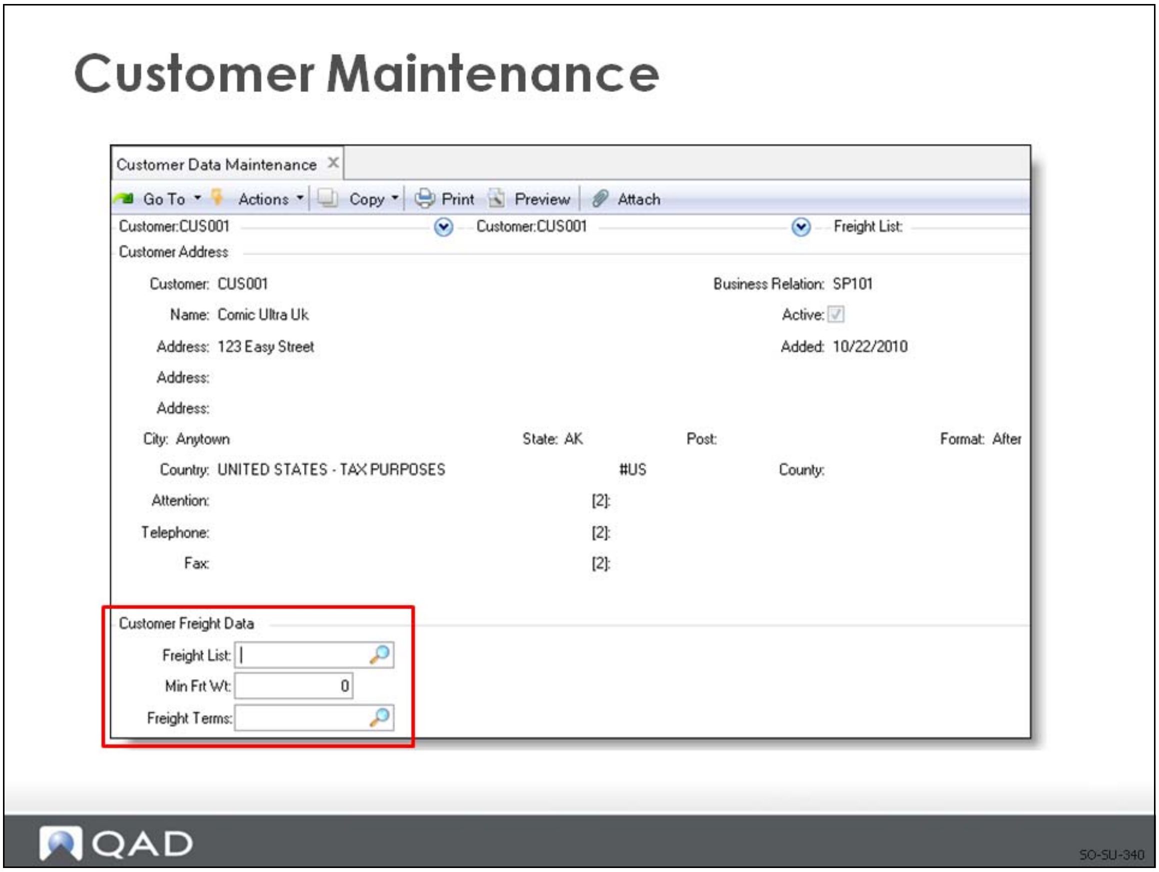
Other fields in this frame are either self-explanatory or covered in detail in the user guide.



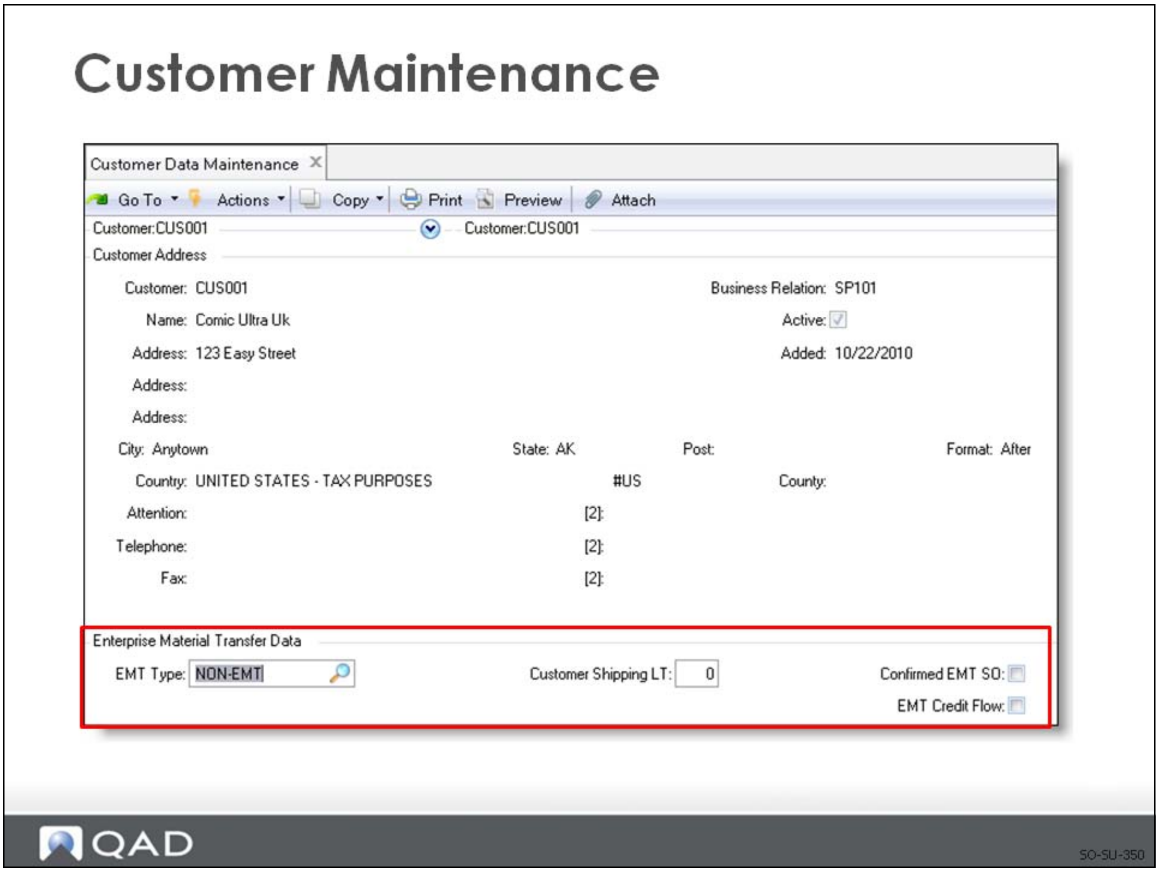
Next in sequence is a pop-up frame with the customer tax data. The various codes are set up in Global Tax Management. Setup of specific taxing information is beyond the scope of this course



Customer Credit data defaults in from accounts receivable. Here a global discount percent can be entered for anything this customer buys. There is also the check box if the customer requires a purchase order be referenced on the sales order.

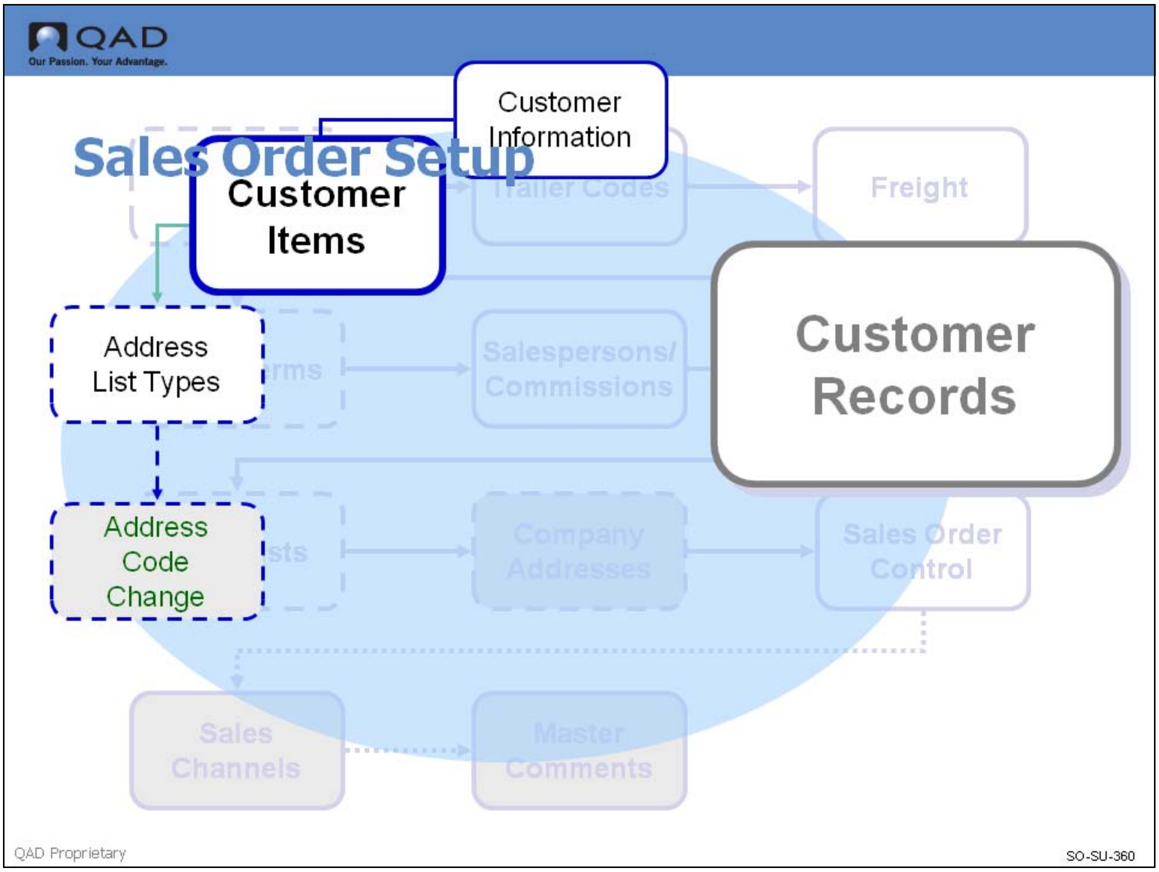


The next frame allows you to specify the freight list and terms



The last frame in Customer Data Maintenance is for Enterprise Material Transfer Customers. This setup is covered in the EMT course.

Master Comments



Master comments do more than store and organize textual information for an item. They can also be copied into documents such as purchase orders, sales quotations, and sales orders.

Master Comment Maintenance

Master Comments differ from Transaction Comments in that they can be used throughout the system, while transaction comments can only be used with a transaction.

- They remain in the system until deleted
- Anyone with access to master comments can review or change any comment
- Comments can be categorized by code in the Type field

Using in Sales Orders:

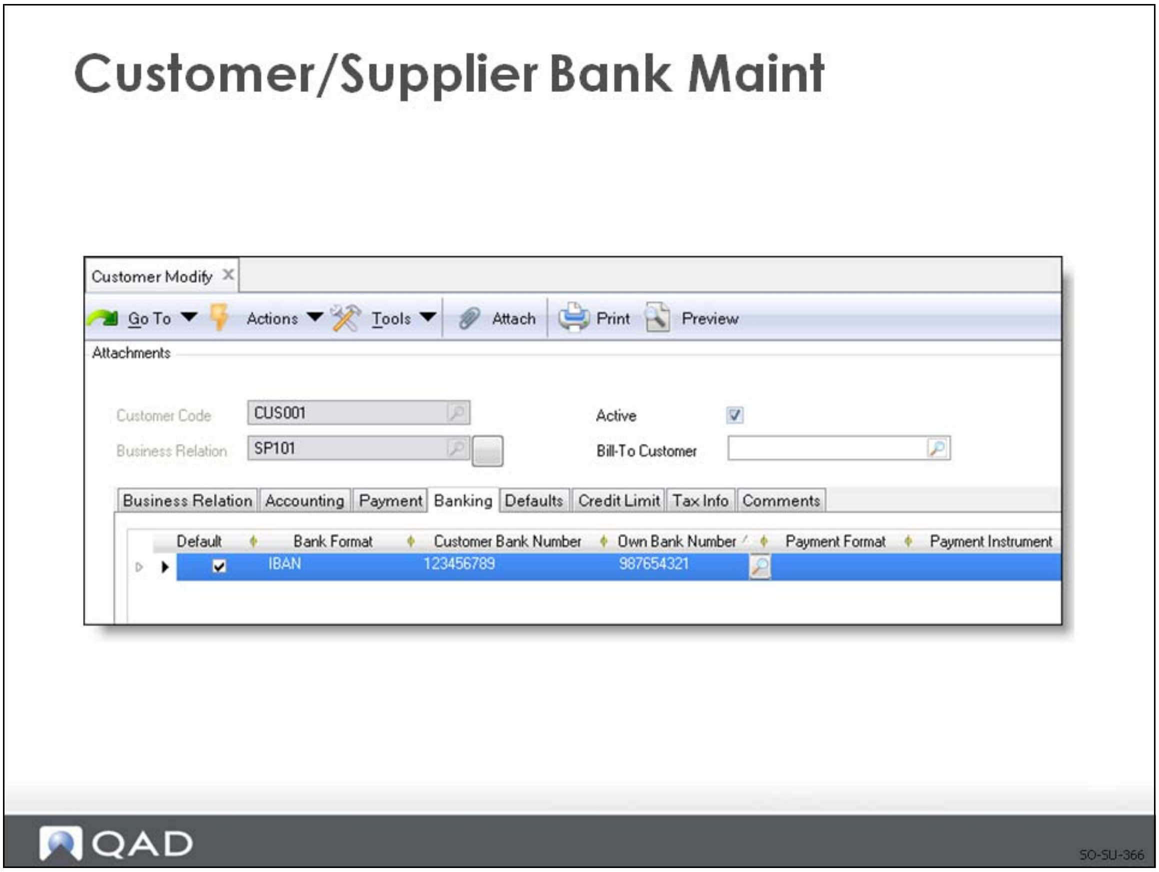
- Associate with customer number and/or line items
- Incorporate into the sales order header or line item (copied into the document)

Note The type code and language code are both user-defined.

Example

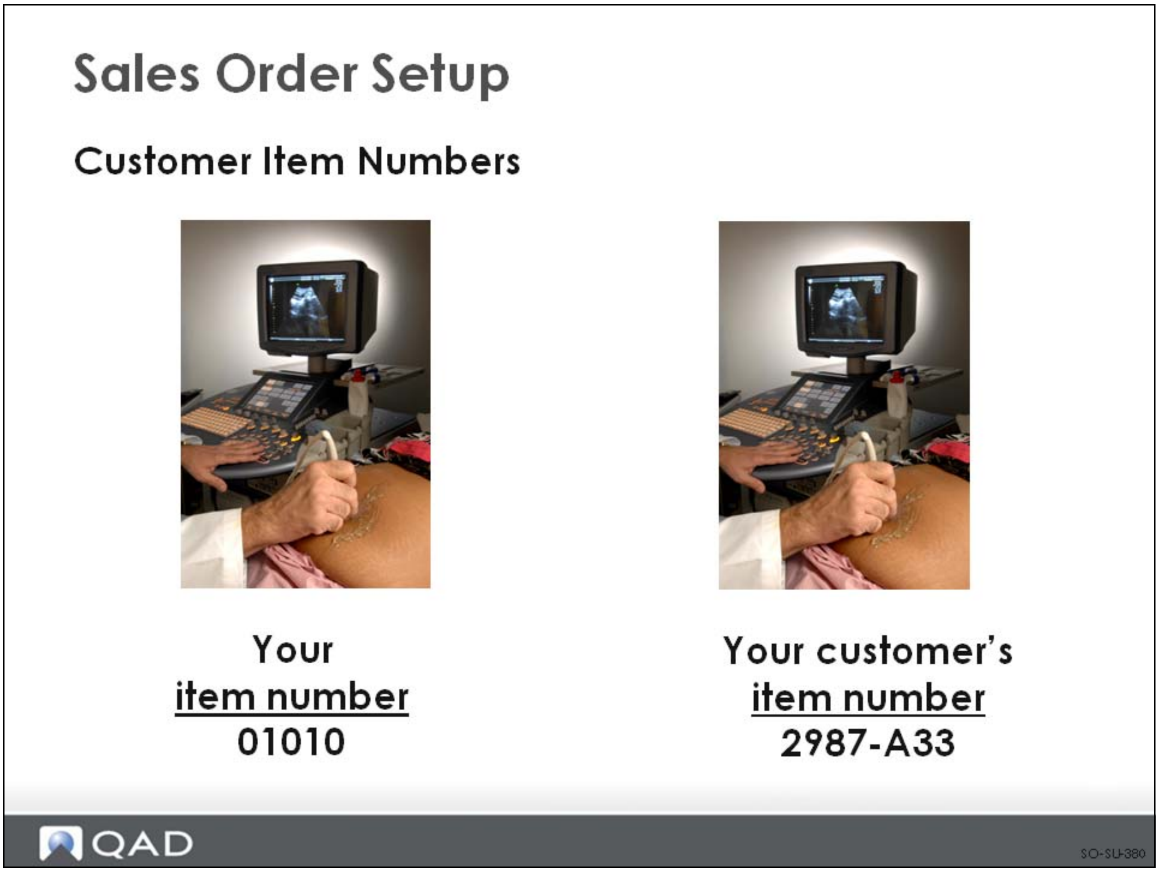
- Lengthy descriptions of specifications
- Standard shipping directions
- Descriptions in multiple languages

Customer Banks



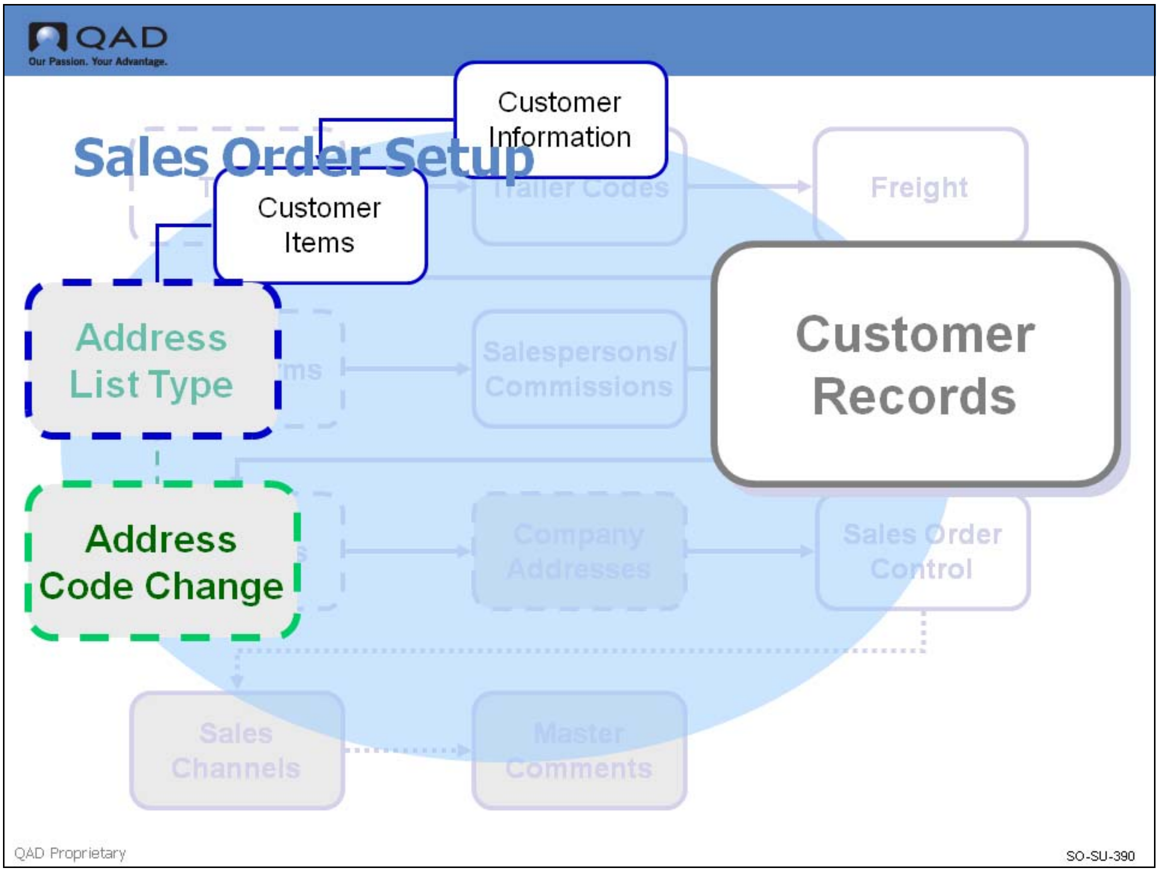
Customer banks are setup in Customer Create under the Banking tab.

Customer Items



A customer may prefer to order using their own item number or an industry standard number rather than the one your company uses.

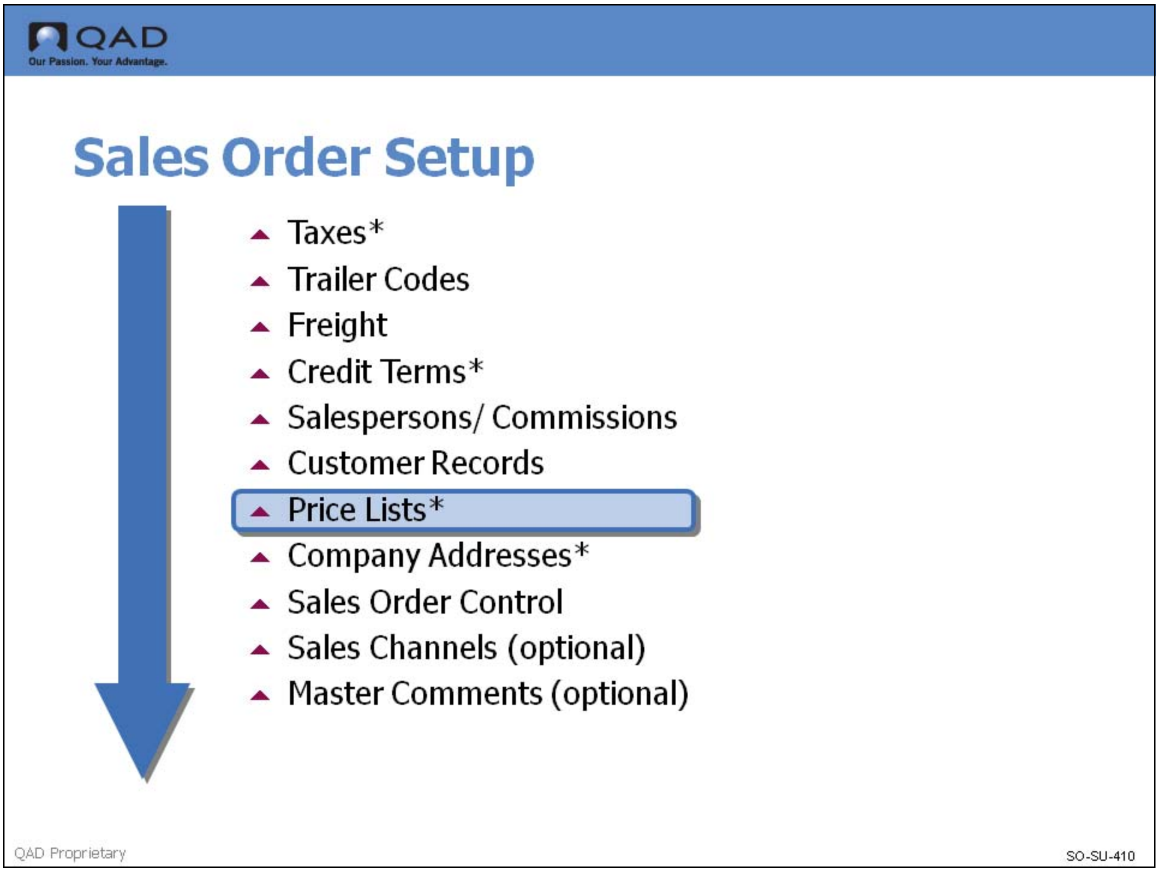
Customer Item Maintenance



Use to set up a cross-reference between

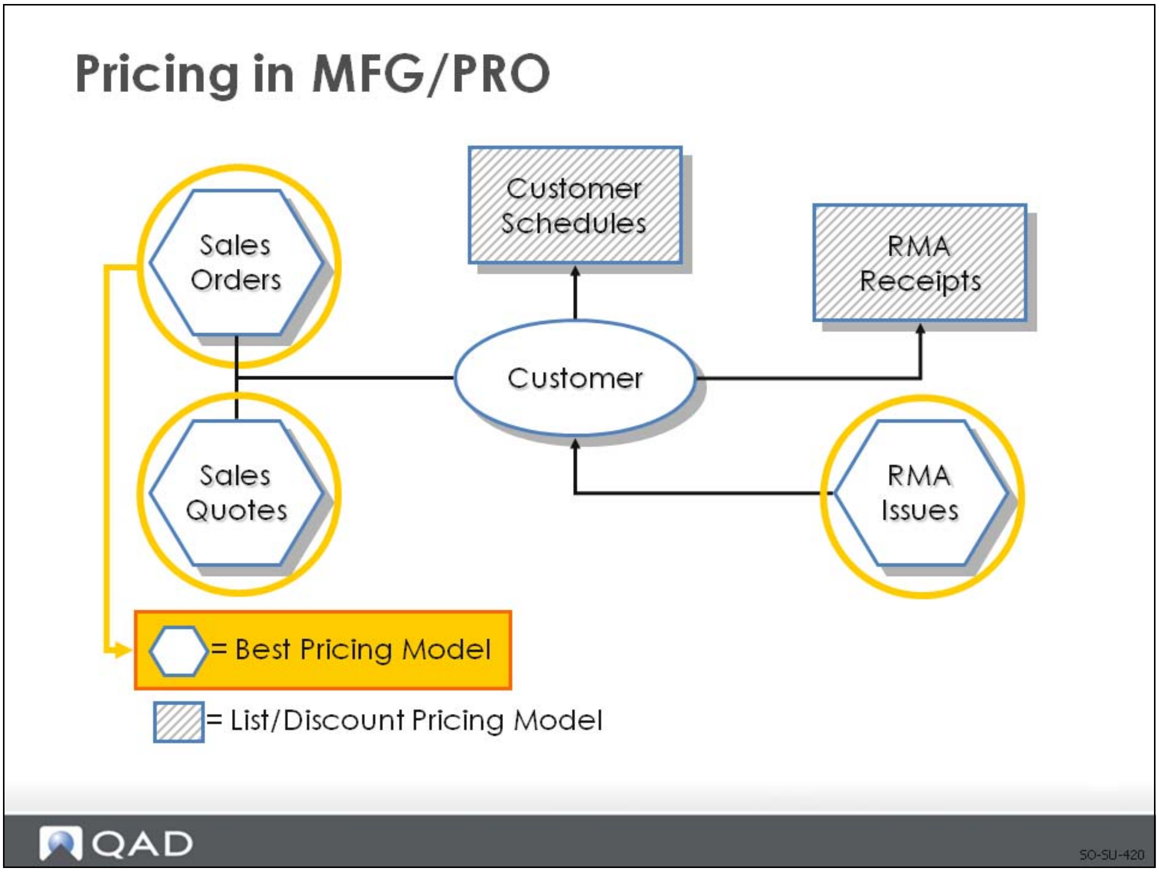
- Your item numbers and customers’ own item numbers
  - Both item numbers or one of them can optionally appear on all sales and shipping paperwork
- Internal numbering systems
  - By leaving *Customer/Ship-to* field blank, it may be used for internal numbering systems, such as a catalog number

Price Lists



Pricing is discussed briefly here.

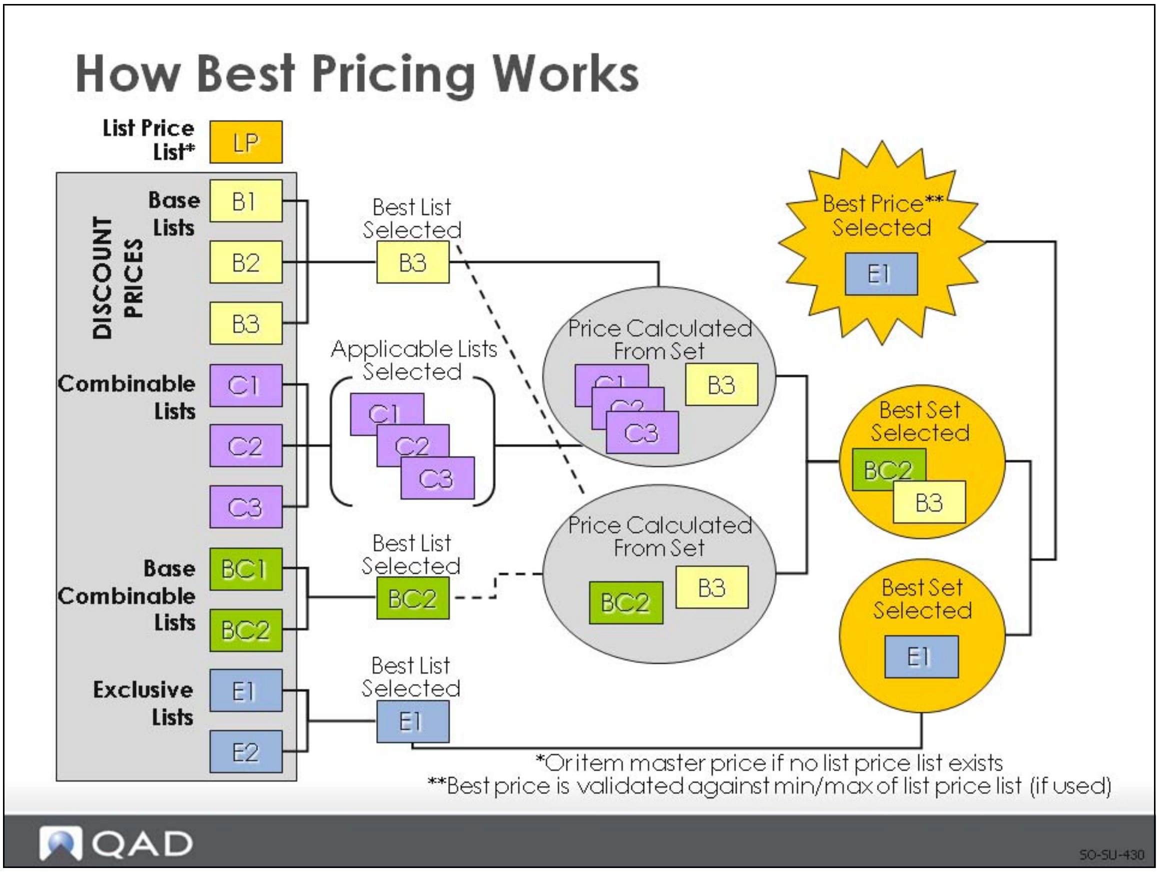
Pricing in QAD Enterprise Applications



Two basic models are used when pricing with price lists:

- Best Pricing Model
  - Sales Orders and Sales Quotes
  - Issue lines on Service/Support Management return material authorizations
- List/Discount Pricing Model
  - Scheduled Sales Orders
  - Supplier Scheduled Orders
  - Service/Support Management returns to suppliers and RMA receipt lines

Introduction to Best Pricing



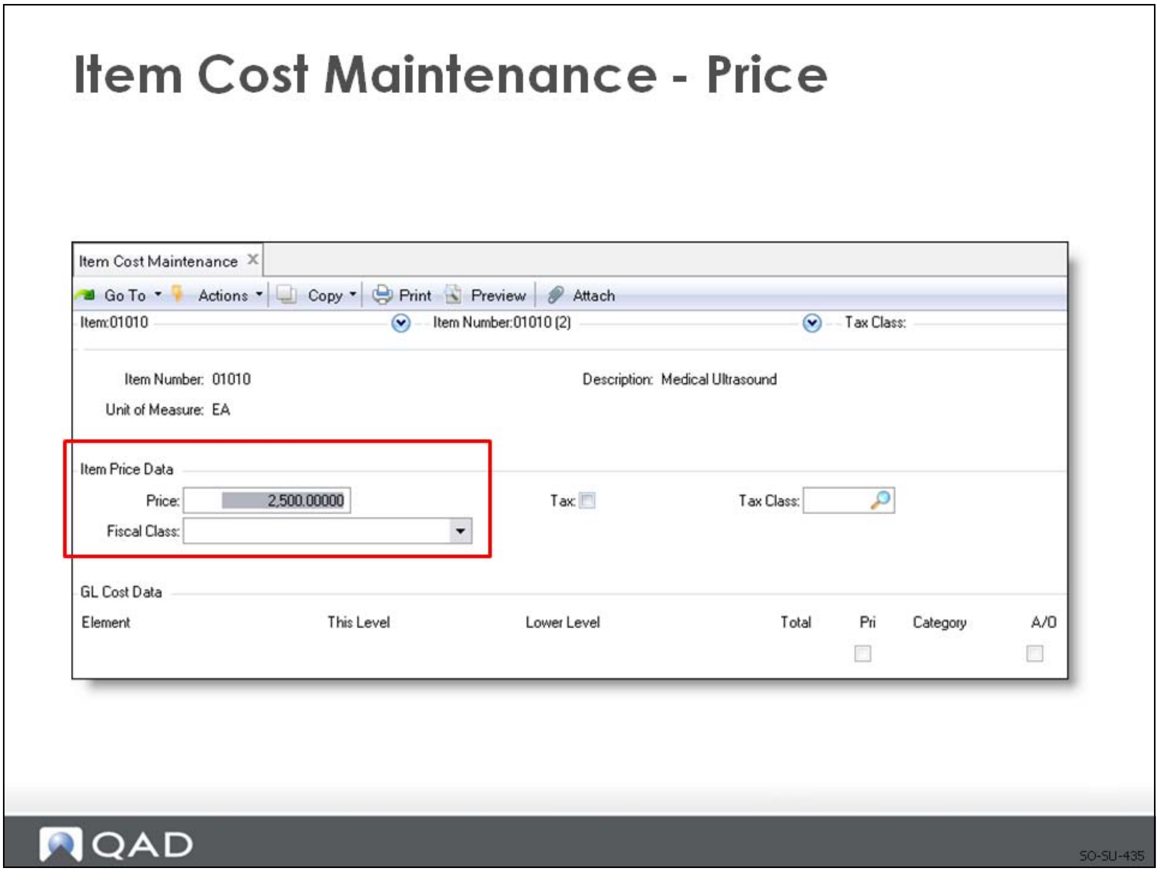
Sales Order pricing lets you create price lists that accommodate a wide range of pricing situations.

- The system determines the best price using analysis codes: flexible categories of items and customers

Sales Order pricing includes the Analysis Code menu and the SO/SQ/RMA Issues Pricing menu.

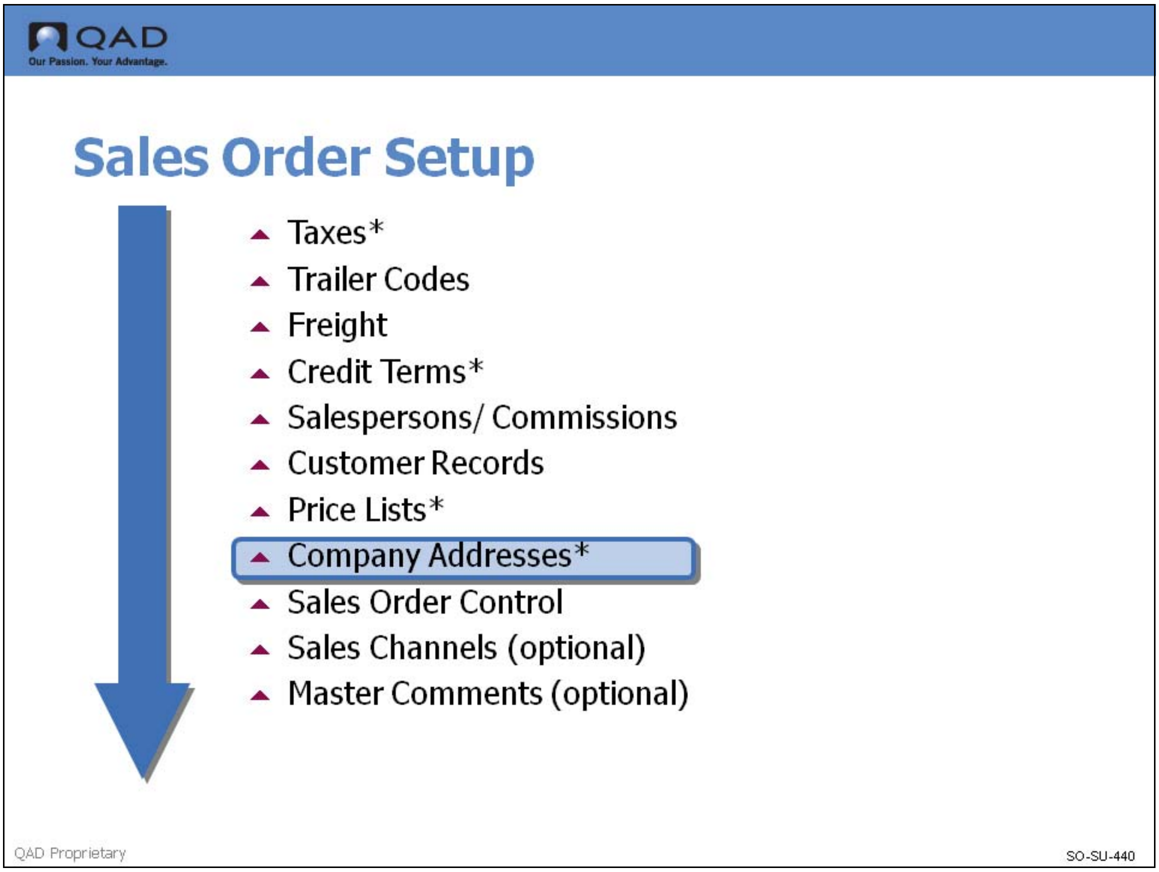
- Sales order price lists are used to price orders created in
  - Sales Order Maintenance and Sales Quote Maintenance
  - RMA Maintenance
  - This functionality is covered in a separate course

Item Cost Maintenance - Price



In Item Cost Maintenance you can enter a default price for all items. This is the last place the system looks to find a price for an item.

Company Addresses



Enter a unique code to identify an operational address record. Set up operational addresses for each of your company sites and at least one bill-to and ship-to address for purchasing. Each site will have a company address code equal to the site code.

The actual address record comes from the business relation. So you may have several sites at one address that refer to the same business relation.

Exercise: Customer Records Setup

Adding a new customer is similar to adding a salesperson. You create the business relation then use Customer Create to add banking, tax, payment, credit and other accounting information. Then use Customer Data Maintenance to complete the setup. In this activity we will add information to an existing customer. If you have time the instructor may suggest you add a new customer.

Set Up Generalized Codes

1 Use Generalized Codes Maintenance (36.2.13) to add a region code.

Field Name:	cm_region
Value:	Bay
Comments:	US Bay Area

Set Up Customer Records

2 Use Customer Data Maintenance (2.1.1) to set up the customer data as follows. Accept the rest of the data as is.

Customer:	10C1000
Salespsn1:	10SP03
Ship Via:	UPS
Region:	Bay
Site:	10-300
Customer Credit Data	
Disc Pct:	2%
Customer Freight Data	
Freight List:	20FRT
Min Frt Wt:	1
Freight Terms:	ADD

Set Up Address List Type

3 Use Op Address List Type Browse (2.10) to review list types already assigned by the system.

4 Use Op Address List Type Maintenance (2.9) to add a code indicating a customer with whom you cooperate on advertising.

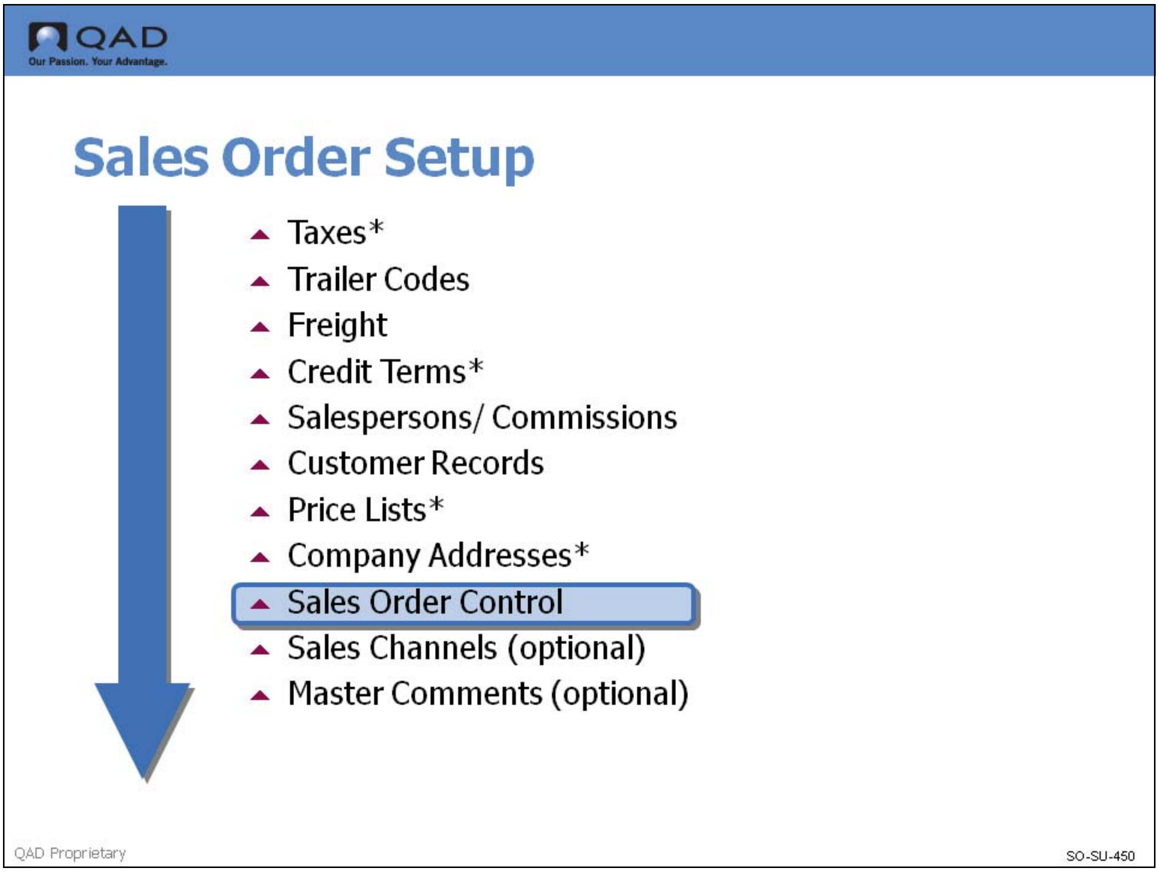
Address:	10C1000
List Type:	CoOpAd

Master Comments

5 Use Master Comment Maintenance (2.1.12) to add the following comment for the master reference 10C1000:

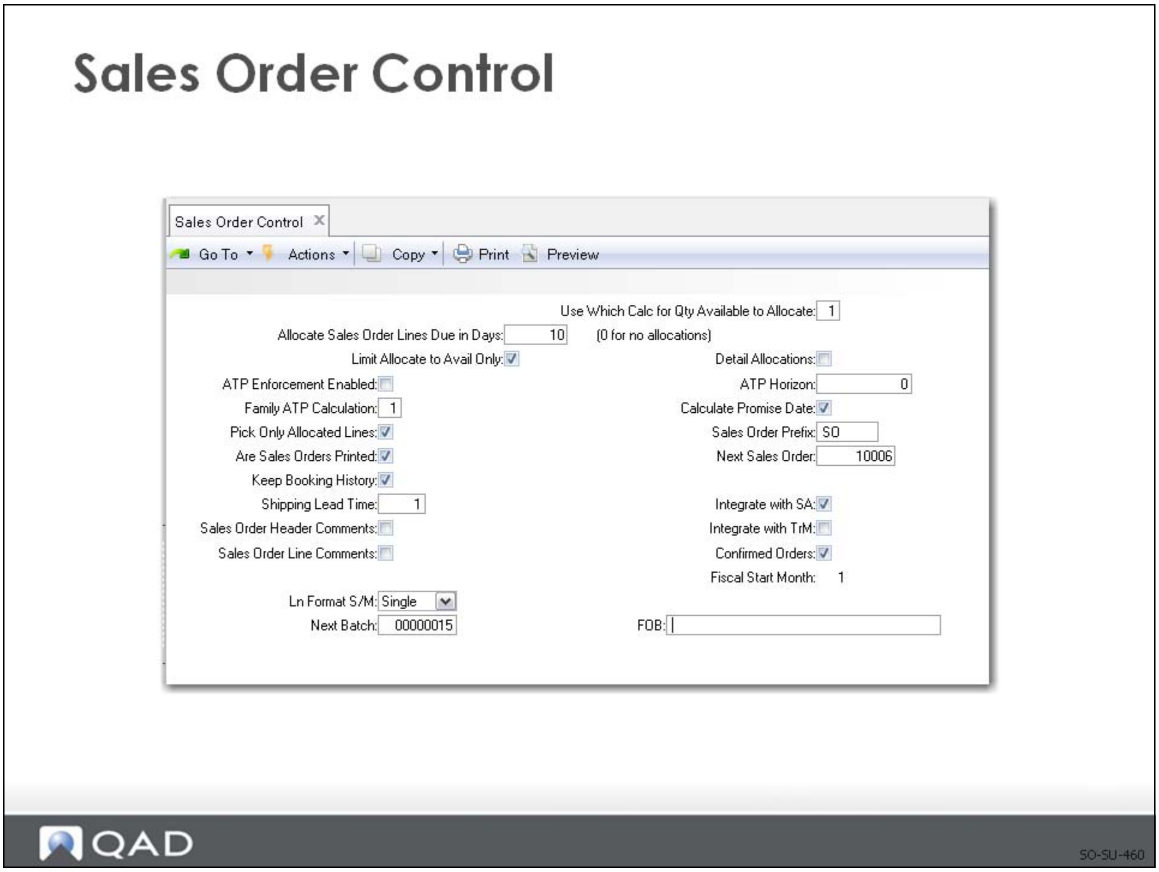
Customer requires Sales Order number Purchase Order number cross reference, and their customer item number detail on all communications.

Sales Order Control



The Sales Order Control contains the basic parameters that determine how sales orders are processed by the system. Additional setup parameters are established in the Sales Order Accounting Control.

Which calculation should be used for Qty Available to Allocate:



Note Sales Order Control has three screens. Clicking Next advances to the next screen.

Qty Available to Allocate. Controls how the system determines the number of items available to allocate. The calculation is the same for all items and sites:

- 1 calculates the quantity available for a new order (including released work orders) by subtracting the quantity already allocated to other orders in the near future (determined by the number in the Allocate Sales Order lines due in Days field)
- 2, 3, and 4 are not time-sensitive and allocate all quantities demanded against the total demand in the system, including MRP

Allocate Sales Order Lines due in Days. Determines the allocation window for sales orders:

- 0 = no allocations
- Similar fields in the RMA/RTS Control and Engineer Order Control affect RMA issue lines and SEO in the same way
- The system only attempts to allocate order lines with a due date within the range defined by this field
- For orders due outside the range, Quantity Allocated defaults to 0 regardless of available quantity

Limit Allocations to Avail to Allocate. Determines how the system handles shortage situations:

- No = Quantity Allocated defaults to Quantity Ordered even if a sufficient quantity to allocate does not exist

- Yes = Quantity Allocated never exceeds the quantity available
- If there is no quantity available to allocate, Quantity Allocated defaults to 0

Detail Allocations. Specifies whether detail allocations are usually made during order entry

- Detail allocations function to assign specific inventory lot/serial numbers and locations to be shipped on an order
- Yes = detail allocations are made during Sales Order Maintenance
- No = detail allocations are not normally entered on the order
- The default value displays and may be changed on each line item

There are two types of allocations: “general” and “detail”:

- General allocations allocate the required quantity of an item
- Detail allocations specify the site, location(s), lot/serial number(s), and lot reference(s) from which that quantity is to be allocated

Note The system automatically generates detail allocations when sales order, distribution order, or RMA packing lists and work order picklists print.

ATP Enforcement Enabled. Enter Yes to activate ATP calculation functions for order line-item processing.

ATP Horizon. Enter the number of days from the current system date that the system should consider when determining ATP.

Family ATP Calculation. If you use ATP for family items, review field help for which formula to use.

Calculate Promise Date. Enter Yes to calculate the promise date automatically for order-line items. When this field is Yes and you have set up delivery times in Delivery Transit Time Maintenance, the system calculates promise dates.

Note Entering a promise date manually in the order header frame prevents the system from calculating a promise date for order lines when you enter the lines. However, if you subsequently modify the due date on a line, the system recalculates the promise date when this field is Yes.

Pick Only Allocated Lines. Specifies whether only lines with allocated quantities should print from the Sales Order Packing List function:

- Yes = Only line items with a non-zero quantity allocated are printed
  - Normally set to Yes when allocations are being used. This enables the sales desk, not the shipping clerk, to control shipments since only allocated quantities print on the packing list, which tells the shipping department what to ship. This process requires that you use packing lists to communicate shipping priorities.
- No = all lines with a non-zero open quantity are printed, regardless of the quantity allocated

Packing lists for sales orders, service engineer orders, and RMA issue lines can be printed using Sales Order Packing List. A number of other flags affect how allocations occur:

- Qty Available to Allocate
- Limit Allocations to Avail to Allocate
- Allocate Sales Order Lines Due in Days

Note If you do not use packing lists, you may choose not to use allocations. Allocations can be turned off by setting Allocate SO Lines due in Days to zero, Limit Alloc to Avail to Allocate to No, and Pick Only Allocated Lines to No. For RMAs, Allocate Days must be set to zero in the RMA/RTS Control and for SEOs, Allocate SEO Lines Due in Days must be set to zero in the Engineer Order Control.

See in this training guide: *Print Only Lines to Pick* on page 136

Are Sales Orders Printed. Indicates whether confirmed orders are normally printed

- Yes does not prevent sales orders from being printed
  - It is the default display when a new sales order is entered, and may be changed
  - The Sales Order Print function only prints sales orders with the print flag set to Yes

Keep Booking History. Indicates whether booking history is maintained

- Yes = the system keeps an audit trail of all incoming sales orders, including new orders added or existing orders changed
  - A record is kept in transaction history and identified as type “ORD-SO” with the item, order quantity, price, cost, date, userid, and other information
- You can review this information using booking inquiries and reports
  - Detailed transaction history can be reviewed using Transactions Detail Inquiry (Inventory Control Transaction History menu)
- With booking history, a transaction history record is kept for all additions and changes
  - If you enter a line item with a quantity of 100 but you meant to enter a quantity of 10, the system tracks the booking for the initial quantity of 100
  - When you correct the mistake, the system creates two more booking history entries, one for -100 and another for the correct quantity of 10
  - Therefore you may end up with many booking history records

Note Examine the booking history reports available and decide whether you really plan to use them before you consume space with booking history.

Shipping Lead Time. The usual number of calendar days elapsing between the date the order is entered and the date it is scheduled to ship to the customer location

- If orders are shipped immediately, this may be left as zero
- When you first enter an order, the due date defaults to the system date plus the shipping lead time, indicating the normal quoted shipping date
  - The operator can manually change the sales order due date
- This is useful for ensuring that promised delivery dates are reasonable
  - Usually time elapses between order taking and shipping varying from one hour to several days
  - Check your company's normal elapsed time before setting the shipping lead time

See in this training guide: *Due Date* on page 116

Sales Order Header Comments. Indicates whether comments are normally entered on each sales order header

- Information associated with the header of an order usually applies to the entire order and prints at the top of the order

This flag setting does not control whether comments can be entered, but determines the default that displays whenever you enter an order

- Yes = the order comment flag defaults to Yes
  - When the comment flag on an order is set to Yes, the transaction comment screen displays for the user to enter comments, which may be flagged as printing or non-printing
- No = it defaults to No
  - If you normally do not use comments, set this flag to No to avoid being prompted each time with the comment entry screen
- The flag can be changed manually on an order

Sales Order Line Comments. Indicates whether comments are normally entered on each order line

- Information associated with the line of an order usually applies to a specific line item and prints following that line

Note This flag setting works the same as the Sales Order Header Comments field.

Print Only Lines to Invoice. Specifies whether all sales order line items or only lines with non-zero quantity to invoice should print on invoices

- Yes = only sales order lines with a non-zero Quantity to Invoice print on invoice documents
  - Any unshipped items or any items which have already been invoiced do not appear
- No = all sales order line items print on the invoice but only those with a non-zero Quantity to Invoice are included in the total
- This is a default; it may be changed on the Invoice Print function

See in this training guide: *Invoice Post and Print* on page 159

Ln Format S/M. The method for entering sales order and invoice line items. Values must be “S” or “M”:

- [S]ingle = you can display and maintain detailed information for each line item
  - The default is [S]ingle
- [M]ulti = you can enter basic information - item, quantity, and price - for up to 12 lines on a single screen
  - Dates, site, location, tax status, and GL accounts simply default

Note You must use [S]ingle line format to access and change this information.

- The normal method of entry display is entered in the Sales Order Control
- You can change the method at any time during order entry, and flip back and forth between single and multi line format

Note When you first implement QAD Enterprise Application, use [S]ingle line entry mode. It requires only one additional keystroke per line and gives you much more functionality.

Next Batch: Specify the next batch number to be assigned when you run Invoice Post and Print. When assigning a batch number, the system uses the current value, then increments the field by one.

When you post invoices, the system associates the batch number with all the invoices posted at the same time. The customer invoice record includes the batch for reference and it can be used for searches and reporting.

See in this training guide: *Line Items* on page 114

Sales Order Prefix, Next Sales Order, Invoice Prefix, and Next Invoice. Establishes indentifiers for Sales Orders and Invoices

- System updates *Next Sales Order* as orders are created
- System updates *Next Invoice* as invoices are created

Note To avoid confusion, sales order numbers, invoice numbers, and AR dr/cr memo reference numbers should be assigned to different ranges of numbers. (The next memo reference number is maintained in the Accounts Receivable Control.) Different prefixes may also be used to distinguish different types of numbers.

Integrate with AR, SA, TrM. Determines the relationship with these modules

- Set to Yes to integrate with Accounts Receivable, Sales Analysis, and Advanced Pricing Management

Note Forecast Simulation requires two years of sales history which is kept in Sales Analysis.

Confirmed Orders. Indicates whether orders are normally entered as confirmed

- This flag displays as the default when a new sales order is entered, but it may be changed
  - Yes = sales orders are normally entered as confirmed orders
  - No = they are not confirmed when entered, but require a separate confirmation step
- Confirmed orders are allocated, consume forecast, and create demands for material planning
  - Orders flagged as unconfirmed do not. They are not considered “firm” orders until a separate Sales Order Confirmation function is processed.

Note In a high volume order entry environment, you may choose to enter all orders as unconfirmed and confirm them later in batch. This allows orders to be entered quickly with less processing during order entry. But order promising will be more difficult because allocations do not take place until the order is confirmed.

See in this training guide: *Confirm the Sales Order* on page 122

Fiscal Start Month. Values may be 1 through 12

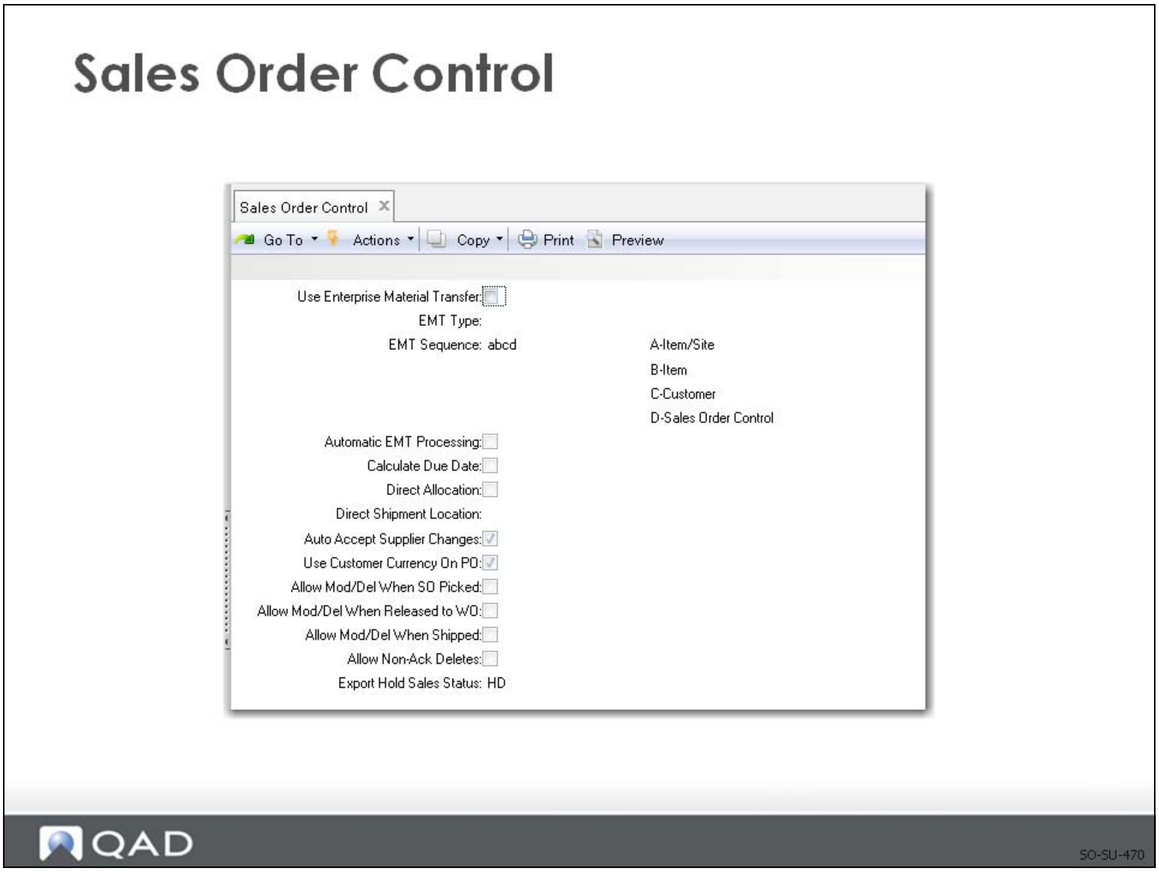
- The default is 1
- The fiscal start month for Sales Analysis
- All reports and inquiries print monthly sales history starting with this fiscal month

    - if the fiscal start month is set to 7, all Sales Analysis reports start in July and show 12 months of history
- Sales Analysis history is maintained in 12 monthly time buckets
    - These do not correspond to your General Ledger fiscal calendar periods
    - They are always calendar months
    - Sales history is posted to a month based on the invoice date

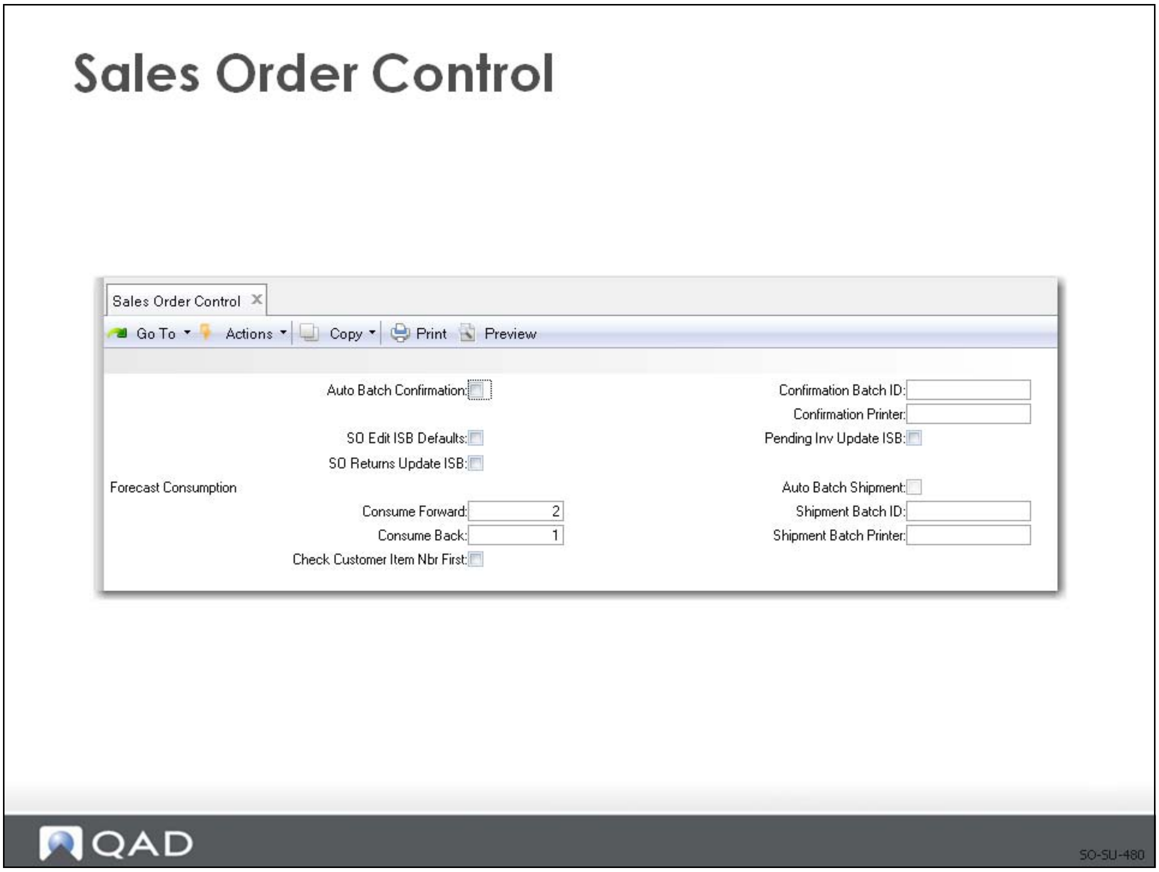
See in this training guide: *Fiscal Year and Calendar Year Reporting* on page 211

F.O.B. Is the normal Free On Board (FOB) terms on sales order shipments

- Validated against predefined values entered in Generalized Codes Maintenance, if any
- Is the default FOB on all sales orders, pending invoices, and RMAs
    - It can be changed manually during order entry
- Prints on formal documents, such as sales orders, invoices, packing lists, and RMAs
- Identifies the terms of a shipment, including when ownership of the goods transfers from the seller to the buyer
    - For example, “FOB Destination” means title passes to the buyer at delivery
- Used by some companies to identify who pays the transportation charges
    - For example, “FOB Destination – Collect” means the same as above, except the buyer pays transportation charges



The second Sales Order Control screen is used for EMT processing which is covered in the Enterprise Material Transfer course.



Auto Batch Confirmation. Specify whether to confirm a Sales Order in batch immediately after entry.

With this field set to Yes, you have the option to confirm through batch processing any unconfirmed Sales Order detail lines you enter. Batch processing of these lines improves performance, particularly at a multi-database environment across a network.

Confirmation Batch ID. If a batch ID is entered, the report does not print right now. The request is put in a queue for later batch processing.

Confirmation Printer. Identifies where to send the output from this report or Inquiry/Browse

- May be a terminal (character), window (GUI), printer, or file name

SO Edit ISB Defaults. Controls appearance of Installed Base Detail frame in Sales Order Maintenance

- Yes opens a pop-up window where you can override the defaults
- No skips this window

SO Returns Update ISB. Determines whether the system should attempt to delete the installed base record for items returned on a sales order

- If Yes and other conditions are met, you are prompted to enter an ISB reference during Sales Order Maintenance
- If No, the system does not attempt to update the installed base for negative order quantities on sales order lines

Auto Batch Confirmation. Specify whether to confirm a Sales Order in batch immediately after entry

Confirmation Batch ID. If a batch ID is entered, the report does not print right now but is put in a queue for later batch processing

Confirmation Printer. Identifies where to send the output from this report or Inquiry/Browse

- May be a terminal (character), window (GUI), printer, or file name

Pend Inv Update ISB. Yes allows capability updating the installed base from Pending Invoice Maintenance

Forecast Consumption. Relationship with MRP for planning

Consume Fwd. The number of future forecast periods that may be consumed by a sales order if no forecast remains in the period in which the order is due

Consume Back. The number of past forecast periods that may be consumed by a sales order if no forecast remains in the period in which the order is due

Auto Batch Shipment. Specify whether to process the inventory and accounting portions of a Sales Order Shipment in batch immediately after entry

- Batch processing of these transactions improves response to the user, particularly at a multi-database environment across a network

Shipment Batch ID. If a batch ID is entered, the shipment transaction will be processed in that batch run

Shipment Batch Printer. Identifies where to send the output from this report or Inquiry/Browse

- May be a terminal (character), window (GUI), printer, or file name

Check Customer Item Nbr First. This field determines whether the system searches customer or internal item numbers first when evaluating line items entered in the following transactions:

- Sales Quote Maintenance
- Sales Order Maintenance
- Customer Scheduled Order Maintenance
- Pending Invoice Maintenance
- RMA Maintenance

Exercise: Customer Items and Sales Order Control

1 Use Customer Item Maintenance (1.16) to set up customer item number for item 03021.

Customer/Ship-To:	10C1000
Customer Item:	P0001
Item Number:	03021
Display Customer Item:	P0001

2 Use Item Cost Maintenance (1.4.9) to set the price of item 03021 to 45.00.

3 Use Sales Order Control (7.1.24) to verify or set the following settings. Others may be left at the default.

Shipping Lead Time:	1
Ln Format S/M:	Single
ATP Horizon:	15
Calculate Promise Date:	Yes
Sales Order Prefix:	SO
Next Sales Order:	001
Integrate with SA:	Yes
Confirmed Orders:	Yes
Forecast Consumption	
Consume Forward:	10
Consume Back:	10
Check Customer Item Nbr First:	Yes

4 Use Sales Order Accounting Control (36.9.6) to verify or set the following settings. Others may be left at the default.

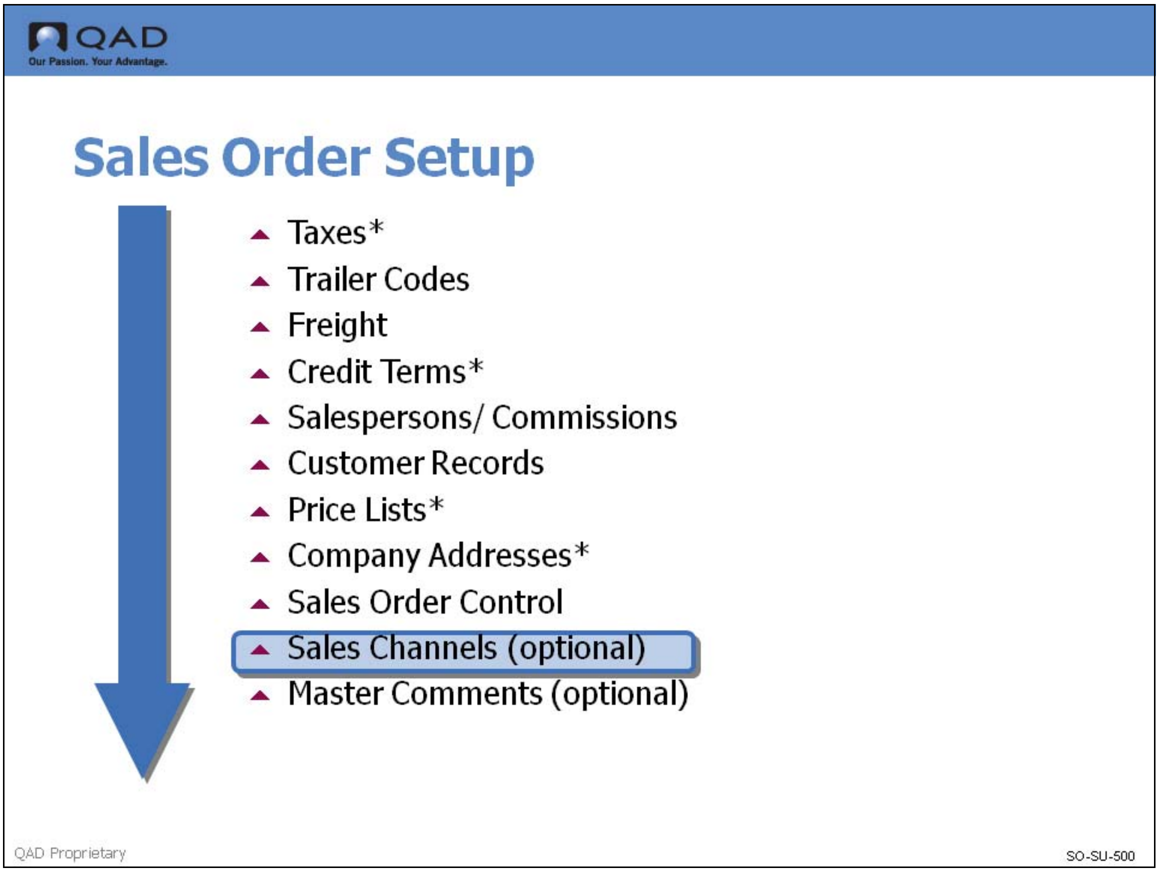
Company Address:	10-300
Default Daybook Set:	10-SALES
Calculate Freight by Site:	Yes
Commission on Margin not Sales:	No
Taxable Trailer Code 1:	11
Taxable Trailer Code 2:	21
Taxable Trailer Code 3:	31
Non-Taxable Trailer Code 1:	10
Non-Taxable Trailer Code 2:	20
Non-Taxable Trailer Code 3:	30
Hold Orders Over Credit Limit:	Yes
SO Interest Accrued Acct:	1475 - HO
SO Interest Applied Account:	4675 - HO
Allow Maintenance of Reviewed Orders:	No

Customer Type and Channel

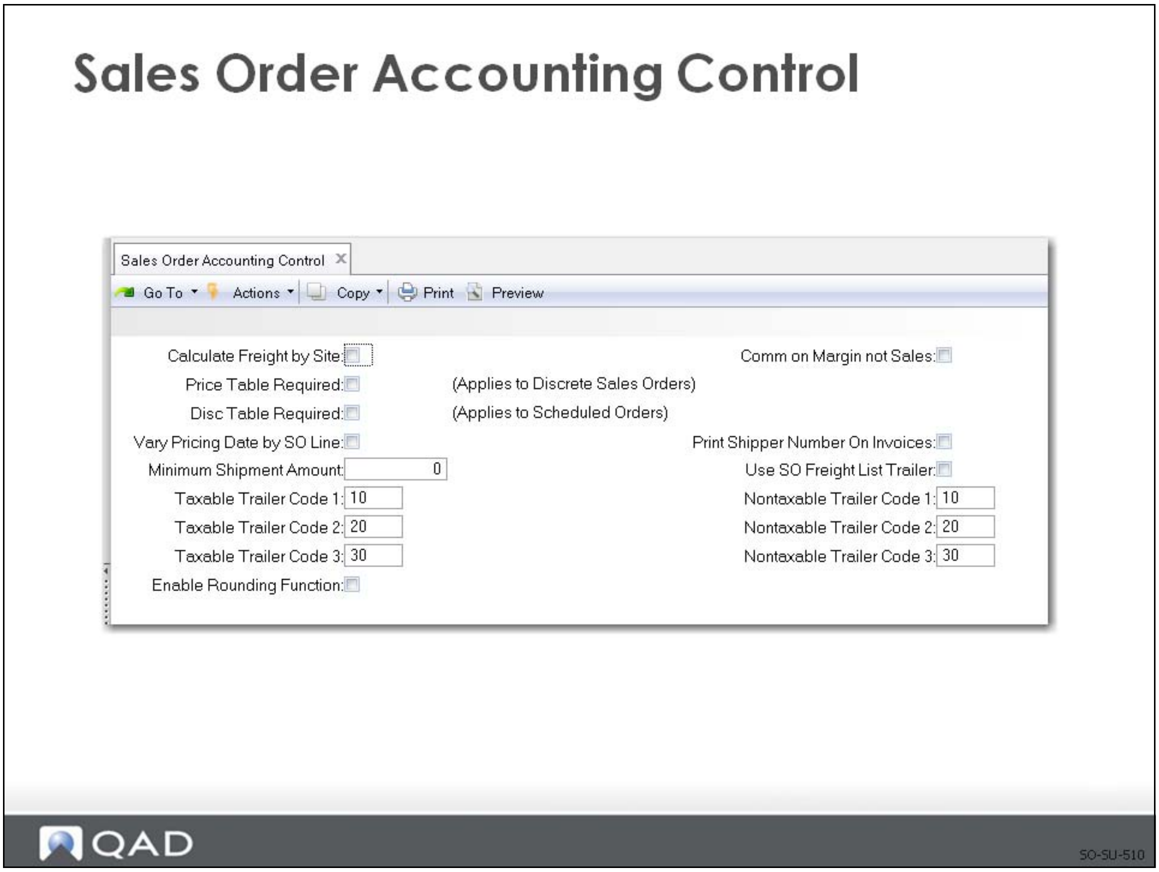
5 Use Sales Account Maintenance (1.2.17) to assign GL accounts to the following combination of product line, site, customer type, and channel. Accept all the default accounts.

Product Line:	10
Site:	10-300
Customer Type:	WHSL
Channel:	Direct

Sales Channels



Company Address. Specify the company address that you typically want to appear on printed sales order documents. The company address must be defined in Company Address Maintenance and reference a business relation for address details.



Calculate Freight by Sites. Determines whether freight charges are calculated based on the site on the order header or by the site on the order line item

- If this flag = Yes, freight charges will be calculated using the site entered on the order line item
- If this flag = No, the freight charges will be calculated based on the site entered on the order header

Comm on Margin not Sales. Determines whether sales commissions are calculated based on the sales margin, or on the sales amount

Price Table Required. If Yes, only items from an existing price list can be entered, and only if the price list item, unit of measure, and currency match the order item, unit of measure, and currency exactly

- If No, items can be entered whether or not a price list exists

Vary Pricing Date by SO Line. Determines whether or not the pricing date can be modified for each sales order line item or each RMA issue line item

Minimum Shipment Amount. Specifies the minimum order value (in base currency)

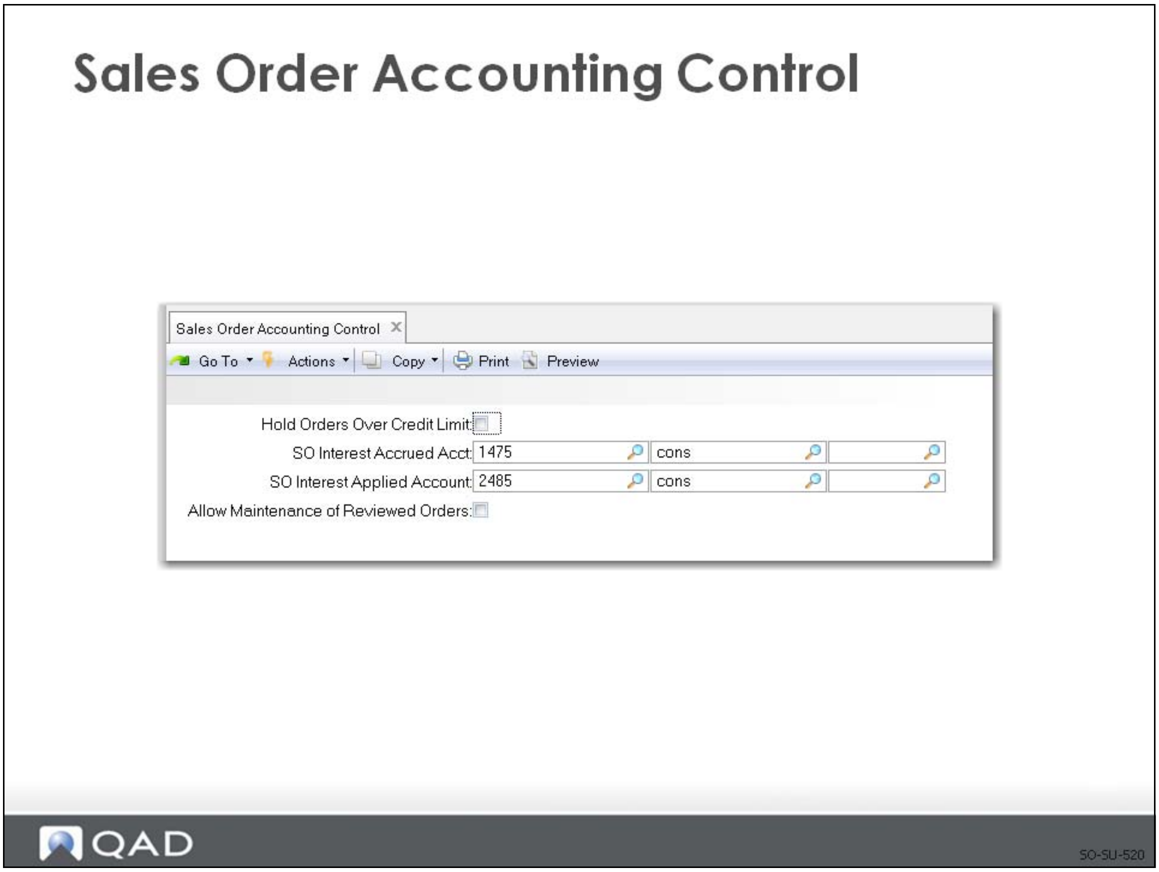
- The system displays a warning message in Sales Order Maintenance, Sales Order Shipments, and Pending Invoice Maintenance if the order value (in base currency) is less than the control value

Print Shipper Number On Invoices. Yes or No

Use SO Freight List Trailer. A trailer code associated with the freight list on the order header is used during order processing.

Taxable / Non-Taxable Trailer Codes. Specify frequently used codes as defaults (Trailer Code Maintenance)

Enable Rounding Function. Enter Yes to enable invoice currency rounding for sales orders and customer schedules. When this field is Yes and you press Go, the system displays additional frames that let you specify the rounding methods used between combinations of currency, ship-from, and ship-to address. You also specify the GL account and sub-account used to track rounding differences. The top frame lists existing records. Use the bottom maintenance frame to add or modify records.



Hold Orders Over Credit Limit

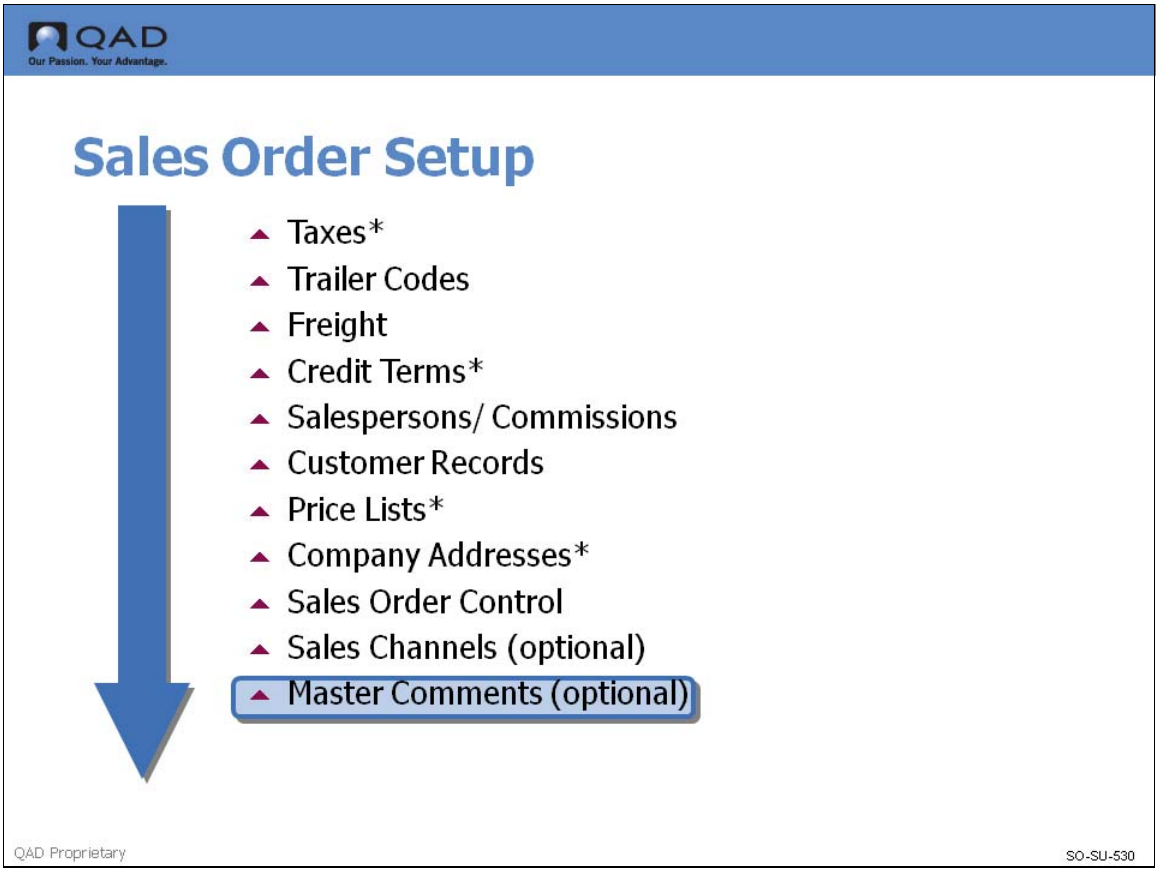
- Default during credit verification

SO Interest Accrued and Applied Accounts

Used to track calculated credit term interest.

Allow Maintenance of Reviewed Orders. Leave unchecked to prevent orders from being modified using one of the following programs after they have been reviewed by a credit controller: Sales Order Maintenance, Pending Invoice Maintenance, RMA Maintenance, Material Order Maintenance, or Call Activity Recording.

Master Comments

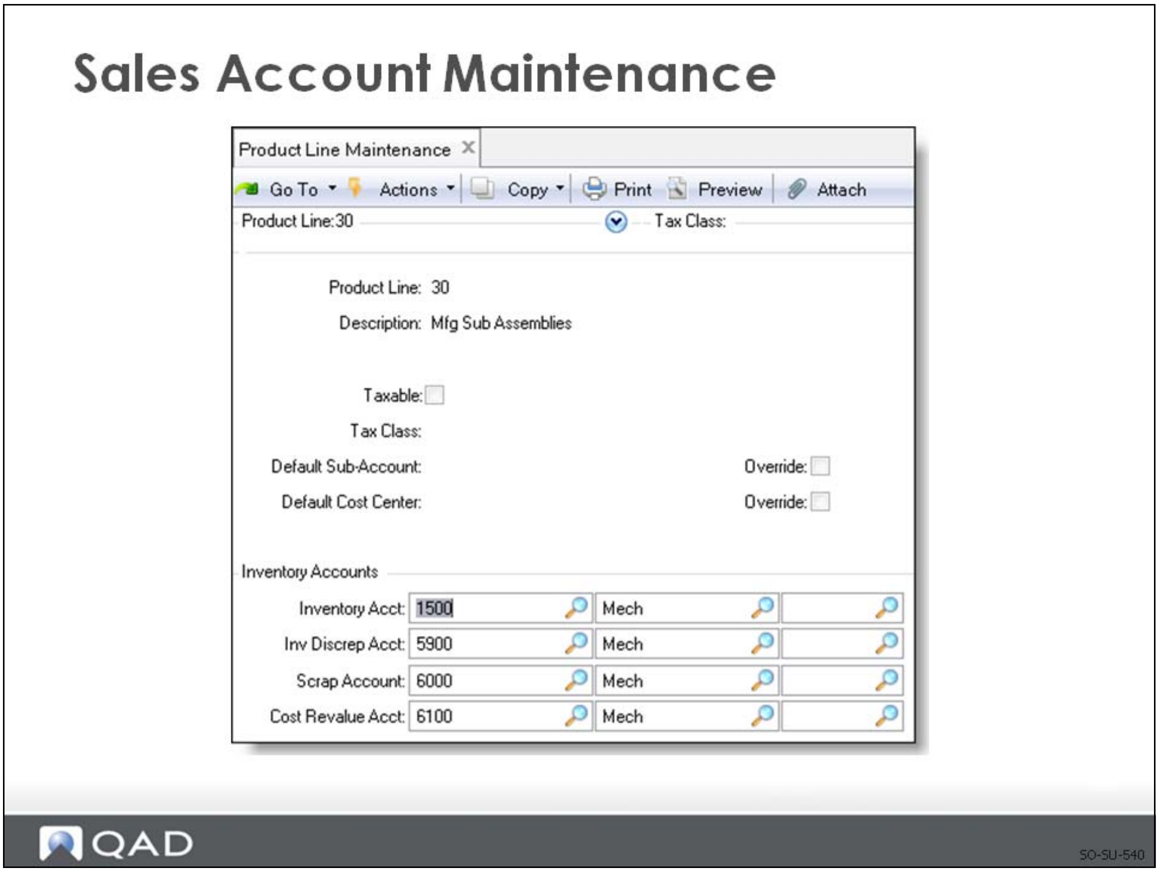


A Channel is an optional code used to identify the distribution channel through which the sales quote, order, or invoice originated.

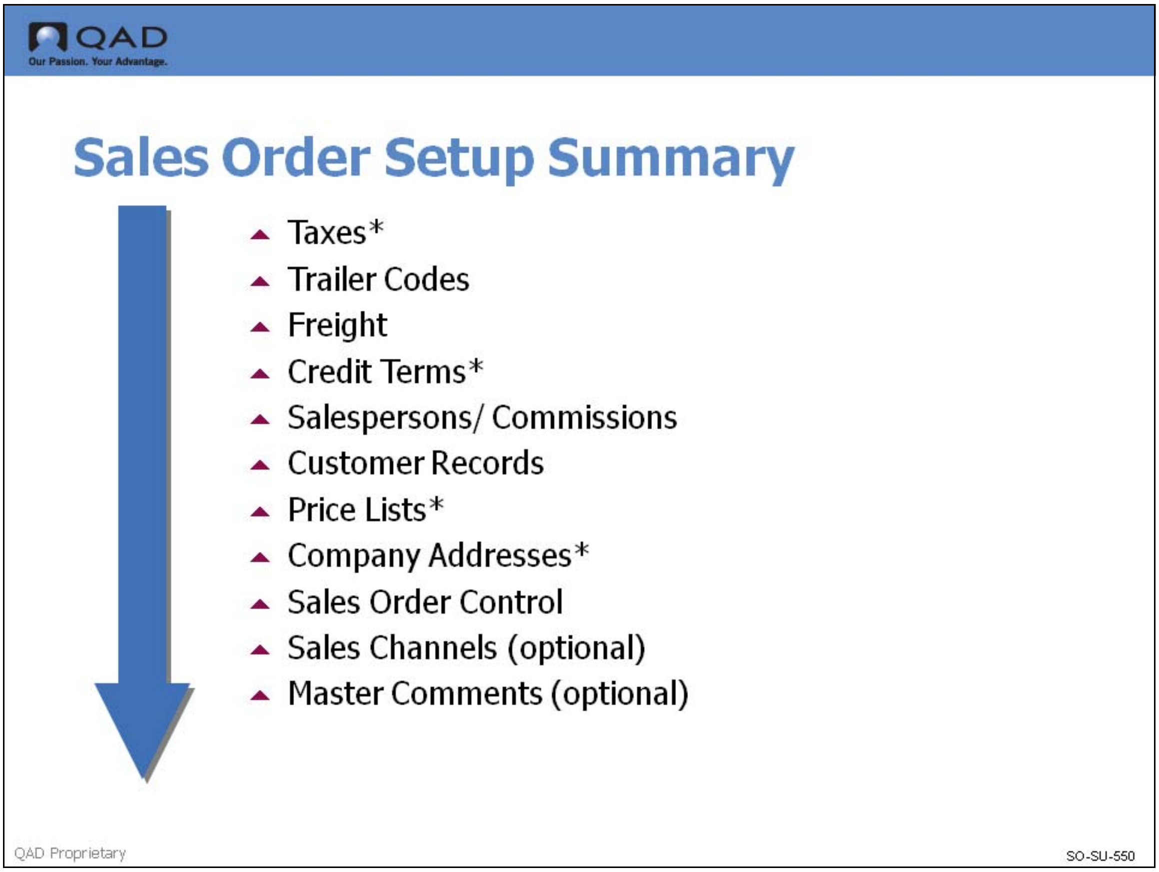
Example Sample, Export, OEM, Distributors, and Warranty

- Deviates from “normal” sales and cost of goods sold accounts in Product Line Maintenance
- Redirects sales and cost of goods sold monies to the general ledger
- Works with Customer Type Code in Customer Master Maintenance which is another optional code classifying customers by type, such as “RET” for retail customers and “WHSL” for wholesalers

Sales Account Maintenance



The basic account structure for tracking sales and cost of goods sold is defined in Product Line Maintenance



Using Sales Account Maintenance you can modify the account code structure for sales and cost of goods sold by any combination or Product Line, Site, Customer Type and Channel.

> *Channel.* Validated against predefined values entered in Generalized Codes Maintenance, if any

The system uses the combination of site, product line, customer type, and sales channel to determine what sales and cost of goods sold general ledger accounts to use.

- Cost of goods sold amounts are posted by the Sales Order Shipment or Pending Invoice Maintenance functions
- Sales amounts are posted by the Invoice Post

Site, product line, and channel can be entered on the sales order. Customer type is accessed automatically based on the customer ship-to address.

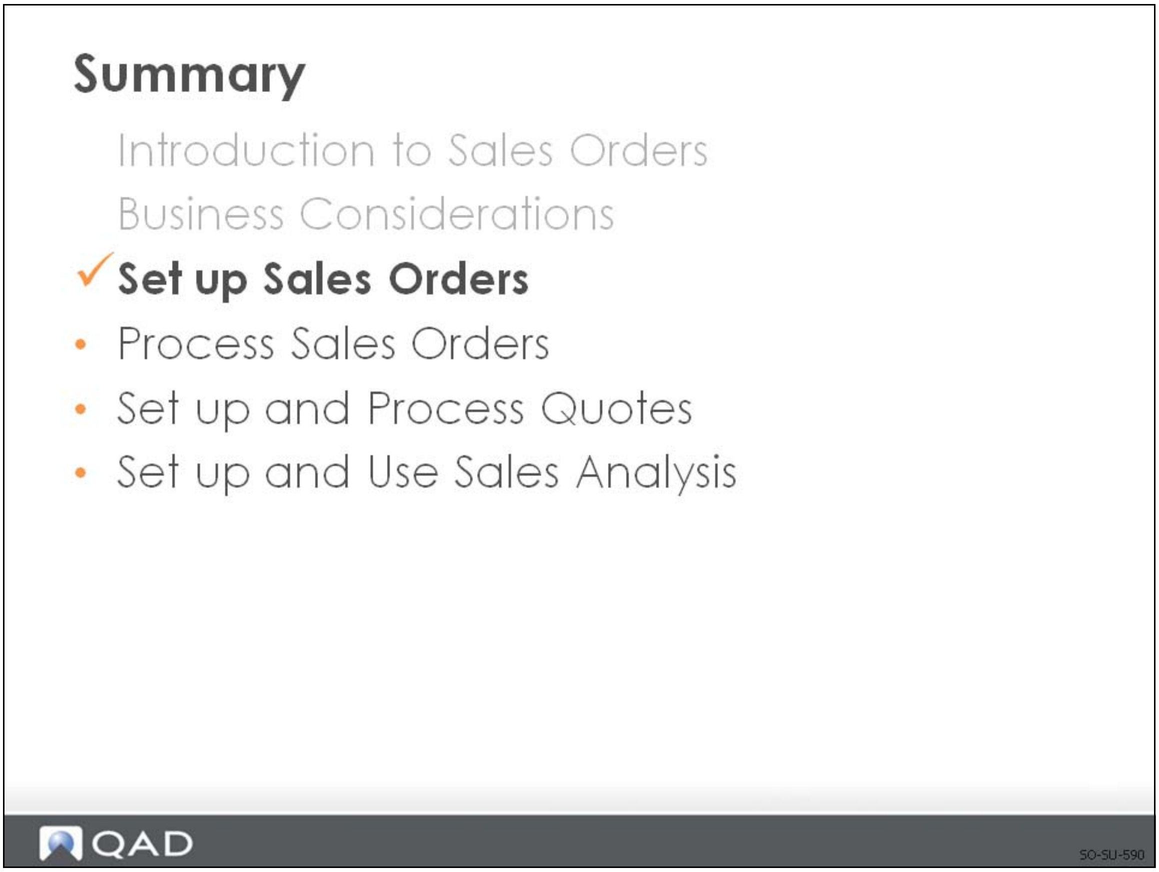
Example You can selectively split out sales amounts for the general ledger in much more detail. If you supply medical products, you may track sales to customer type “Hospital” separately from sales to customer type “Doctor”. Or, you may track “Retail” channel sales separately from “Wholesale” channel sales at each site.

Note If no specific accounts are entered here, sales are posted by product line. If you do not use channel or type, but want to set up accounts by site, leave channel and type blank.

Sales Order Setup Summary

- Taxes*
- Trailer Codes
- Freight
- Credit Terms*
- Salespersons/ Commissions
- Customer Records
- Master Comments (optional)
- Price Lists*
- Company Addresses*
- Sales Order Control
- Sales Channels (optional)

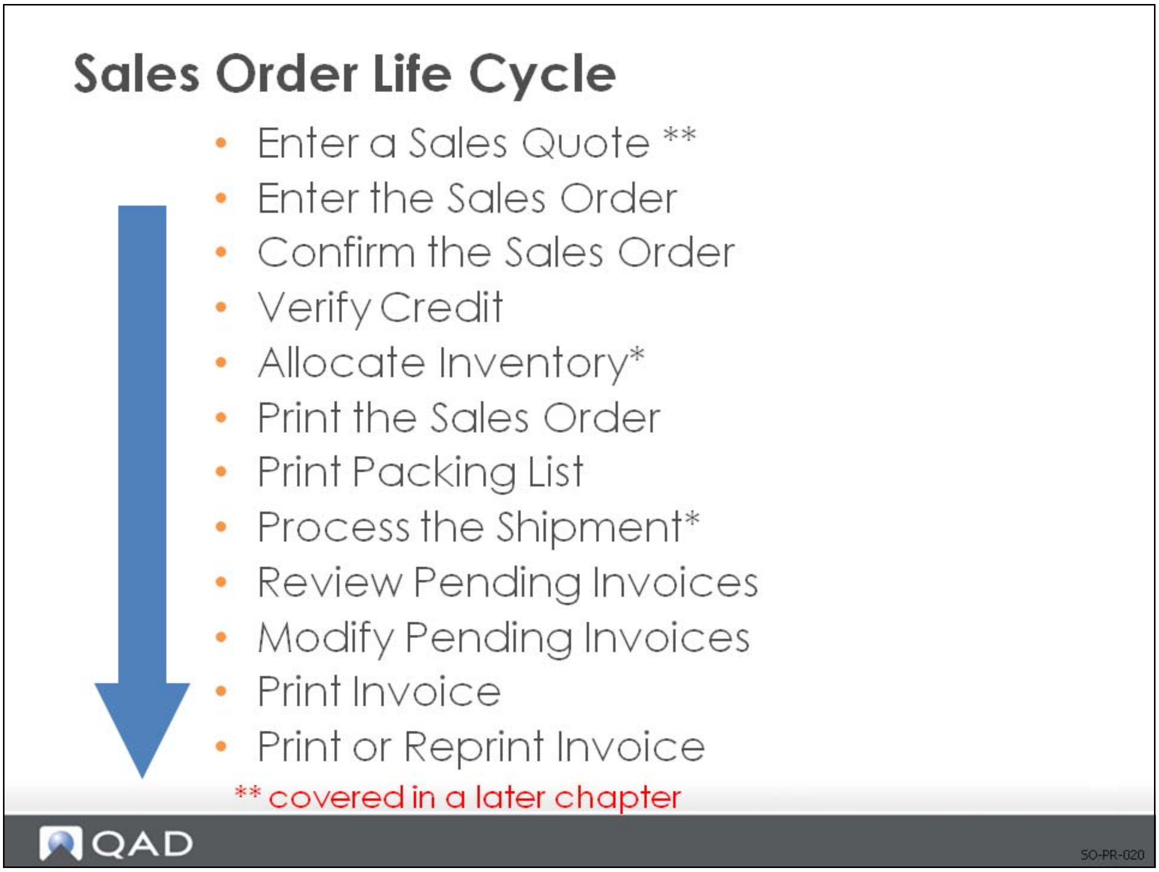
QAD SO-SU-580


Summary
Introduction to Sales Orders
Business Considerations
✓ Set up Sales Orders
• Process Sales Orders
• Set up and Process Quotes
• Set up and Use Sales Analysis
QAD
SO-SU-590

Chapter 4

Sales Orders Process


Process Sales Orders
In this course you will learn how to:
Identify Key business considerations before setting up Sales Orders
Set up Sales Orders in QAD Enterprise Applications
Process Sales Orders
Set up Process Sales Quotes in QAD Enterprise Applications
Setup and Use of Sales Analysis
QAD
SO-PR-010

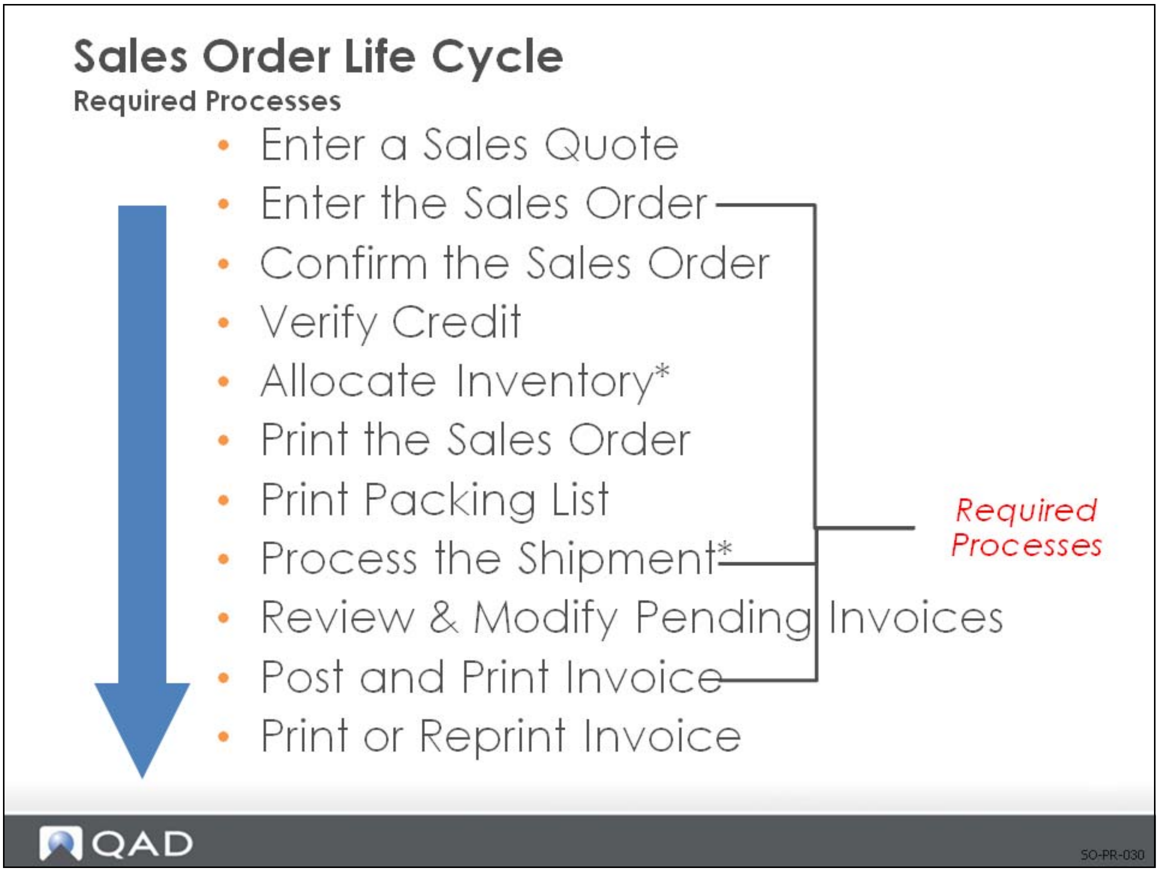


This diagram shows the suggested steps for processing a typical sales order. Please note that Sales Quotes will be skipped at this time and covered in the next chapter. Items with a single asterisk are required, but are covered at length in another course.

Four modules are typically involved in the sales order process:

- Sales Quotations
- Sales Orders/Invoices
- Configured Products
- Sales Analysis

See in this training guide: *Sales Quotations* on page 173 and *Sales Analysis* on page 207

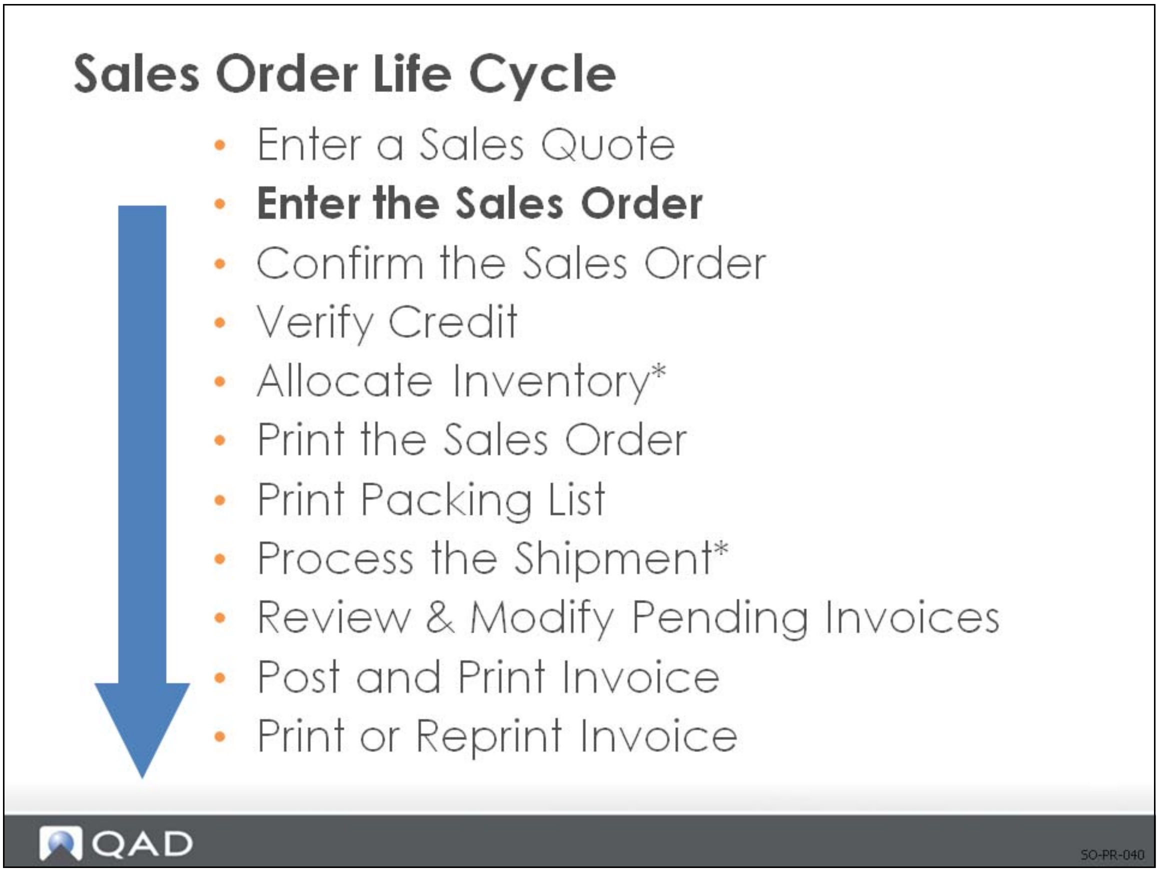


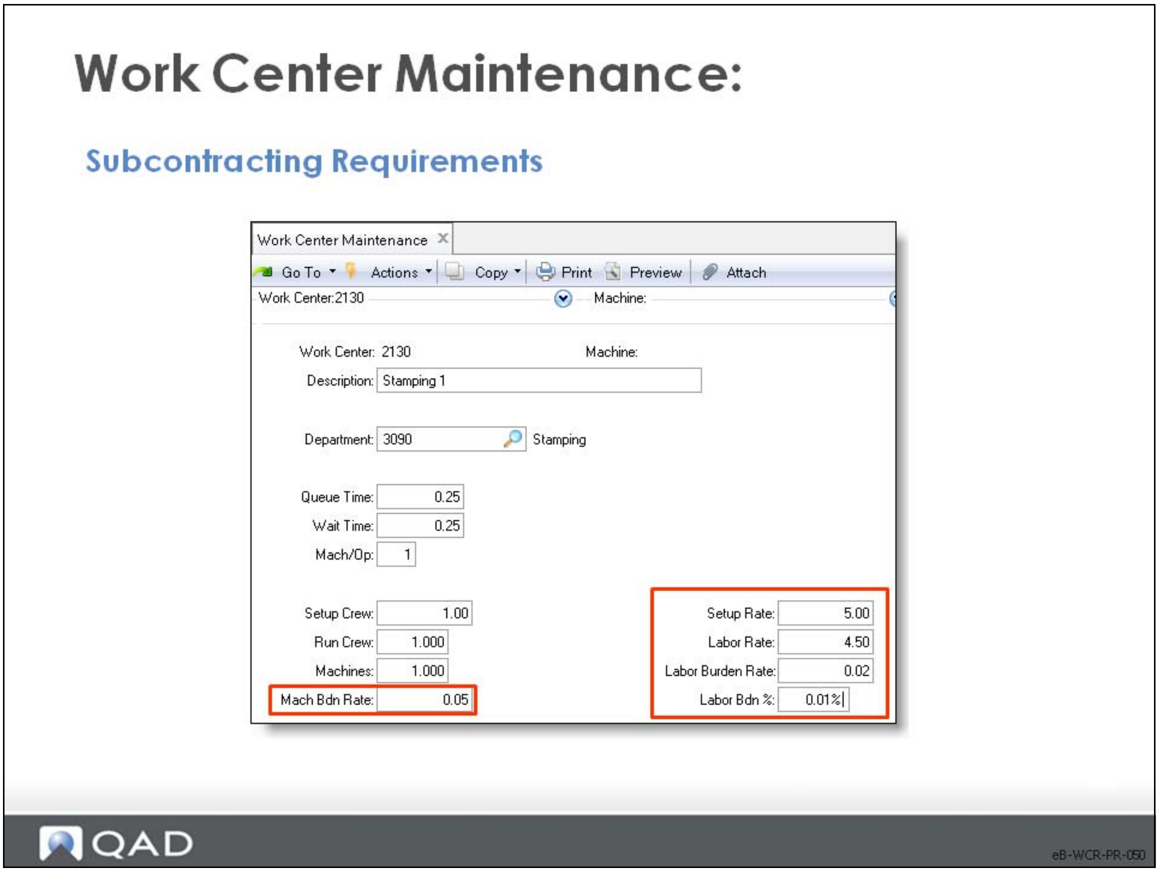
Depending on your company requirements, you may complete some or all of the above procedures when processing a sales order.

Four procedures which are typically required to process a sales order include:

1. Entering/creating the sales order
2. Processing the shipment of the items on the sales order
3. Printing the invoice
4. Posting the invoice

Enter the Sales Order





A sales order consists of a header, line items, and a trailer. Each part is displayed in a separate frame.

Header

The header frames include the sales orders generic information which defines customer information and applies to the entire order:

- Order number
- Dates: Order Date, Due Date, Required Date, Promise Date, and Pricing Date
- Customer name and address: sold-to address and/or bill-to address
- Ship-to name and address
- Credit terms
- Freight list
- Shipping remarks
- Comments may follow to describe in more detail the terms or instructions associated with this order

Line Items

After completing the header information, you enter specific line items in the Sales Order Line frame. The line item frame includes all items on the order.

Each line item lists:

- Item number
- Quantity ordered
- Unit of measure
- Pricing information

Note Best list price, discount percentage, and net price are determined by the system based on analysis codes and defined price lists.

Enter line items in single or multiple-line mode:

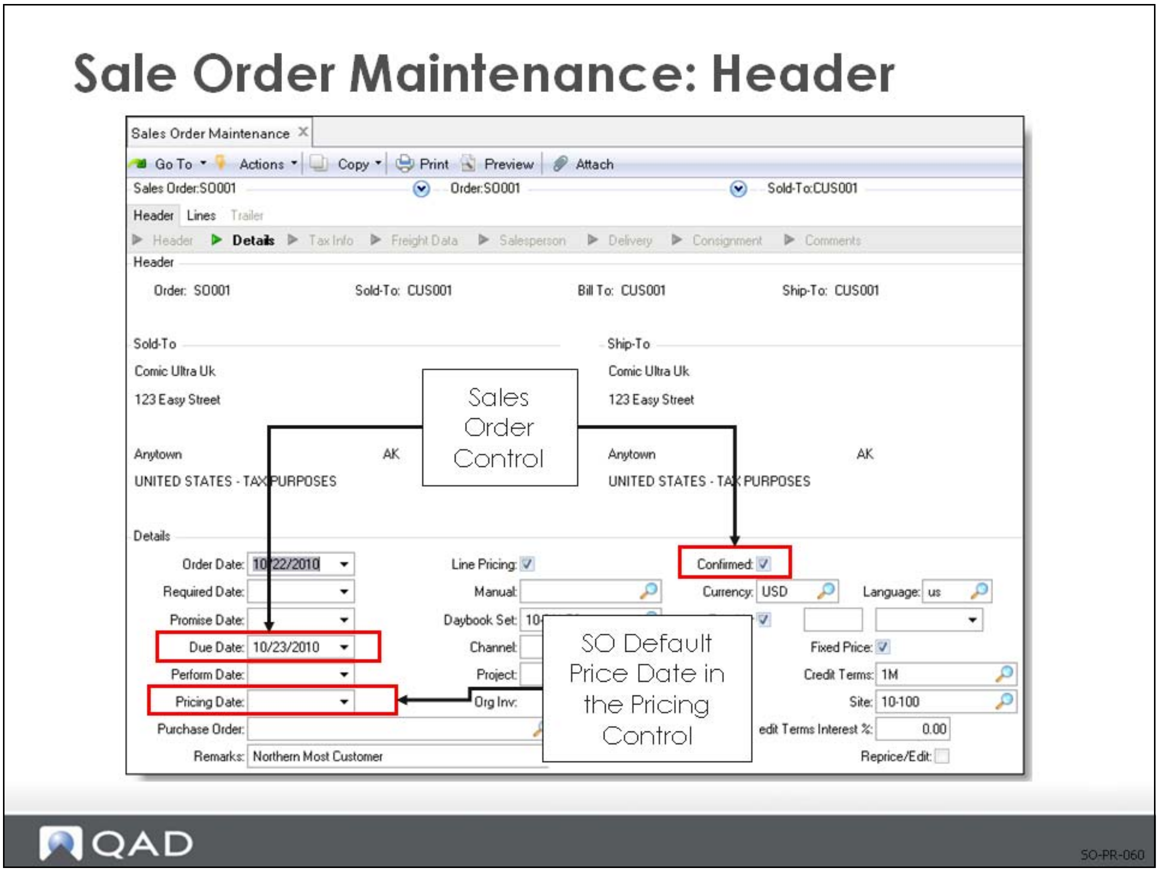
- Mode is specified by the default you set in the Sales Order Control
- You can switch between the two modes within an order

Trailer

When all line items are entered, QAD Enterprise Applications displays the trailer frame:

- Totaled line items
- Calculated taxes
- Optional order discounts
- Freight charges: calculated automatically on a bulk or unit basis
- Optional miscellaneous charges
- Total value of the sales order

Sales Order Maintenance: Header



You can create a sales order or view an existing sales order using Sales Order Maintenance.

- Each entered sales order or pending invoice is identified by a sales order number (which may be entered manually or system assigned)
- Sales order numbers select information to appear on reports and inquiries

Sales order numbers must be unique.

- The system automatically assigns a number for the next sales order number
  - Leave sales order number blank for a system assigned number
  - The system records the next sales order number in the Sales Order Control and increments it automatically

Due Date. The system calculates the due date by adding the specified Shipping Lead Time from the Sales Order Control to the Order Date

- The due date is the date the system uses for MRP and for determining shipping priorities
- You can change this field

Note You can also specify the Order Date, Required Date, Promise Date. These dates are not used by the system and are for your reference only.

Pricing Date. Defaults to one of the other four dates, depending on the setting of SO Default Price Date in the Pricing Control

- This date is used in the search for effective price dates

Line Pricing. Defaults from the setting of Price SO by Line in the Pricing Control

- For a new sales order or RMA, determines whether the system prices each line item as it is entered, or waits until the end of order entry before calculating prices
- No = the system prices each line without considering other lines on the order
  - This may not be the best price, since additional item quantities on other lines may qualify a line for a different price list
- Yes = the system prices each line item as it is entered in relation to other lines on the order and displays the best price

Note In either case, if prices change because of quantity breaks the system recalculates them at the end of order entry.

- Affects a new order being entered in the system
  - when you are maintaining an existing order this setting has no effect
- Depending on how price lists have been setup, successive lines on an order can affect the price of line items previously entered

Example When lines 1 and 2 are for the same item (or break category), the combined quantity can qualify line 1 for a different price list (with better prices). The system always adjusts prices affected in this way when order entry is complete.

Note If you expect repricing to happen often, or if you do not need to know exact prices as you enter an order, you can save time by telling the system to hold these pricing calculations to the end of the order. Setting Line Pricing to No can improve performance during line item entry.

Manual. A price list to be considered for line item pricing on this order in addition to the ones that the system selects as potential price list candidates

- When a price list is defined in Sales Order Price List Maintenance, you may optionally mark it as manual
  - In this case, the system never considers it for pricing unless it is entered by the user in the Manual field on an order header
- If a price list is entered, it is included as a price list candidate when the system selects price lists to consider for this order
  - Specifying a manual price list only marks it to be considered
  - The system still determines the best price according to the rules and codes previously setup
- This field may be password protected
- The price list specified must have been defined with sales order Price List Maintenance

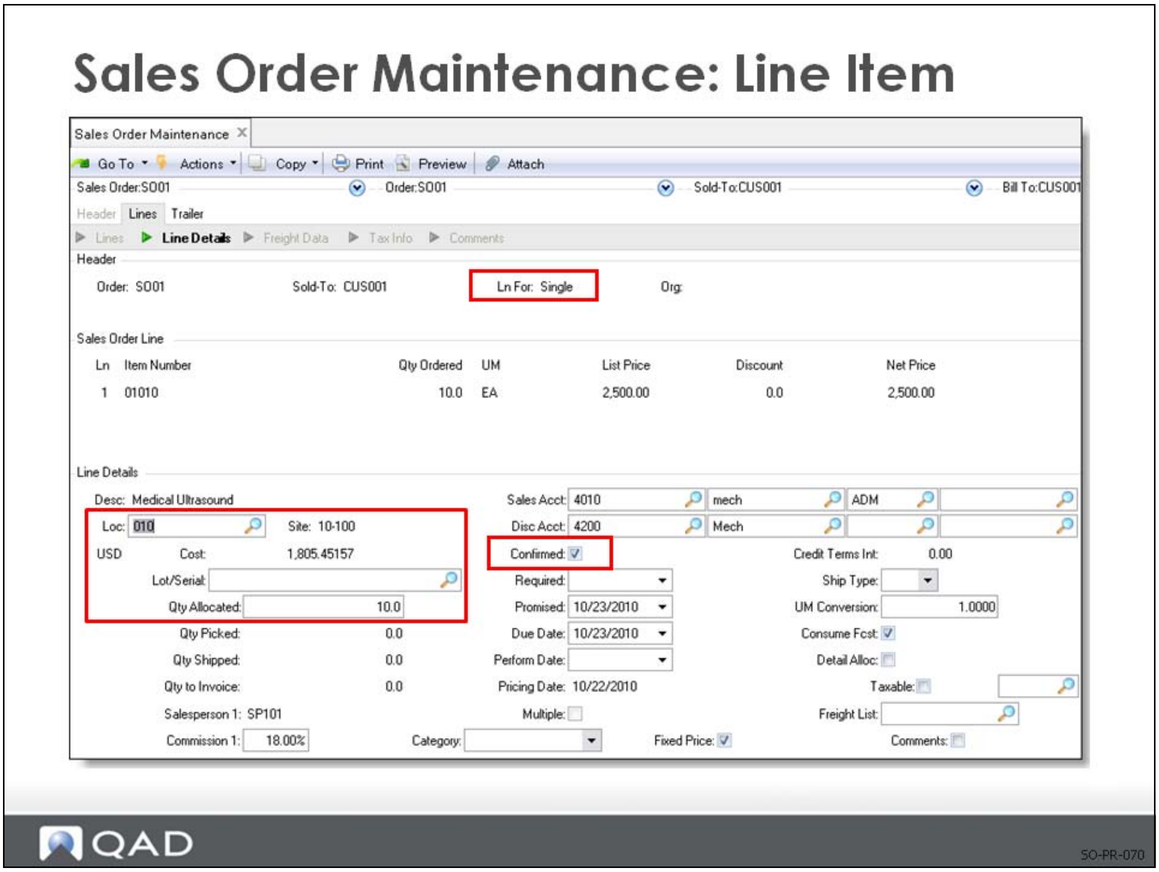
Currency. The currency code for this sales order or invoice

- Currency code uniquely identifies a foreign currency
- All sales, purchasing, and accounting transactions can specify a foreign currency, and you assign entities to a specific currency
  - The currency code and current exchange rate must be defined in advance in Exchange Rate Maintenance
- When an order is entered, the system displays the exchange rate effective on the order date and lets you change it, optionally flagging this rate as “fixed”

    - This exchange rate is used for reporting purposes
- Usually when the invoice is posted, the system takes the exchange rate effective on the post date and posts this to Accounts Receivable
    - However if you have flagged the exchange rate as fixed, it is not changed by the system
- Once an order or invoice has been entered, the currency cannot be changed

Warning If you made a mistake and entered the wrong currency, you can only correct it by deleting the order or invoice and re-entering it.

Sales Order Maintenance: Line Items



Ln Format S/M. The method for entering sales order and invoice line items. Values must be "S" or "M":

- [S]ingle = you can display and maintain detailed information for each line item
- [M]ulti = you can enter basic information--item, quantity, and price--for up to 12 lines on a single screen

See in this training guide: *Ln Format S/M* on page 92

Location. Detail Allocation: specify a location from which the inventory is to be allocated

- General Allocation: leave field blank; the system allocates from the default site/location for the item

Lot/Serial. If doing a detail allocation, specify the site, location(s), lot/serial number(s), and lot reference(s) for the allocated quantity for the item

See in this training guide: *Detail Allocations* on page 90

Qty Allocated. The total of quantity allocated, plus quantity shipped, plus quantity picked cannot be greater than quantity open on the line item. Access to this field may be password restricted.

- A quantity allocated can only be specified for a confirmed order
- For confirmed orders, the system calculates a default based on a number of flags
  - Quantity Available to Allocate

    - Limit Allocations to Avail to Allocate
    - Allocate Sales Order Due in Days
- Allocations reserve inventory so it won't be allocated to other sales orders, RMA issue lines, intersite requests, or work orders
    - Allocations are used to control the shipment of items, especially in shortage situations when a sufficient quantity of an item does not exist to fill all orders
    - Most shipment functions allow you to setup the quantity allocated or picked for immediate shipment
- Allocation quantity may be changed manually
    - Usually picklists only print the quantity allocated
- Sales Order Manual Allocations or Sales Order Auto Allocations can be used later to allocate inventory to a sales order or RMA line due outside the allocation window or when sufficient inventory becomes available
- Sales Order Packing list Print will only detail allocate sales orders whose quantity allocated is greater than zero

Qty Picked. Quantity picked cannot be greater than the quantity open on the line item

- The quantity printed on a picklist for this line item
- When a picklist prints, the system updates the quantity picked, ensuring that the same quantity is not printed again on the next picklist printed for this order
- Quantity picked can display as the default quantity to ship during the Sales Order Shipment function to simplify the entry of shipments

See in this training guide: *Qty Available to Allocate* on page 89 and *Pick Only Allocated Lines* on page 90 and *After Printing the Picklist* on page 138

Confirmed. Defaults to the value entered on the sales order header

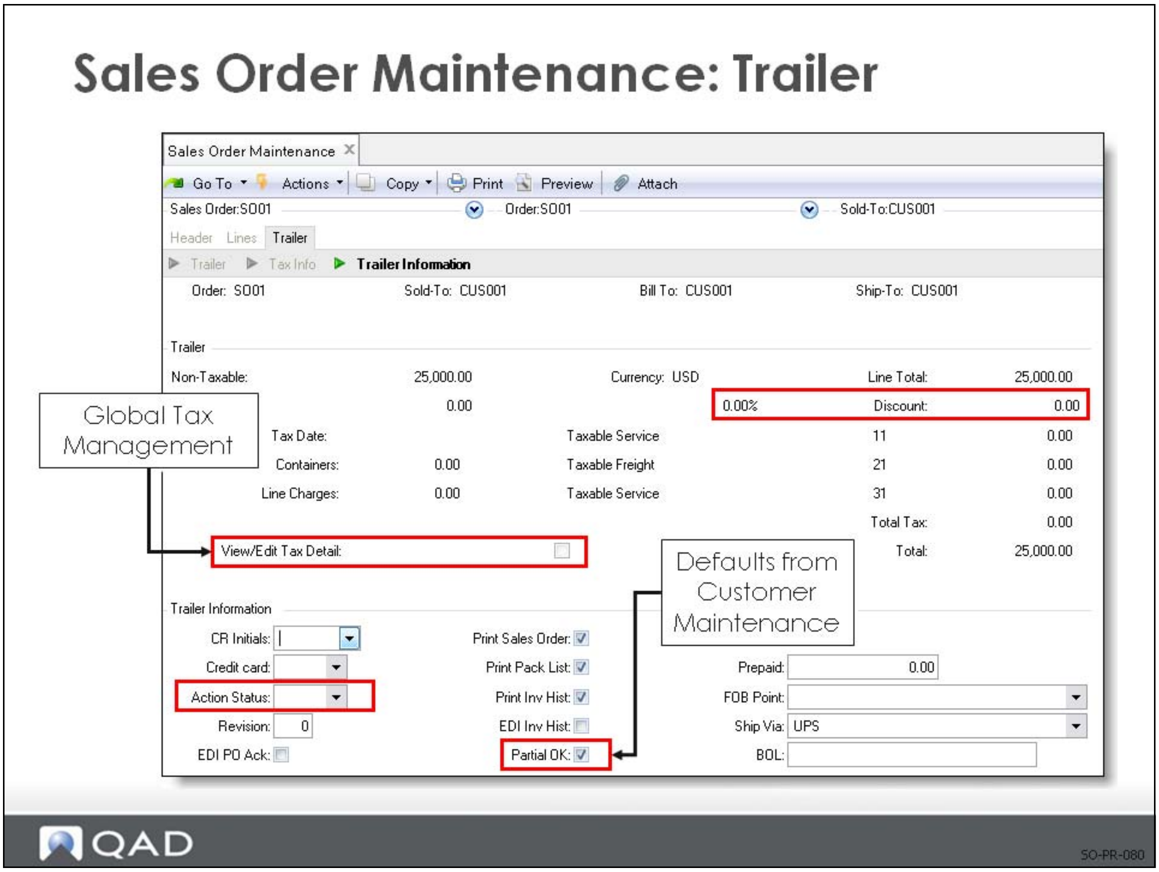
- Indicates whether this order line is considered a “firm” order
- Yes = the order line is confirmed
- No = the order is not confirmed

Note A confirmed order may have some line items that are not confirmed. If there aren't enough items in stock, someone needs to review the schedule prior to promising delivery.

- When processing orders which allocate inventory from other sites connected over a network, if the connection is down enter No here
    - Later, when the connection comes up, use Sales Order Confirmation and confirm all order lines to be shipped from this site

See in this training guide: *Confirmed Orders* on page 93

Sales Order Maintenance: Trailer



Action Status. You can still allocate inventory for an order on hold, but cannot print a picklist

- If the field is blank, you can release the order

Note If there is any value other than blank in the Action Status field, the order is on hold.

View/Edit Tax Detail. You can record additional tax information on sales orders and pending invoices

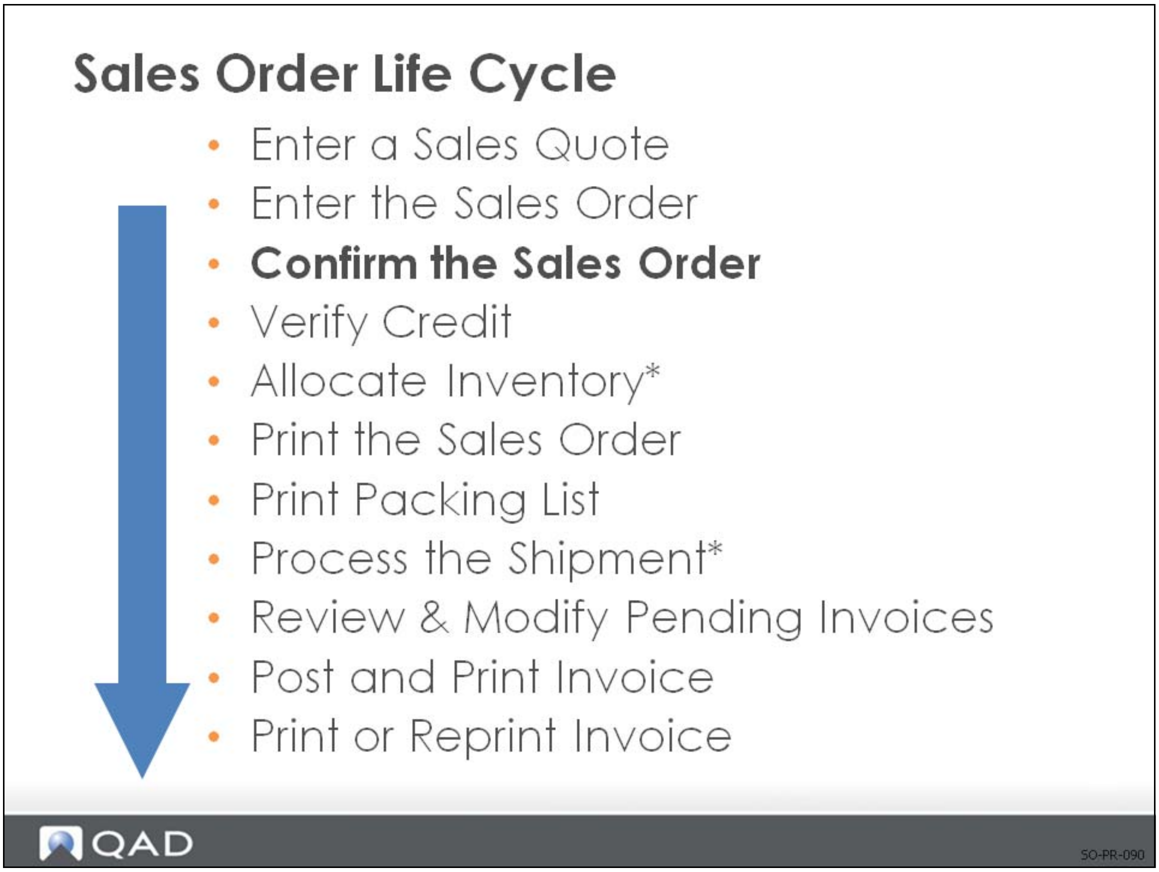
- This feature lets you review (and optionally change) tax amounts

EDI PO Ack. EDI = Electronic Data Interchange

- Yes = sales order is processed by PO Ack Export or PO Ack Export Audit Report

Partial OK. Defaults from the customer record when an order is entered

Confirm the Sales Order



As used in the Header section:

- Yes = order is considered a firm order
  - An order can then be allocated, consume forecast, and create demand for MRP
- No = order is not firm
  - An order cannot be allocated and cannot be seen by MRP. A separate confirmation step is required.

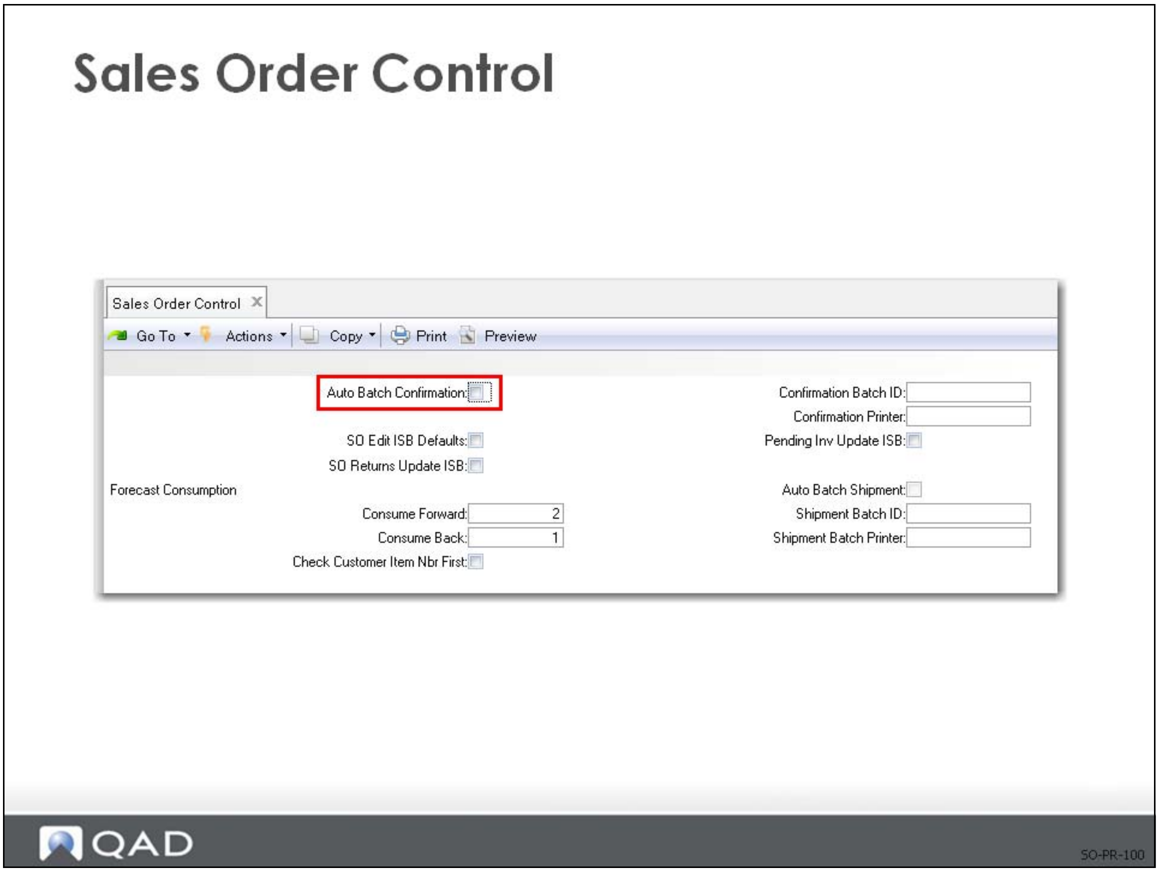
As used in the Line Item section:

- Yes = line item is firm
- No = item is not firm

Note When you release a sales quote to a sales order, the Confirmed fields are set to Yes in the header section and the line item section. You cannot modify these fields. When you create a new sales order, the Confirm fields default from the value of Confirmed Orders in the Sales Order Control, but you can modify them.

See in this training guide: *Confirmed Orders* on page 93 and *Confirmed* on page 120

Sales Order Control



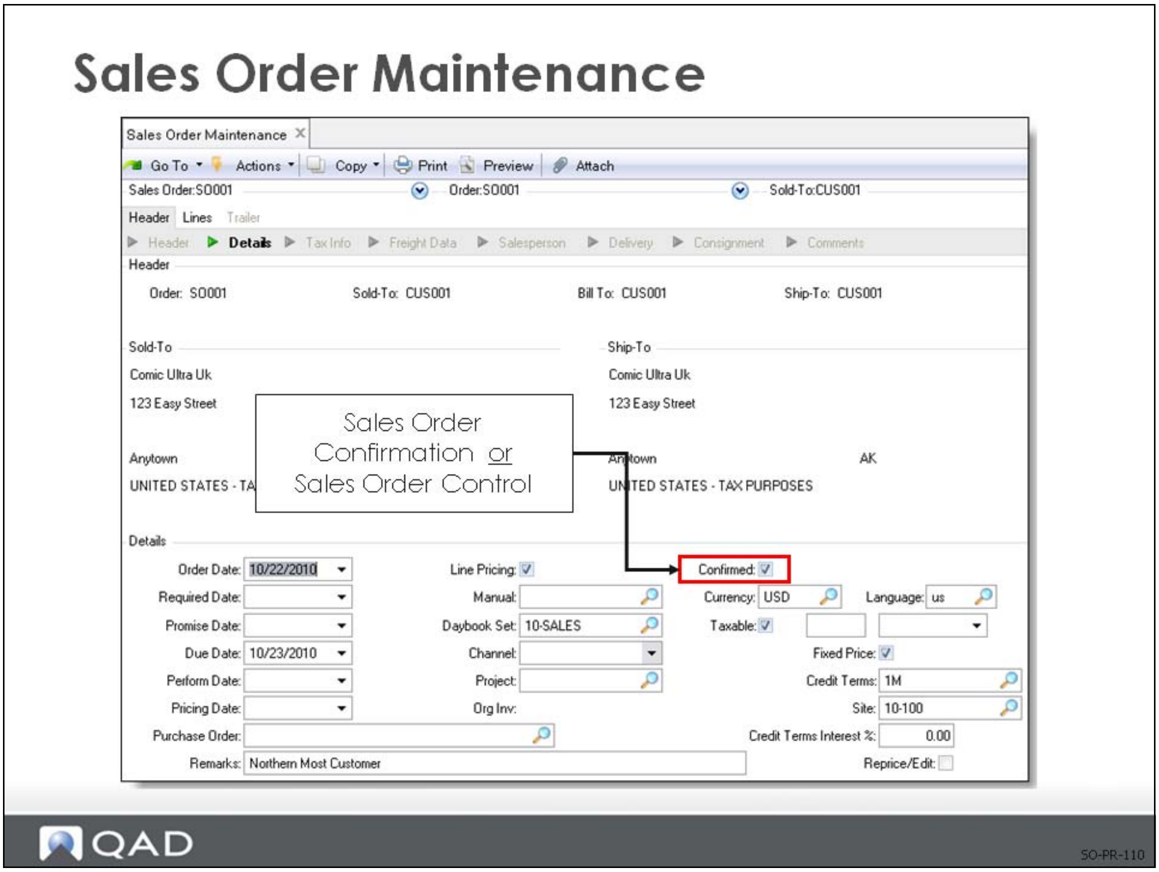
To confirm an order by batch mode,

- Set the Auto Batch Confirmation field to Yes in the Sales Order Control
  - With this flag set to Yes, you have the option to confirm through batch processing any unconfirmed Sales Order detail lines you enter
  - Batch processing of these lines improves performance, particularly at a multi-database environment across a network
- With this flag set to [Yes], after all sales order data is entered, if any unconfirmed detail lines exist then a popup window appears to inquire about Auto Batch Processing
  - If you specify Yes and supply a valid batch and printer ID, the system submits a job to that batch queue to confirm all lines for that sales order via Sales Order Confirmation

The batch queue specified should have its Permanent flag in Batch ID Maintenance set to No. This ensures that entries to that queue are deleted when processed.

Note An important side effect of setting the Permanent flag to No is that if the system goes down during processing, the order will remain unconfirmed and you will not receive such notification except when you try to ship the order. The reason that the order remains unconfirmed in this case is that the batch processor first deletes the entry if it is not marked as “permanent” before processing the job.

Sales Order Maintenance



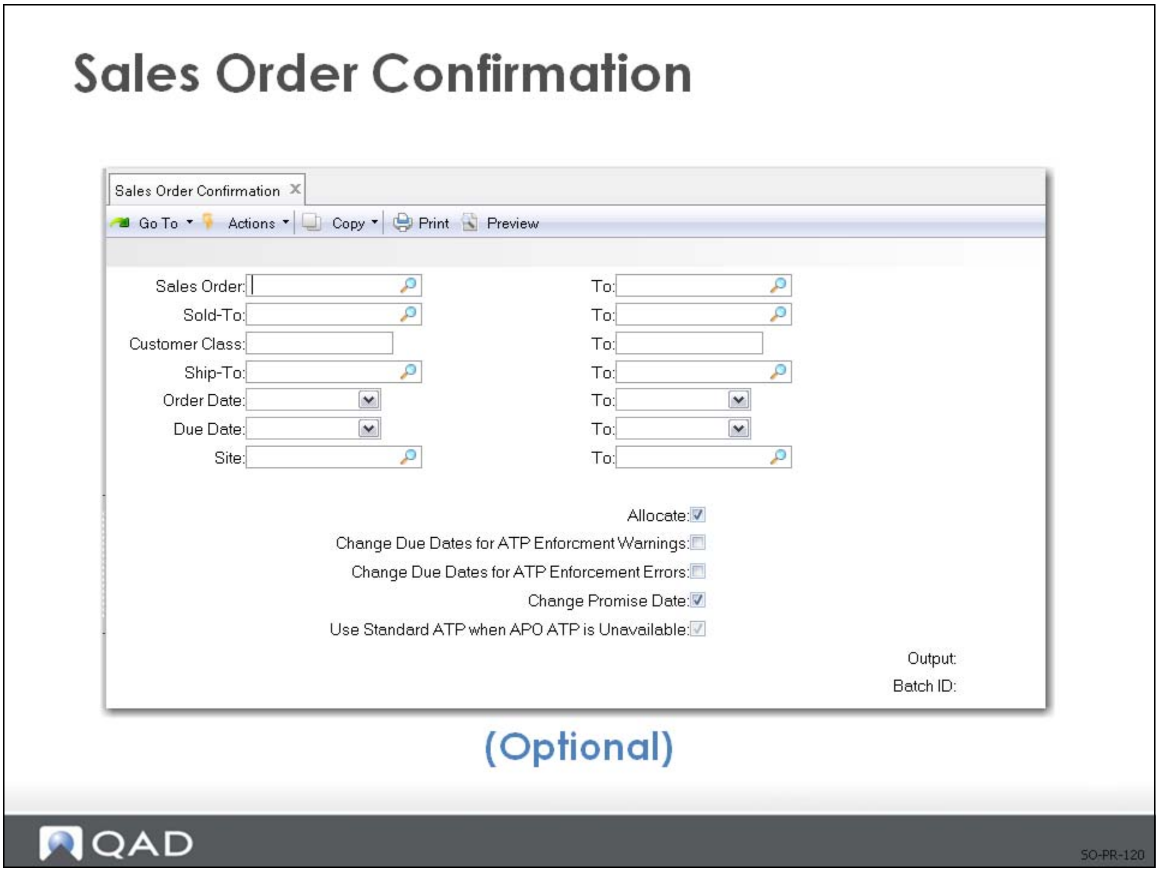
Confirmed:

- Indicates if the order is to be considered a “firm” order or unconfirmed
- An order may be flagged as unconfirmed but have some line items flagged as confirmed

Example An example of an unconfirmed order may be one that is taken over the phone. You enter it into the system, but wait to get the hard copy purchase order before you ship it.

Note In a high volume order entry environment, you may choose to enter all orders as unconfirmed and confirm them later in batch. This allows orders to be entered quickly with less processing during order entry. But order promising becomes more difficult because allocations do not take place until the order is confirmed.

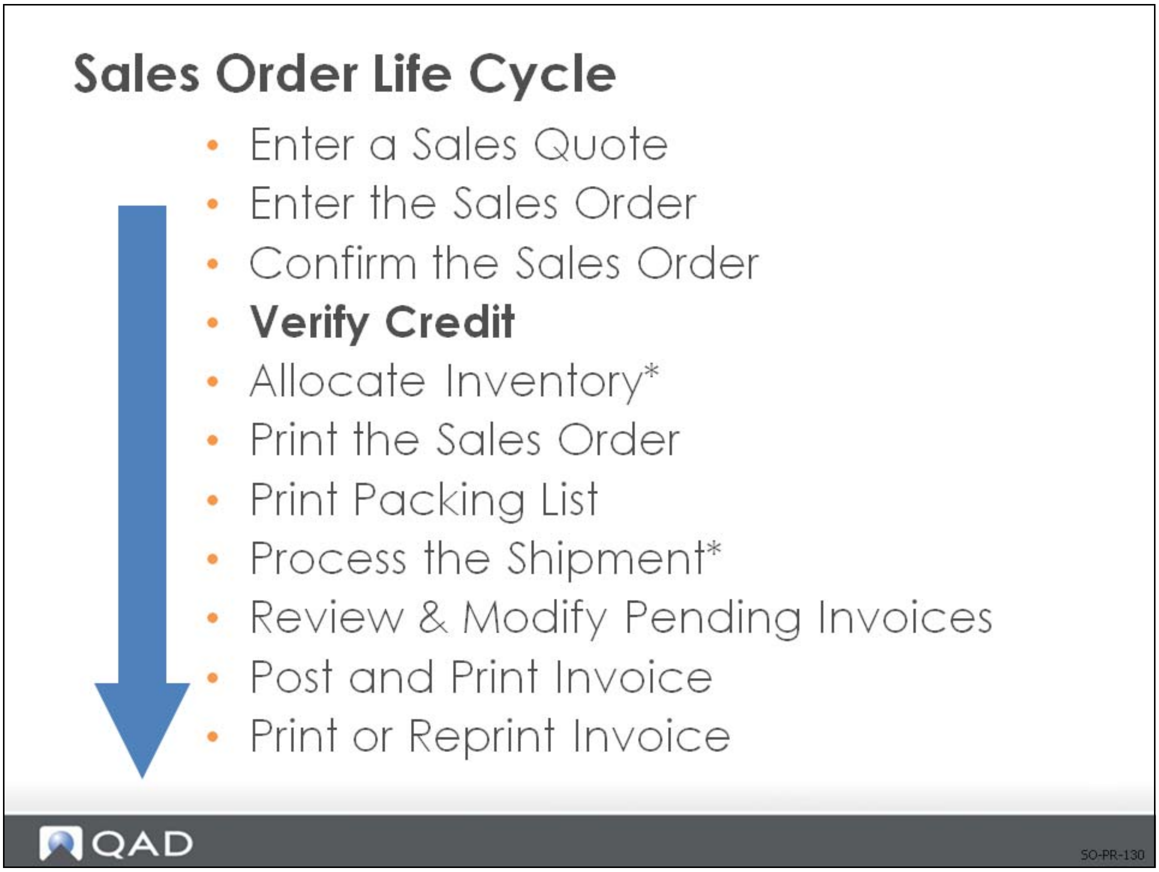
Sales Order Confirmation



To confirm an order

- Run Sales Order Confirmation **OR**
- Confirm by batch mode by setting the Auto Batch Confirmation field to Yes in the Sales Order Control

Verify Credit



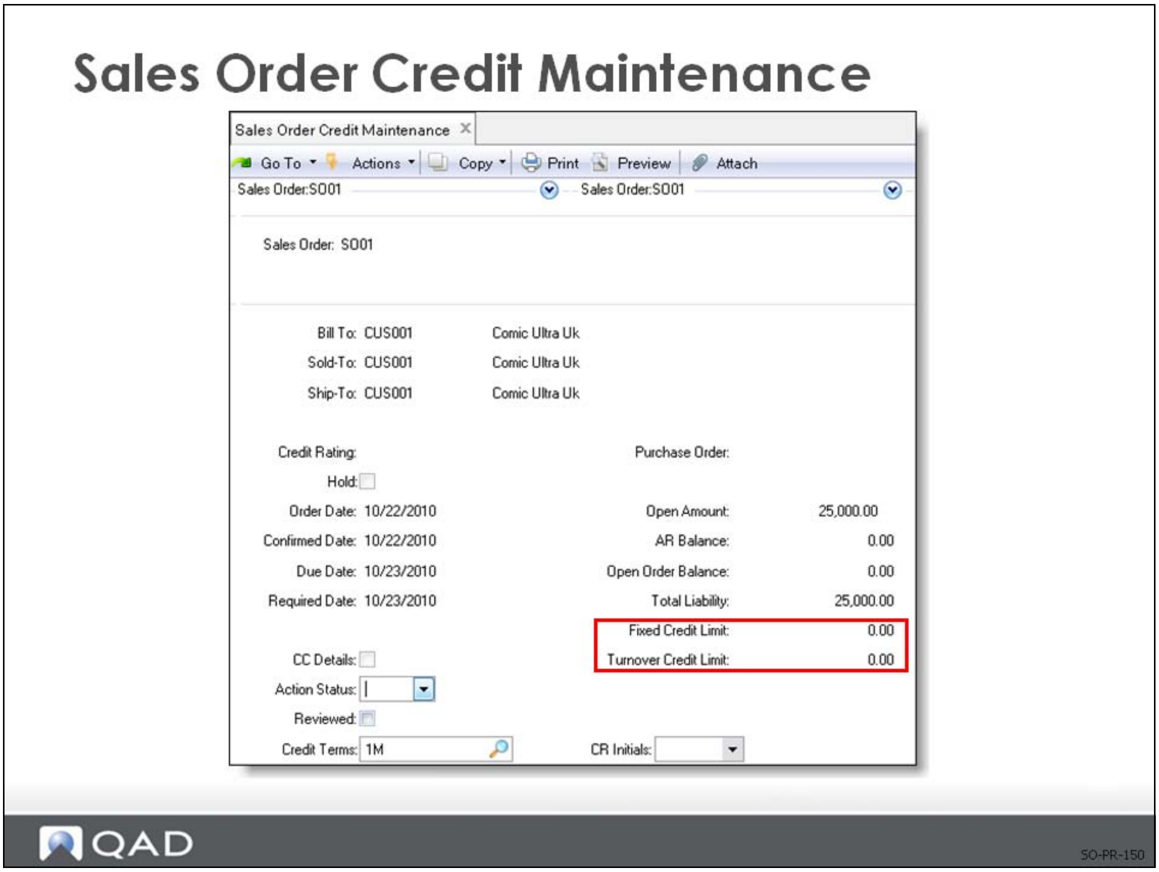
This is an optional process in Sales Orders which is performed by the Credit/Finance department.

Sales Order Maintenance

You can put credit holds on customers who have reached their credit limit.

Note Although credit limits are checked during Sales Order Maintenance, this check does not look at other open SOs. When an order is placed on credit hold, a picklist cannot be printed, effectively preventing the order from being shipped. However, the SO is still considered by MRP and may have inventory allocated to it.

Sales Order Credit Maintenance

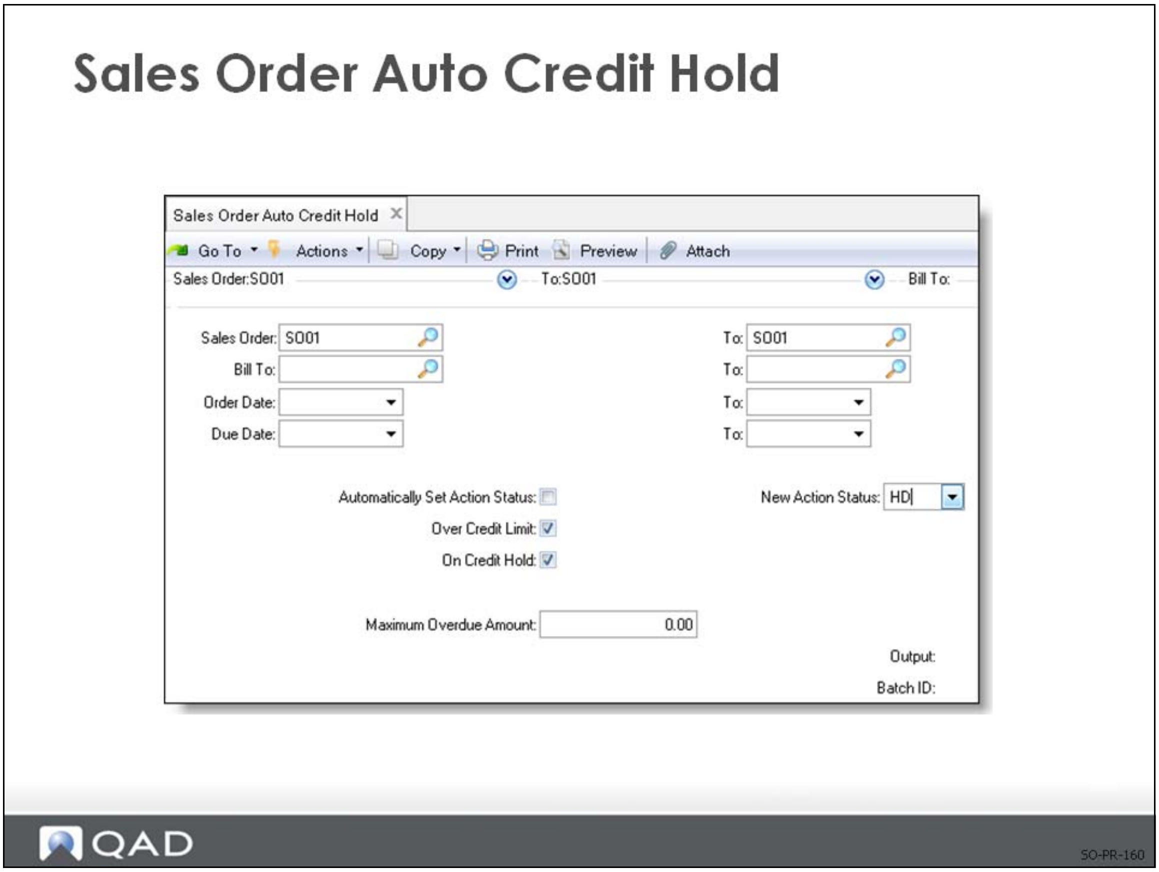


Use Sales Order Credit Maintenance, Sales Order Auto Credit Hold, and Sales Order Auto Credit Approval to verify credit:

- Put credit holds on customers that have reached their credit limit
- A sales order packing list cannot be printed until the order has been removed from hold using Sales Order Credit Maintenance or Sales Order Auto Credit Approval
    - A nonblank Action Status does NOT prevent inventory from being allocated or a shipment from being processed
    - Held orders are still considered by MRP
    - Placing or removing a hold involves only a change to the Action Status
    - Holds can be added and removed with no restrictions
    - If an order is held by mistake, reset the Action Status to [blank]
    - No audit trail is maintained
- This function should be password controlled

Note Use Sales Order Credit Maintenance to change single sales orders; use Sales Order Auto Credit Hold or Sales Order Auto Credit Approval to effect groups of orders.

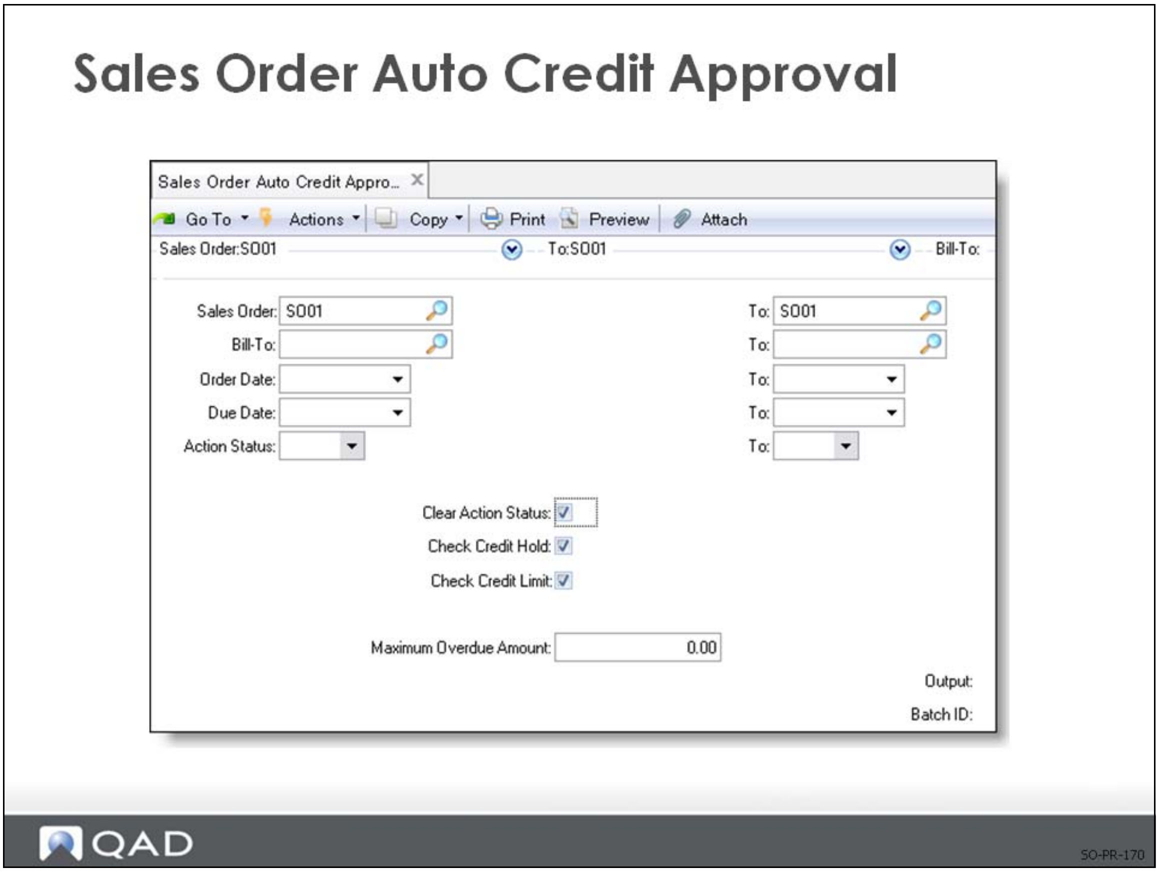
Sales Order Auto Credit Hold



- Reviews a group of orders and optionally puts a hold on those meeting the specified criteria
  - Can check the customer's Accounts Receivable balance plus open orders against the credit limit and look at the number of days that open invoices are overdue
- A sales order packing list cannot be printed until the order has been removed from hold using Sales Order Credit Maintenance or Sales Order Auto Credit Approval

Note If you are using EMT, primary customer Sales Orders are placed on credit hold by this function and additional processing takes place for any associated EMT Sales Order lines. The status on the related EMT Purchase Order is set and is transmitted to the Secondary Business Unit. The status change is applied to the secondary Sales Order (putting it on credit hold).

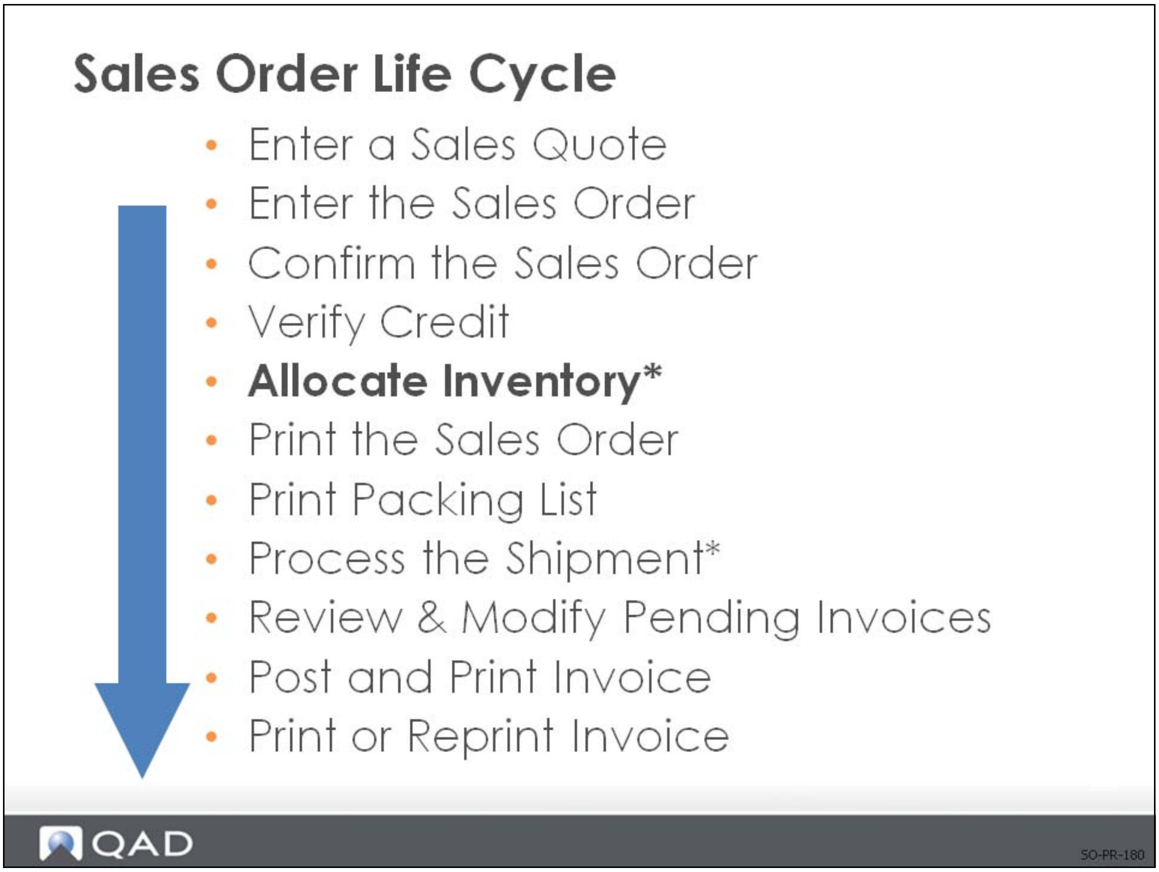
Sales Order Auto Credit Approval



- Reviews a group of orders and optionally removes holds from those meeting the specified criteria
  - Can check the customer's Accounts Receivable balance plus open orders against the credit limit and look at the number of days open invoices are overdue
- A sales order packing list cannot be printed until the order has been removed from hold using Sales Order Credit Maintenance or Sales Order Auto Credit Approval

Note If you are using EMT, primary Sales Orders are removed from credit hold by this function and additional processing takes place for any associated EMT Sales Order lines. The status on the related EMT Purchase Order is set and is transmitted to the Secondary Business Unit. The status change is applied to the secondary Sales Order (removing the on credit hold).

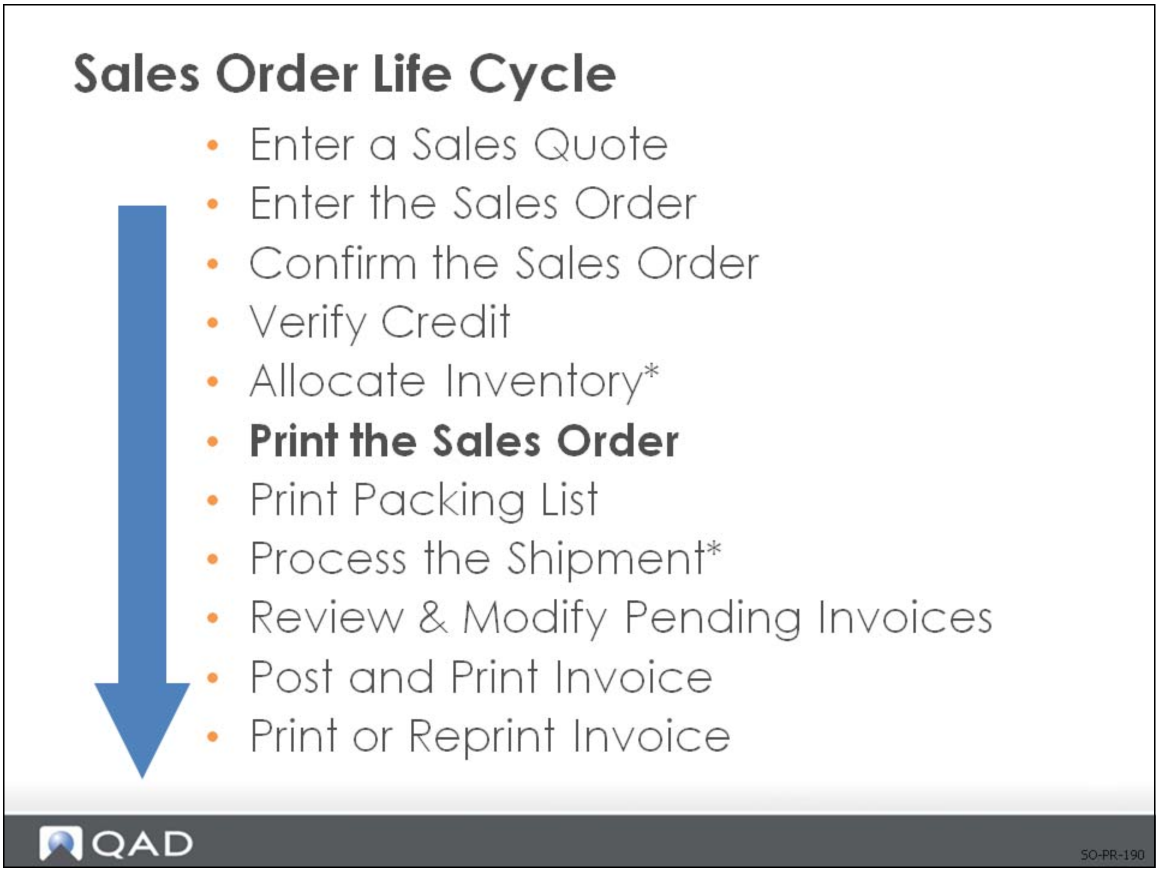
Allocate Inventory



Allocating inventory is the process of reserving items to fill an order.

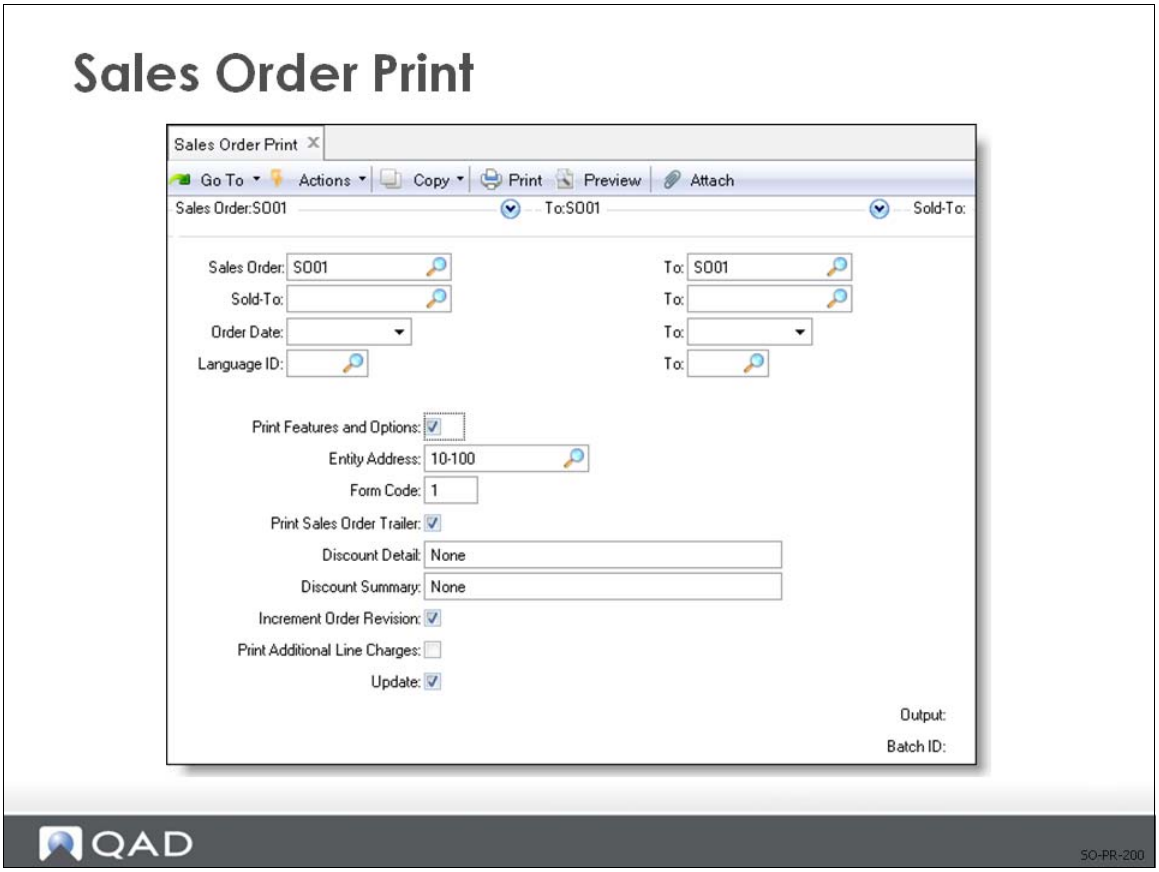
Note Allocation is covered at length in the Allocations and Shipping Training Guide. If you are taking this course as a part of the Sales Order Management course set, Allocations & Shipping will be the next course covered.

Print the Sales Order



Printing Sales Orders in QAD Enterprise Applications is performed using the Sales Order Print menu item.

Sales Order Print



Sales Orders print in the same three section format as they are created in the system:

- Header
- Line Items
- Trailer

Note If you select a range of sales orders to print, the system skips any orders in that range being entered in Sales Order Maintenance or Pending Invoice Maintenance, during the print run.

After printing the sales order

- Print Sales Order flag in Sales Order Maintenance = No
- To reprint, change the Print Sales Order flag back to Yes and reprint using

Note The quantity shown on the sales order is the quantity open. If you reprint the sales order after shipment, the quantity does not reflect the original quantity ordered.

Exercise: Sales Order Maintenance

In this activity, you will practice entering confirmed and unconfirmed sales orders for inventory items.

Initial Setup

1. Use Receipts Unplanned (3.9) to receive the following items into Site 10-300; supply lot numbers where required.

Item	Quantity	Location	Lot
03021	100	010	001
03022	200	010	001
03023	300	010	001

Sales Orders

2. Use Sales Order Maintenance (7.1.1) to create a new sales order.

   a. Enter the sales order header.

Sales Order:	SO001
Sold To:	10C1000
Bill To:	10C1000
Ship To:	10C1000
Due Date:	[Two weeks from today]
Confirmed:	No
Taxable:	No
Credit Terms:	30D
Freight Data	
Freight List:	10FRT
Freight Terms:	ADD
Calculate Freight:	Yes

   b. Enter two sales order lines.

Sales Order Line 1	
Ln:	1
Item Number:	03021
Qty Ordered:	100
Sales Order Line 2	
Ln:	2
Item Number:	03022
Qty Ordered:	150

   c. End lines and advance to the trailer frame. Review the freight data.

   d. Complete the order.

3 Enter a second sales order. Let the sales order number default and use the same customer.

a Enter the sales order header.

Sales Order:	SO002
Sold To:	10C1000
Bill To:	10C1000
Ship To:	10C1000
Due Date:	[One week from today]
Confirmed:	Yes
Taxable:	No
Credit Terms:	30D
Freight Data	
Freight List:	10FRT
Freight Terms:	ADD
Calculate Freight:	Yes

b Enter a sales order line.

Ln:	1
Item Number	03023
Qty Ordered:	200
Qty Allocated:	200

c End lines and advance to the trailer frame. Review the freight data.

d Complete the order.

4 Use Master Schedule Summary Inquiry (22.18) to inquire on items 03021, 03022, and 0323.

What sales orders appear? Why not all of them?

5 Use Allocated Inventory Inquiry (3.18) to inquire on items 03021, 03022, and 0323.

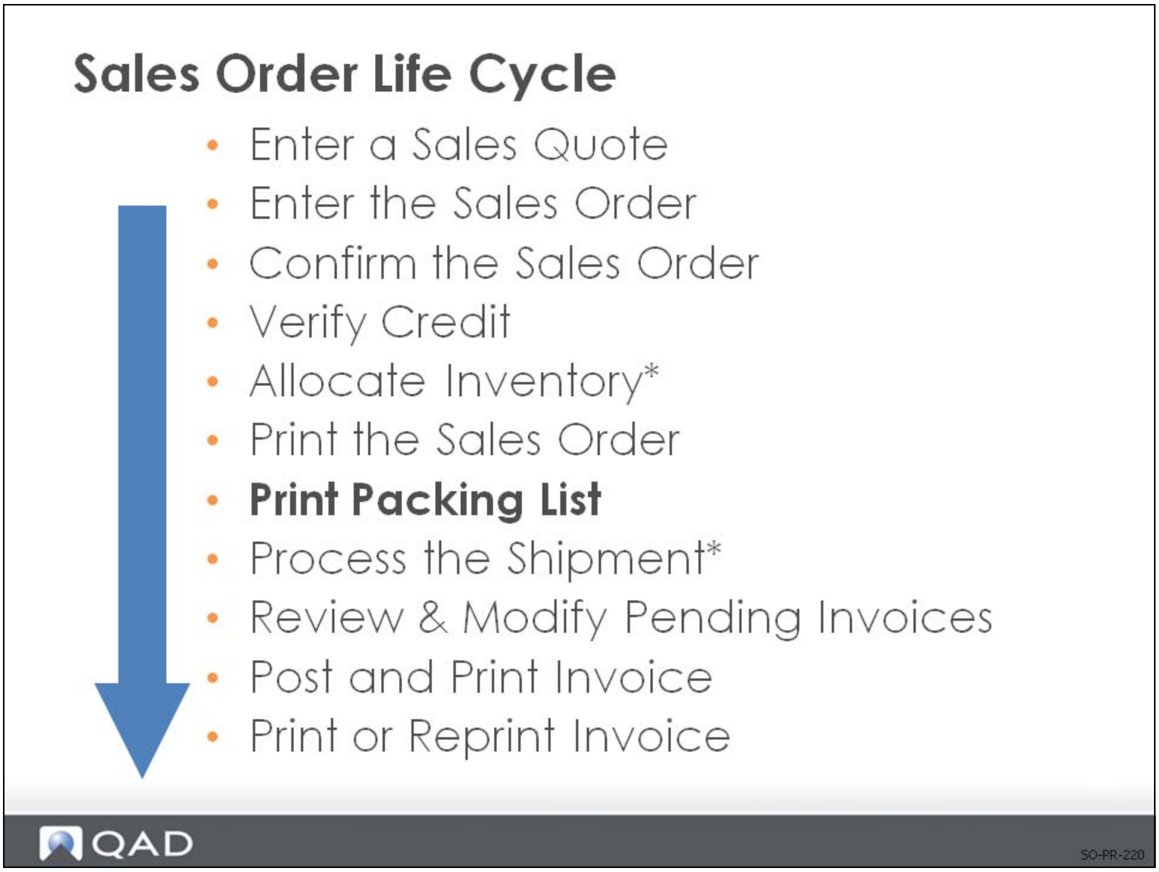
What sales orders are allocated? Why not all of them?

6 Use Unconfirmed Sales Order Report (7.15.9) to review unconfirmed sales orders. Leave all fields blank and set Include Lines with Unconfirmed Headers to Yes; then direct the output to Page.

7 Use Sale Order Confirmation (7.1.5) to confirm the unconfirmed orders.

8 Use Master Schedule Summary Inquiry (22.18) to inquire on items 03021, 03022, and 0323 again. You should now see sales orders appear for all the three items.

Print Packing List



Use Sales Order Packing List to print the packing list for a sales order.

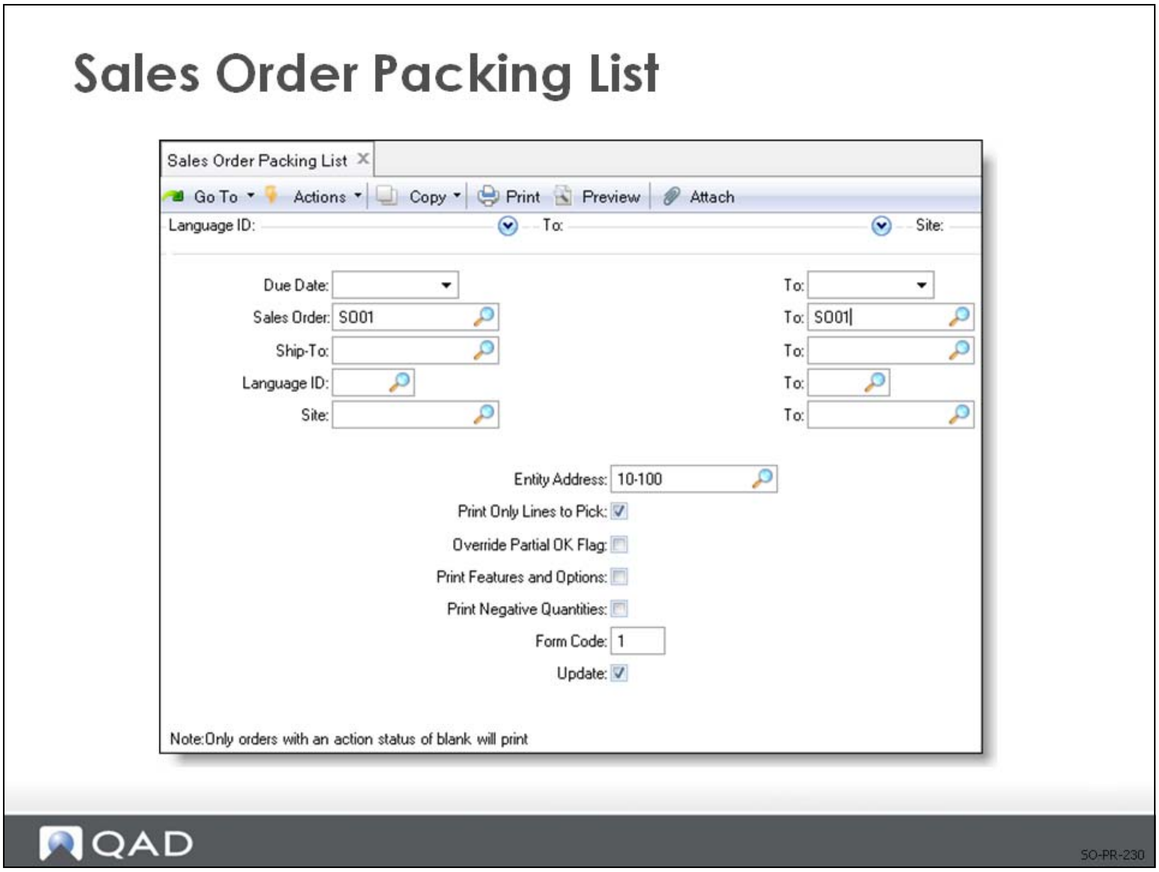
You can only print a packing list for sales orders that are not on credit hold (Action Status field is blank in Sales Order Maintenance).

- Customer Partial OK flag defaults from the customer record when a sales quote or order is entered (it may be changed manually on the trailer frame in Sales Order Maintenance)
- No = the customer will not accept partial shipment

Note When Sales Order Packing Lists are printed, the system checks this flag and verifies that all line items are available (allocated) and can be completely shipped. If they are not, a packing list does not print for this order (and presumably shipments are not made although the system does not stop you).

- Yes = a packing list prints (and shipments are made) even if the entire order quantity is not available
  - Whether only some of the line items are ready to ship, or an individual line item can only be partially satisfied
  - The remainder of the order remains (backordered) in the system until it can be shipped

Sales Order Packing List



Picklist shows:

- What items to pick to fill the order
- Where to pick them from (site/location)
  - If you specified a lot/serial number (detail allocation) when creating the sales order, this information appears on the picklist
  - If you did a general allocation for the sales order, the system converts the general allocation to a detail allocation at the time it prints the picklist

Print Only Lines to Pick. Defaults from Pick Only Allocated Lines in the Sales Order Control

- Specifies whether only allocated quantities should print during this program execution
- Yes = only line items with a non-zero quantity allocated are printed
- No = all lines with a non-zero open quantity are printed, regardless of the quantity allocated
- Packing lists for both sales orders and RMA issue lines can be printed using Sales Order Packing List
- Only line items with a non-zero quantity allocated (greater than zero) are detail-allocated by the Sales Order Packing List Print
- Print Only Lines to Pick is normally = Yes when allocations are being used

- Enables the sales desk, not the shipping clerk, to control shipments since only allocated quantities print on the packing list, which tells the shipping department what to ship
- This process requires that you use packing lists to communicate shipping priorities

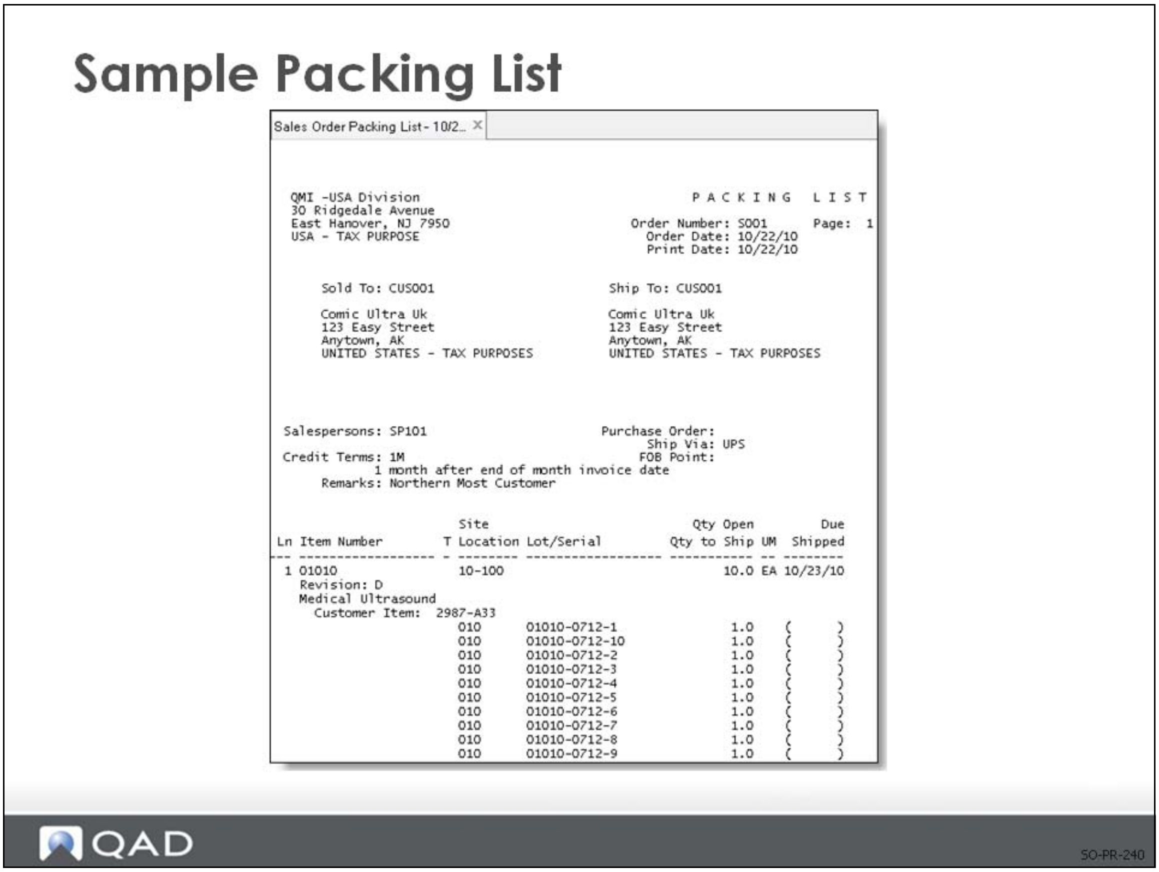
See in this training guide: *Pick Only Allocated Lines* on page 90

Override Partial OK Flag. Yes = Allows you to override the setting in the trailer frame of Sales Order Maintenance and print a picklist for an order even if it can only be partially shipped.

- For orders that do not allow partial shipments, the packing list prints only if all line items have been allocated

Note This is used in special circumstances when there is a shortage and the customer has indicated they will accept a partial shipment. This lets you print a picklist without going back into Sales Order Maintenance to change the Partial OK flag.

After Printing the Picklist

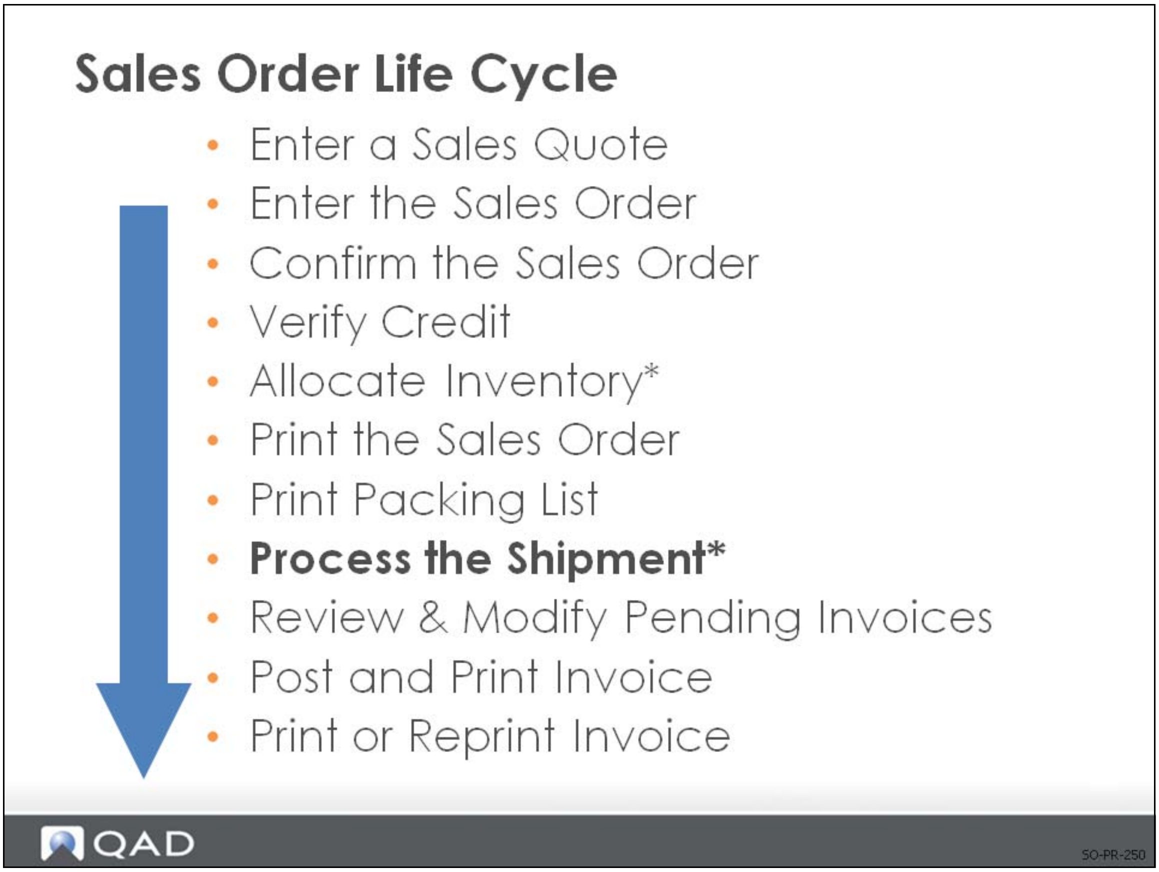



```
QMI -USA Division                                        P A C K I N G   L I S T
30 Ridgedale Avenue
East Hanover, NJ 7950                          Order Number: S001        Page:  1
USA - TAX PURPOSE                                Order Date: 10/22/10
                                                 Print Date: 10/22/10

    Sold To: CUS001                          Ship To: CUS001

    Comic Ultra Uk                           Comic Ultra Uk
    123 Easy Street                          123 Easy Street
    Anytown, AK                              Anytown, AK
    UNITED STATES - TAX PURPOSES             UNITED STATES - TAX PURPOSES

Salespersons: SP101                        Purchase Order:
                                                 Ship Via: UPS
Credit Terms: 1M                                FOB Point:
            1 month after end of month invoice date
     Remarks: Northern Most Customer

                        Site                          Qty Open        Due
Ln Item Number        T Location Lot/Serial         Qty to Ship UM  Shipped
--- ----------------- - -------- ------------------ ----------- -- --------
 1 01010                10-100                             10.0 EA 10/23/10
   Revision: D
   Medical Ultrasound
     Customer Item:  2987-A33
                        010      01010-0712-1               1.0  (       )
                        010      01010-0712-10              1.0  (       )
                        010      01010-0712-2               1.0  (       )
                        010      01010-0712-3               1.0  (       )
                        010      01010-0712-4               1.0  (       )
                        010      01010-0712-5               1.0  (       )
                        010      01010-0712-6               1.0  (       )
                        010      01010-0712-7               1.0  (       )
                        010      01010-0712-8               1.0  (       )
                        010      01010-0712-9               1.0  (       )
```

- The quantity allocated decreases by the quantity picked (Qty Allocated flag in Sales Order Maintenance)
- The quantity picked equals the picked quantity (shown in the Qty Picked field in Sales Order Maintenance)

See in this training guide: *Qty Allocated* and *Qty Picked* on page 120

Process the Shipment



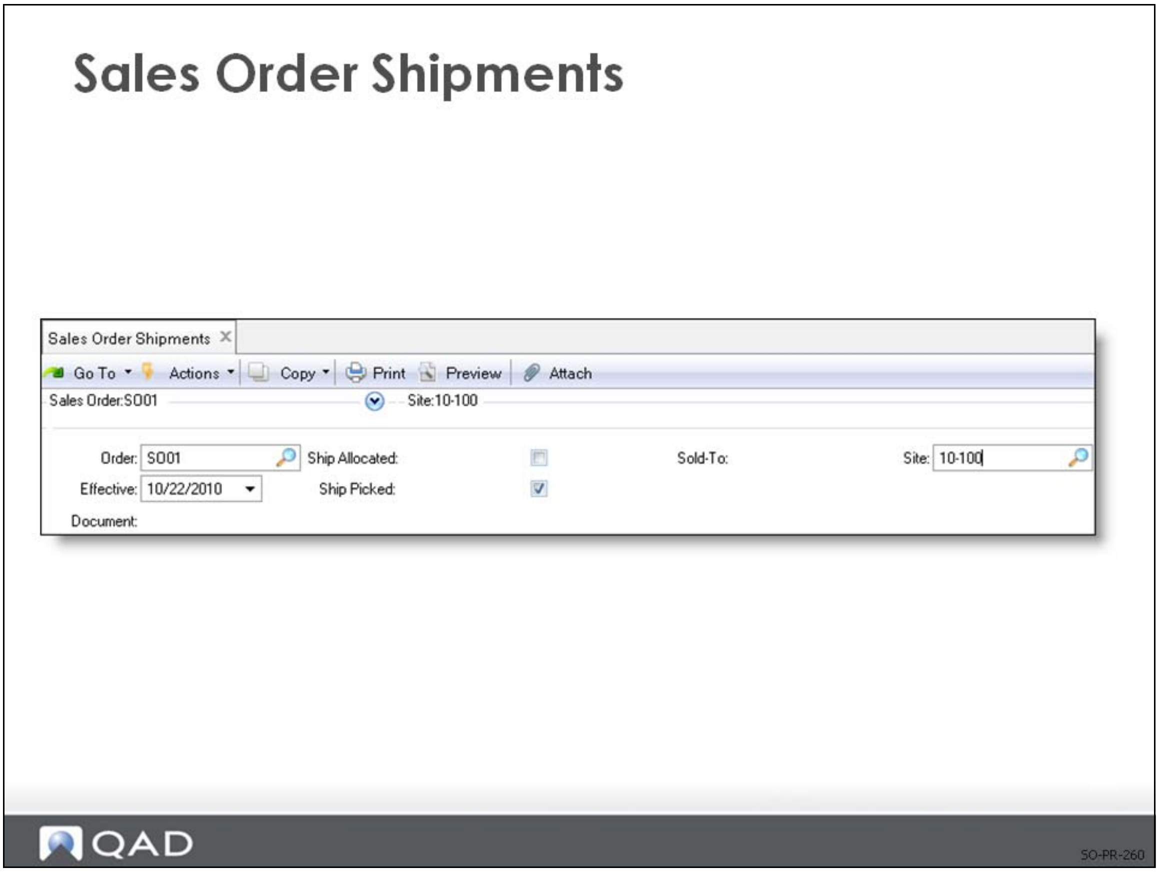
There are several methods to do shipping in QAD Enterprise Applications:

- Sales Order Shipments method
- Container/Shipper method
- Global Shipping method

Only Sales Order Shipments are discussed here.

Discussed in the following Training Guide: *Allocations and Shipping*

Sales Order Shipments



Use Sales Order Shipments to:

- Record the shipment of a sales order
- Approve the order for invoicing
- Reduce the quantity on hand for products shipped
- Increase the Cost of Goods Sold
- Recalculate Freight if using freight functions
- Add additional items to the shipment

Processing an SO shipment records that you have fulfilled all or part of your commitment to a customer. The shipment flags the order as ready for invoicing.

To process a shipment:

1 First specify the SO number, which lists the line items and the quantity open (ordered but not yet shipped).

2 Most companies use the packing list (which lists the items and quantities to ship) to control the shipping process. If every item on the packing list was shipped, set “Ship Picked” to Yes to process the shipment quickly. This sets the Quantity to Ship to the Quantity Picked for each line item, and you can press Go to process the shipment.

If using picklists

Ship Allocated = No

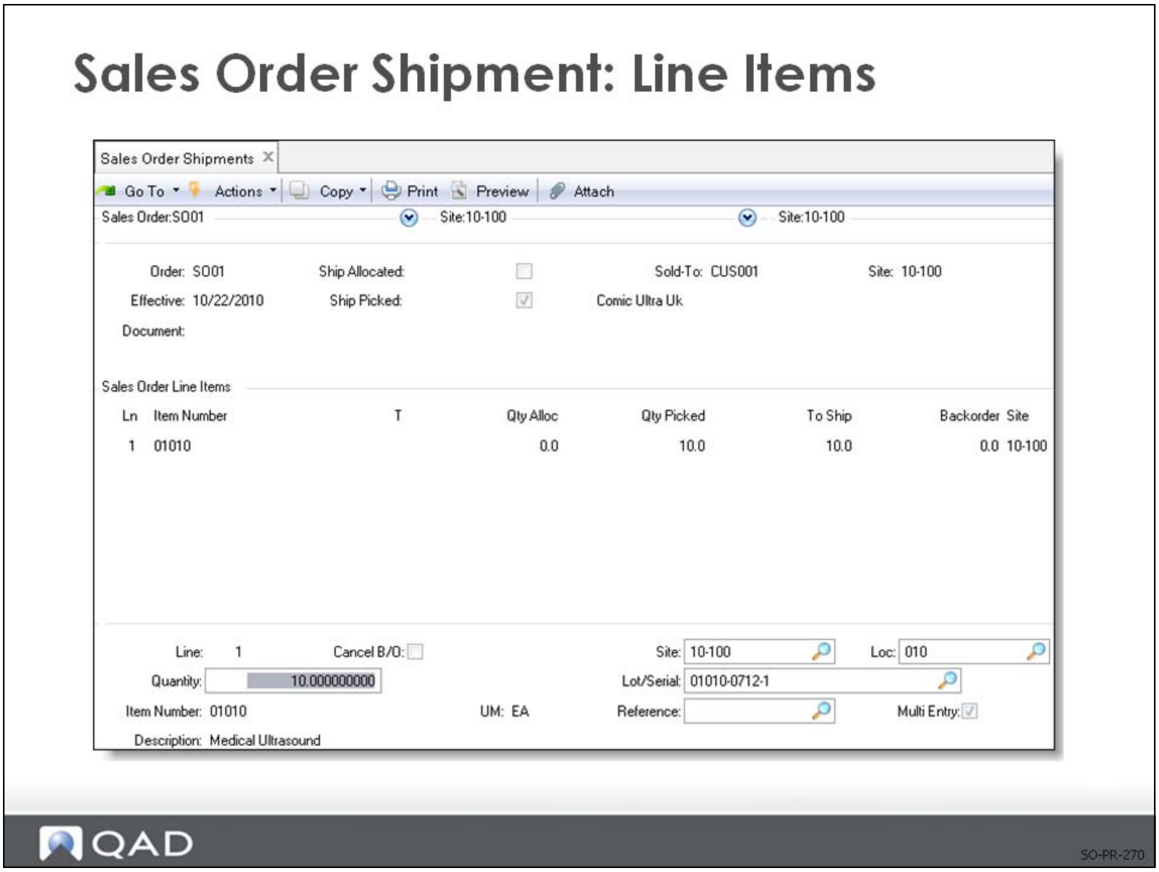
Ship Picked = Yes

If you do not print the packing list, but you do use allocations to reserve inventory for shipment, set “Ship Allocated” to Yes to process shipments quickly. Like “Ship Picked”, this sets the Quantity to Ship for you. With either of these methods, you can always override the shipment information.

If using allocations

Ship Allocated = Yes

Ship Picked = No



3 The next frame displays all open line items and quantities for the specified order.

a For each line item, enter the quantity to ship and the Site, Location, Lot/Serial, and Ref.

- If you set multi-entry to Yes, another screen pops up for you to enter a list of sites, locations, lot/serial, and lot reference numbers, and a quantity for each one.
- In multi-database environments, you can ship from sites in remote databases for any line item, however, the remote site must be entered as the line item site in Sales Order Maintenance.

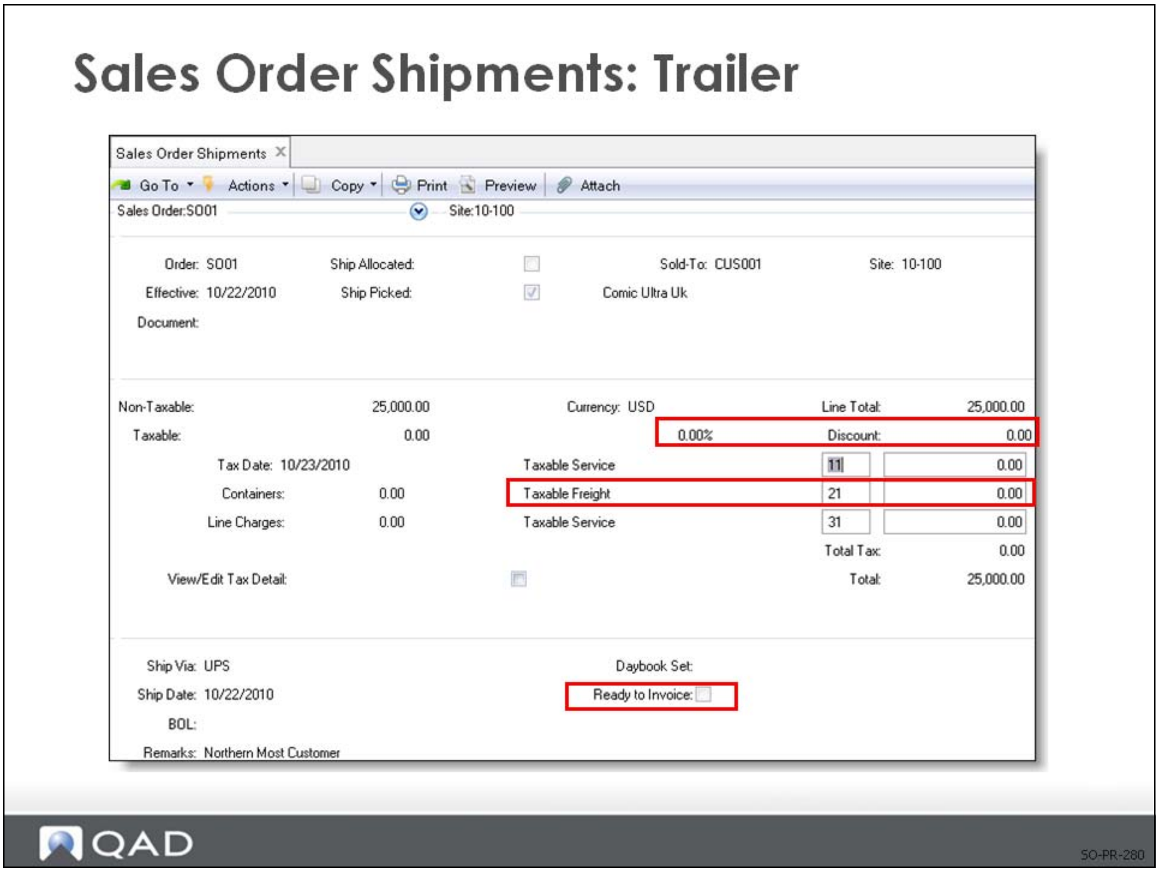
b Once all of the information has been entered, press Go.

- Optionally, another screen displays a summary of what you just entered. If it is correct, press Go to process the inventory update; otherwise enter No or press F4 to go back and change it.

Warning A warning message displays.

- When the order value (in base currency) is less than the value in the Minimum Shipment Amount field in the Sales Order Control
- When the cumulative quantity shipped exceeds the maximum order quantity

See in this training guide: *Minimum Shipment Amount* on page 101



4 Once all the shipping information is entered and you have *verified items to ship*, QAD Enterprise Applications *displays the trailer information for the order.*

You can now enter:

- Freight charges
- Special charges
- Bill of lading (BOL) numbers
- Carrier information
- Invoicing information

5 Once you ship the sales order, the system automatically flags that order as ready for invoicing and sets the Quantity to Invoice equal to the Quantity Shipped.

a You can enter a specific invoice number if needed.

b You can create an invoice for each shipment or set *Ready to Invoice* to No to hold up invoicing until the order is completely shipped.

- No = delays invoicing
- Yes (default) = next time you print invoices, the invoice for the shipped sales order prints

c Once you have shipped and invoiced all line items on an order, the system deletes the SO.

Note You can process SO shipments only against open sales orders. Multiple shipments can be processed against one order, with one or more shipments against each line item.

A complete audit trail of all inventory transactions is maintained in transaction history (tr_hist). These can be reviewed using Transactions Detail Inquiry. Each transaction is identified by a transaction number and a transaction type. The transaction type is ISS-SO.

General Ledger Effects

All general ledger transactions are stored in the unposted transaction table until they are posted. Unposted transactions can be reviewed using Unposted Transaction Inquiry. Transactions created in modules other than GL can be reviewed and deleted using GL Transaction Delete/Archive. The GL reference begins with IC.

Non-Inventory (Memo or Drop) Shipments:

- There is no effect

Inventory Shipments:

- Credits the Inventory Acct defined in Inventory Account Maintenance for the product line, shipment site, and location
- Debits the COGS Material Acct, COGS Burden Acct, COGS Labor Acct, COGS Overhead Acct, and COGS Subcontract Acct defined in Sales Account Maintenance for the product line, shipment site, sales channel, and customer type

Note If the Sum LL Costs Into Matl Cost flag is Yes in the Inventory Control, all lower level manufacturing costs are posted to the COGS Material Acct.

See in this training guide: *General Ledger Effects in Sales Orders/Invoicing* on page 231

Correcting a Transaction

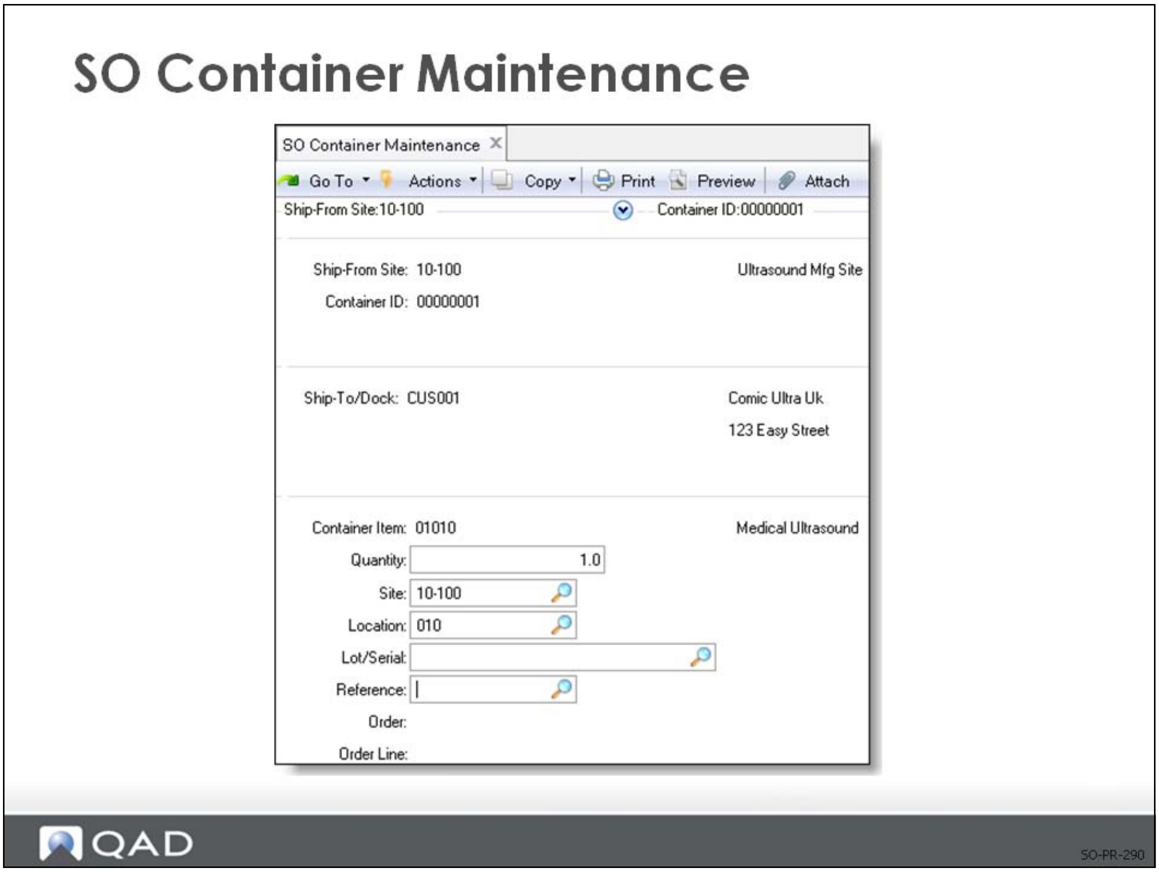
If you process an incorrect quantity in this transaction, you can reverse the transaction by processing the same transaction again with a negative quantity. Be sure to enter the same site, location, lot/serial, and lot reference numbers as you entered on the original transaction. After you reverse out the original entry entirely, process this transaction again with the correct quantity. This maintains a complete audit trail.

If the SO no longer exists, you must reenter it in Sales Order Maintenance. All information must match the original SO.

It is possible to bypass the Sales Order Shipments step. An SO can be entered and shipped using just Pending Invoice Maintenance. This should be used only for non-inventory shipments or miscellaneous credits, since entering a Quantity to Invoice in Pending Invoice Maintenance decreases inventory balances.

See in this training guide: *Pending Invoice Maintenance* on page 156

SO Container Maintenance



You can assign items to containers which allows you to confirm shippers in fewer steps, such as container by container rather than item by item. SO Container Maintenance records information on:

- Racks
- Boxes
- Crates
- Bags
- Other conveyances used to package and transport items (other than containers)

A container is a subset of a shipper, holding any number of different items (or other containers). Containers conveniently group items, but are not a required part of a shipper.

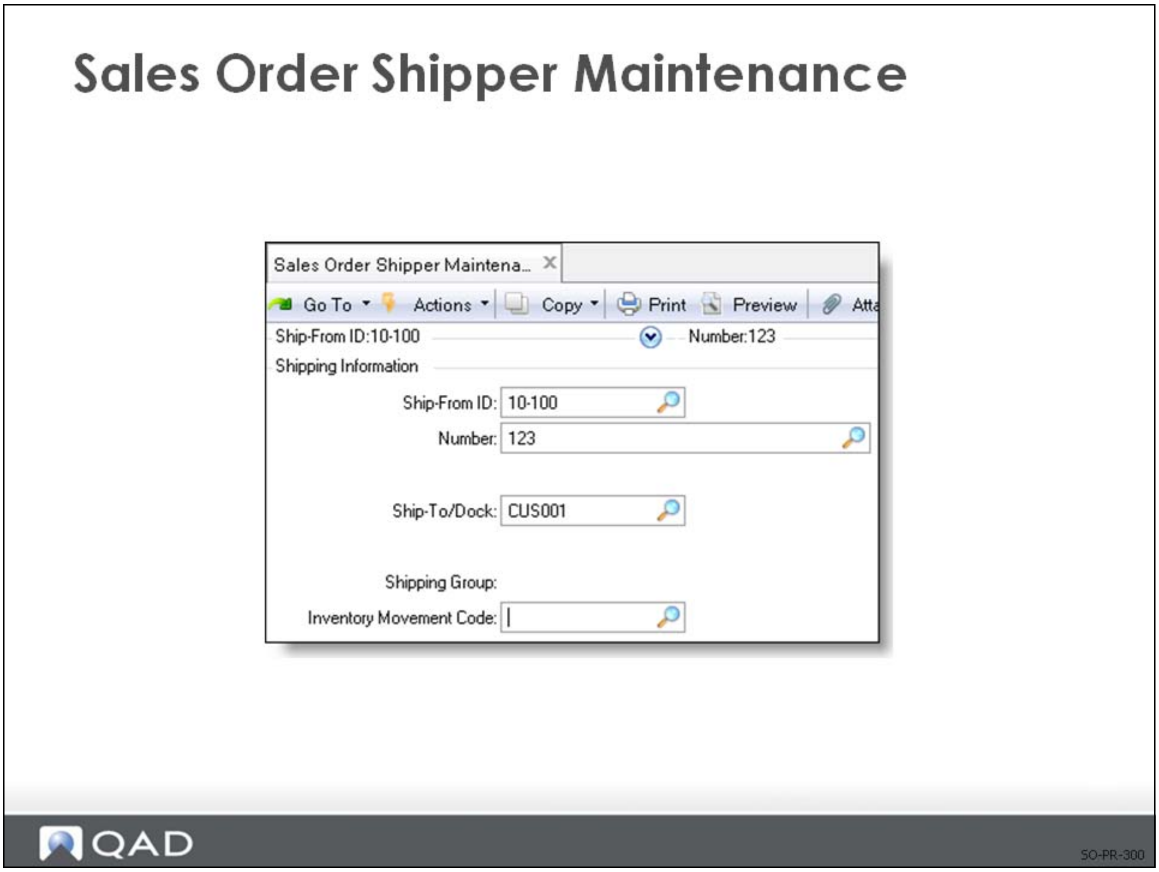
- You can list items directly under the shipper
- Each container can consist of other containers as well as any number of items
  - You are prompted for containers first (the containers must already be defined), until you press End
  - Then you can enter any items that are not in containers
  - When you finish processing items, press End to enter the Measurements frame
  - Since containers may be nested, first enter containers that hold items only

  - After those containers are detailed, you can define containers that consist of other containers, such as boxes within crates
- You can send container information to a customer as part of an ASN (advanced ship notice) when your shipment leaves the dock, or you can send it with the shipment, like a packing list

Note Containers must be defined in the item master data before they can be used in SO Container Maintenance.

When you confirm the shipper in Pre-Shipper/Shipper Confirm, inventory and financial effects occur. SO Container Maintenance and SO Shipper Maintenance only setup the shipper, and have no financial effects.

Sales Order Shipper Maintenance



Create a shipper by first using SO Container Maintenance to specify the items in each container. Then use SO Shipper Maintenance to group the containers and add any items not in containers to create a complete shipment. When the items are shipped, Pre-Shipper/Shipper Confirm takes the items out of inventory exactly as described on the shipper. A shipper is used to select and ship inventory. A shipper record/packing list can be printed, and an ASN (advance ship notice) can be transmitted when the shipment leaves your dock.

SO Shipper Maintenance records:

- Item numbers
- Quantities
- Purchase orders being shipped

Each shipper can contain any number of containers as well as items that are not in containers.

- You are prompted for containers first, until you press END
- Then you can enter any items that aren't in containers
- When you finish processing items, press END again

At the top of the line maintenance frame titled “Contents(Items)” are 4 fields used to select the order this shipper line is being prepared for: Item, PO Number, Order, and Line.

If this shipper item is from a Customer Scheduled Order:

- Specify Item and PO Number. Press Go. Order and Line will fill in

Or

- Specify Item, Order, and Line. Press Go. PO Number will fill in

Or

- Specify PO Number, Order, and Line. Press Go. Item will fill in

Or

- Specify Order, and Line. Press Go. Item and PO Number will fill in

If this shipper item is from a Sales Order:

- Specify Order, and Line. Press Go. Item and PO Number will fill in

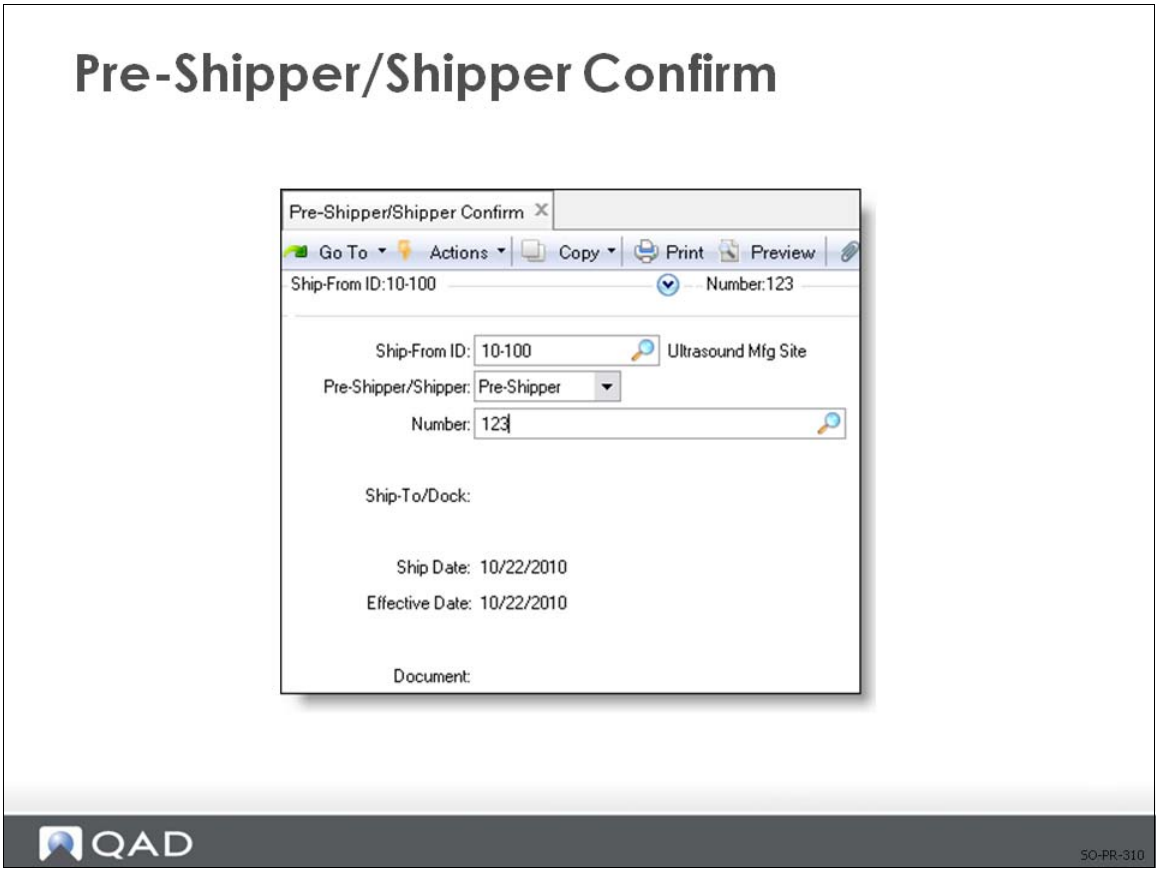
Note If there are no scheduled orders in the database, Item and PO Number are not prompted.

Containers are predefined in PO Container Maintenance, so when you specify a container ID, that container's items are implicitly attached to this shipper.

When you confirm the shipper in Pre-Shipper/Shipper Confirm, inventory and financial effects occur. SO Shipper Maintenance only sets up the shipper.

Note This function does not update inventory balances or create GL transactions for SO receipts and inventory accounts.

Pre-Shipper/Shipper Confirm



Use Pre-Shipper/Shipper Confirm to record shipments of orders and to do the following activities in the process:

- Issue the shipment to a customer and flag it for invoicing or automatically post the invoice
- Decrease inventory and update the general ledger
- Transform pre-shippers into shippers
  - Create, print, and post invoices based on shipments
  - Export a shipper as an Advance Shipping Notice (ASN)

When you confirm a pre-shipper:

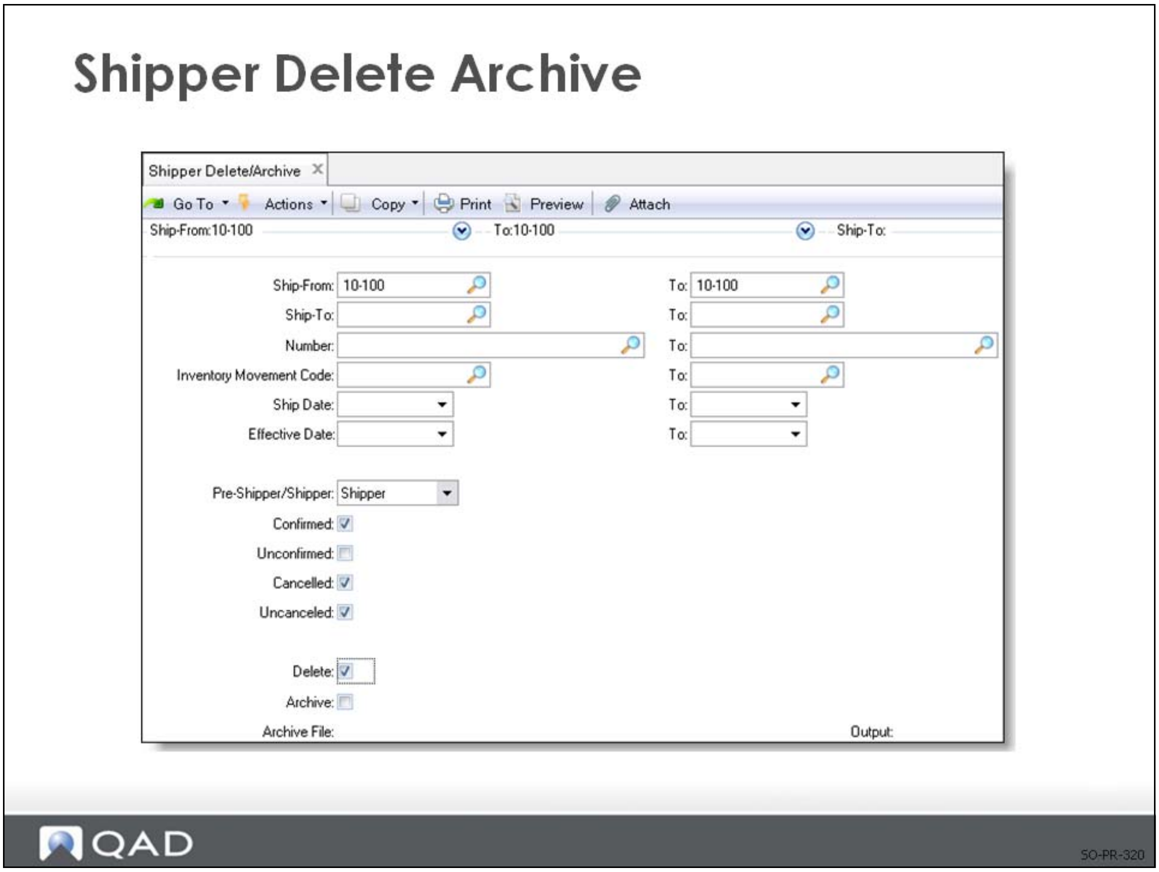
- The system converts it to a shipper before the actual confirmation process occurs
- The shipper number is assigned based on the Number Range Management (NRM) sequence ID from the shipping group of the shipment, or from the Shipper Control
  - If the NRM sequence is an internal sequence (system generated), the system generates and displays the shipper number
  - If the sequence is external, the system prompts you for an entry and validates the results
  - The system propagates the new shipper numbers to all records linked to the converted pre-shippers, including containers, line items, and carrier detail records

The following applies when confirming pre-shippers or shippers:

- Canceled shipments (status = X) cannot be confirmed

- To select a shipper for confirmation, you must have access, as defined in Inventory Movement Code Security
- If the Shipper Control specifies that trailer amounts cannot be maintained, the system does not display the trailer amount maintenance frames during confirmation
- If the document format of the shipper indicates that the printed shipper is also used as an invoice, the system does not allow you to print an invoice
- Invoice processing occurs, but no invoice is printed

Shipper Delete/Archive



Used to permanently remove shipper records from the system to preserve database space.

Note This topic is also covered in the Allocations and Shipping Training Guide.

Exercise: Allocation and Shipping

This activity uses a simplified shipment method. Pre-Shippers and Shippers are covered in *Training Guide: Allocations and Shipping*.

Order picking and shipment can be managed using order allocations. Inventory is then assigned only to orders that you would like to have shipped. As you see in this exercise, picklists can be printed for these allocated items. We go through the process of allocating inventory to an order, printing a picklist, and shipping the items.

The first sales order you entered had a due date outside the time window set in the Sales Order Control. This window determines if inventory is allocated at order entry time. Allocate inventory to this order now.

1 Use Sales Order Manual Allocations (7.1.6) to allocate line items for sales order SO001.

Order:	SO001
Site:	10-300
Allocate Avail:	Yes
Allocate Days:	20

2 Use Allocated Inventory Inquiry (3.18) to inquire on items 03021 and 03022. You should now see both line items on both orders allocated.

3 Use Stock Availability Browse (3.17) to review items 03021 and 03022. Note the quantity on hand, quantity required and quantity allocated. You will also note that at this time there are none on order.

4 Use Sales Order Print 7.1.3 to send sales orders SO001 and SO002 to the Page output.

Note Directing the output to page will give you a soft copy of what the hard copy would look like were you to print it.

5 Use Sales Order Credit Maintenance (7.1.13) to put the sales order SO001 on hold.

Sales Order:	SO001
Action Status:	HD

This places the order on hold status and a packing list cannot be printed. Note any non-blank character in the Action Status field will hold the order.

6 Use Sales Order Credit Inquiry (7.1.14) to inquire on sales order statuses. Leave all fields blank to review the status of all orders.

7 Use Sales Order Auto Credit Approval (7.1.17) to remove the hold status from sales order SO001.

Sales Order:	SO001
To:	SO001
Clear Action Status:	Yes
Output	Page

Note the report output, the order should now be ready to pick and ship.

Print Packing List and Ship

8 Use Sale Order Packing List (7.9.13) to generate packing list for order SO001 and direct the output to page.

   Review the Pick/Packing List produced. This list can be printed to manually pick from and or to include with the shipment as a packing list. In the case where you do not need the physical paper you can run the transaction without printing to change the status of the items from allocated to picked.

9 Use Sales Order Shipments (7.9.15) to ship sales order SO001.

   - Note Ship Picked is checked because you ran the packing/pick list transaction. Advance to the line item frame.
   - If you were shipping the order complete as shown you would click Next and verify that all information is correct and be done.
   - In our case lets imagine that for some reason we decide to only ship 50 of item 03022. Discuss what kind of situations might lead to this decision.
   - In the lower frame enter 1 in the Line field. Click Next or press Enter. Change the Quantity filed to 50. Click Next, note the freight frame, click Next. Note the quantity picked is still 100 but the Quantity To Ship is now 50. Click Next, respond Yes to the dialog pop up. Review the displayed information. This is the transaction that will be processed. Note quantities and locations. Click Next, through the balance of the screens to complete the shipment.

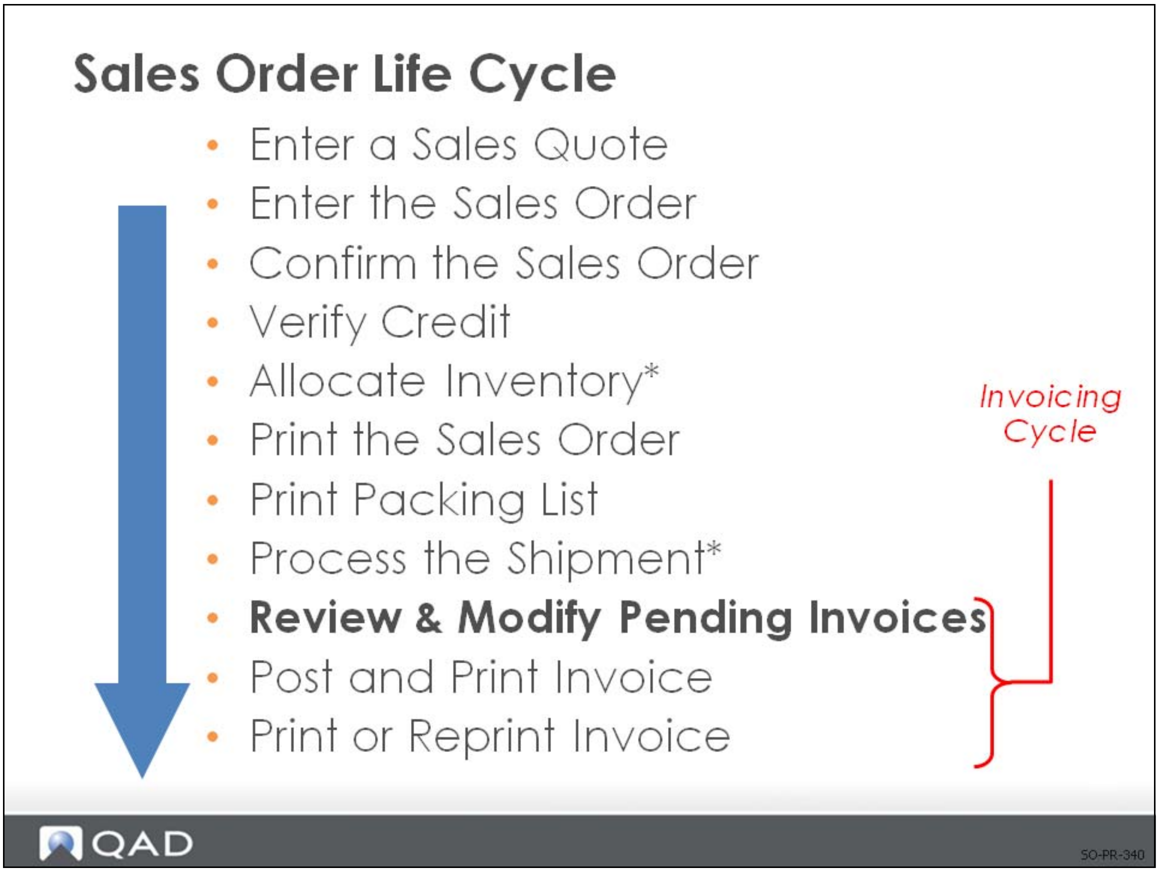
10 Use Sales Order Maintenance (7.1.1) review the two line items in the order just shipped. Note the Quantities; Allocated, Picked, Shipped, and To Invoice for both line items.

11 Use Sale Order Packing List (7.9.13) to process a pick list for sales order SO002.

12 Use Sales Order Shipments (7.9.15) to ship order SO002 complete.

13 Use Transaction Detail Inquiry (3.21.1) to review the ISS-SO detail for the shipments just made. This will give you an idea of the detail information captured for each transaction.

Review and Modify Pending Invoices

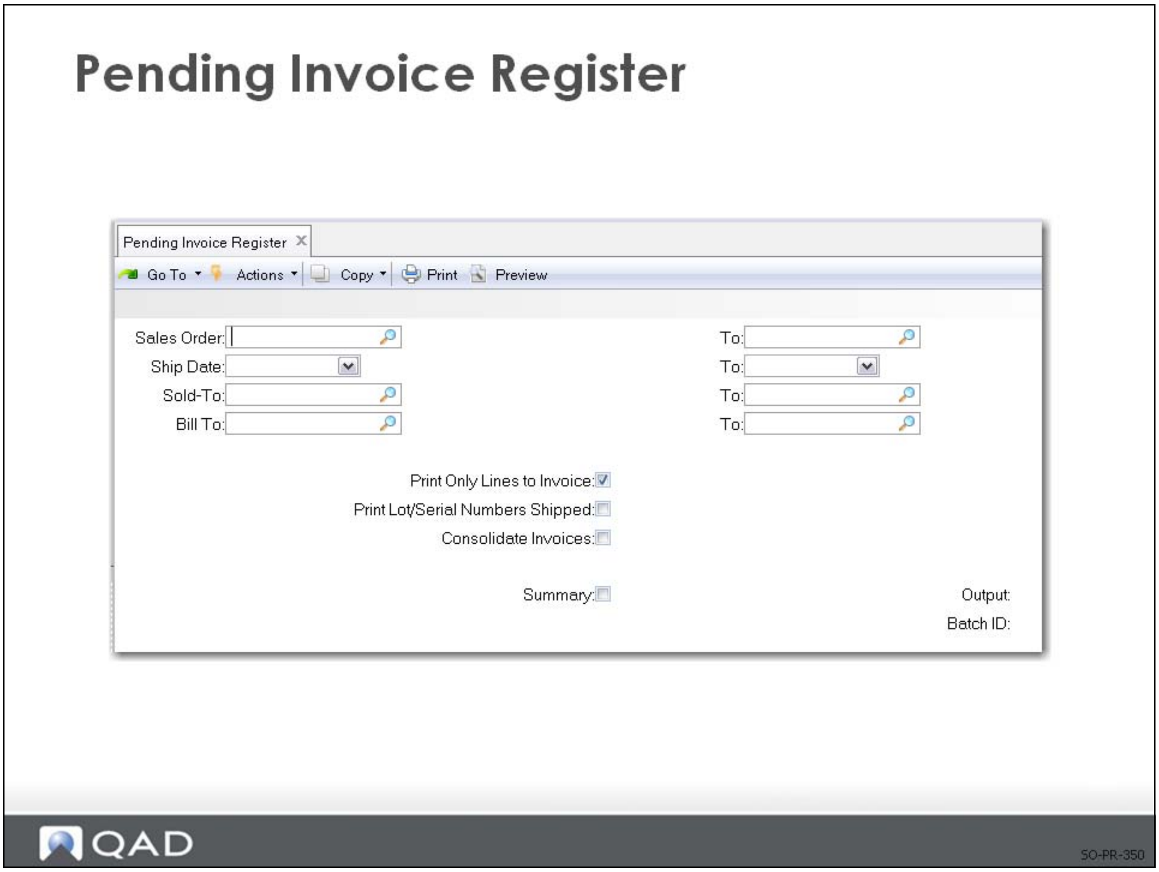


Shipping an order automatically creates a pending invoice.

You can:

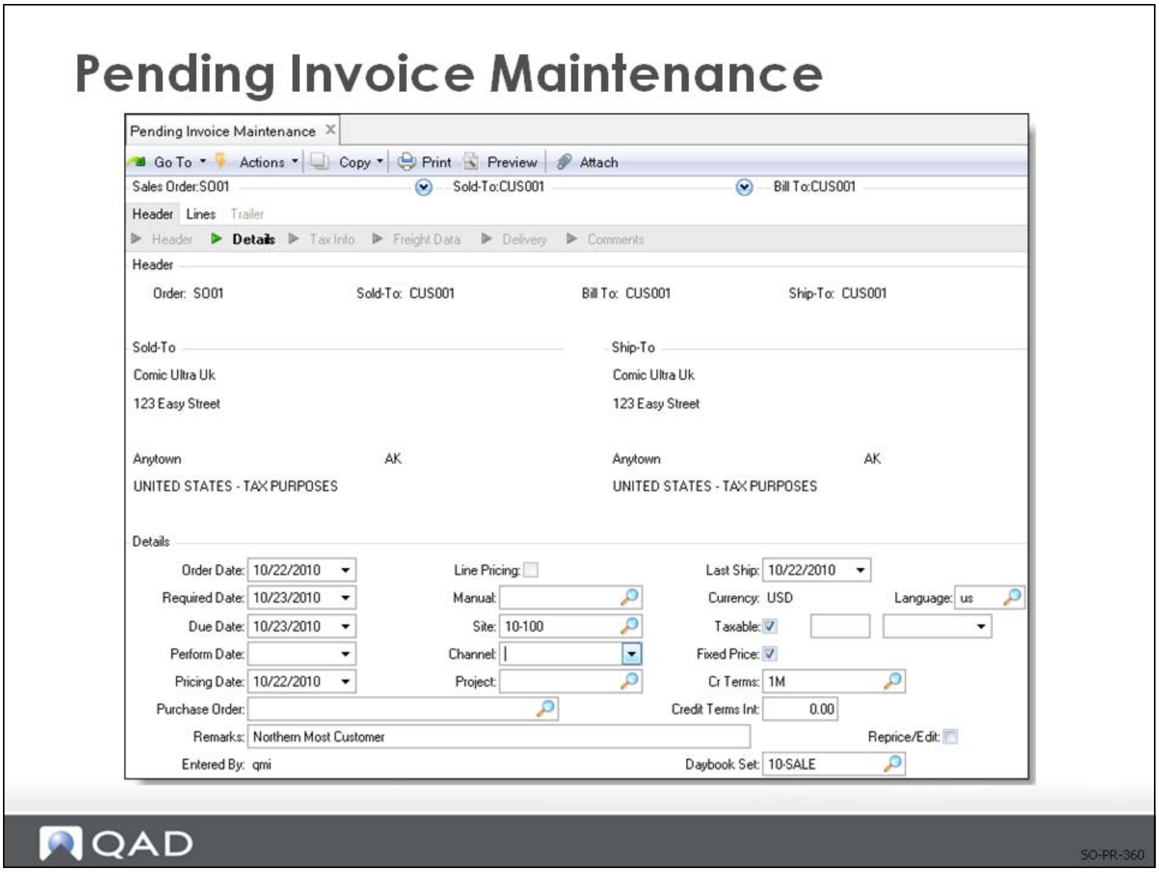
- Review and/or modify the pending invoice
- Print and post the invoice
- Put the invoice on hold

Pending Invoice Register



Allows you to review pending invoices and to determine what modifications (if any) need to be made.

Pending Invoice Maintenance



Pending Invoice Maintenance can be used:

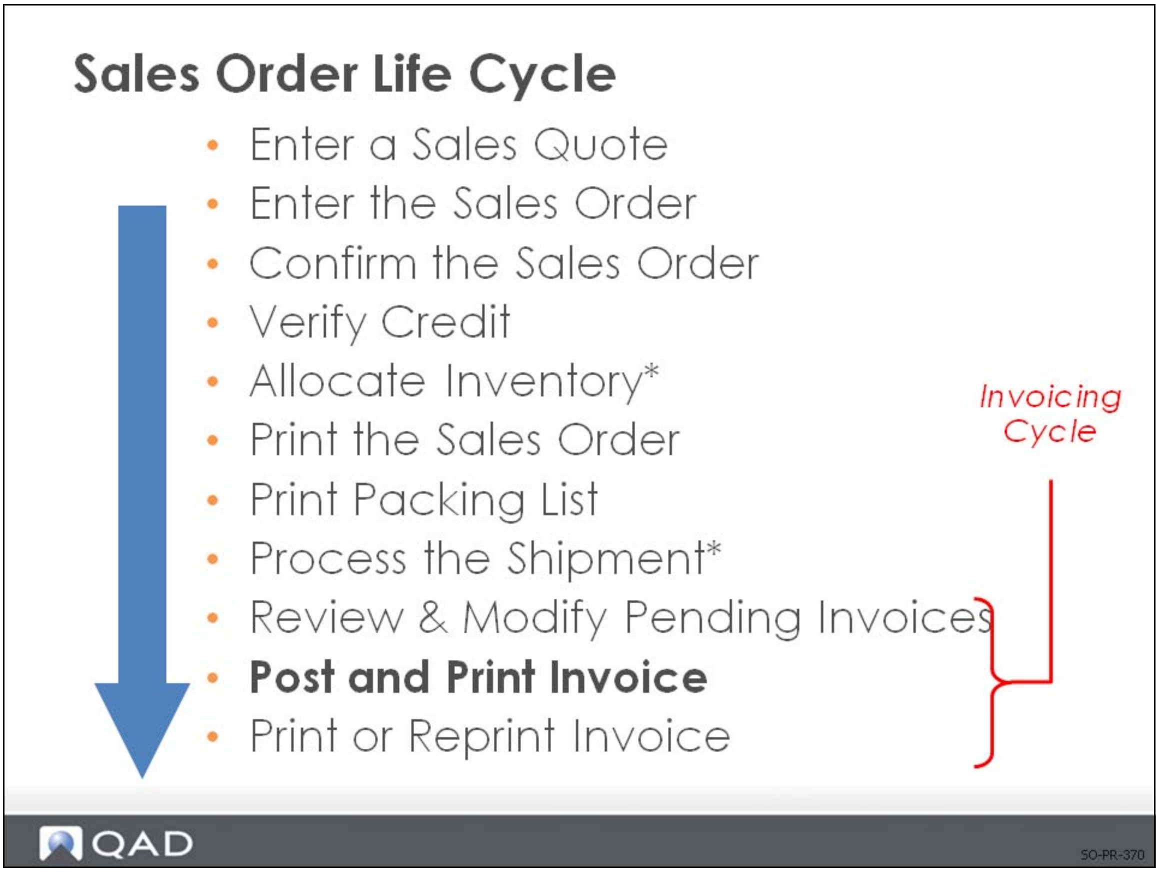
- To correct existing pending invoices
- To change some of the invoice information
  - Credit terms
  - Commission percentages
  - Prices
  - Discounts
- To enter invoices for non-inventory items (line item ship type [m])
- For post-processing or counter sales
- To process a credit invoice for a sales order return using a negative quantity

Note Use Sales Order Maintenance or Sales Order Shipments to make changes to the line item information. When using Pending Invoice Maintenance to modify a line item for a pending invoice, if the items were shipped from multiple locations, you can only modify the following.

- Due date
- Interest terms
- Price, Discount, and Net Price
- Commission percentage
- Tax flag and Tax Class

- Comments

Post and Print Invoices



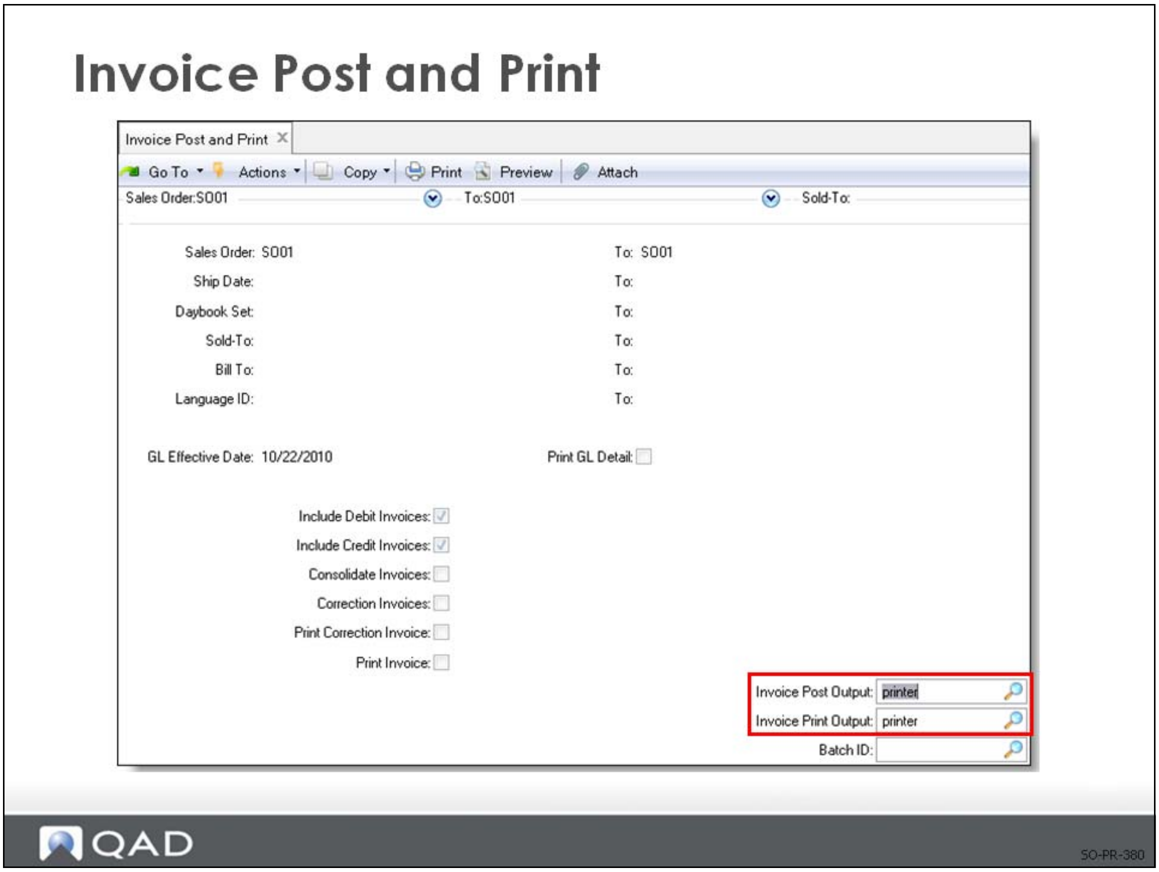
Invoices that are ready to post have the Ready to Invoice field on the trailer set to Yes in Sales Order Shipments and Pending Invoice Maintenance

See in this training guide: *Sales Order Shipments* on page 140 and *Pending Invoice Maintenance* on page 156

Use Invoice Post and Print to print invoices. You can:

- Print a single invoice or a range of invoices
- Have the option of consolidating invoices

Invoice Post and Print



You can post and print by:

- Sales order number
- Shipping Date
- Sold-To
- Bill-To

Note You can also print the invoice in a different language (specified in the Language field).

The date on the invoice is the system date unless you specify a different date in the Invoice Date field.

Posting an invoice updates the general ledger:

- Sales
- Sales Discount
- Accounts Receivable
- Receivables
- Sales Tax Journal
- Salesperson Commissions
- Invoice History
- Sales Analysis

The posting process deletes:

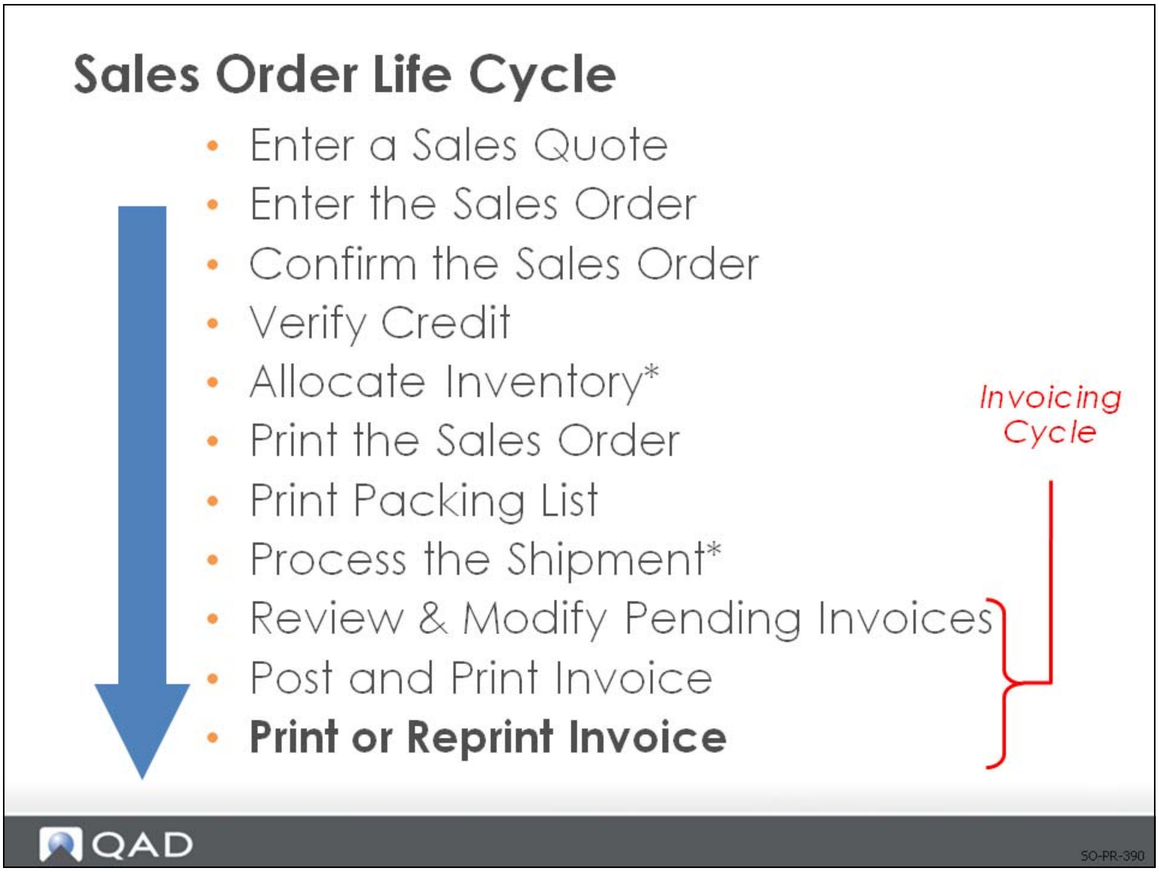
- Completed line items from sales orders with open line items
- Sales orders that are complete

Posting generates a report showing:

- Invoice posted
- Corresponding sales order number
- Line item information
- Financial amounts

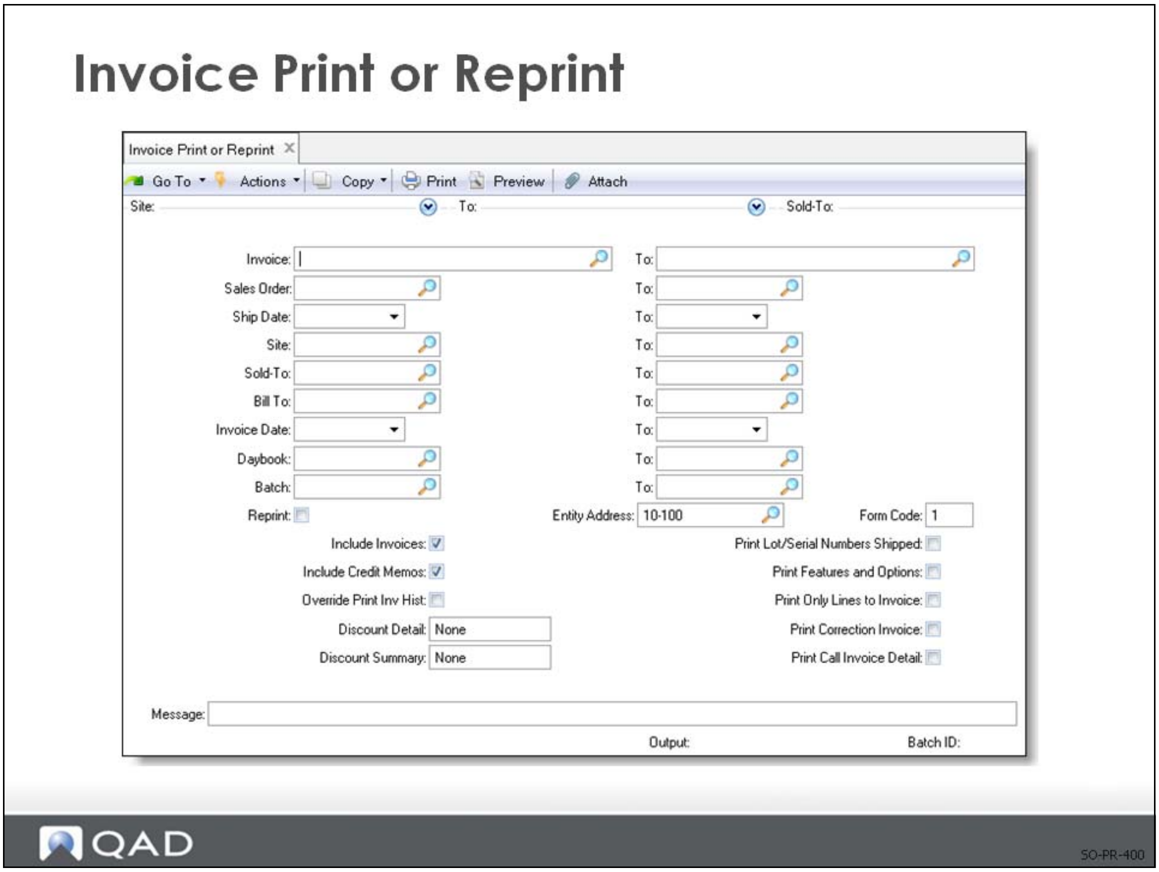
See in this training guide: *Sales Order Prefix, Next Sales Order, Invoice Prefix, and Next Invoice* on page 93

Print or Reprint Invoice



Use Invoice Print or Reprint to print invoices after posting.

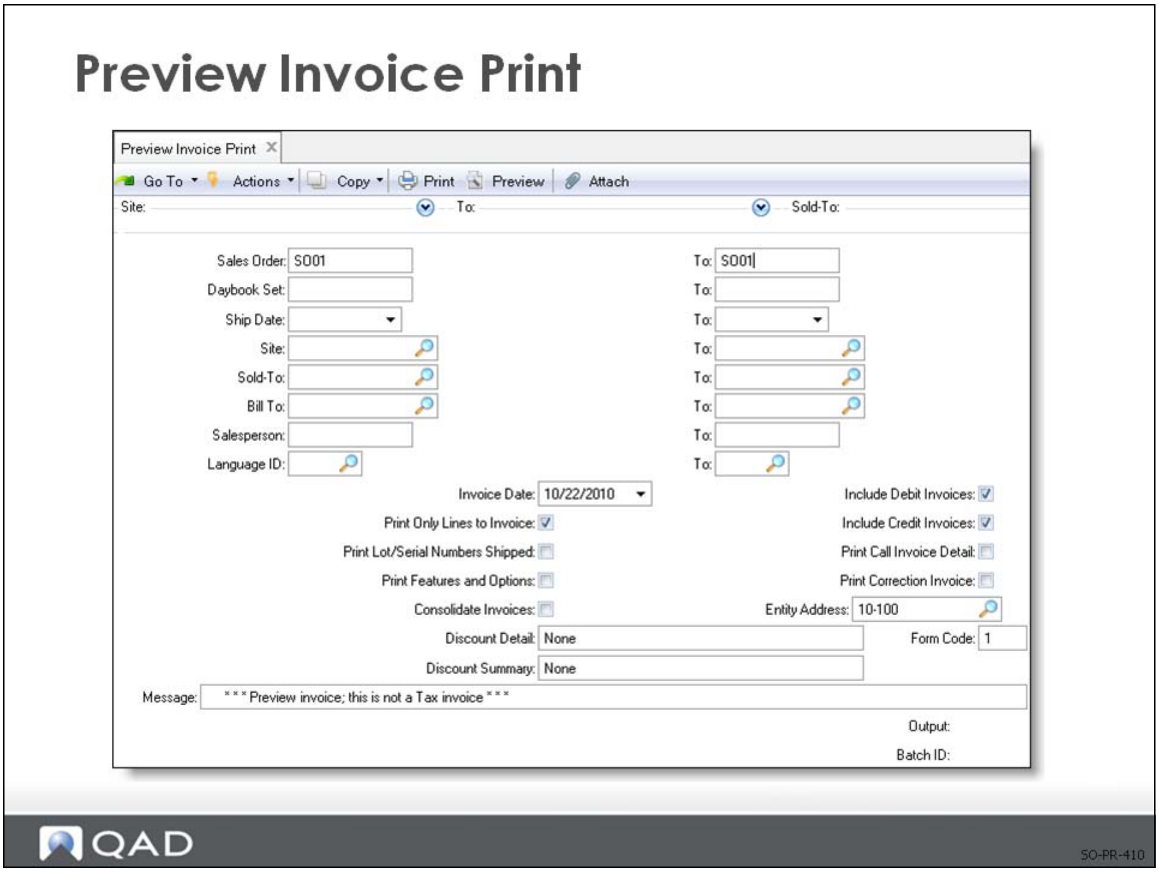
Invoice Print or Reprint



Use this program to print customer invoices that have already been posted to Accounts Receivable (AR) using Invoice Post and Print. You can:

- Print invoices that were not printed during the posting process. When Reprint is No, only those invoices are selected for printing.
- Reprint previously printed invoices. Set Reprint to Yes to select these. By default, the system prints “***DUPLICATE***” at the bottom of each invoice. You can update this message as needed.

Important Only posted invoices can be printed. Use Preview Invoice Print to print copies of unposted invoices.



Use this program to print invoices that have not yet been posted in Invoice Post and Print. These can be created either in Sales Order Maintenance or Pending Invoice Maintenance. For example, you can use printed copies for review before posting.

Note This program only selects unposted invoices. To print one that has already been posted, use Invoice Print or Reprint.

The preview print functionality simulates the standard post and print process; for example, you can use most of the same selection criteria and view the effects of invoice consolidation on the draft. However, the program does not actually post selected invoices or have any financial effect. Because the invoice number is generated during post based on the associated daybook, preview invoices do not include that number. Additionally, the copy includes the text DRAFT INVOICE at the top, as well as a user-defined message that can include additional information about the invoice status.

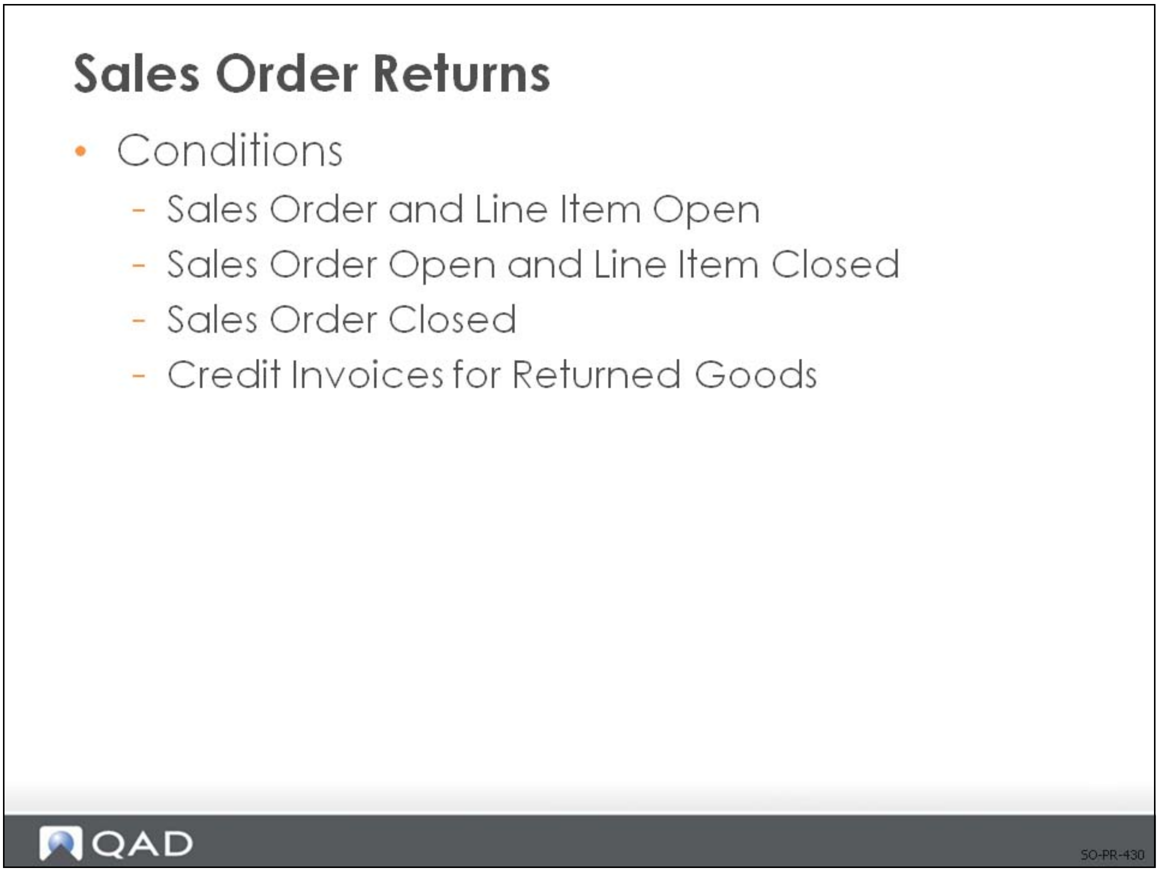
Exercise: Invoices, Returns, and Credits

As soon as an order has been shipped it is ready for invoicing. In this activity, you create invoices for items just shipped.

1. Use Pending Invoice Register (7.13.2) to review invoice details for sales orders SO001 and SO002. Leave all fields blank to review all data and direct output to Page.
2. Use Invoice Post and Print (7.13.4) to post and print invoice for sales order SO001.

   There are separate outputs for the post transaction and the print transaction. In our case direct both outputs to page.

Returns



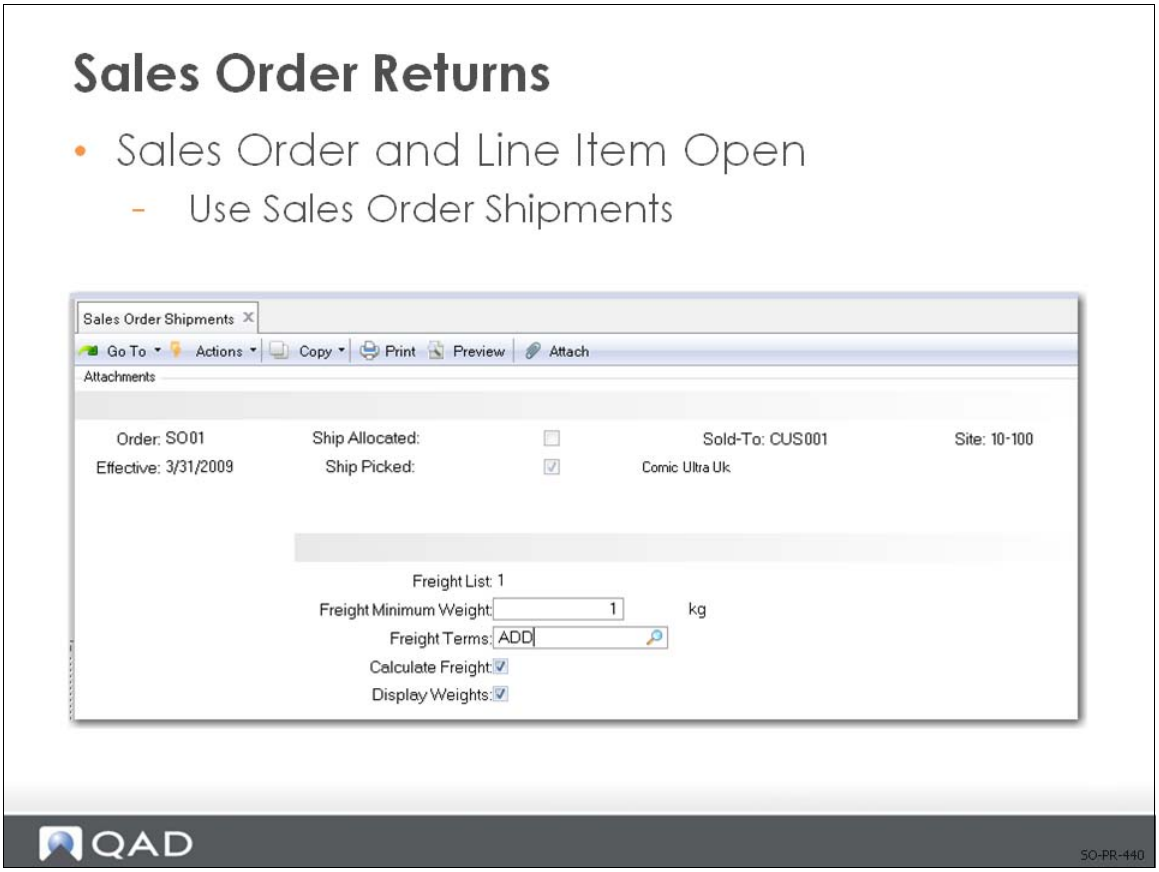
You can handle returns in the Sales Orders/Invoices module and in the Service/Support Management module using a Return Material Authorization (RMA).

How you process a return depends on:

- If the sales order is open or closed
- If the line item is open or closed

Discussed in the following Training Guide: *Service/Support Management*

Sales Order and Line Item Open

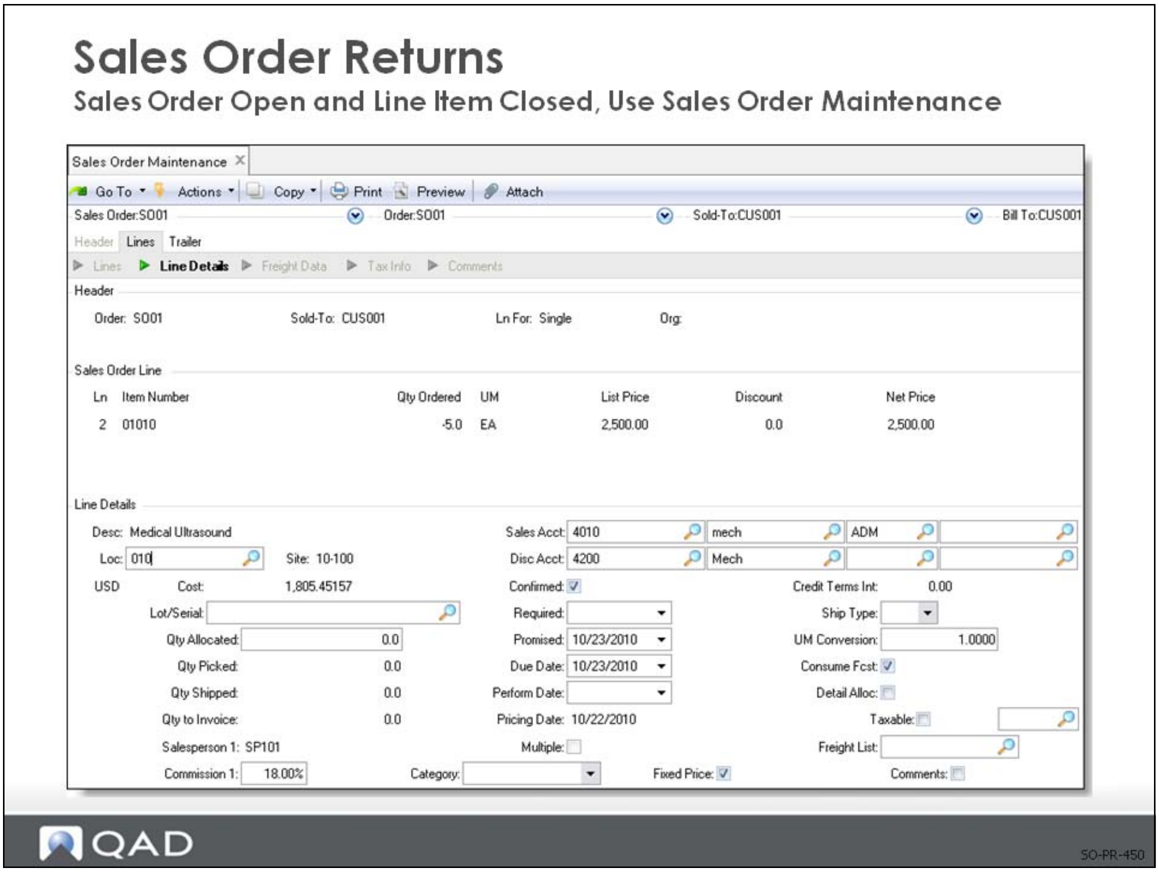


When both the sales order and the line item are open at the time of the return, you can process the return using Sales Order Shipments 7.9.15 as follows:

1. Enter the line item for the item being returned.
2. Enter the quantity returned as a negative amount.
3. Enter the location where the item was restocked.

Note In most cases the return should be received into a quarantine or inspection area. This procedure completely reverses all the transactions generated with the original shipment.

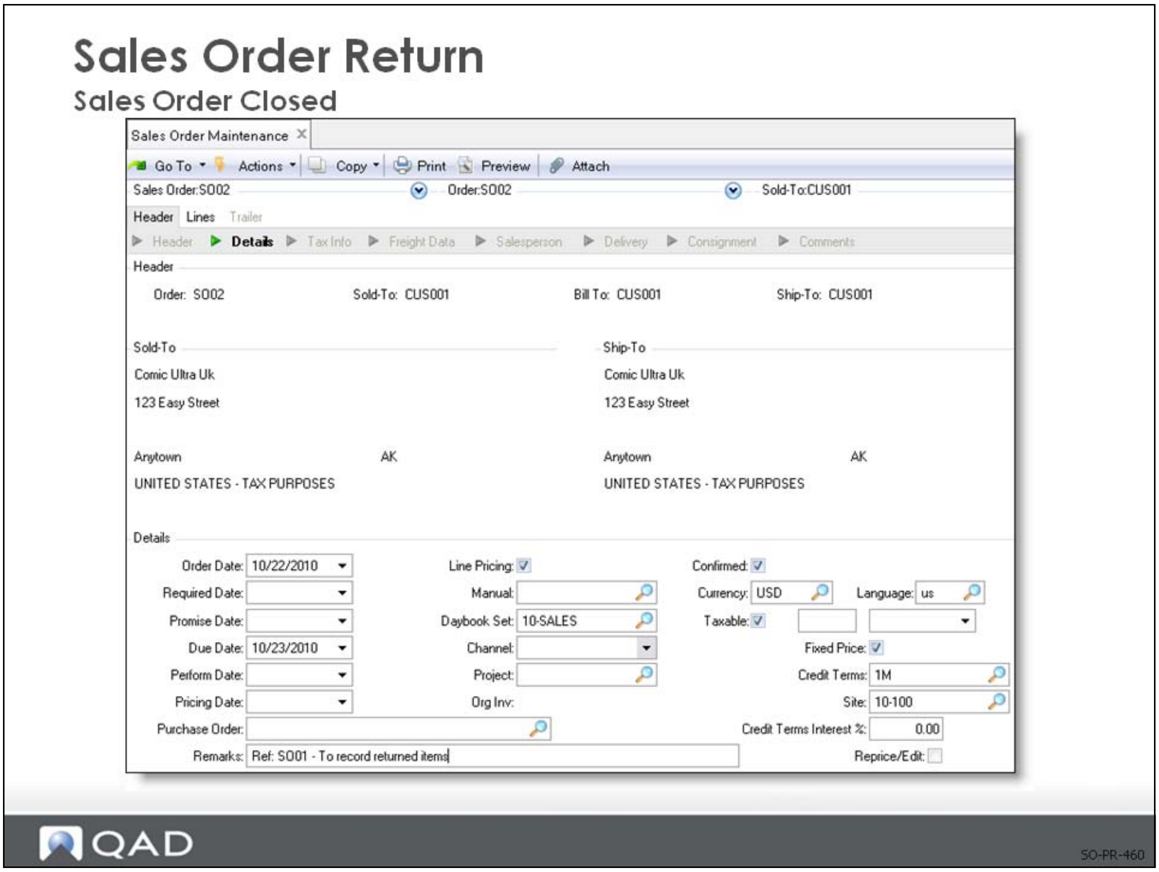
Sales Order Open and Line Item Closed



When the sales order is still open at the time of the return but the line item is closed:

- Add a new line item for the returned material as a negative amount to the original open sales order
- Process the Sales Order Shipment
- QAD Enterprise Applications then processes the return as a negative receipt

Sales Order Closed

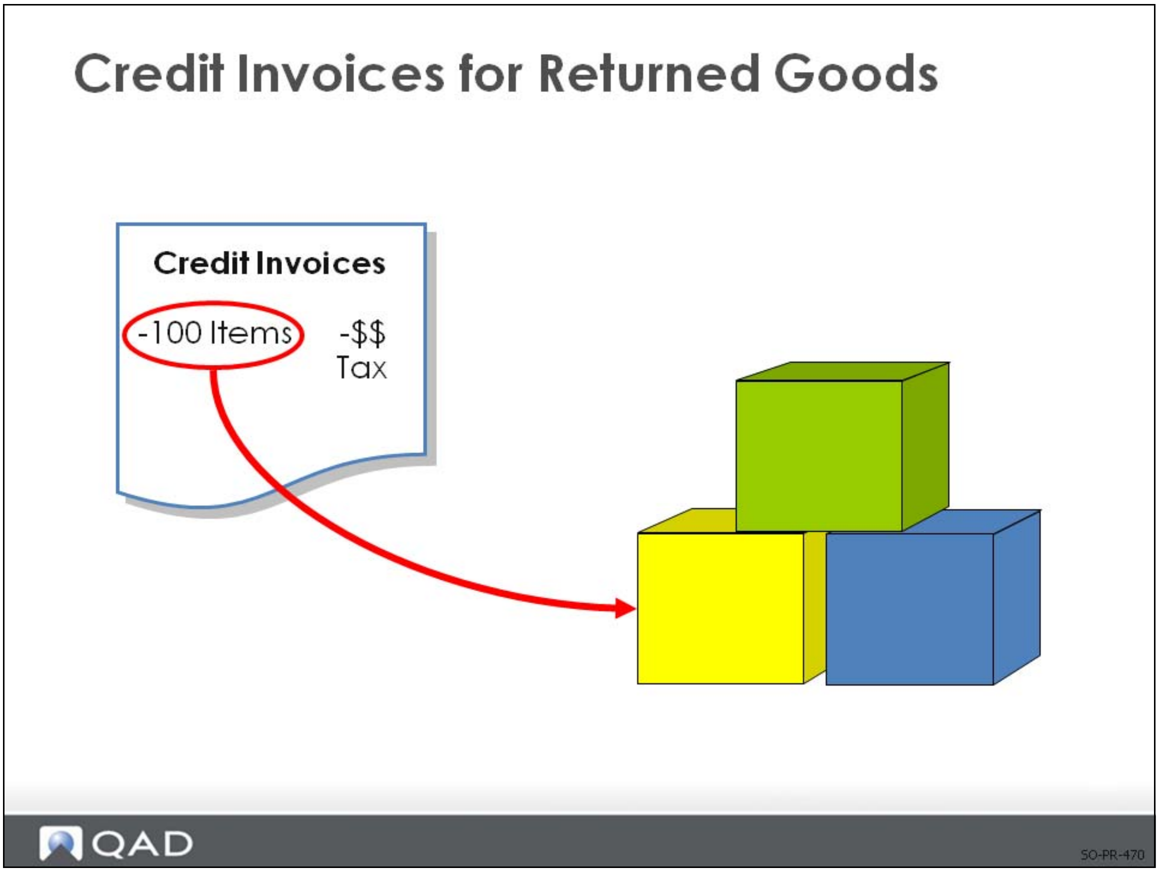


If the original sales order is closed when the item is returned:

- Create a new sales order to receive the item
  - Enter the returned quantity as a negative amount
  - Reference the original closed sales order in the comments area of the new sales order to keep a record of the action
  - QAD Enterprise Applications then processes the return as a negative shipment

Note You can add the prefix RGA to the number manually. Use the channel codes to pull out RGAs on reports. In the filed invoice, enter the original invoice number and CR. You should use a different form number to print returns. Use type M for changes to pricing only.

Credit Invoices for Returned Goods

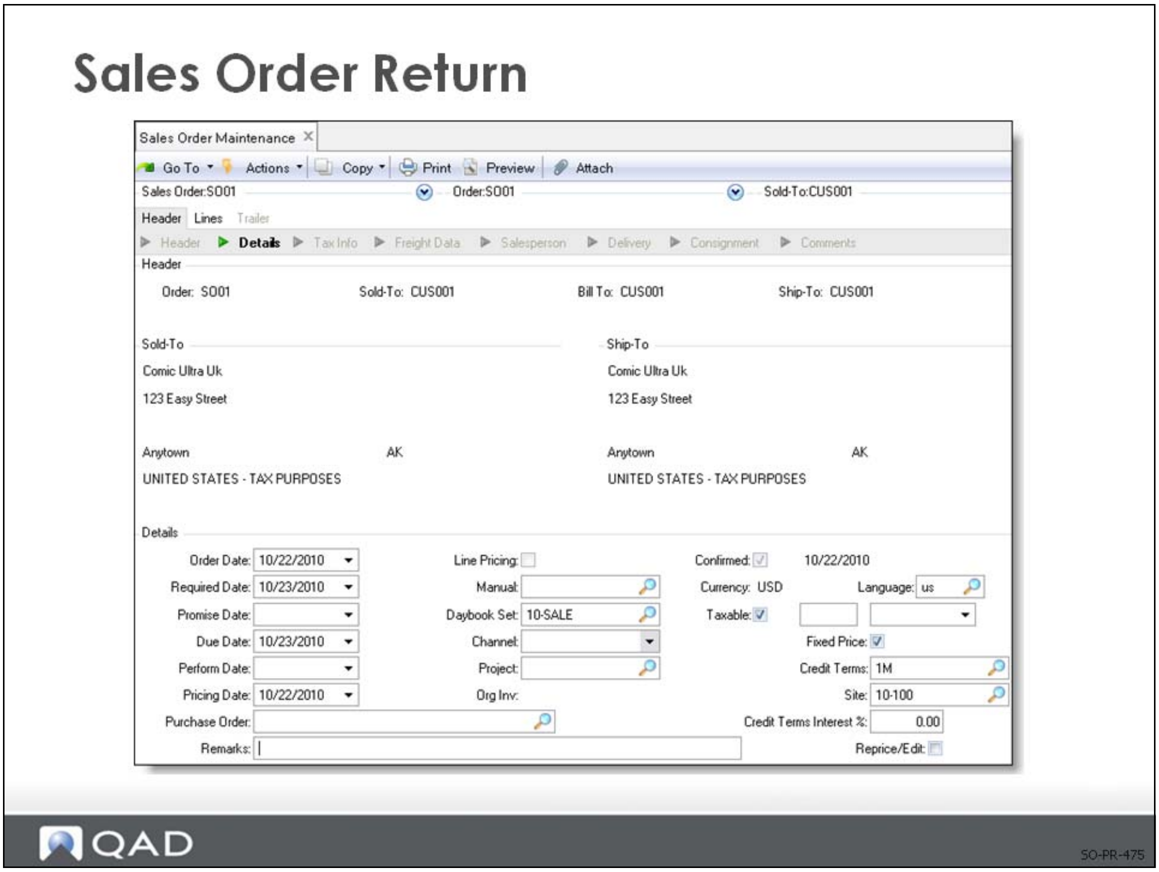


Use Pending Invoice Maintenance to process a credit invoice for a Sales Order return using a negative quantity for the shipment.

- A credit invoice credits the customer account for the amount of the returned materials plus any applicable taxes
- Process a credit invoice using the same procedure as a regular invoice

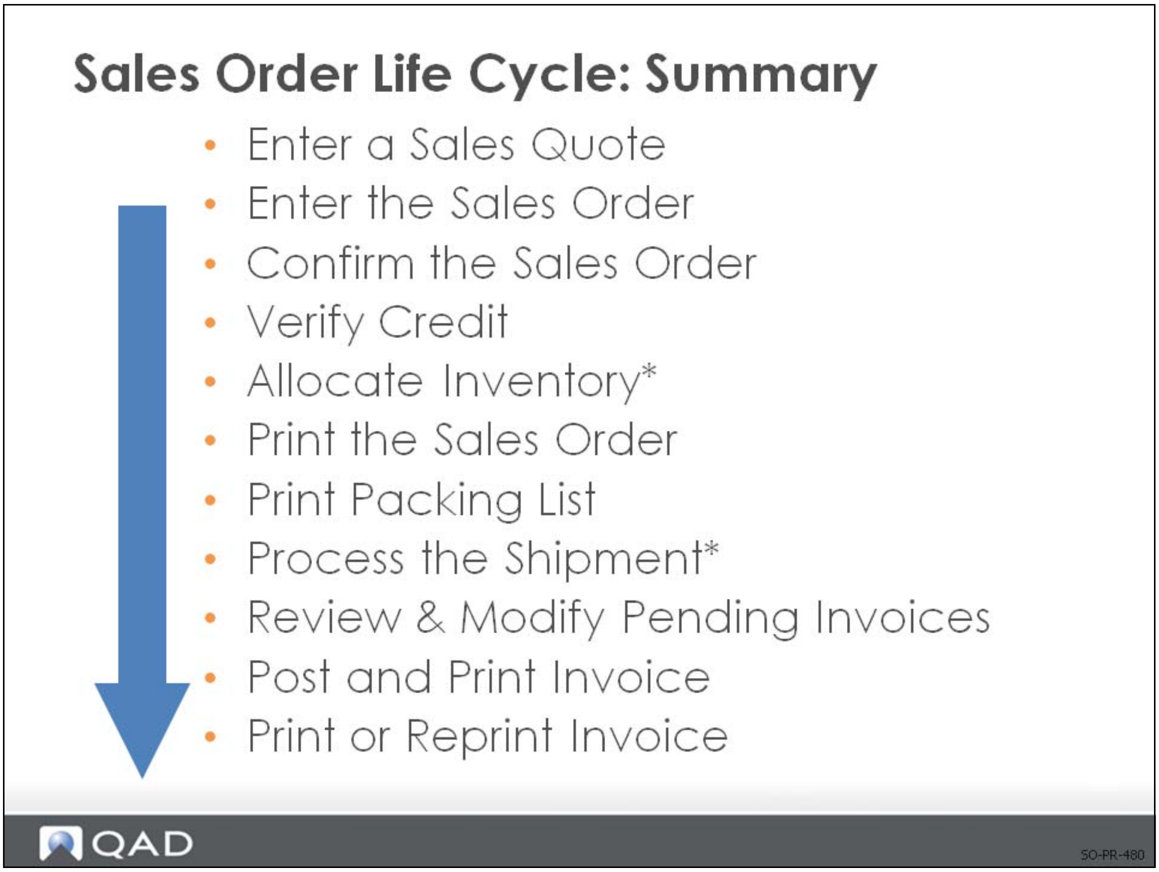
Note Your warehouse may use Receipts-Sales Order Return to return inventory to stock. If so, then accounts should use Pending Invoice Maintenance with Type = M (for non-inventory items).

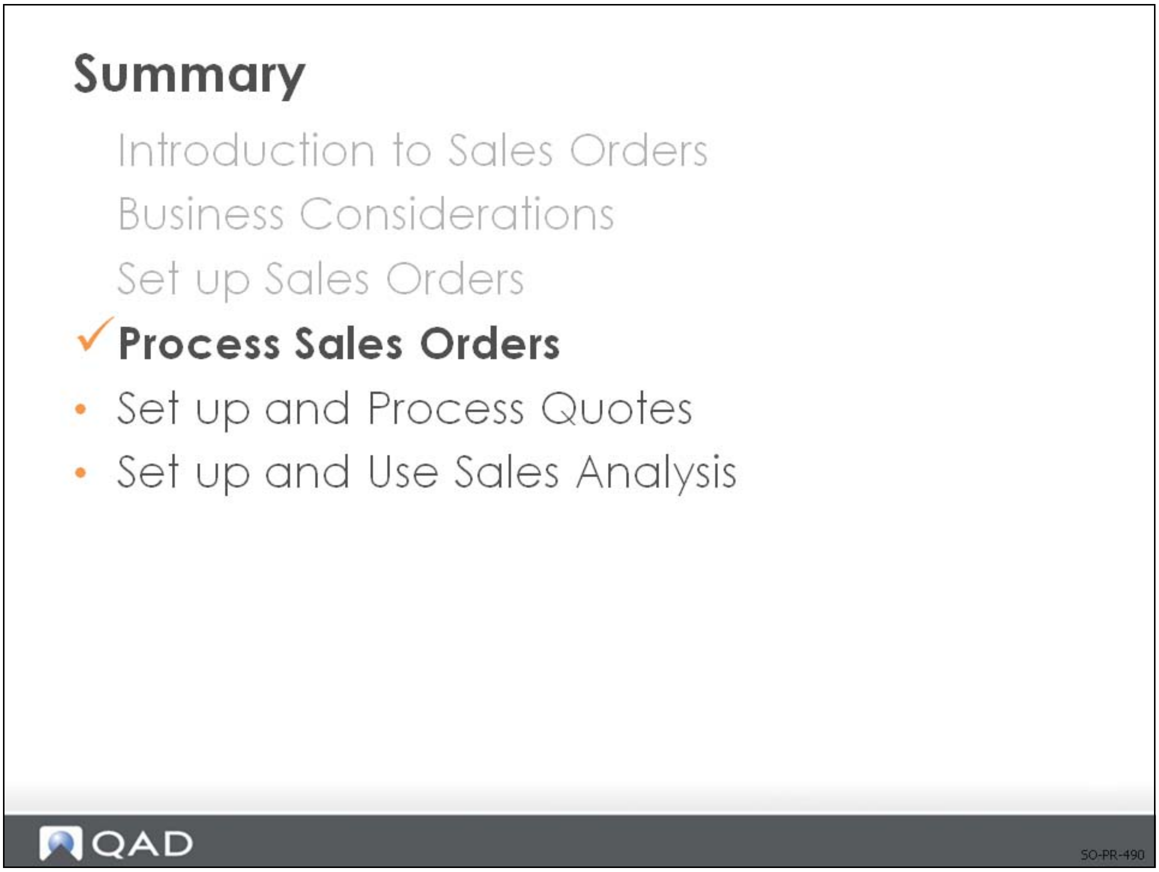
Sales Order Return



This transaction is also useful in cases where you wish to give the customer credit without the return of the items

Summary


Sales Order Life Cycle: Summary
Enter a Sales Quote
Enter the Sales Order
Confirm the Sales Order
Verify Credit
Allocate Inventory*
Print the Sales Order
Print Packing List
Process the Shipment*
Review & Modify Pending Invoices
Post and Print Invoice
Print or Reprint Invoice
QAD
SO-PR-480


Summary
Introduction to Sales Orders
Business Considerations
Set up Sales Orders
Process Sales Orders
Set up and Process Quotes
Set up and Use Sales Analysis
QAD
SO-PR-490

Chapter 5

Sales Quotations

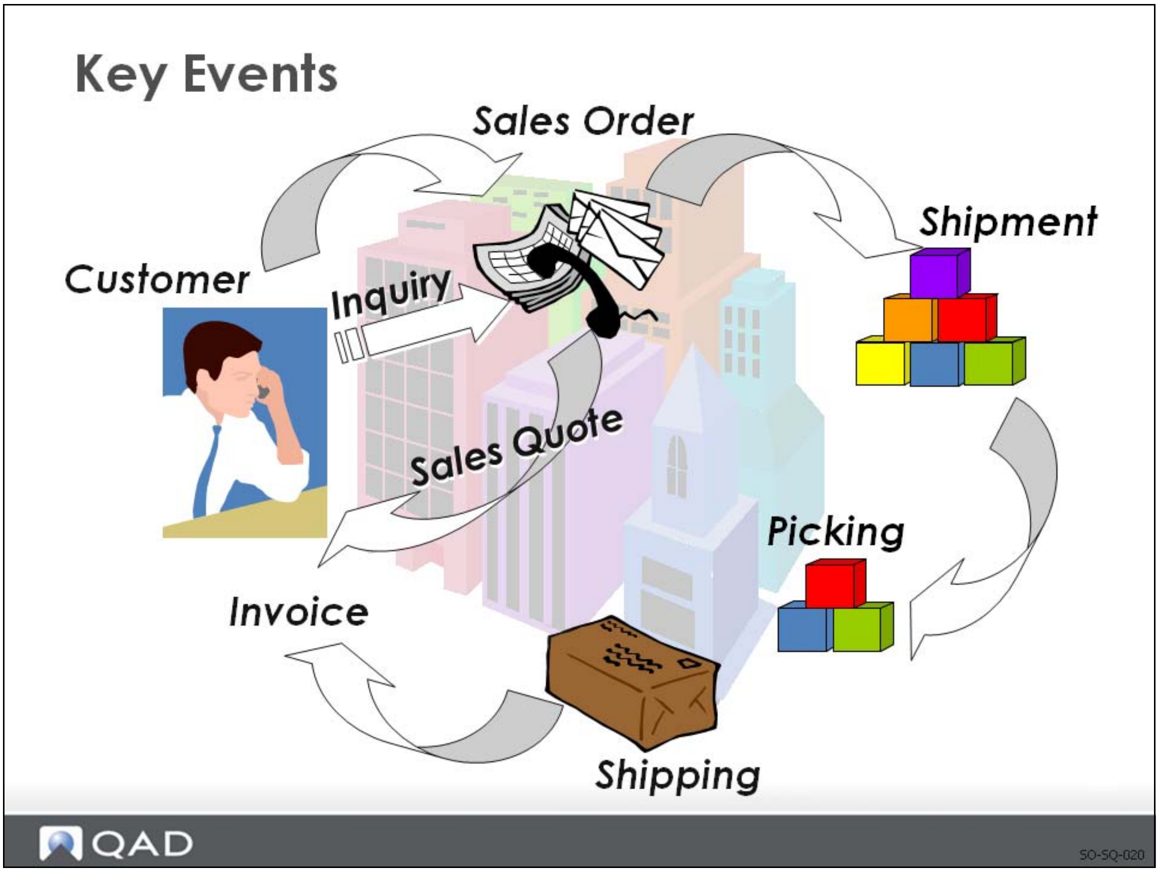
Overview

Process Sales Quotes

In this course you will learn how to:

- Identify Key business considerations before setting up Sales Orders
- Set up Sales Orders in QAD Enterprise Applications
- Process Sales Orders
- **Set up and Process Sales Quotes in QAD Enterprise Applications**
- Setup and Use of Sales Analysis

QAD SO-SQ-010



Quotation

- A statement of price, terms of sale, and description of good or services offered by a vendor to a prospective purchaser
- When given in response to an inquiry, it is usually considered an offer to sell

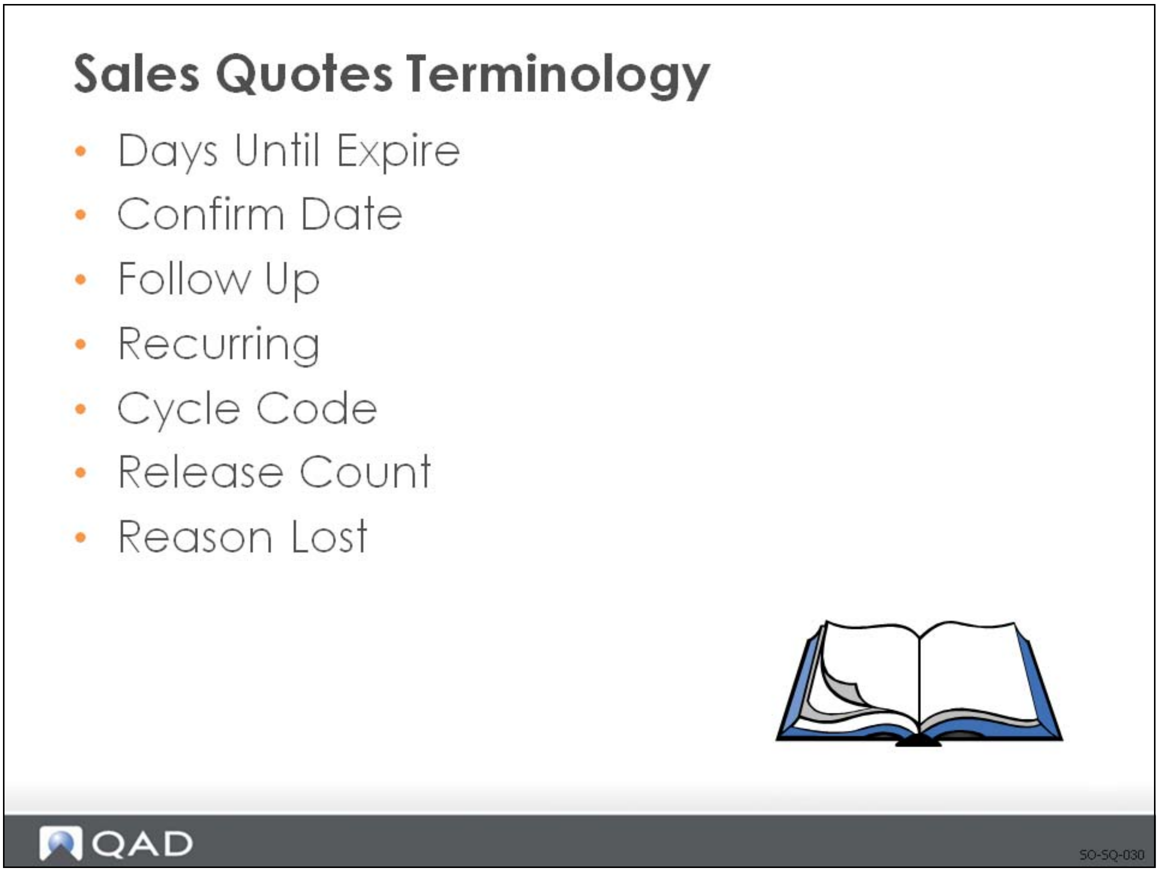
Sales Quotes Allow You To:

- Respond to a customer request for a quote
- Monitor the status of a quote
- Give visibility on potential gross margin contribution
- View history by item number or customer
- Generate reports on expired quotes that did not result in a customer order

Why Consider Sales Quotes?

- Can be released to a Sales Order
- Can be used as a template for a
  - Recurring sale
  - Lease
  - Service contract (if not using SSM)

Terminology



Days Until Expire

Specifies the normal length of time quoted prices are good for. After this time, a quote expires and prices must be renegotiated. See Sales Quote Control.

Confirm Date.

The date the customer confirmed the sales quote.

Follow-Up.

The follow-up date for a sales quote. See Sales Quote Maintenance.

Recurring

A quote may record a recurring sale, such as monthly fees for maintenance charges. An entire year may be quoted, but a sales order and invoice are generated on a monthly basis.

Cycle Code.

Specifies the frequency with which sales orders are released from a quote.

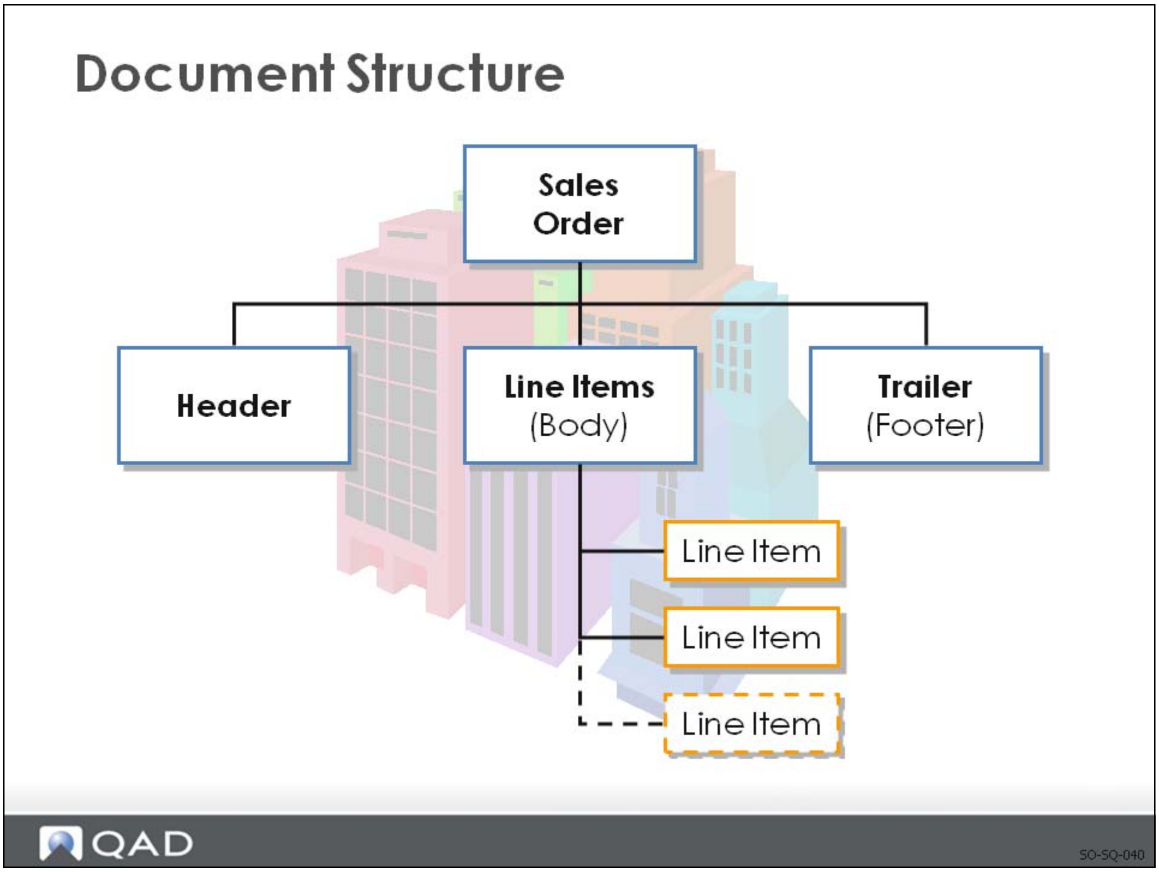
Release Count.

The number of releases for this quote.

Reason Lost

Indicates the reason why the customer did not place an order against the quote.

Header



Once you enter the header, the order is stored in the system even if you do not enter any line items.

The quote header includes

- Sold-To
- Bill-To
- Ship-To
- Credit Terms
- Freight List
- Currency
- Exch Rate
- Other general quote information
- An expiration and follow-up date (optional)

Line Items

A quote contains one or more line items. Each line item lists the

- Item number
- Quantity quoted
- Unit of measure

Note If the item number is your customer's number, QAD Enterprise Applications displays your internal item number (referenced from Customer Item Maintenance). Both numbers print on all sales quote documents.

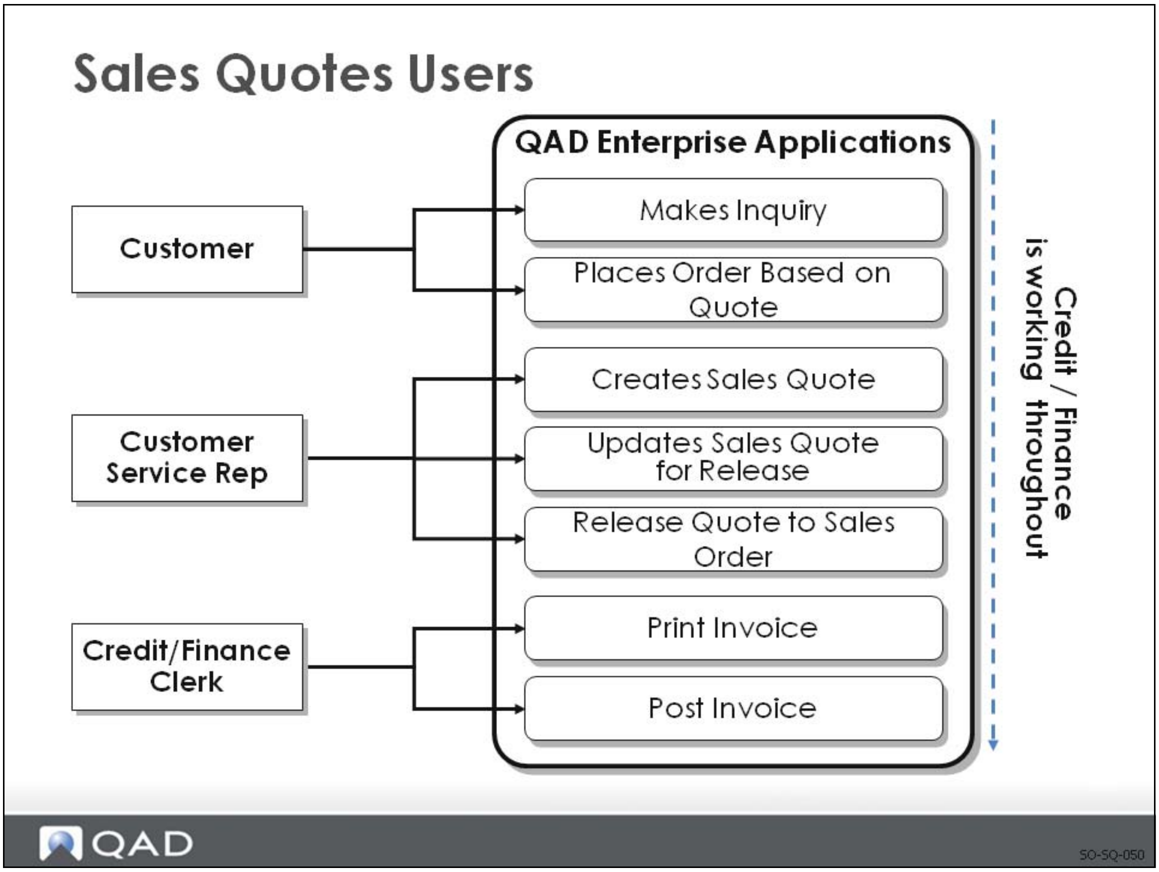
You can enter line items in single- or multiple-line mode (the default is specified in the Sales Quote Control).

- More data can be entered in single-line mode (such as Due Date and Qty to Release), but multiple-line entry is quicker.
- You can switch between single-line and multiple-line modes within a quote.

Trailer

The trailer frame presents the totals for the line items and any taxes, optional order discounts, freight charges, and any miscellaneous charges that may apply.

How Sales Quotes are Used

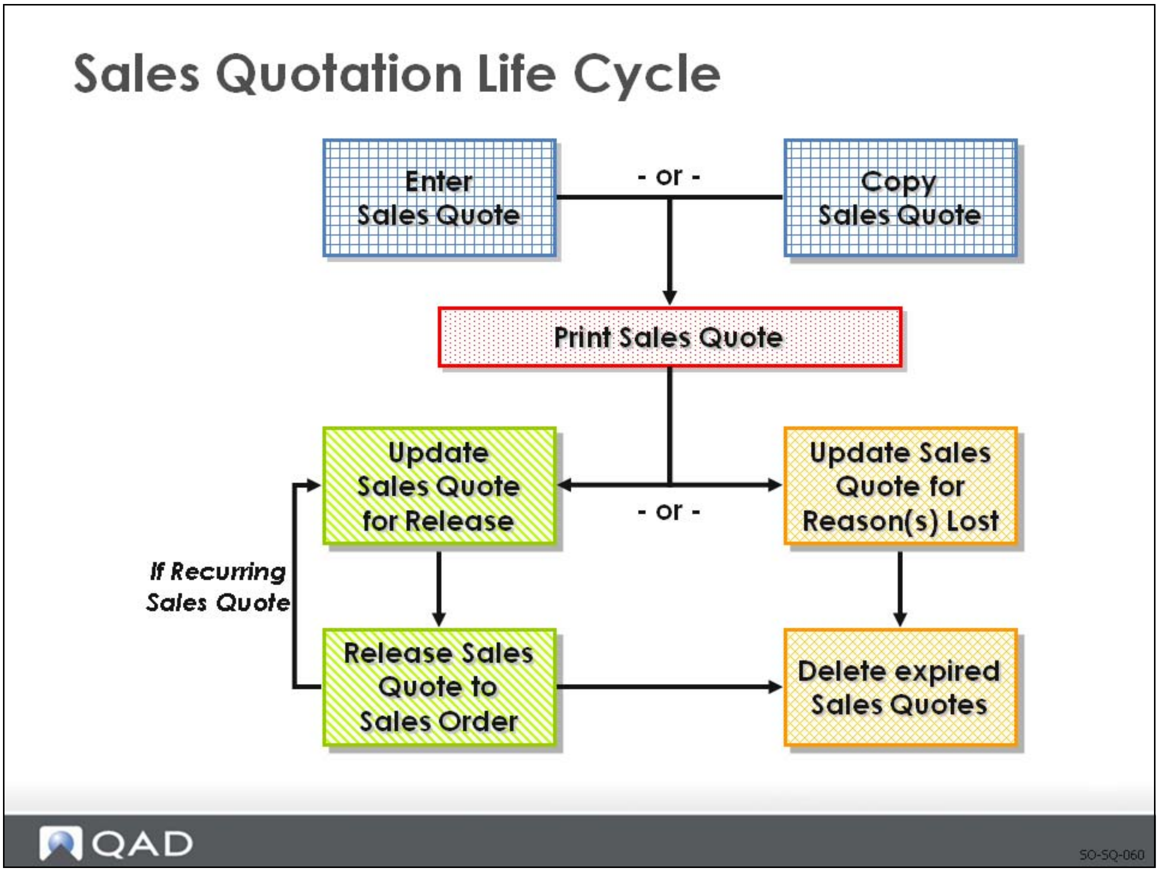


In general, sales quotes are:

- Entered and printed
- Released to Sales Orders/Invoicing
  - Each release generates a sales order against which all shipments are processed
  - You can process multiple releases for any line item
  - The release process requires that you specify the quantity to release and the due date

Note If a sales quote does not result in an order, a Reason Lost can be entered.

Life Cycle



Two types of sales quotes:

1 One-Time - A single sale

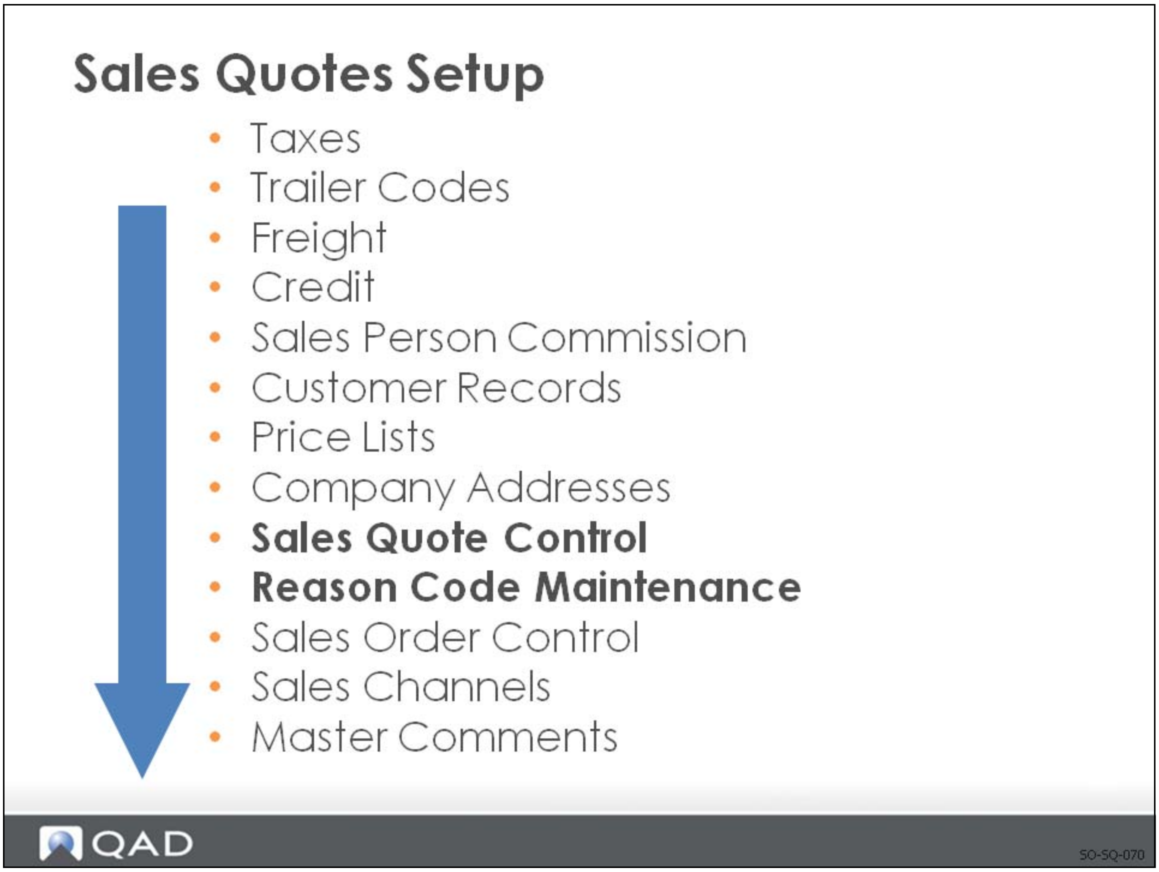
- Set Recurring = No in the header of Sales Quote Maintenance
- When the customer agrees to the terms, use Sales Quote Maintenance to enter the quantity to release, then run Sales Quote Release to Order

2 Recurring - For repeat business

- Set Recurring = Yes and enter the quantity to release equal to the quantity to ship each time
- If the customer orders on a regular weekly or monthly cycle, enter the period in Cycle Code
  - To release a sales quote to a sales order, run Sales Quote Release to Order for that specified Cycle Code

You can enter sales quotes for inventory items, noninventory items, or configured items. When a sales quote is released to create an order, all quote information, including the configuration, is transferred.

Sales Quotes Setup



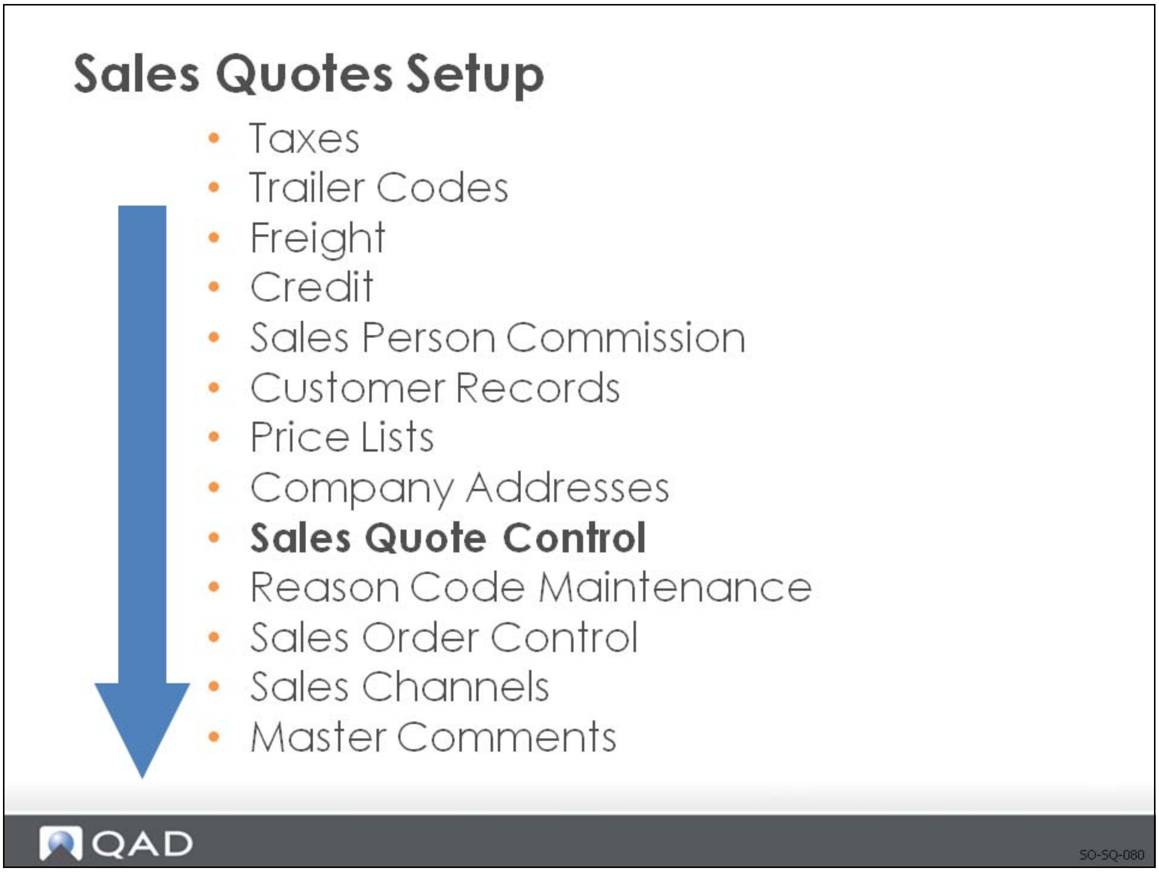
This is a suggested setup sequence of the master data for Sales Quotes. This sequence is based on:

- Information which flows from one master table to another
- Prerequisites that need to be accomplished before setting up data

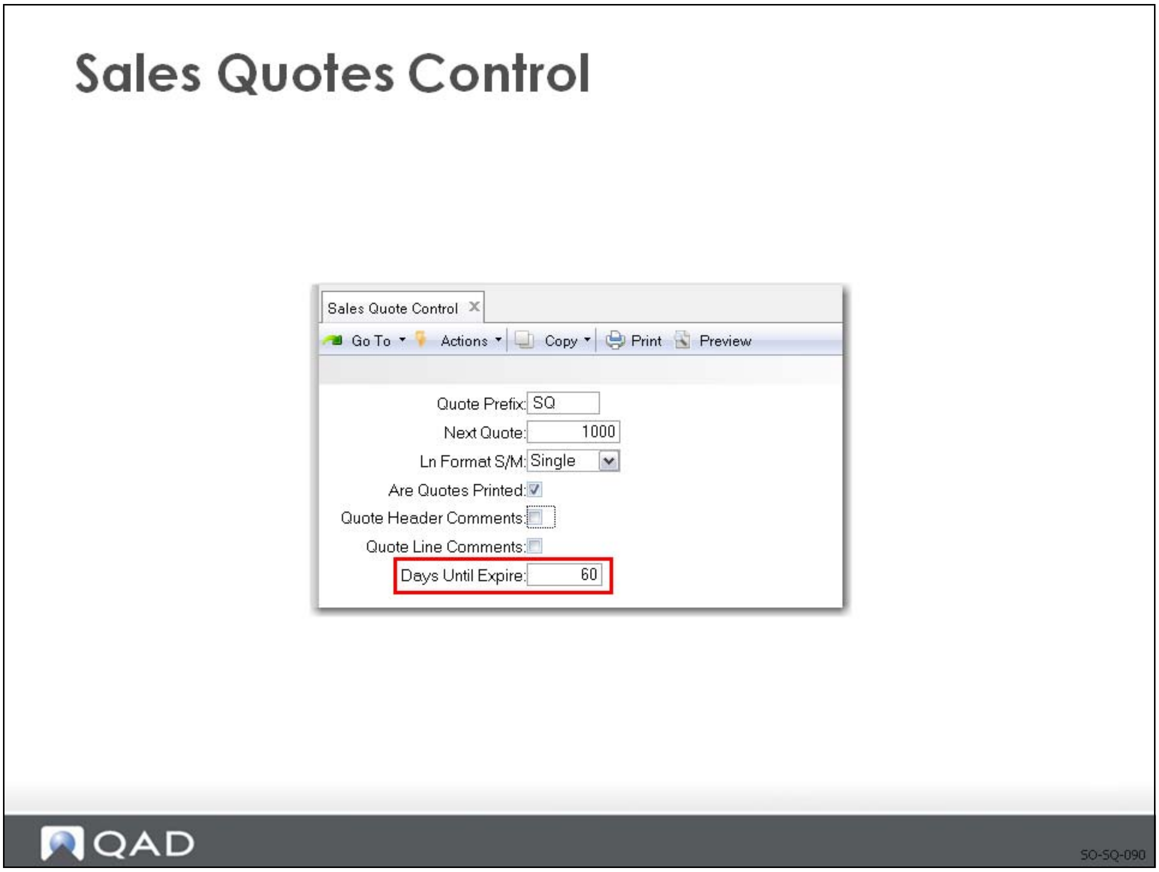
Note Because the majority of this information has already been discussed in Chapter 3, "Setting Up Sales Orders", in this section we cover only:

- Sales Quote Control
- Reason Codes Maintenance

Sales Quote Control



Sets defaults for the way sales quotes are entered and what appears on them.



Quote Prefix and Next Quote: When the system generates a sales quote, a prefix of up to three characters is used

- A new number is created by combining the prefix with the Next Quote number

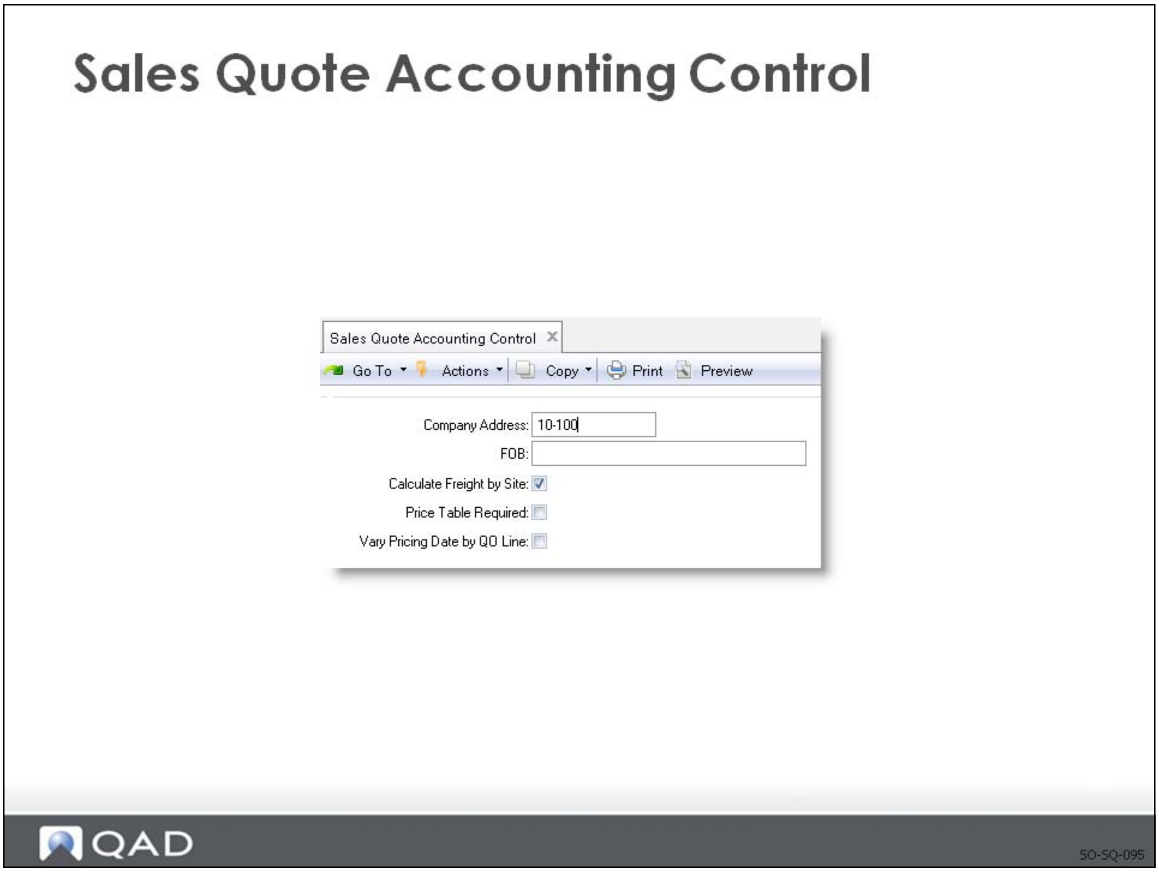
Note Sales quotes and sales orders are often numbered differently to reduce confusion.

Are Quotes Printed? Set to Yes if you want quotes to be printed

Note This becomes the default print setting in Sales Quote Maintenance

- This flag can be changed manually for a specific sales quote in Sales Quote Maintenance
- Only sales quotes with the print flag set to Yes are printed by Sales Quote Print

Days Until Expire. If quotes normally expire within a certain time limit, the number of days can be set in the Days Until Expire field.



Company Address. Company Address you want to print on the top of the sales quote is set in Company Address Maintenance

Note If using paper preprinted with your company name and address, set this field to blank.

F.O.B. Is the normal Free On Board (FOB) terms on sales order shipments

- Validated against predefined values entered in Generalized Codes Maintenance, if any
- It the default FOB defined in the Sales Quote Control is the default FOB on all sales quotes
    - It can be changed manually during entry of a specific sales quote
- Prints on formal printed quotes and is passed to the sales order when a quote is released
- Is for your information only

Calculate Freight by Site. Useful when different line items will ship from different sites.

Price Table Required. If you want to require a price list be used when creating quotes

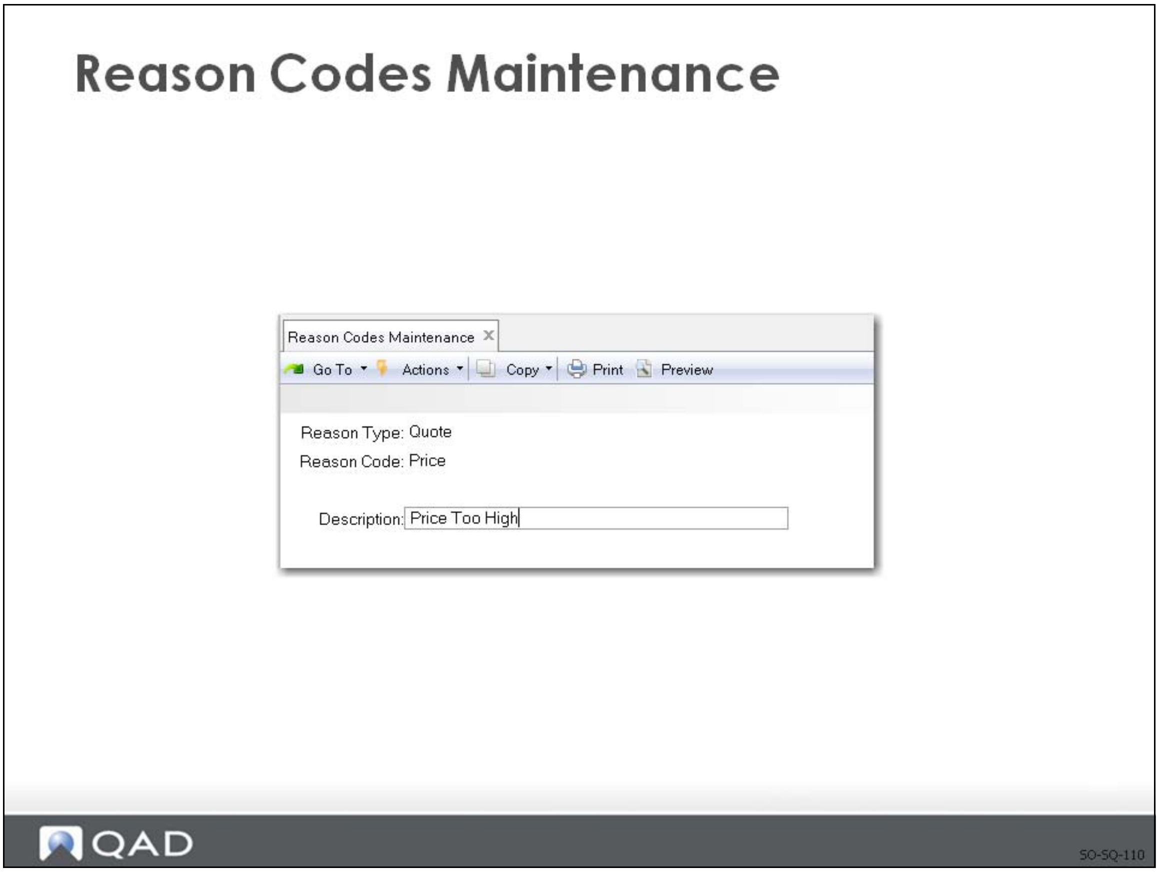
- Price Table Required = Yes
- Then only items from an existing price list can be entered and only if the price list, item, unit of measure, and currency match

Vary Pricing Date by QO Line. Determines whether or not the pricing date can be modified for each line item on a sales quote

- During line item entry in Sales Quote Maintenance, a pop-up window displays with four fields related to pricing:

  - Pricing Date
  - Credit Terms Int
  - Reprice
  - Manual
- Yes = The Pricing Date and Credit Terms Int fields can be modified for each line
- No = these two fields cannot be modified
  - the pricing date and credit terms interest specified in the quote header are used and cannot be changed
- The pricing date determines the effective date to use in searching for applicable prices for the line item
  - The default price effective date for a sales quote header is determined by the setting of QO Default Pricing Date in the Pricing Control
  - This can be the quote date, due date, required date, or promise date
  - Tells the system which date from the order header, the line due date or the order dater, to use when selecting line item prices from a price list

Reason Codes Maintenance



Reason codes are used in sales quotes, shop floor reporting, and the Product Change Control (PCC) module. Other custom uses can be added as needed. With Sales Quotes reason codes are often used to record why a quote was not accepted. Typically price or delivery. Reason codes allow you to create codes unique to your business.

- Use codes of type QUOTE in the Reason Lost field of sales quotations

Exercise: Sales Quote Control

1 Use Sales Quote Control (7.12.24) to configure settings for sales quotes.

Quote Prefix:	SQ
Next Quote:	1000
Are Quotes Printed:	Yes
Quote Header Comments:	No
Quote Line Comments:	No
Days Until Expire:	60

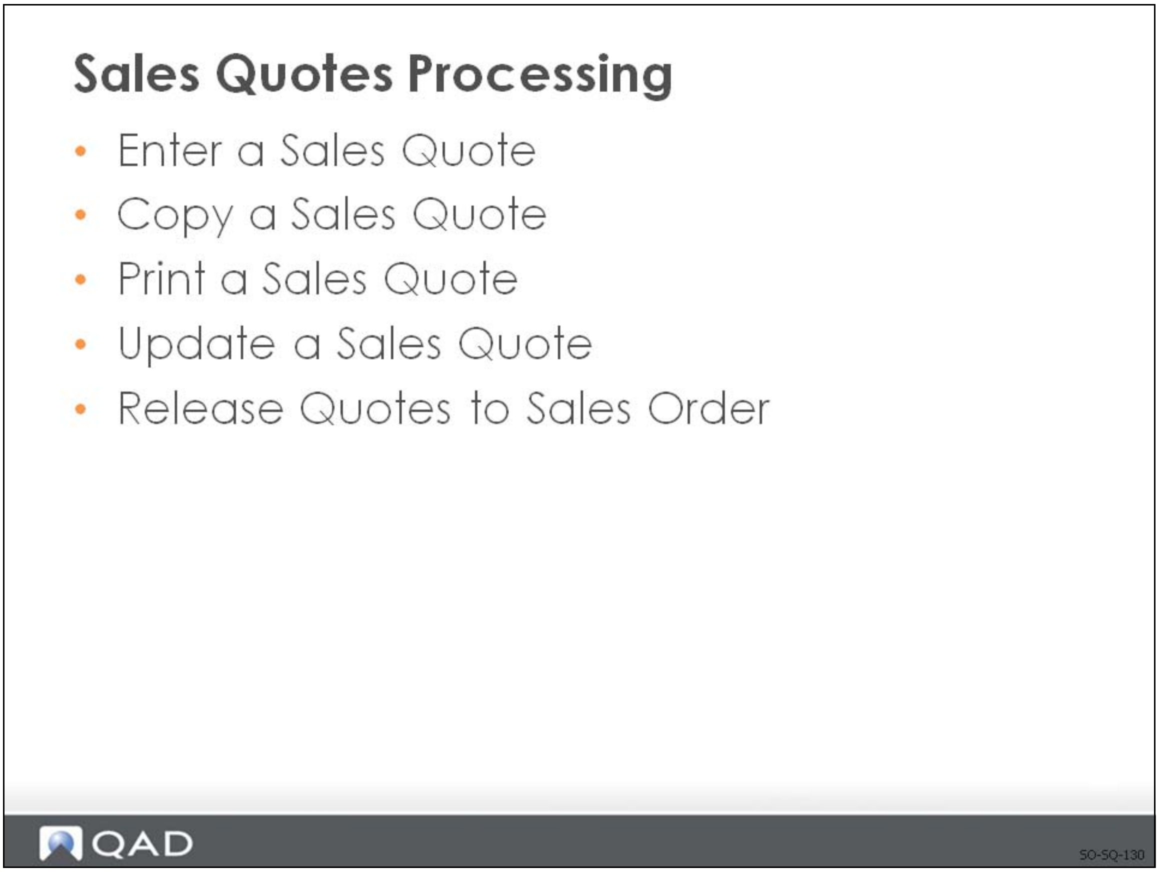
2 Use Sales Quote Accounting Control (36.9.9) to

Company Address:	10-300
FOB:	Origin
Calculate Freight by Site:	Yes
Price Table Required:	No
Varying Price Data by QO Line:	Yes

3 Use Reason Codes Maintenance (36.2.17) to set up the following reason codes.

Reason Type	Reason Code
Quote	Price
Quote	Delivery
Quote	Credit

Sales Quotes Processing

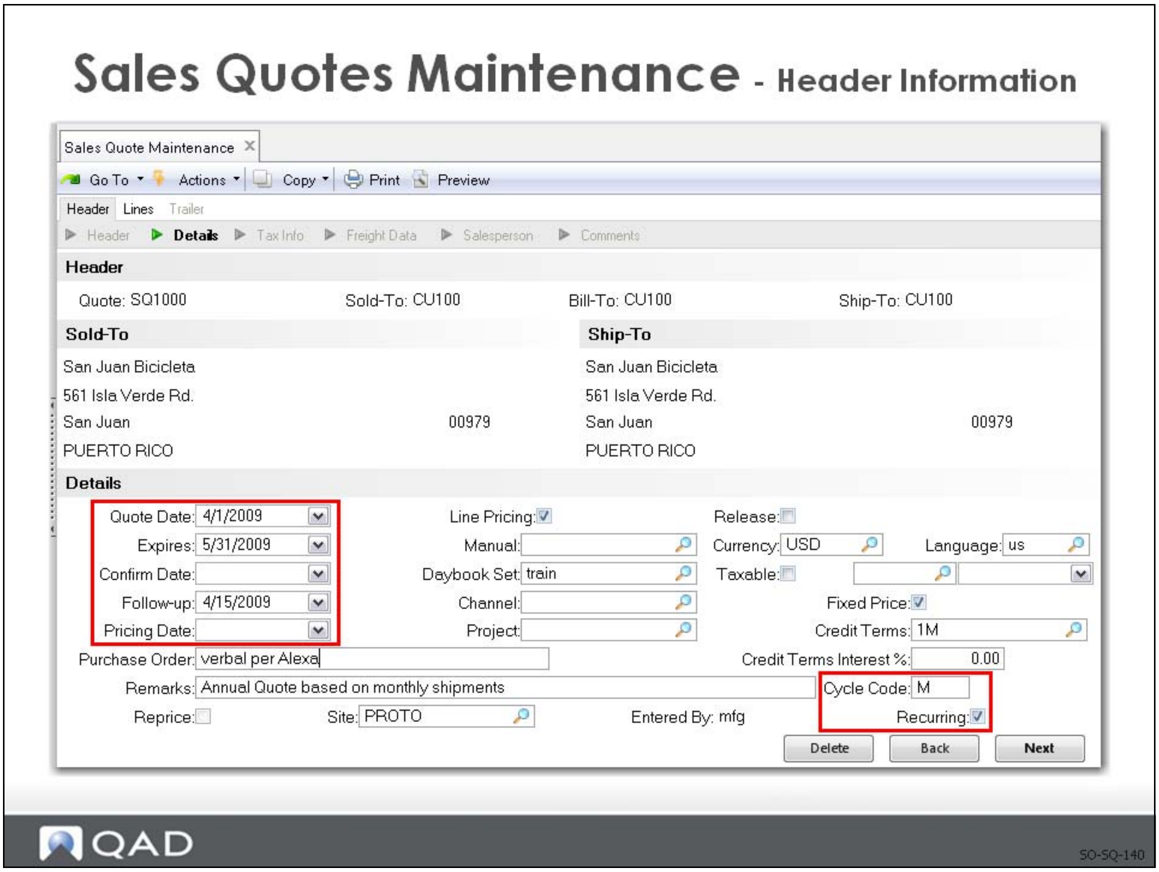


You create sales quotes using Sales Quote Maintenance

- System assigns each sales quote a unique number
- Information used to create a sales quote is very similar to a sales order
- Need to identify:
  - To whom you are selling items
  - The location to ship-to
  - Payment and credit terms, if applicable
  - What is being sold
  - The effective date for the sales quote

Note If the customer does not accept the sales quote before this date, you need to renegotiate the terms of the sales quote or extend the Expiration Date. However, you do not need to specify a Due Date.

Enter a Sales Quote



Sales Quote Maintenance: Header

Much of the information in the Sales Quotes Header defaults from the Customer Master Data, but you can change this information on the quotation.

The following key fields in Sales Quote Maintenance differ from Sales Orders:

Expires. Date the quote expires

- System calculates this date by adding the time interval specified in the Days Until Expire field in the Sales Quote Control to the quote date
- After this date, a quote expires and prices must be renegotiated
- Quote reports can be selected for ranges of expiration dates, allowing you to review and act on quotes which will soon expire
- Quotes past their expiration date can be purged using the delete/archive function
- You can override this field

Line Pricing. Determines whether the system prices each line item as it is entered, or waits until the end of order entry before calculating prices that may be affected by quantity breaks

- Affects newly created quotes only; when you are maintaining an existing quote, this setting has no effect
- Defaults from the setting of Price QO by Line in the Pricing Control

See in this training guide: *Line Pricing* on page 152

Manual. Lets you manually enter a price list code to be considered for order lines

- The price list specified must have been defined with sales order Price List Maintenance
- If a price list is entered, it is included as a price list candidate when the system selects price lists to consider for this quote
    - Specifying a manual price list only marks it to be considered
    - The system still determines the best price according to the rules and codes previously setup
- When a price list is defined in sales order Price List Maintenance, you may optionally mark it as manual
    - In this case, the system never considers it for pricing unless it is entered by the user in the Manual field on a sales quote or order header
- This field may be password protected

Release. Indicates whether a sales order should be created from this quote

- When a customer places an order against an outstanding quotation, the system can automatically generate the sales order from the quote
    - The Sales Quote Release to Order function creates orders based on the quote Release, Cycle Code, and line item Quantity to Release values
    - It only considers quotes flagged with Release = Yes and the specified Cycle Code, if any

Currency. Defaults from the Customer Master

- Usually the base currency, but can be changed for this quote
- Once a quote has been entered, the currency cannot be changed

Note If you change a currency to one other than the base currency, the system prompts you to determine if the exchange rate is fixed or variable. A fixed rate accommodates contracts specifying a fixed exchange rate regardless of what the actual rate may be at the time of the payment.

Warning If you made a mistake and entered the wrong currency, you can only correct it by deleting the quote and re-entering it.

Recurring. Indicates whether there are to be recurring releases against this sales quote

- After a quote has been released, normally the Release flag is reset to No
    - If the quote is flagged as Recurr = Yes, the Release flag is left to Yes so that multiple sales orders can be generated from this quote

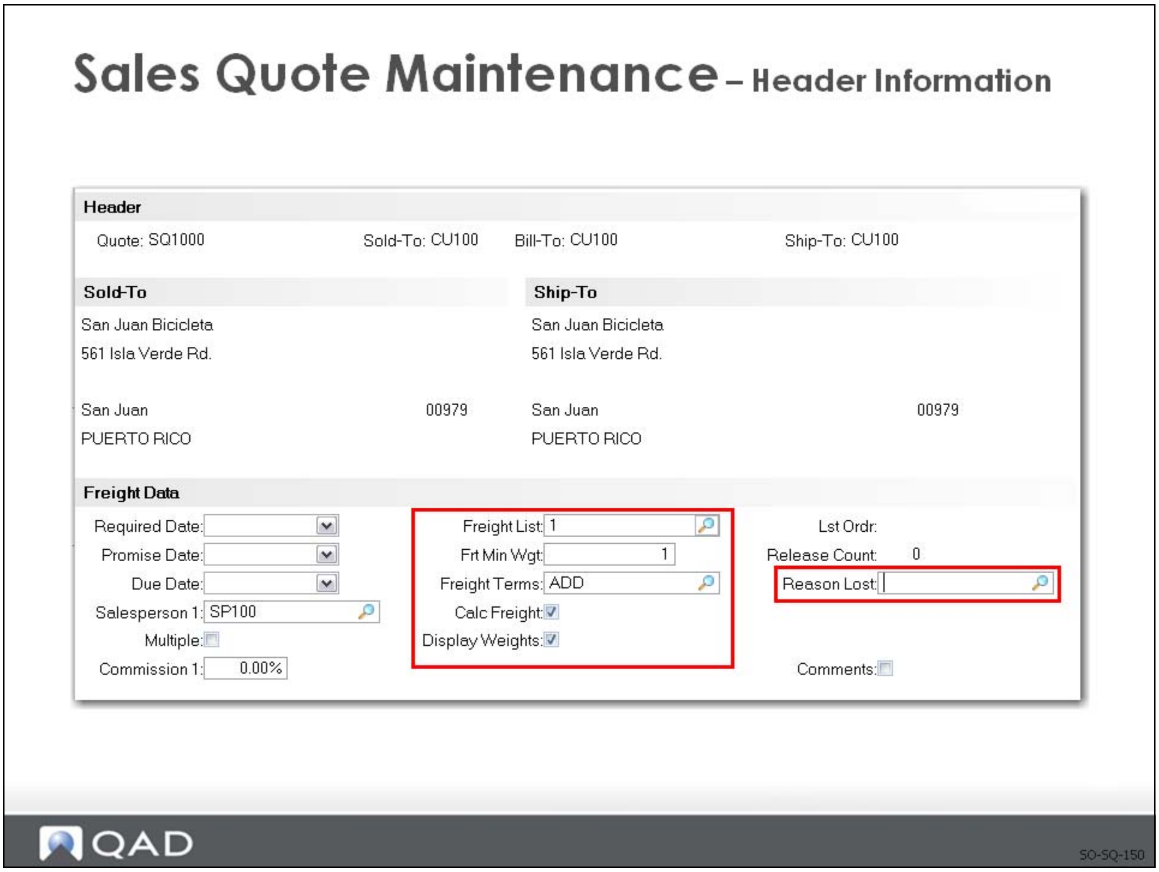
Example In some cases, a quote may record a recurring sale, such as monthly fees for maintenance charges. An entire year may be quoted, but a sales order and invoice are generated on a monthly basis. This type of quote would be entered with Release = Yes, Recurr = Yes, Cycle Code = MO, and Quantity to Release = 1. The quote quantity would be 12, for all 12 months.

- Recurring quotes may also be used for recurring deliveries or blanket customer orders.
    - Remember that quotes are not considered by planning, so the projected shipments must be included in the forecast

Cycle Code. Used with recurring sales quotes

- Validated against predefined values entered in Generalized Codes Maintenance, if any
- Specifies the frequency with which sales orders are released from this quote

Sales Quote Maintenance: Header



You do not need to enter key dates (Required, Promise, and Due Dates) until you are ready to release the quote to a sales order.

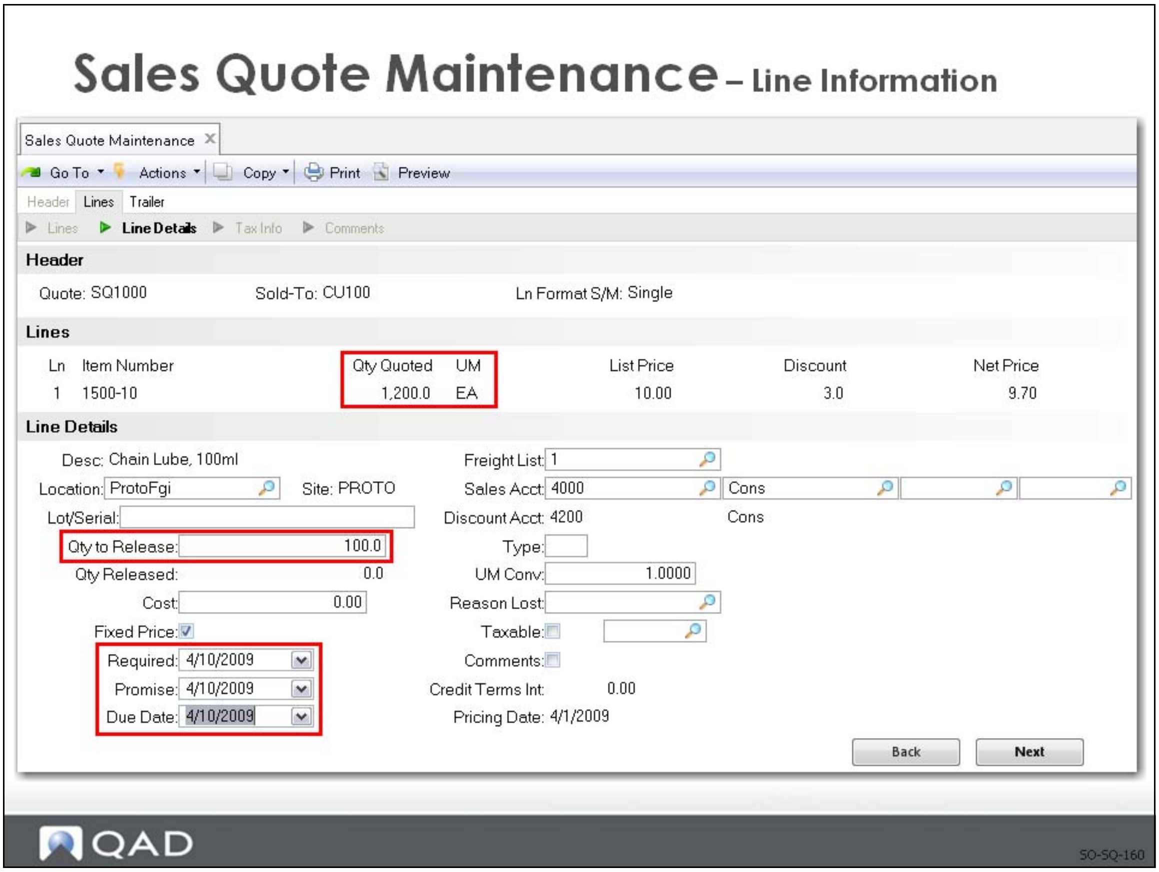
Release Count. A system maintained field recording the total number of orders released from this quote

- This field is updated automatically by Sales Quote Release to Order and is for reference only

Reason Lost. Indicates the reason why the customer did not place an order against this quote

- Displays as the default reason lost on each of the sales quote line items
  - May be changed on each, as needed
- The Sales Quote Reason Lost Report allows you to evaluate why you did not get the business
  - By recording the reason lost on each lost quote, you can establish trends or identify problem areas
- May be used to categorize lost sales due to price, delivery, quality, or any other common reasons

Sales Quote Maintenance: Line Items



Type. Inventory item

- If you enter an inventory item, line item type defaults to blank
- Line item is to be shipped from inventory
- When the shipment is processed, inventory balances are decreased and a general ledger transaction credits the inventory account
- Memo item
  - If you enter a non-inventory item, line item type defaults to Memo
- Drop-shipped item

Note If ship type set to any value other than blank, the shipment does not affect inventory and does not create a general ledger transaction. Common type codes include Drop Shipment and Memo.

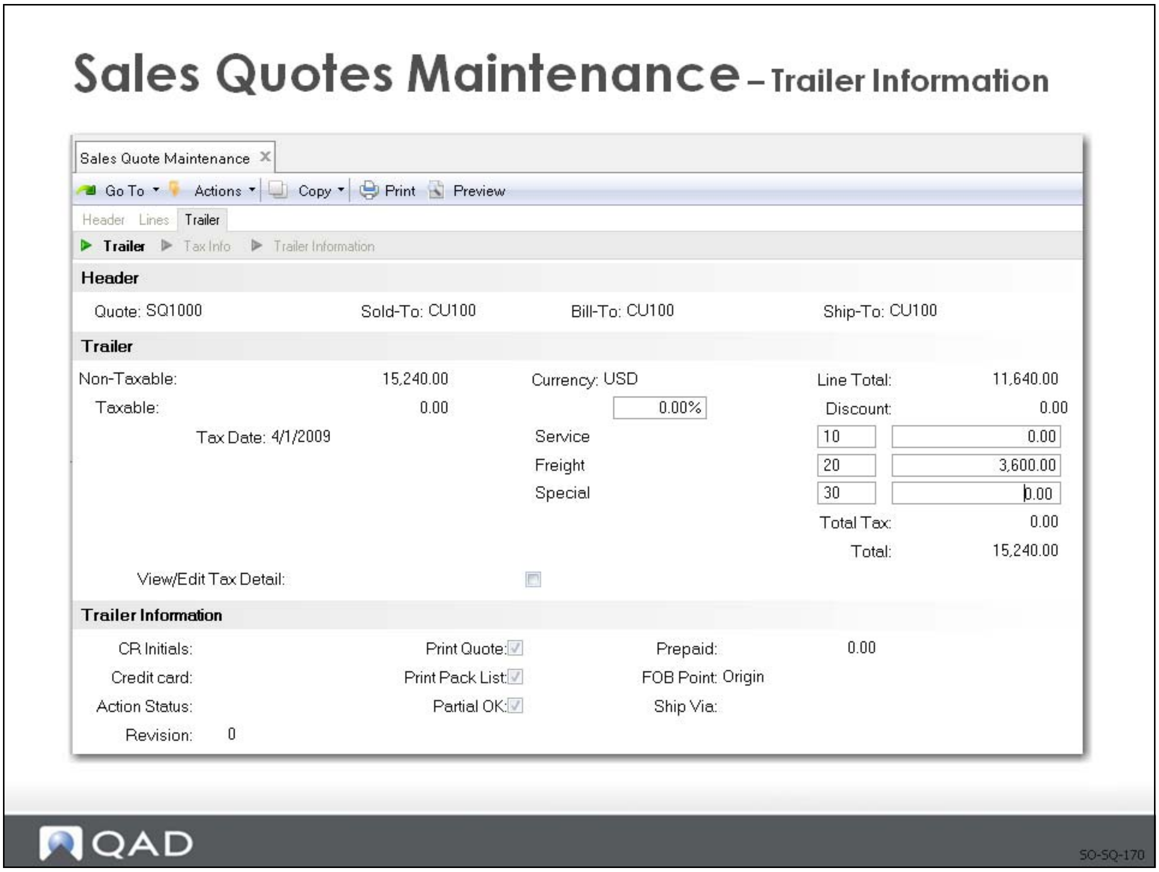
- You can make sure that codes are entered consistently by entering the allowed codes into Generalized Codes Maintenance. The system verifies entered codes against these predefined values, preventing incorrect codes from being entered.

Qty to Release. The quantity to release may be greater than the original quote quantity. This field specifies the quantity to be ordered on the sales order released from this line item.

Qty Released. A system maintained field recording the total order quantity released from this quote.

- Field is updated automatically by the Sales Quote Release to Order function
- Field is for reference only and may appear on some selected reports and inquiries
- May release more than the quoted quantity

Sales Quote Maintenance: Trailer



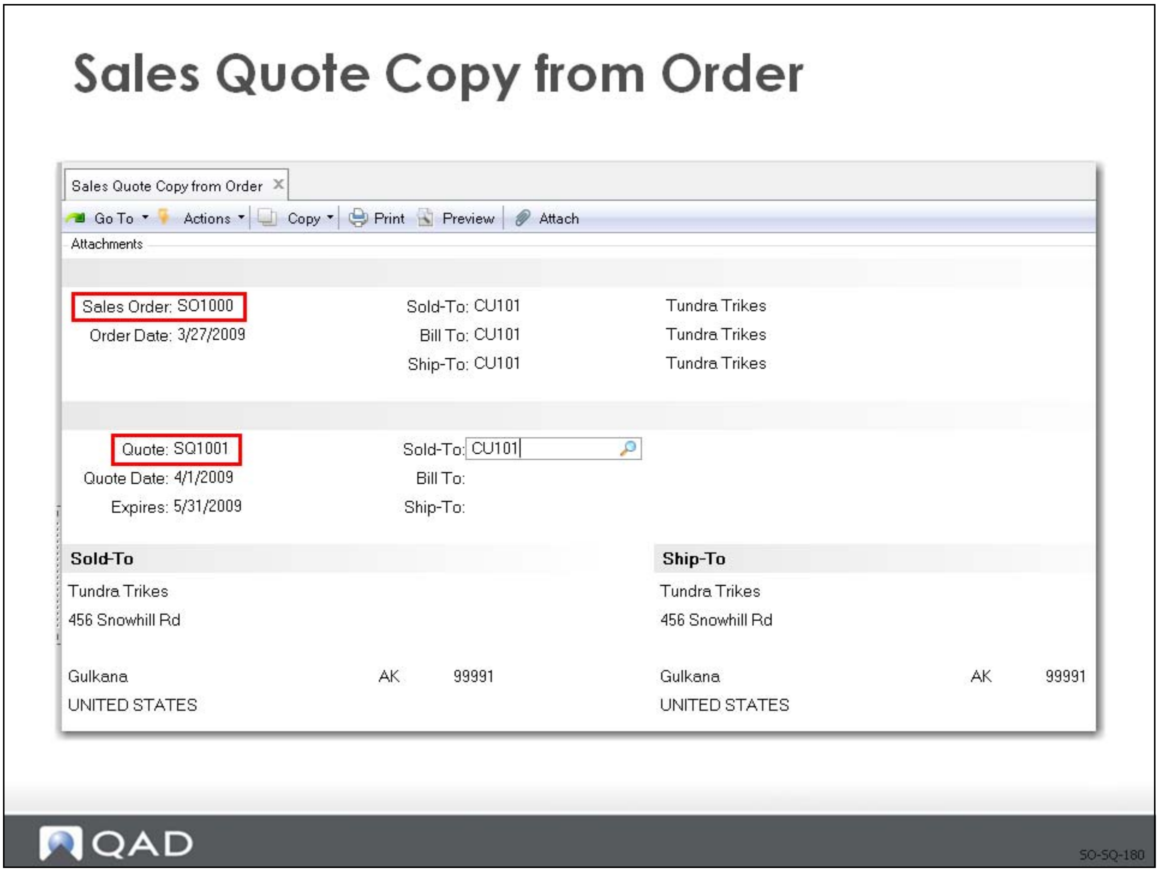
When all line items are entered, QAD Enterprise Applications displays the trailer frame:

- Totaled line items
- Calculated taxes
- Optional order discounts
- Freight charges: calculated automatically on a bulk or unit basis
- Optional miscellaneous charges

Action Status. If the customer is on credit hold, the field defaults to HD (Hold)

- Quotes on credit hold cannot be released to a sales order until it is approved or the customer is no longer on credit hold

Sales Quote Copy from Order



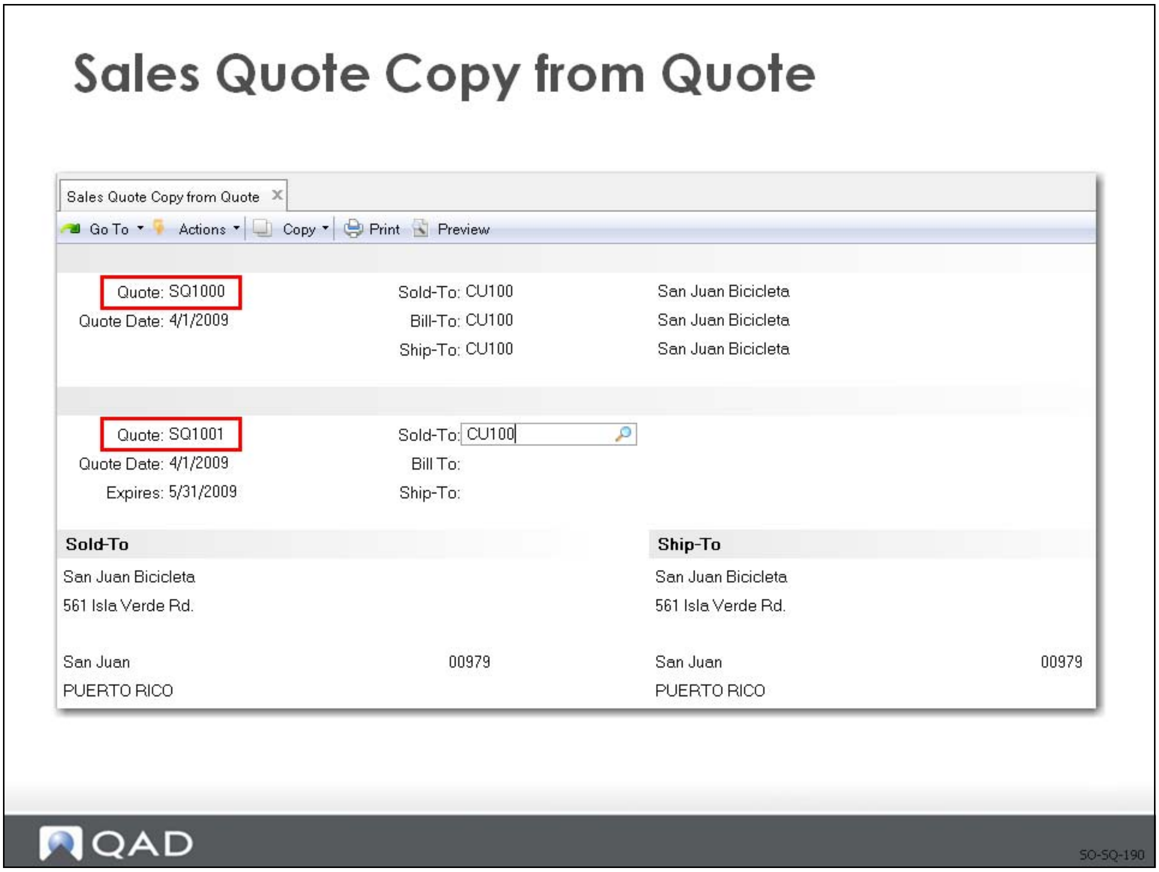
Use to quickly create a new quote using a similar, existing sales order.

- Specify the sales order to copy
  - The Sold-To, Bill-To, and Ship-To display but cannot be changed
- Enter the quote number (or leave it blank to accept the default)
- You can accept the Sold-To, Bill-To, and Ship-To defaults or enter new numbers
- When you press Go after making your changes, the quote is created

Note After a copy, you can modify the resulting quote using Sales Quote Maintenance before printing or releasing it.

The new quote is identical to the order you copied. If you change the Sold-To, Bill-To, or Ship-To default, you may need to change certain data such as taxes or credit terms that may not be appropriate for the new quote. You can delete or change a copied quote using Sales Quote Maintenance.

Sales Quote Copy from Quote



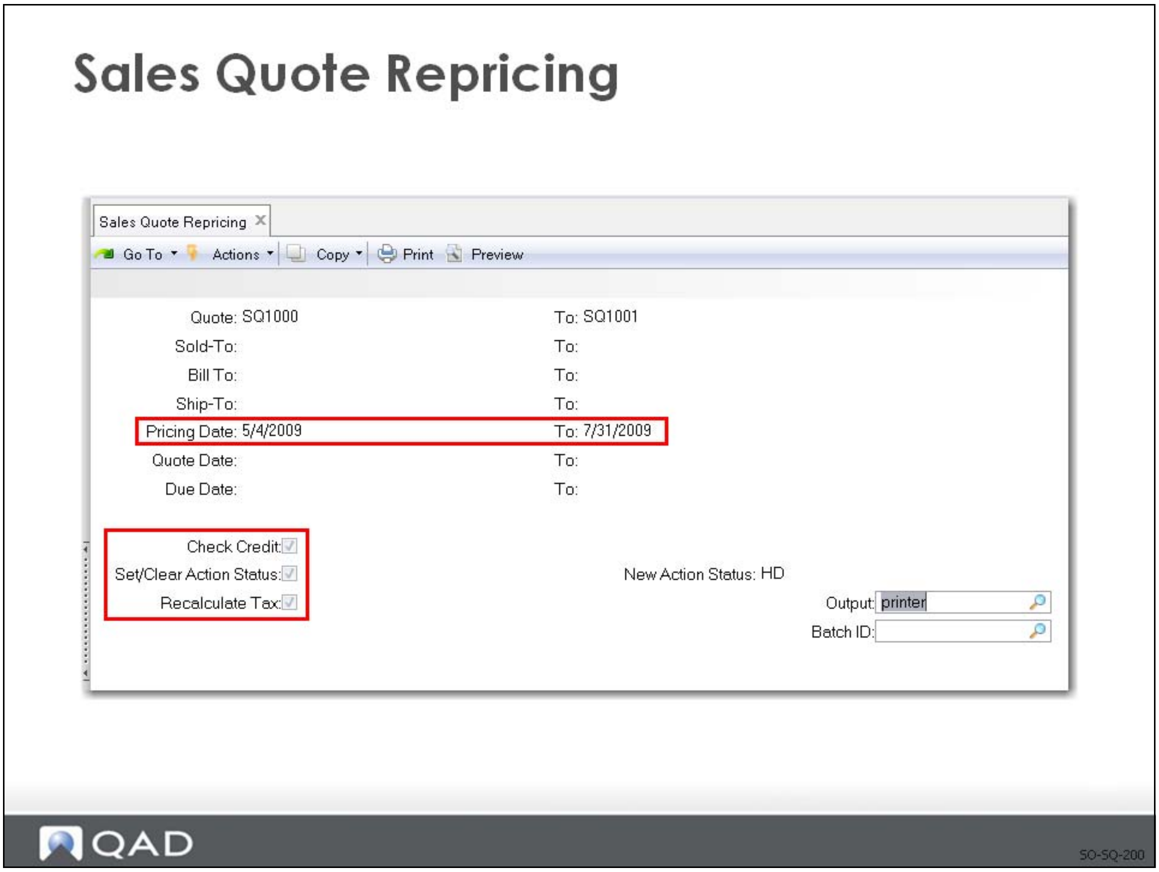
Use to quickly create a new quote using a similar, existing quote.

- Specify the sales quote to copy
  - The Sold-To, Bill-To, and Ship-To display but cannot be changed
- Enter the quote number (or leave it blank to accept the default)
- You can accept the Sold-To, Bill-To, and Ship-To defaults or enter new numbers
- When you press Go after making your changes, the quote is created

Note After a copy, you can modify the resulting quote using Sales Quote Maintenance before printing or releasing it.

The new quote is identical to the one you copied. If you change the Sold-To, Bill-To, or Ship-To default, you may need to change certain data such as taxes or credit terms that may not be appropriate for the new quote. You can delete or change a copied quote using Sales Quote Maintenance.

Sales Quote Repricing



Sales Quote Repricing updates the list and net price to the latest corresponding price list price.

- You can reprice sales quotes so that ordered quantities are added together, across orders, to calculate quantity breaks
- Sales Quote Repricing combines quotes by matching price lists and the following:
  - Sold-to customer numbers
  - Bill-to customer numbers
  - Ship-to customer numbers
  - Purchase order numbers
  - Any combination of these four factors
- Sales Quote Repricing does not reprice bonus stock lines

Note Customers that do not have centralized purchasing can still receive quantity and volume discounts based upon purchases made from other intracompany purchasing departments. Line items on combined orders are repriced as if they are on the same order, which means that line items with the same break category (or the same item number) have their order quantities accumulated.

Check Credit. If Yes, checks customer credit limits and past-due invoices, and generates an audit report

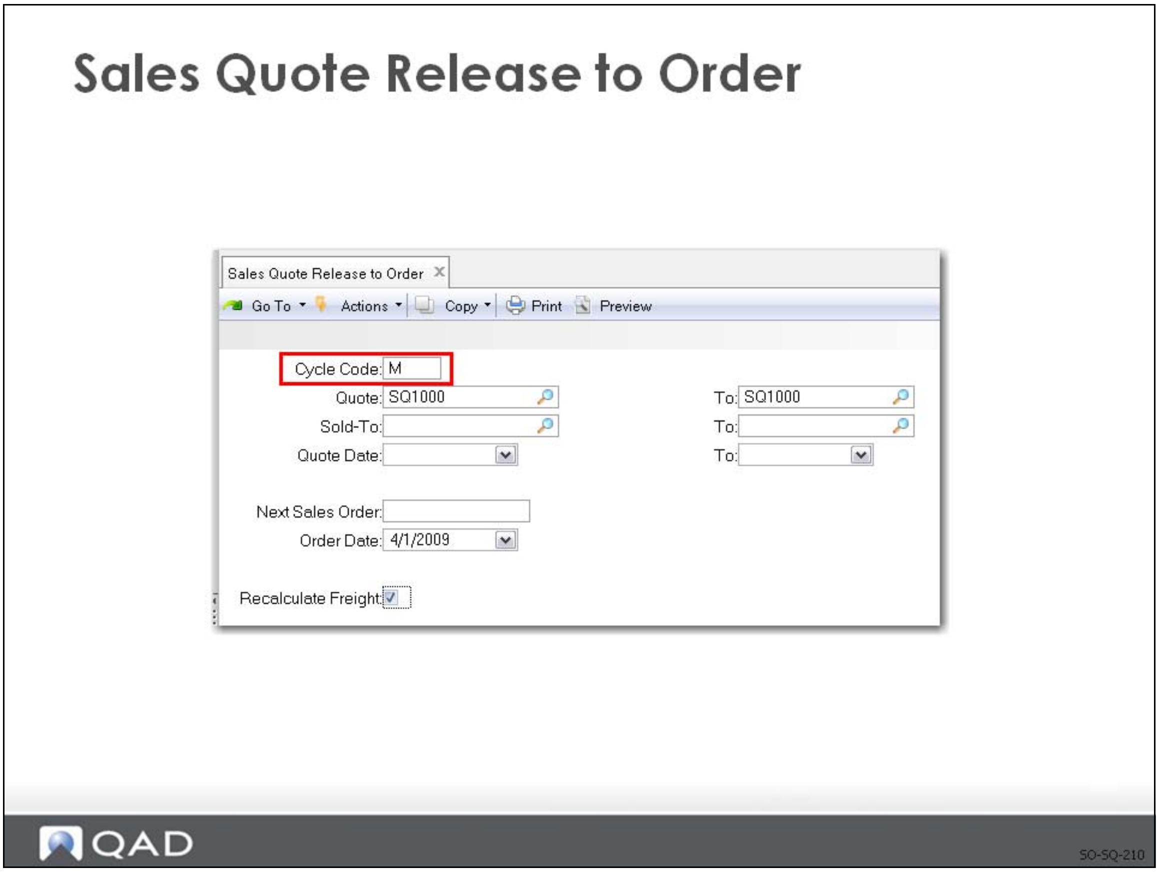
- If No, bypasses credit check and generates the audit report only
- Running Sales Order Repricing may change sales order values

    - Some orders may exceed credit limits
    - Orders currently on hold may now be within credit limits
- No update is triggered by Check Credit

Set/Clear Action Status. Use when repricing sales orders to set or clear the value in the Action Status field in Sales Order Maintenance

- If Credit Check = Yes, set Set/Clear Action Status = Yes to update credit status prior to release
    - The action status entered in New Action Status will be assigned to the Action Status field in the sales order header for orders exceeding credit limits
- Choose No to bypass the action status check

Sales Quote Release to Order



- Generates sales orders for open sales quotes that are ready for release
- Only those quotes that do not contain items having a restricted transaction of ADD_SO or ORD_SO are released
- The release of a quote results in a confirmed sales order
- When the customer requests delivery, use Sales Quote Maintenance
  - Enter the Qty to Release and Due Date for each line
  - Set Release to Yes
  - Run Sales Quote Release to Order

Note Shipments can be processed only against a sales order, not a quote.

The number of releases and the total quantity released is maintained on the quote, along with the last sales order number released.

- Total quantity to release can exceed the original quote quantity

After the release, Qty to Release is reset to zero and Release to No if the quote is not recurring.

Note If you release an item by mistake, use Sales Order Maintenance to change, cancel, or delete the line. Release Count and Qty Released in the quote do not reflect these changes, however.

Exercise: Sales Quotes

Create Sales Quote

1 Use Sales Quote Maintenance (7.12.1) to create a sales quote.

a Enter the quote header.

Quote:	[Press Enter to have the system generate a number]
Sold-To/Bill-To/Ship-To:	10C1000
Expires:	[Where does the default value come from?]
Follow-up:	[One week from next Friday]
Cycle Code:	W [Weekly]
Freight list:	10FRT
Freight Terms:	ADD

b Add the following line items.

Ln	Item Number	Qty Quoted	Qty to Release
1	03021	100	100
2	03022	100	100
3	03023	100	100

c End lines; then go to Trailer and advance to completion.

Release Sales Quote to Sales Order

2 Use Sales Quote Release to Order (7.12.10) to release the sales quote to order.

Cycle Code:	W
Output:	PAGE

Note the Sales Order number created by this process.

3 Use Sales Order Browse (7.1.2) to review sales orders.

- Note the sales order and three line items created from the sales quote.
- If necessary use Sales Order Maintenance (7.1.1) to modify the sales order prior to shipment.

Sales Quote Copy from Sales Order

4 Use Sales Quote Copy from Order (7.12.5) to create a

- Sales Order; enter one of your existing sales orders such as SO001 for customer 10C1000.
- Have the system automatically assign a quote number.
- Note message line, Copy Complete. Note Quote number assigned.

5 Use Sales Quote Maintenance (7.12.1) to review this sales quote.

- In reviewing quote set the Release flag to yes, add a Cycle Code of W.

- In reviewing the line items note the quantity to release is set to the line quantity, this may be modified.
- Add a third line item, 100 each of item 03023, with a release quantity of 100.
- Advance through the trailer to save the changes.

Sales Quote Copy from Sales Quote

6 Use Sales Quote Copy from Quote (7.12.6) to create a sales quote from an existing quote.
- Copy one of your existing quotes, let the new quote number default.
- Change the Sold-to, Bill-to and Ship To, to your other customer.

7 Use Sales Quote Maintenance (7.12.1) to review the new quote.
- Check the Release Box and ensure the Cycle Code is set to W.
- Review each line item. Note that the quantity to release is zero. Why?
- Set the quantity to release to 100 for each line item.
- Advance through the trailer to save your changes.

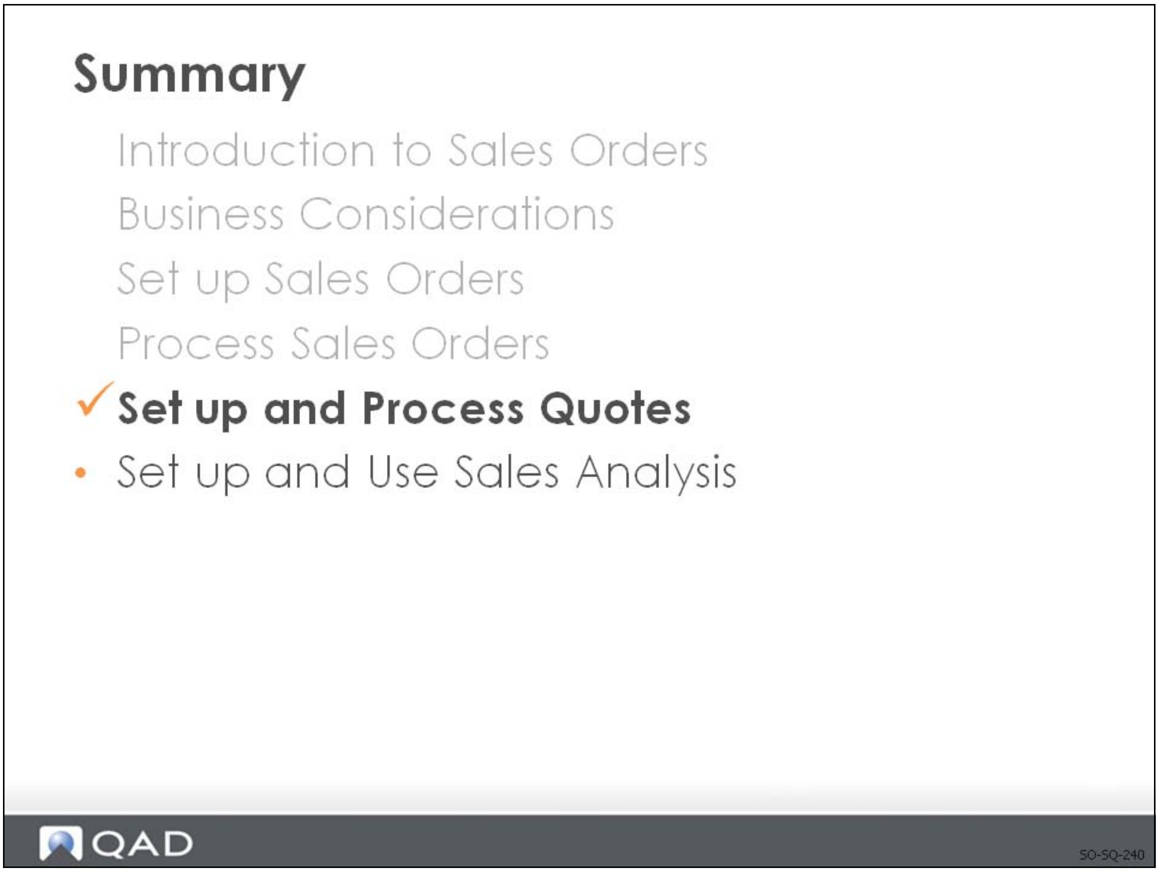
Sales Quote Release to Sales Order

8 Use Sales Quote Maintenance (7.12.1) for your first quote, reset the release flag and set the line item quantity to release to 100 for each line item.

9 Use Sale Quote Release to Order
- Enter the Cycle Code W, set output to page and process.
- Note the sales orders created. You should have three sales orders, one from the current release of your first quote, and one each for the two quotes created by copy. These sales orders may now be maintained and shipped as normal.

Note If you do not see sales orders created from your quote release check the Release check box and the quantity to release field.

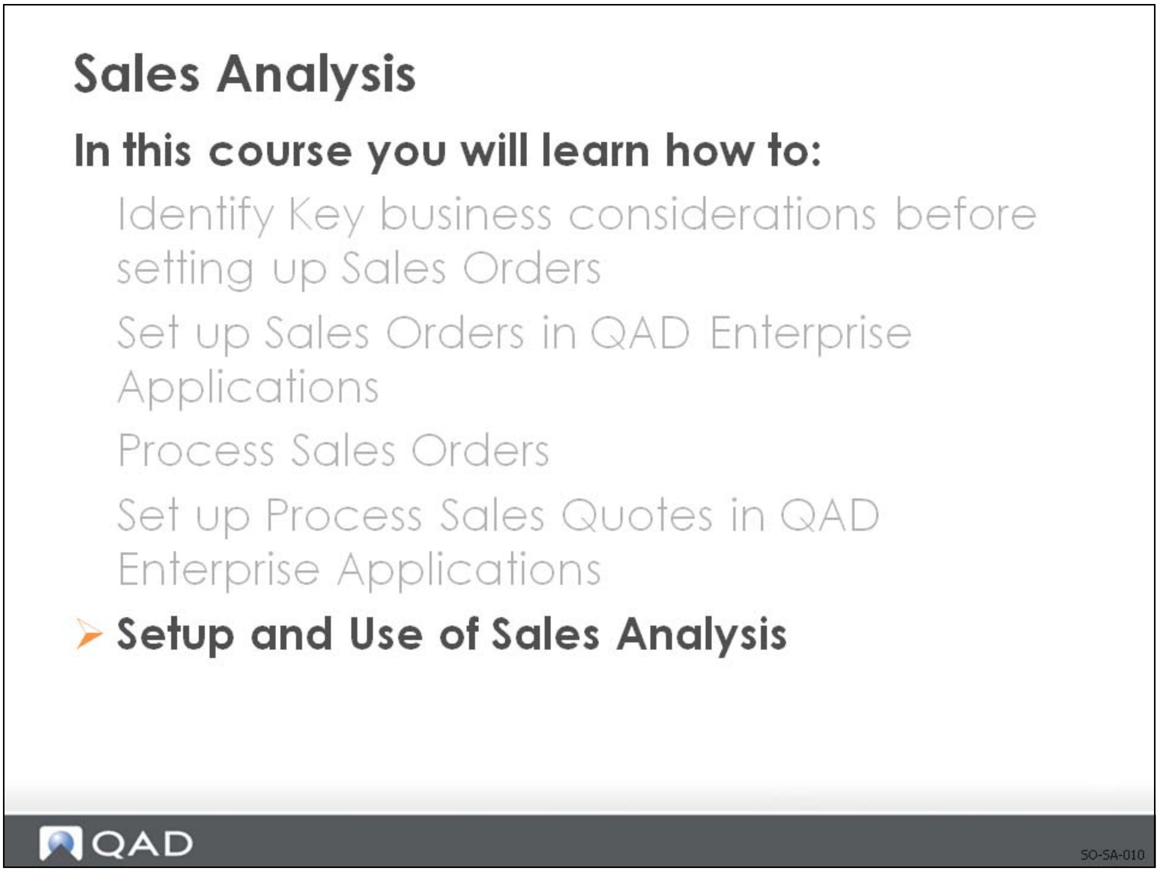
Summary


Summary
Introduction to Sales Orders
Business Considerations
Set up Sales Orders
Process Sales Orders
Set up and Process Quotes
Set up and Use Sales Analysis
QAD
SO-SQ-240

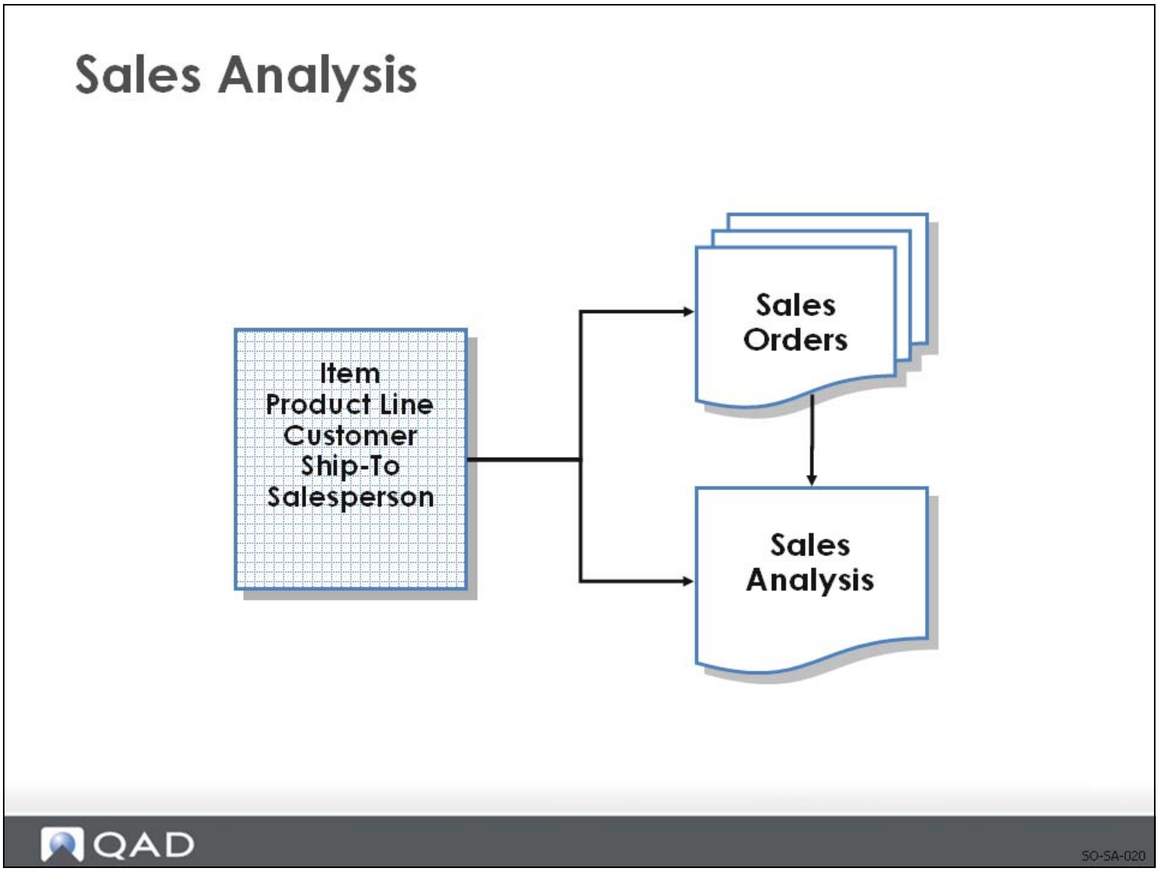
Chapter 6

Sales Analysis

Overview


Sales Analysis
In this course you will learn how to:
Identify Key business considerations before setting up Sales Orders
Set up Sales Orders in QAD Enterprise Applications
Process Sales Orders
Set up Process Sales Quotes in QAD Enterprise Applications
Setup and Use of Sales Analysis
QAD
SO-SA-010

Introduction



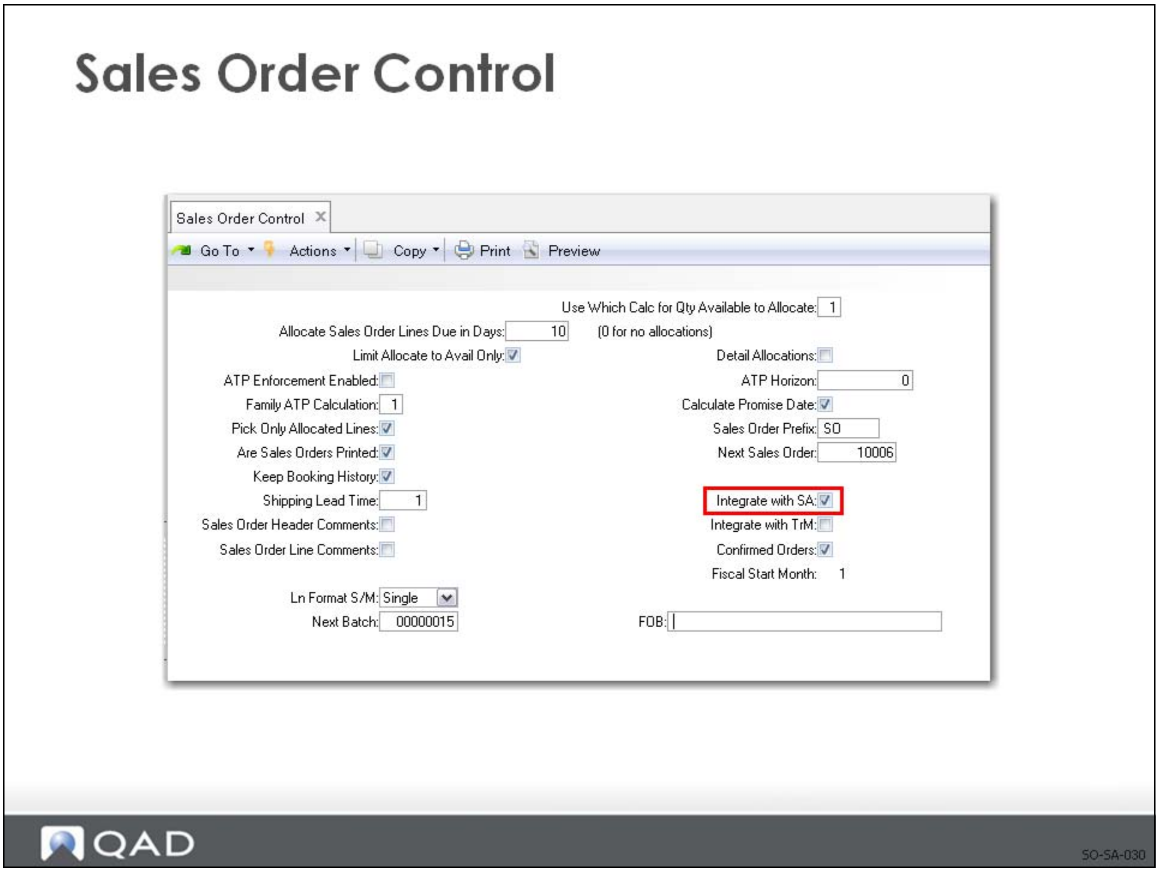
Sales Analysis Allows You To

- Analyze results of sales order shipment transactions
- Track salesperson performance
- Generate sales reports
- Track invoiced sales or sales history
- Integrate with the Sales Orders/Invoices module
- Generate data
  - Year-to-date sales
  - Margins
  - Costs
  - Quotas

Why Consider?

- Should charges/discounts be placed on the sales order line or the trailer?
  - Trailer charges/discounts do not affect Sales Analysis
- Memo Items affect Sales Analysis differently than Inventory Items sold

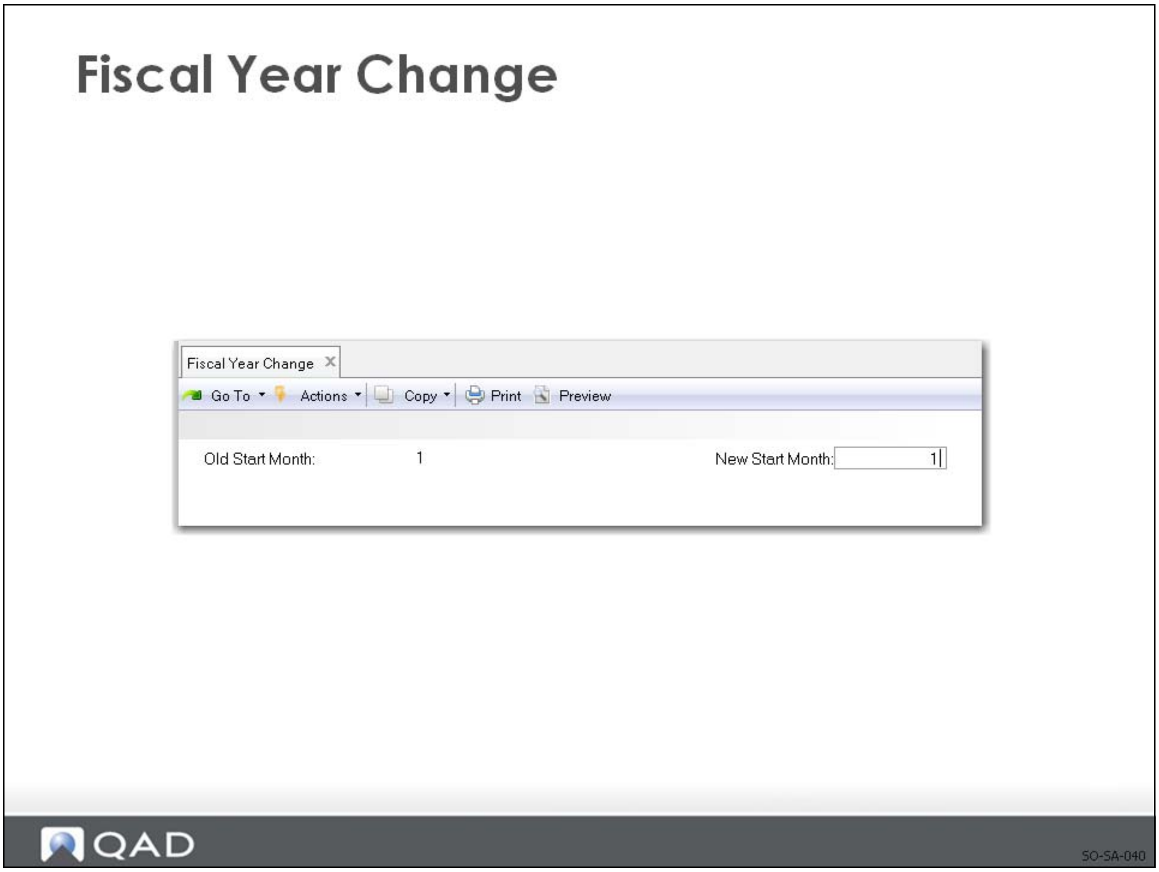
Setting Up Sales Analysis



Sales Order Control

Sales Order Control needs to be set to interface with Sales Analysis by setting the Interface with SA field to Yes.

Fiscal Year and Calendar Year Reporting



Fiscal Year Change

- All reporting within the Sales Analysis module is based on a 12-month year
- This module reports sales for the calendar year
- The default mode is calendar year reporting

Fiscal year reporting may be used if:

- The fiscal year consists of exactly 12 periods
- Each fiscal period corresponds to a calendar month

If both of these conditions are met, Fiscal Year Change defines the calendar month (1 through 12) that corresponds to the first period of a fiscal year.

If these conditions are *not* true, calendar year reporting must be used. In this case, all references to fiscal year should be regarded as calendar year.

> *New Start Month.* Sales Analysis reports list 12 months of activity starting with the New Start Month.
>
> - If your fiscal year is different from the calendar year, Fiscal Year Change allows you to change the starting month of your fiscal year for the purpose of Sales Analysis.

Important Set the New Start Month before using the Sales Orders/Invoicing module. After that, the only reason to change the Fiscal Start Month is if the company changes its fiscal year.

Sales Analysis history data are setup as an array of 12 monthly periods, initially starting in January. When the New Start Month is changed, the data is moved within and between arrays, so that the first month in the array is always the Fiscal Start Month.

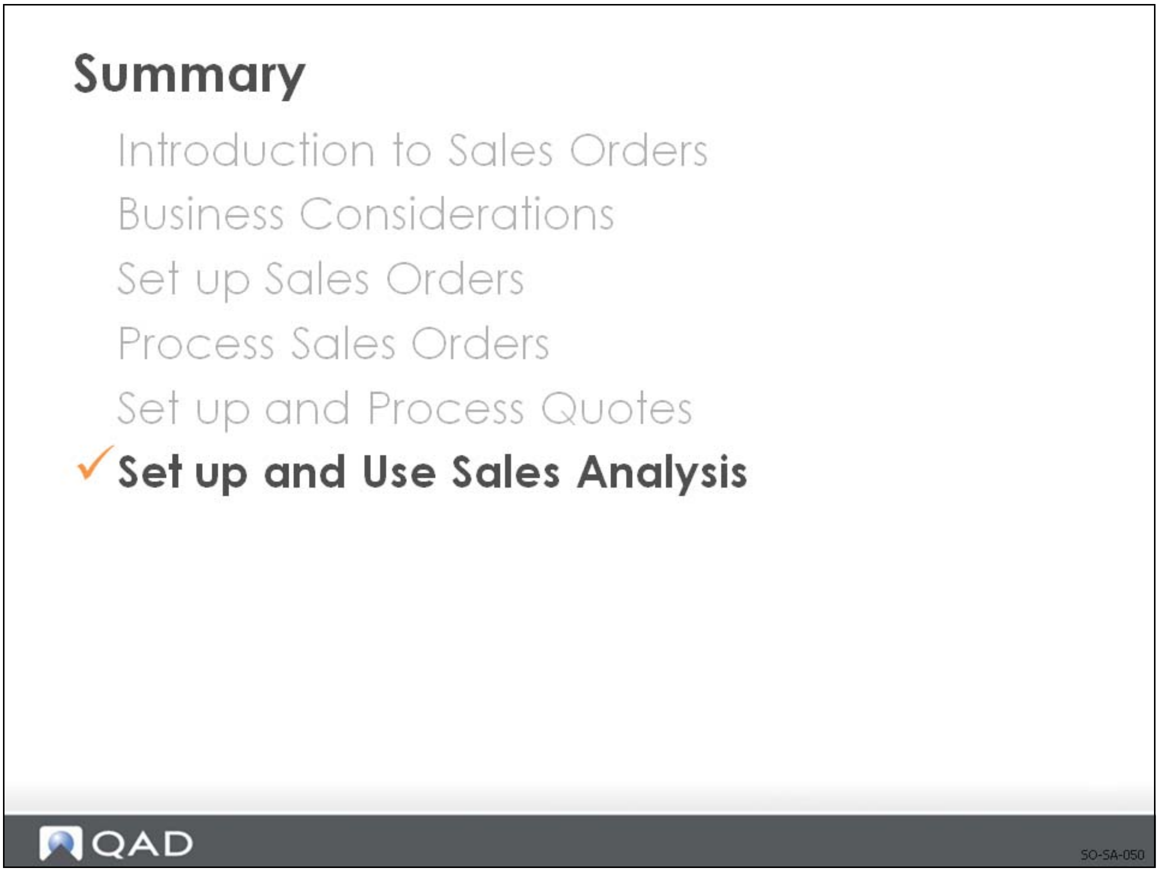
Note Be aware that this may take some time to process. You may wish to submit it in batch. If you do not use monthly periods on your general ledger calendar, you cannot compare Sales Analysis amounts to General Ledger amounts.

This function should be password controlled.

Sales Analysis Program Descriptions

Menu Number	Program Name	Description
7.17.1	Salesperson Quota Maintenance	Use Salesperson Quota Maintenance to add and maintain monthly sales quotas for salespeople. Totals are given for quota, sales, and cost.
7.17.2	Salesperson Quota Inquiry	Use Salesperson Quota inquiry to generate a screen or printed list of the monthly quotas and quota percentages for a salesperson.
7.17.3	Salesperson Margin Inquiry	Use Salesperson Margin Inquiry to generate a screen or printed list of the monthly quotas and gross margins for a salesperson.
7.17.5	Sales by Salesperson Browse	Use Sales by Salesperson Browse to generate a screen or printed list of year-to-date sales for a salesperson. The gross margin amounts and percentages are listed.
7.17.6	Salesperson Ranking Report	Use Salesperson Ranking Report to produce a report listing salespeople by year-to-date sales.
7.17.10	Sales by Site Report	Use Sales by Site Report to generate a screen or printed list of year-to-date sales by site. The gross margin amounts and percentages are listed.
7.17.13	Sales by Customer Browse	Use Sales by Customer Browse to generate a screen or printed list of year-to-date sales to a customer. The gross margin amounts and percentages are listed.
7.17.14	Sales by Customer Report	Use Sales by Customer Report to produce a detailed report on sales to a customer by product line, quantity, and sales amount. The report sorts by product line within customer ship-to. Twelve monts of activity appear on the report. Totals are given by customer and product line for quantity shipped and sales amount.
7.17.15	Customer Ranking Report	Use Customer Ranking Report to produce a report listing customers by year-to-date sales.
7.17.17	Sales by Item Browse	Use Sales by Item Browse to generate a screen or printed list of year-to-date sales for an item. The gross margin amounts and percentages are listed.
7.17.18	Sales by Item Report	Use Sales by Item Report to produce a detailed report on sales of each item by product line, quantity, and currency amount. The report sorts by product line within customer ship-to. Twelve monts of activity appear on the report. Totals are given by customer and product line.
7.17.19	Item Ranking Report	Use Item Ranking Report to produce a report listing items by year-to-date sales.
7.17.22	Fiscal Year Change	Use Fiscal Year Change to change the starting month of the fiscal year. All reporting within the Sales Analysis module is based on a 12-month year.This module reports sales for the calendar year.
7.17.23	Sales Analysis Delete/Archive	Use Sales Analysis Delete/Archive to delete/archive sales history for previous fiscal years.

Summary


Summary
Introduction to Sales Orders
Business Considerations
Set up Sales Orders
Process Sales Orders
Set up and Process Quotes
Set up and Use Sales Analysis
QAD
SO-SA-050

Appendix A

Workshops and Study Questions

Setup/Implementation

Setup Workshops

Situation 1

Instructions: Your company sells both kitchen products (such as blenders) and beverage products (such as beer). Kitchen products are sold primarily to large retail stores and beverages are sold primarily to grocery stores. Some customers buy both types of products.

1. Setup a new credit term giving a 10 percent discount on all payments received within 5 days of invoicing and a due date of 60 days after invoice date.
2. Setup a new tax rate - in the US or Canada setup a new state or province. Elsewhere, setup a new VAT class.

   Menu Name/Number:
3. Setup a new salesperson - perhaps yourself.

   Menu Name/Number:
4. Add a new customer, a retail store that would buy both blenders and beer. Assign this customer the credit terms, tax rate, and salesperson that you setup.

   Menu Name/Number:
5. Setup a special commission rate for your sales to this customer - perhaps 80 percent?

   Menu Name/Number:
6. Whenever you sell something to this customer, the invoice goes to their corporate headquarters.

   Set this up. What did you have to do?
7. Enter two different ship-to addresses for this customer. Note the address codes you used, since we use them in the next workshop activity.

   Address Codes:

Situation 2

The customer you just setup also pays freight charges on all shipments of blenders.

Instructions:

1. Check to see if the unit of measure you are using for your item is setup. If not, set one up.

   Menu Name/Number:
2. Setup the freight charges. Use a nontaxable trailer code when setting up the freight list.

   Menu Name/Number:
3. Assign the freight information to your customer.

   Menu Name/Number:

4 Add the freight class, net, and ship weights to your inventory item.

Menu Name/Number:

Study Questions for Setup

1 In QAD Enterprise Applications, there are two credit terms tables, one for sales/AR, the other for purchasing/AP.

True or False

Why?

2 All of the invoices that your company sends out in the first quarter of the year are due on April 30. If they pay early (by April 1) they receive a two-percent discount. How do you set this up?

3 If you receive a supplier invoice dated February 6, with terms two-percent discount 10 days EOM, due 30 days EOM, what are the discount and due dates?

Discount Date:

Due Date:

4 How would you setup a price list that offered a distributor the following?

a Ten percent off all sales, with an additional five percent on all purchases of over 1000 units, and an additional ten percent on all purchases of over 5000 units.

b Special case price for item 90-1000 when sold in cases; just $10 per CS (one CS hold 20 EA).

c Special cost-plus pricing for products in product line 1000, all purchases are priced as cost plus 25 percent.

5 On Customer Maintenance 2.1.1 setting Multiple = Yes indicates that the customer has multiple shipping addresses.

True or False

Why?

6 A different credit limit should be established on each ship-to address for a customer.

True or False

Why?

7 If you want to produce Accounts Receivable Statements for a customer, which two fields do you need to initialize?

Field Name:

Field Name:

8 You are using Master Comments to store shipping and delivery information that is to print at the top of every sales order and packing list you send to a given customer. What would you recommend that you set the following fields to?

Reference:

Type:

Language:

Processing

Processing Workshops

Situation 1

Kitchen products are manufactured and distributed from one site. Beverage products are manufactured and distributed at another site.

Instructions:

1. Before you go on, check the data in your database. Make sure that the kitchen products you have been using are assigned to a different site than the beverage products. Make a list of the things you had to check.
2. Also verify that the kitchen and beverage products in your database (finished items only) all have appropriate prices and costs. What function did you use?

   Menu Number/Name:
3. Beverage products would normally be lot controlled with some limited shelf life. Set this up, then do an unplanned receipt to record some on-hand inventory. Note the expiration date that is assigned. Also receive some inventory for your kitchen products (finished items only).

Situation 2

The order entry/shipping procedure your company follows is

- Order entry clerks take all of the orders, which before shipping are verified and confirmed. Credit is checked before confirmation.
- Packing lists are printed each morning, listing only those products that are to be shipped that day. This is done by the sales department, since they need to resolve any shortage issues before they print the packing lists.
- Packing lists are sent to the shipping department, and they process the shipment transaction.

Instructions:

1. Work with a partner and come up with a flowchart showing the steps used and the sequence of steps required to support this order entry/allocation/shipping procedure. For each step, specify the QAD Enterprise Applications function used.

   a

   b

   c

   d

   e

   f

g

h

2 Setup the Sales Order Control to reflect this procedure. (Hint: Think about when this company is going to do the allocation of inventory. They probably need to run the Auto and Manual Allocation functions daily, prior to printing packing lists.) Record what you entered in each of the following fields:

Allocate Sales Order Lines due in Days:

Limit Allocations to Avail to Allocate:

Pick Only Allocated Lines:

Company Address:

Confirmed Orders:

3 Enter some sales orders - one for a variety of kitchen products, one for a variety of beverage products, and one for both types of products. Make sure that you enter the right site on each order. Add a few more orders, so that the total orders exceed your available quantity on hand.

4 Review the Master Schedule Summary Browse/Inquiry for your items. How do the orders appear on this screen? If they do not, what do you have to do? (Do it.)

Situation 3

The customer you setup earlier with a freight list has just purchased a large quantity of blenders. You need to create a sales order for the shipment.

Instructions:

1 Enter a sales order for the sale. Make sure the site you enter on the order is the same as the site for the freight list. The customer is tax-exempt.

2 Where did the freight information in the header come from?

3 Where does the freight class default from?

4 Go back into your order. Notice the default value of the Calculate Freight field in the header. What happens if you do not change it?

5 Try changing the class and/or the freight ship weight. What happens?

6 When the trailer screen displays, note the message displaying the total weight for the order.

Study Questions on Sales Order Processing

1 At what times during the Sales Order Life Cycle can credit be checked? (List three.)

a

b

c

2 If you were implementing QAD Enterprise Applications in a company that takes orders only if they have inventory and then ships those orders immediately from stock, what fields would you setup in the Sales Order Control and what value would you set them to?

a

b

c

3 In the Sales Order Control, the Next Sales Order and Next Invoice numbers should always be the same.

True or False

Why?

4 Specifying a fixed exchange rate on a sales order indicates that this is the rate to use when processing customer payments for this order.

True or False

Why?

5 What are the pros and cons of using multiline item entry mode rather than single-line item entry mode in Sales Order Maintenance?

Pros:

Cons:

6 You decide you would like to categorize your sales orders by type - for example, orders from retailers vs. orders by distributors. This would be an appropriate use of the sales order line item Type field.

True or False

Why?

7 What do you have to do to reprint a sales order?

Allocation and Shipping Workshops

1. Run the Auto Allocation function for the orders you entered in the last workshop activity. Print out the report (Audit Trail = Yes). Were all your orders allocated? They should not have been. Why?
2. Use the Manual Allocation function to override the allocations. Allocate the available inventory over two or more sales orders.
3. Once you are satisfied with the allocations, print your packing lists. You should have one order that is to be shipped from two sites (kitchen and beverage products). How would you get two separate packing lists for this order? Try this.
4. Ship the quantities that printed on the packing lists. Use the Ship Picked option on Sales Order Shipments. What does this do? Why would you use it?
5. What GL transactions are created by a shipment?

   a

   b

   c

   d

   e

Study Questions on Allocation and Shipping

1. List two situations where you would want to use Detail Allocations during order entry.

   a

   b

2. How might allocations be used in your company (or one you know well)? Describe briefly.

3. A general allocation can be compared to an airline issuing you a boarding pass.

   True or False

   Why?

4. If you are not using allocations, you cannot print a Sales Order Packing List.

   True or False

   Why?

5. One of your customers wants to be invoiced only after all of the products on a single order have shipped. Can this be done with QAD Enterprise Applications? And, if so how? What field do you set, where?

   Yes or No

   How?

   Menu Name/Number:

   Field:

Invoicing Workshops

Situation 1

Instructions:

1 Print the invoice register. Select one of your invoices and use Pending Invoice Maintenance to change the GL sales account on one of the line items.

2 Print your invoices. Select one of them that is incorrect (it has the wrong credit terms). Fix it and reprint the invoice. What flags did you have to set to reprint the invoice?

Field Name:

Field Name:

3 Enter a pending invoice for a miscellaneous credit (such as a cooperative advertising rebate). Assign the invoice number ADV1029. Print the invoice.

4 Post your invoices to AR. Use the Customer Account Browse/Inquiry to look at your customer's balance. Use the DR/CR Memo Browse/Inquiry to look at the invoices that were posted. What two fields tell you that any given Dr/Cr memo “Reference” came from posting an invoice?

Field Name:

Field Name:

5 What GL transactions did Invoice Post create?

Study Questions on Invoicing

1. If you print a Pending Invoice Register and find that someone made a data entry error on a shipment (they entered a quantity shipped of 800 rather than the 80 that actually went out the door), what do you need to do?

2. Trailer codes allow you to specify different GL inventory accounts to be posted to when you ship a line item of a sales order.

   True or False

   Why?

3. Even if you are not using Accounts Receivable in QAD Enterprise Applications, it is still necessary to run the invoice post.

   True or False

   Why?

4. Sales Analysis inquiries and reports can be used to present summarized sales history by General ledger calendar period.

   True or False

   Why?

Answers to Workshops and Study Questions

Setup Workshop

1 Enter this as Discount 10, Disc Days 5 from invoice, and Due 60 days from invoice.

2 Use appropriate Tax Maintenance screen.

3 Use Salesperson Maintenance.

4 Use Customer Maintenance.

5 Use Commission Detail Maintenance.

6 First, you have to add the corporate HQ as a customer in Customer Maintenance. Then, you need to modify the old customer to reference the bill-to address.

Setup Study Questions

1 False. The credit terms data is shared.

2 Setup a terms code with Disc Date = April 1 and Due Date = April 30.

3 Discount date is 10 days from the end of February; that is, March 10. Due date is 30 days from the end of February; that is, March 30.

4 First, setup a price table for the customer. Then setup the following discount tables, using the same name (i.e., DIST). You would setup three different sets of discount pricing:

Amount Type:	Discount%
Qty Type:	Quantity
Comb Type:	Exclusive
Min Qty:	Disc% 0
1000	15
5000	25

Item Analysis Code:	90-1000
UM	CS
Qty Type:	List Price
Comb Type:	Combinable
List Price:	50

Set up Analysis Code

Type:	Item
Code:	Prod1000

Analysis Code Selection Maintenance

Type:	Item
Code:	Prod1000
Condition Field:	Product Line

Wild Card:	*
From:	1000
To:	1000

Analysis Code Regen Utility

Type:	Item

Price List Maintenance

Price List:	Mark-Up
Item/Analysis Code:	Prod1000
Amount Type:	Mark-Up
Qty Type:	Quantity
Comb Type:	Exclusive
Min Qty:	1
Mark-Up%:	25

5 False. Multiple Yes indicates that there are multiple salespersons assigned to this customer.

6 False. The credit limit is only checked for the bill-to address.

7 In Customer Maintenance:

    Set Statement = Yes

    Stmt Cycle

8 The answer is:

    Reference should equal the customer address code.

    Type should be blank.

    Language should be the customer language.

Sales Order Processing Workshop

Situation 1

1 You should check to make sure that you have two different sites and, if not, you add one. You should also check that the items are assigned to the appropriate site and, if not, enter that site in Item Master Maintenance. If you have any inventory for these items, make sure it is located at the right site and, if it is not, transfer it.

2 Item Cost Maintenance.

Situation 2

1 Flowchart should show the following steps in this sequence:

    a ORDER ENTRY

    b ORDER CONFIRMATION

    c CREDIT CHECKING

d (If credit OK) ALLOCATE INVENTORY

e (If shortages) MANUALLY OVERRIDE ALLOCATIONS

f PRINT PACKING LISTS

g (Optional) SHIPPING LABELS

h SHIPMENT

2 One way to establish Sales Order Control settings is

- Allocate Sales Order Lines due in Days: 0 days - this means that you do not allocate as you take the order; you do it later in batch using the Auto or Manual Allocation.
- Limit Allocations to Avail to Allocate: Yes - you want to allocate only what can ship that day.
- Pick Only Allocated Lines: Yes - you want to put only the things you allocated (that is, the things you can ship) on the packing list.
- Company Address: Your company address that you setup in Company Address Maintenance.
- Confirmed Orders: No - the procedure is to do a separate confirmation step.

3 Confirmed sales orders show up on the Master schedule summary on the sales order line, and they should decrease Available to Promise. If your sales orders do not appear on the master schedule summary, it is because they are not confirmed. You have to use the Sales Order Confirmation to confirm them before they appear.

Situation 3

4 From the Customer Master Data.

5 From the Item Master.

6 The flag is set to No. The Freight frame will not display unless it is changed to Yes.

7 The sales order total changes.

Sales Order Processing Study Questions

1 Credit is checked during

a Sales Quote,

b Sales Order, and

c Pending Invoice Maintenance

at the beginning and at the end. After you enter the order, you can check credit again at any time using the Sales Order Auto Credit Hold function.

2 In this situation, allocations would be unnecessary. Set the following:

a Allocate Sales Order Lines due in: 0 days

b Limit Allocations to Avail to Allocate: Yes

   c. Pick Only Allocated Lines: No

3. False. Since you can have multiple invoices for the same sales order, it is less confusing if you set them up to use different ranges of numbers.
4. False. Customer Payments are going to be processed using the actual exchange rate at the time they pay you. The Fixed exchange rate specified on the order is simply used for calculating your gain/loss.
5. Pros: multiline entry mode is faster and the screens are much simpler (easier to understand).

   Cons: multiline entry mode does not allow you to enter or view additional line item data such as due date, tax status, commission.
6. False. Non-blank type indicates a non-inventory sales order. Instead, you should use customer type or channel.
7. To reprint a sales order, you must go into Sales Order Maintenance and change the Print Sales Order flag on the sales order trailer screen. If the revision number was automatically updated, you may or may not want to reset it.

Allocations and Shipping Workshop

1. All of your orders should not have been allocated. Your available inventory is oversold, so you cannot allocate all of the orders. Some of them also may not have been due in the allocation window you specified.
2. Specify the site when you print Sales Order Packing List
3. Ship Picked simply sets the quantity to ship of each item equal to the quantity that was printed on the picklist and sets the location, lot/serial, and lot reference for each item to the values that printed on the packing list. If this is what you actually shipped, you can process the shipment very quickly. Just review the screen and press Go. You only need to type in something if you did something differently than suggested.
4. Look at Transaction Detail Browse/Inquiry. There should be five GL transactions, each crediting Inventory and debiting Cost of Sales (Material, Labor, Overhead, Burden, or Subcontract). Note that the GL transactions are always created in pairs.

Allocations and Shipping Study Questions

1. Detail Allocations allows you to specify a particular inventory lot/serial number or lot reference, assigning inventory of a particular status or with particular characteristics (grade, assay, expiration date) to a particular order.
2. False. A general allocation is like buying a ticket but not getting a seat assignment or boarding pass. A detail allocation is like a boarding pass - that is when you actually get a seat assigned.
3. False. You are not required to use allocations to get a packing list, but it may be helpful procedurally.
4. Yes, you can hold an order for invoicing until it is fully shipped. Simply set the Ready to Invoice flag to No each time you process a partial shipment. Once the order is completed and shipped, set the Ready to Invoice flag to Yes.

Invoicing Workshop

5 The answer is:

Ready to Invoice = Yes

Invoiced = No

6 Sales Order and Dr/Cr Memo Type = Invoice.

7 Posting an invoice should debit Accounts Receivable and credit Sales.

Invoicing Study Questions

1 Quantity errors should never be changed in Pending Invoice Maintenance. Instead, the error should be corrected by shipping a negative quantity (800) and then shipping the correct quantity (80). This should be done by an inventory person so that the right location information is entered.

2 False. Trailer codes can only be referenced on the sales order trailer and have nothing to do with inventory. They are posted when the invoice is posted and represent add-on charges.

3 True. The invoice post updates sales history, commissions, taxes, and the general ledger as well as Accounts Receivable.

4 False. Sales Analysis stores sales history summarized by calendar month (Jan., Feb., Mar., and so on), *not* GL calendar month.

Appendix B

General Ledger Effects in Sales Orders/Invoicing

Function	Notes	DR / CR	Account	Defaults From
7.9.15 Sales Order Shipments	Inventory items [1]	DR	COGS Materials / Labor / Burden / Overhead / Subcontract	1.2.17 [bb]
		CR	Inventory	1.2.13 [aa]
7.13.1 Pending Invoices [1]		DR	COGS Materials / Labor / Burden / Overhead / Subcontract	1.2.17 [bb]
		CR	Inventory	1.2.13 [aa]
7.13.4 Invoice Post & Print		DR	Accounts Receivable	7.1.1
		DR	Sales Discounts	7.1.1
		CR	Sales	7.1.1
		CR	Trailer Charges	2.19.13
		CR	Sales Taxes	2.13
		DR / CR	Intercompany [2]	36.9.2

[1] Non-inventory items do not create GL inventory transactions.

[2] For different sites in the same entity. Transfers between sites in different entities are tracked using the Cross-Company Inventory Control account defined for the domain and the intercompany codes of the appropriate entities.

aa The GL account defaults from the inventory item/site account Inventory Account Maintenance if one is setup; otherwise, from the Product Line Maintenance.

bb The GL account defaults from the sales item/site account Sales Account Maintenance if one is setup; otherwise, from the Product Line Maintenance.

Appendix C

Sales Orders and Invoicing Reports

Sales Orders and Invoicing Reports

Menu	Report	Function/Purpose
7.15.1	SO by Order Report	This report generates a report of sales orders activity sorted on the order number based on the selection criteria available on this report.
7.15.2	SO by Customer Report	This report generates a report of sales orders activity sorted on the customer based on the selection criteria available on this report.
7.15.3	SO by Item Report	This report generates a report of sales orders activity sorted on the item number based on the selection criteria available on this report.
7.15.5	SO Gross Margin Report	This report provides you information relevant to commissions and profitability for each existing sales order based on the selection criteria available on this report.
7.15.7	SO Pricing Report	Used much like the SO by Order Report 7.15.1, this report provides you with more pricing detail on each sales order based on the selection criteria available on this report.
7.15.9	Unconfirmed SO Report	This report generates a report of sales orders which need to be confirmed based on the selection criteria available on this report.
7.15.11	EMT Tracking Report	This report generates a report on the status of EMT SO/PO’s as they flow up and down the supply chain based on the selection criteria available on this report.
7.15.14	Booking Transaction Report	This report generates a report of incoming sales orders activity based on the selection criteria available on this report.
7.15.15	Booking Transaction Summary by Item	This report generates a summary report of total quantity sales and gross margin summarized by item number into daily, weekly, or monthly buckets based on the selection criteria available on this report.
7.15.18	Shipment Transaction Report	This report generates a report of sales orders shipment transactions during a specified timeframe based on the selection criteria available on this report.
7.15.19	Shipment Transaction by Customer Report	This report generates a report of sales orders shipment transactions sorted on the customer based on the selection criteria available on this report.
7.15.21	Shipment Transaction by Item Report	This report generates a report of sales orders shipment transactions sorted on the item number based on the selection criteria available on this report.
7.15.22	Transaction Summary by Customer Report	This report generates a summary report of sales orders transactions sorted on the customer based on the selection criteria available on this report.
7.15.23	Transaction Summary by Customer by Item Report	This report generates a summary report of sales orders transactions sorted on the customer and item number based on the selection criteria available on this report.
7.13.8	Invoice History Report	This report generates a report on invoicing activity based on the selection criteria available on this report.

Appendix D

Sales Quotes Reports

Sales Quotations Reports 7.12.x

Menu	Report	Function/Purpose
7.12.13	Sales Quote by Quote Report	This report generates a report of sales quotes activity sorted on the order number based on the selection criteria available on this report.
7.12.14	Sales Quote by Customer Report	This report generates a report of sales quotes activity sorted on the customer based on the selection criteria available on this report.
7.12.15	Sales Quote by Item Report	This report generates a report of sales quotes activity sorted on the item number based on the selection criteria available on this report.
7.12.16	Sales Quote Gross Margin Report	This report provides you information relevant to commissions and profitability for each existing sales quote based on the selection criteria available on this report.
7.12.17	Sales Quote Reason Lost Report	This report generates a report detailing the reasons for lost sales based on the selection criteria available on this report.