Infor XA – Procurement Management Concepts Guide

Important Notices

Trademark Acknowledgements

Publication Information

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To the reader

This book contains information you need to understand and run the Procurement Management (PM) application. The information in this book applies only to Infor ERP XA (XA).

Before you begin

Complete the following training if you do not have equivalent knowledge:

- System i education for the basic operation concepts of the System i.
- Education on how to use a Windows application.

What this book contains

This book contains the information you need to understand Procurement Management (PM).

- Chapter 1, “Procurement Management (PM)” introduces the application and provides an overview of PM’s application objects.
- Chapter 2, “Creating Requisitions and Monitoring Demand” shows how to use the Purchase requests and Requisitions objects, MRP Recommendations, and Reorder Recommendations to view purchase requirements.
- Chapter 3, “Creating and Selecting Vendors” introduces the Vendors object and shows how to create, maintain, find, and evaluate vendors.
- Chapter 4, “Requesting Quotes and Creating Contracts” introduces the Contracts and Quotes objects and illustrates how to create quotes and contracts.
- Chapter 5, “Creating Purchase Orders” introduces the Purchase Orders, Purchase Order Items, and Purchase Order Item Releases objects and shows how to create purchase orders using various options. This chapter also illustrates how to create standard messages.
- Chapter 6, “Printing and Maintaining Purchase Orders” shows how to print and change purchase orders.
- Chapter 7, “Viewing Purchase Orders” shows how to track and expedite purchase orders.
- Chapter 8, “Receiving Purchased Inventory” shows how to receive purchase orders, purchase order items, and purchase order item releases.
- Chapter 9, “Closing and Purging Purchase Orders” shows how to close purchase orders using options for normal close, force close, and mass force close. This chapter also shows you how to purge closed orders and view purged purchase order information.
- Appendix A, “Application Settings” explains choices you can set up in the PM application.
- Appendix B, “Vendor Security” lists the vendor attributes (fields), to which you can control access within payment and purchasing tasks.

Other books

For a complete list of books in the XA library, see the bibliography included on the Infor ERP XA documentation CD.

Summary of changes

The following changes have been made to this application:

- **Integration with EPDM**

  If EPDM is installed, the Procurement Management application is now fully integrated with the EPDM functions and Item Revisions replaces Item Master. While this guide might contain references to Item Master files, the functions in this application now use Item Revisions for item information. For more information, see the *Enterprise Product Data Management Concepts Guide.*

- **Vendors object**

  - **Vendor maintenance:** Previously, you could not maintain information in the Vendors object when International Financial Management (IFM) was installed. Now, you can add, change, copy, or delete vendors when IFM, Purchasing (PUR) and PM are installed. However, when PUR, PM, and Customer Order Management (COM) are installed but Customer Service Management (CSM) is not, vendor maintenance is only allowed for vendors that are not associated with customers.

    You can maintain EFT, DFI, and payment method attributes when Electronic Commerce (EC) is not installed.

  - **Record locking:** When you open an entity or assignee vendor for maintenance, XA locks these objects and any buy-from vendors set up to use the assignee vendor's address. When you are maintaining information in Vendors, in the client, XA does not lock entity information in System i. Therefore, it is possible to have inconsistent information in Vendors and Entity if an XA user makes changes to entity information (in System i) at the same time as an XA user makes changes in Vendors (in client).

  - **Vendor Default card files:** Changes are made to the Vendor Default card files, including card names, attributes, and layouts to make the cards easier to read and to increase the consistency among the cards that are used in Account Management (AM) and IFM environments.

    - **General card:** Renamed from Address card. Attributes added, removed, and renamed. This card is on the Default and Default (MCS) card files.

      General (IFM) card: Renamed from Address (IFM) card. Attributes added, removed, and renamed. This card is called General on the Default (IFM) and Default (MCS and IFM) card files.

    - **Purchasing Settings card:** Renamed from Vendor Preferences card. Attributes added and removed. Layout changed.

    - **Payment Settings card:** Renamed from Payables Setup card. Attributes added, renamed, and removed. This card is on the Default and Default (MCS) card files.

      Payment Settings Compound card: Renamed from Payables Setup (IFM) card. Attributes added, renamed, and removed. This card is now a compound card showing attribute cards for the vendor and the vendor’s assignee, and list cards of the vendor’s entity tax identifiers and the assignee’s entity tax identifiers. The Payment Settings Compound card is called Payment Settings on the Default (IFM) and Default (MCS and IFM) card files.

    - **European Union card:** Renamed from EU card. Renamed and removed attributes.

    - **Media Settings card:** Renamed from Media Preferences card. Attributes added and renamed. Media Settings is now a tabbed card showing attributes cards for Print, EDI, Fax, and XML media options. Maintenance on options depends on the applications that you have installed.

    - **Purchasing Summary card:** Renamed from Payables Summary. Attributes added. This card is now a compound card showing an attribute card for purchasing information and amounts, and list cards of purchase orders and purchase order history records for vendors on the tabbed section of the card.

      Purchasing Summary (IFM) card: Renamed from Payables Summary (IFM) card. Attributes added. This card is now a compound card showing an attribute card for purchasing information and amounts, and list cards of purchase orders and purchase order history records for vendors on the tabbed section of the card. The Purchasing Summary (IFM) card is called Purchasing Summary in the Default (IFM) card file.

Purchasing Summary (MCS) card: Renamed from Payables Summary (MCS) card. Attributes added and removed. This card is now a compound card showing an attribute card for purchasing information and amounts, and list cards of purchase orders and purchase order history records for vendors on the tabbed section of the card. The Purchasing Summary (MCS) card is called Purchasing Summary on the Default (MCS) card file.

Purchasing Summary (MCS and IFM) card: Renamed from Payables Summary (MCS and IFM) card. Attributes added and removed. This card is now a compound card showing an attribute card for purchasing information and amounts, and list cards of purchase orders and purchase order history records for vendors on the tabbed section of the card. The Purchasing Summary (MCS and IFM) card is called Purchasing Summary on the Default (MCS and IFM) card file.

– **Vendor Performance card:** Attributes renamed and layout changed.

– **Vendor Contacts Compound card:** Renamed from Vendor Contacts card. Attributes added. This card is now a compound card showing an attribute card for general contact header information and a list card of vendor contacts. The Vendor Contacts Compound card is called Contacts on the default card files.

– **Entity Overview:** This is a new overview card on the Default (IFM) and Default (MCS and IFM) card files.

– **Payment Summary card:** This is a new compound card showing an attribute card for currency information, and list cards for payments year to date and payments last year. The Payment Summary card is on the Default and Default (MCS) card files.

Payment Summary (IFM) card: This is a new compound card showing an attribute card for currency information, and list cards for payments year to date and payments last year. This card is called Invoice Summary on the Default (IFM) and Default (MCS and IFM) card files.

– **Electronic Commerce card:** Removed from the Default card files. Attributes renamed and layout changed.

- **Activate option:** You cannot activate a vendor until you define how its payments are processed.
- **Copy Vendor Contacts:** Use this attribute (on the Copy Vendor dialog) to copy contacts from the source vendor.
- **Assignee:** You can now maintain this attribute in PM, but not in Purchasing. For all vendors that allow purchase orders (including assignee vendors), you define payment processing terms by specifying a vendor number for the Assignee attribute. The vendor number in the Assignee attribute must be a vendor that allows payments. This attribute is blank for vendors who do not allow purchase orders. It cannot be blank if the vendor has an associated purchase order. Previously, this attribute was blank when the vendor accepted its own payments or was never blank when IFM was installed. Assignee vendors that are suspended for payment processing can be used in the assignee attribute on buy-from vendors; however, the buy-from vendor is suspended for purchase order entry.
- **Entity ID:** You can now enter an Entity ID when maintaining an assignee vendor. When IFM is installed, assignee vendors and assignee/buy-from vendors must specify the IFM entity that processes payments for this vendor. You cannot clear the Entity attribute value when the assignee vendor is used for a vendor that has purchase orders. You must clear the Entity attribute when you change the Allow payments attribute for an assignee vendor from Yes to No.
- **Separation of duties:** PM separates the security authorization to create buy-from vendors and assignee vendors. Your company can authorize users to perform one task but not the other, or to perform both tasks.

– **Allow payments:** New attribute used to indicate the intended use of the vendor is to receive payments.

  - **Allow purchase orders:** New attribute used to indicate the intended use of the vendor is to provide goods or services.
  - **Suspend purchase order entry:** Renamed from Suspended. XA sets this attribute to Yes when you have not defined payment processing terms for the vendor or when the entity for the vendor is suspended. The user can also set this attribute using the Suspend option on the Maintain menu of Vendors. XA users cannot create purchase orders for the vendor. The vendor can be used to process existing purchase orders, pay invoices, and as an assignee vendor for a buy-from vendor (if the vendor's Allow payments flag is set to Yes).
  - **Suspend payments:** Used to indicate the assignee or buy-from vendor is not ready for payment processing. This attribute is set when you have not added an active entity to an assignee vendor. Buy-from vendors are always suspended for payments. Assignee vendors that are suspended for payment processing, can be entered as an assignee on buy-from vendors; however, the buy-from vendor is suspended for purchase order entry. You cannot maintain this attribute.

- **Field-level security:** PM adds security to payment and purchase processing attributes. These attributes are display-only for users who do not have maintenance authority. Your company can authorize users to create and change vendors that either allow purchase orders, or allow payments, or allow purchase orders and payments.

  PM has additional security for amounts, bank accounts, and tax ID information. These attributes can be hidden, viewed only, or viewed and maintained based on the user's authorization.

- **Maintain address information:** You can maintain name, address format, address lines 1 to 5, state, postal, country, tax city, tax county, telephone, fax, mobile, E-mail, and web address information when the following conditions are met:
  - Allow payments
    - You have access to payment attributes,
    - The vendor has an entity, and
    - Update payment address is set to Yes.
  - Allow payments
    - You have access to payment attributes,
    - The vendor does not have an entity, and
    - Update payment address is set to No.
  - Allow purchase orders
    - You have access to purchasing attributes, and
    - The vendor does not use the assignee's address.
  - Allow both purchasing and payment
    - You are authorized to both payment and purchasing attributes,
    - The vendor has an entity, and
    - Update payment address is set to Yes.
  - Allow both purchasing and payment
    - You are authorized to both payment and purchasing attributes, and
    - The vendor does not have an entity.

  You can maintain the Contact and Abbreviation attributes when the vendor allows payments and you have access to payment attributes, or the vendor allows purchase orders and you have access to purchasing attributes.

- **Address synchronization:** When you change address, telephone, E-mail, web address, tax city, and tax country information (for assignee vendors only) in either Vendors or Entities (IFM business partners), the changes automatically update the other object.
  - **Update payment address:** You control how you want these objects updated using this attribute. Set this attribute to Yes to update the address information in the entity when address information for the assignee vendor is changed. When the assignee vendor has information in one or more of its contact attributes; the assignee vendor values replace the entity values for all the

synchronized attributes, not just the attributes on the assignee vendor that have values. Any synchronized attributes that are blank in the assignee vendor, PM clears in the entity.

If the Update payment address attribute is set to No, address information on the assignee vendor are displayed only and cannot be changed. In this case, address information is copied from the entity and updated on the assignee vendor. If however, the assignee vendor does not have an entity and the Update payment address is set to No, the address information is maintainable.

- **Use assignee address:** This attribute is only maintainable for buy-from vendors. When set to Yes, the buy-from vendor address information defaults from the associated assignee. When set to No, you can maintain buy-from address information.

  Changes in the buy-from vendor's address, telephone, E-mail, web address, tax city and tax county are never synchronized back to the assignee.

- **Integration with vendor management applications:** PM provides for electronic communication between your company and your vendors. For example, you can send quotes, planning schedules, purchase orders, shipping schedules, receiving and remittance advices using Electronic Data Interchange (EDI). You can now integrate XA processes with vendor management applications to help you negotiate purchase orders electronically. To negotiate purchase orders electronically, your vendor must use a vendor management application that has been configured to communicate with XA using XML documents and System-Link.
- **Media Preferences:** New vendor media settings allow you to specify the outgoing System-Link destinations to send purchase orders, purchase order changes, and receiving advices as XML documents.
- **Vendor Preferences:** The option to reprint the purchase order on vendor acceptance gives you the ability to automatically reprint a purchase order when an accept promised date (VA) transaction is generated. You can use the option to send receiving advices automatically as XML documents during receiving when you receive the shipment completely or when you receive a shipment container item completely or only when you select the host job to send receiving information.

- **The Purchase Order host report:** Host reports now have a new Media tab, which allows you to specify settings for the host report, either Print, EDI, Fax, or XML. You can also specify settings on the Media Settings card in Vendors for the same choices.
- **Accept promised date (VA) transaction:** The accept promised date (VA) transaction now allows you to specify when to reprint a purchase order automatically when purchase order acknowledgements are received or when an accept promised date (VA) transaction is processed. The accept promised date (VA) transaction has been improved by:
  - Warning you if the promised date is not a valid warehouse receiving calendar date.
  - Updating the dock and stock dates based on receiving calendar and production calendar data.
- **Application Settings**
  - **Require vendor accept of P.O. revisions:** Select when vendor management applications require that you set up all vendors to accept purchase order revisions. This application setting lets you easily make this selection across all vendors.
  - **Use entity ID as assignee vendor ID:** Select the default value of Yes when you want to enforce that all assignee Vendor IDs match their associated Entity IDs.
  - **Use assignee address for buy-from address:** Select Yes to have the buy-from vendor's address always match that of the assignee vendor. Because this application setting applies to buy-from vendors only, the Use assignee address attribute is always set to No for assignee vendors.

Contents

Chapter 1. Procurement Management (PM)

The Procurement Management (PM) application provides functions to help you perform business processes associated with purchasing.

PM assists you to determine the goods and services you need to buy. You can create purchase requests and requisitions. Purchase requests group together multiple related requisitions, containing information, such as the item and quantity you need, the date required, who requested it, and their department. If you want, you can use requisitions as the first step to create purchase orders, or you can add requisitions to existing purchase orders.

If MRP is installed and interfacing, you can use MRP recommendations to preview purchase requirements that are coming soon. You can view the reorder recommendations that belong to buyers or vendors to help you plan buying tasks and alert vendors to future requirements.

In PM, you store information about the buyers who negotiate and purchase the goods and services your company needs. You also store information about the vendors with whom you negotiate to buy goods and services. For each vendor, you store details about how to contact the vendor and communicate through various media, as well as choices for handling purchase orders and shipments to your company. You can also access information about vendor performance, comparing the quantity, price, quality, and delivery date to what was agreed to on the purchase order.

Vendor information also includes information for the assignee vendor (the pay-to vendor who receives payments) and other buy-from vendors (those from whom you order). You can store this payment information for PM vendors, but if International Financials Management (IFM) is installed, you store payment information in its IFM entities.

Your company can control XA user authorization to maintain assignee and buy-from vendor data. For example, your company can authorize users to create buy-from vendors but not to create assignee vendors. Your company can also control the ability of XA users to view and maintain bank account and tax information.

PM stores information about the quotes and contracts. Quotes help you make informed decisions by helping you compare the quantity and price breaks offered for an item to determine the best purchasing opportunity. Contracts are written understandings between you and your vendors about agreed-upon quantities and prices. Creating contracts allows you to use the contract pricing or vendor/item pricing on purchase orders. From quotes and contracts, you can print quotation requests and create Quotation/Contract Analysis reports.

PM helps you create various types of purchase orders, such as purchase orders that have:

- a single line item
- multiple line items
- blanket line items
- line items with two or more delivery addresses.

In PM, you create purchase orders from a variety of sources, using a variety of methods. For example, you can copy an existing purchase order, create a purchase order from one or more requisitions, or create a purchase order from a quote or contract. You can print purchase orders and send them to vendors electronically. If you are set up to interact with vendors using System-Link and XML documents, you can negotiate the purchase order using vendor management software.

After you create purchase orders, you can print, maintain, cancel, and activate them. You can process an accept promised date (VA) transaction for purchase orders that require the vendor to indicate acceptance of the purchase order.

PM provides useful ways to check information. For example, you can use subsets to help you check if purchase orders might be mislaid. You can use the purchase order subset called Invoiced, not received to check for purchase orders that your company has paid, but show as not received. If a purchase order is delayed, you can view sources of demand to notify waiting people or departments that the items are delayed. You can review the purchasing activity for important purchasing tasks and access purged purchase orders to track past activity. You can analyze price variances using the Price Variance report.

When purchased inventory arrives, you can receive purchase orders, purchase order items, and purchase order item releases in PM. Finally, when you expect there is no more activity for purchase orders, you can close and purge these purchase orders. Purchase order information is still visible in Purchase Order History.

PM interfaces with other XA applications. Each interface provides additional function to either PM or the interfacing application.

- PM requires Purchasing (PUR) and Inventory Management (IM) applications to be installed and interfacing.
- The Scheduled Receipts object in Materials Management (MM) requires PM to be installed and interfacing because the Purchase Orders object contains information about items available for receipt.
- Accounts Payable (AP) or IFM are optional applications you can also install.

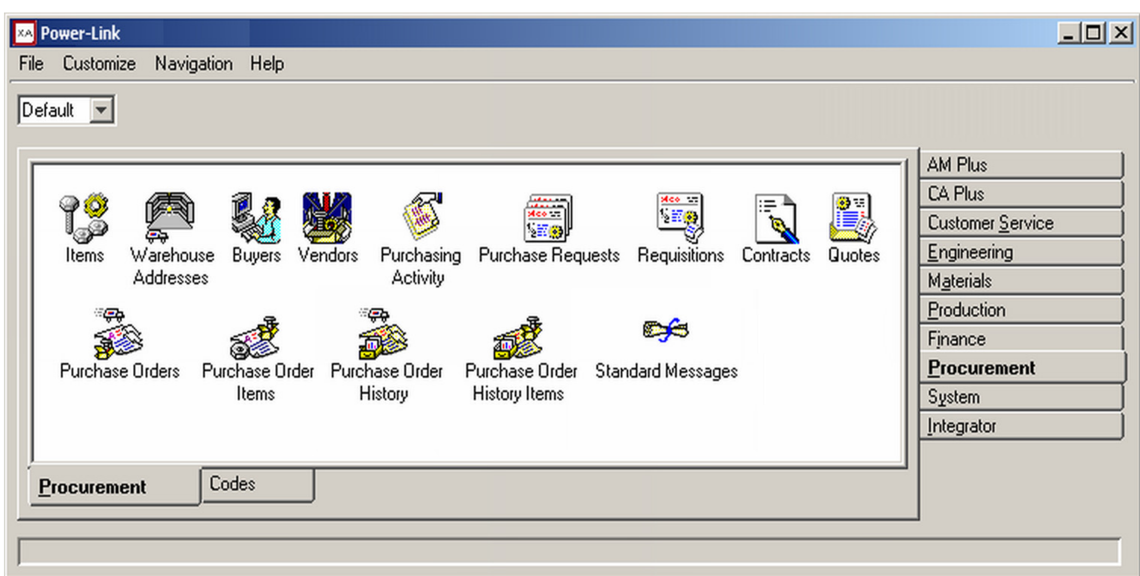
- When IFM is installed and interfacing, vendor maintenance is allowed when both PUR and PM are installed and interfacing.
- If PUR, PM, and Customer Order Management (COM) are installed and interfacing but Customer Service Management (CSM) is not, vendor maintenance is only allowed for vendors that are not associated with customers.

Procurement Management objects

You can view and maintain information contained in the following PM objects:

- Items
- Warehouse Addresses
- Buyers
- Vendors
- Vendor Contacts
- Vendor Items
- Purchasing Activity
- Purchase Requests
- Requisitions
- Contracts
- Quotes
- Purchase Orders
- Purchase Order Items
- Purchase Order Item Releases
- Purchase Order History
- Purchase Order History Items
- Purchase Order History Item Releases
- Standard Messages
- Debit Memos
- Purchase Order Performance
- Receiving Operations
- Sources of Demand.

Each object represents a different type of information, such as vendors you buy from or items you purchase. Objects like Buyers, Vendors, and Items, represent static information that you establish once and use to process information that is more dynamic. Objects like Purchase Orders represent dynamic information that enters the system, is processed and eventually closed out, and sometimes, but not always, is saved to history.



Some objects have hierarchical relationships to other objects. These relationships generally occur when header information in one object is related to detailed information in other objects. For example, a purchase order is related to any purchase order items and purchase order item releases that are part of the purchase order. Objects that are lower-level to other objects in the hierarchy might not appear on the XA desktop but you can access these lower-level objects through their higher-level objects. Display menu options or card files provide easy access to lower-level objects. For example the Vendor Contacts object is a lower-level object to the Vendors object. You can select Vendor Contacts from the Display menu of Vendors to see a list of contacts for a selected vendor.

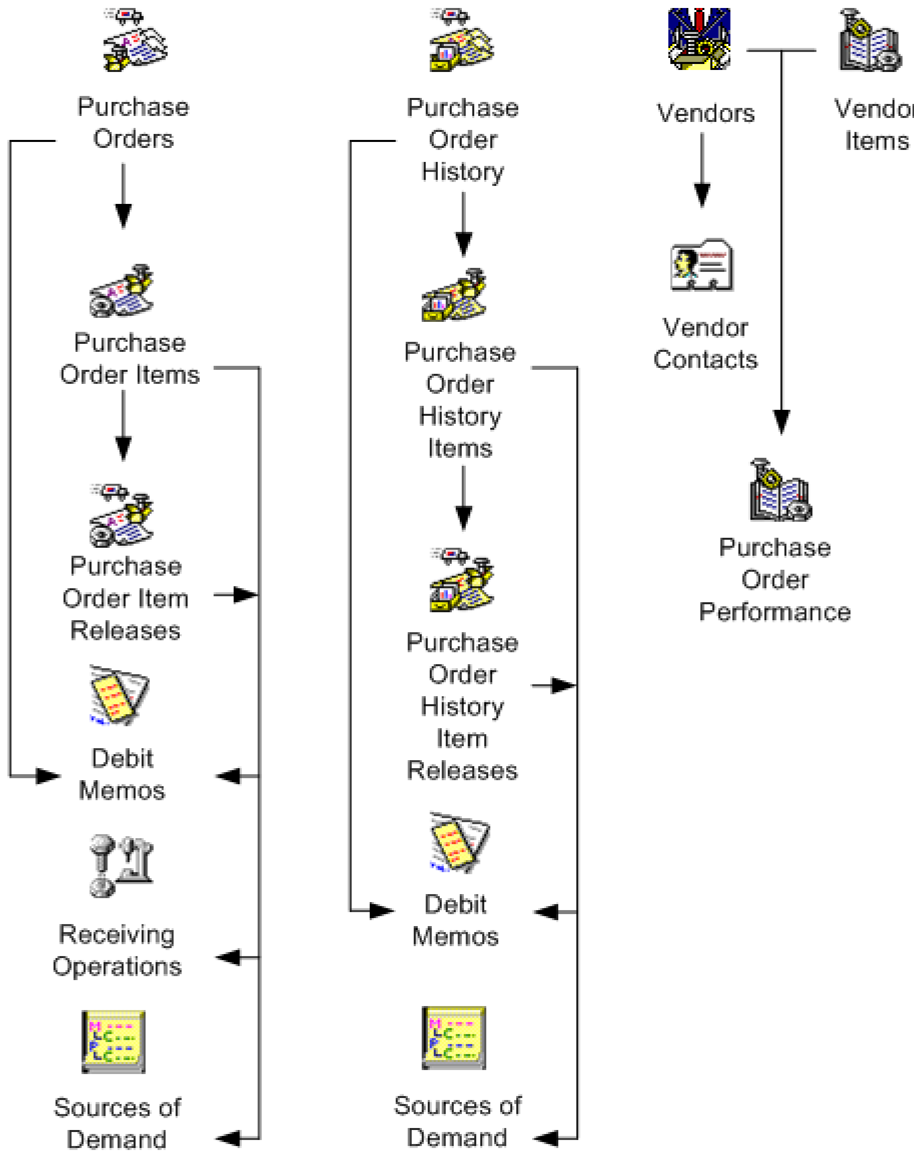
Display menu options also provide easy access to other objects, which have related information. These objects are available from the XA desktop and from the object you select. When you select the related object from the object you are interested in viewing, the information in the list window relates only to the object you want to view. For example, you are interested in viewing all the requisitions associated with a buyer in your company. You can view requisition information for all requisitions from the Requisitions object but this object gives you too much information. Instead, from the Buyers object, select the buyer and use the Buyer Requisitions option to view all requisitions for only that buyer. Some objects such as Debit Memos you can only view from another object.

Many objects that you view from the Procurment tab are available from other applications. For example, you find the Items object on the desktop of many applications including PM so that you do not need to navigate to another application to view commonly used information.

In PM, the objects that have lower-level objects are:

- Purchase Orders
- Purchase Order Items
- Purchase Order Item Releases
- Purchase Order History
- Purchase Order History Items
- Purchase Order History Item Releases
- Vendors
- Vendor Items.

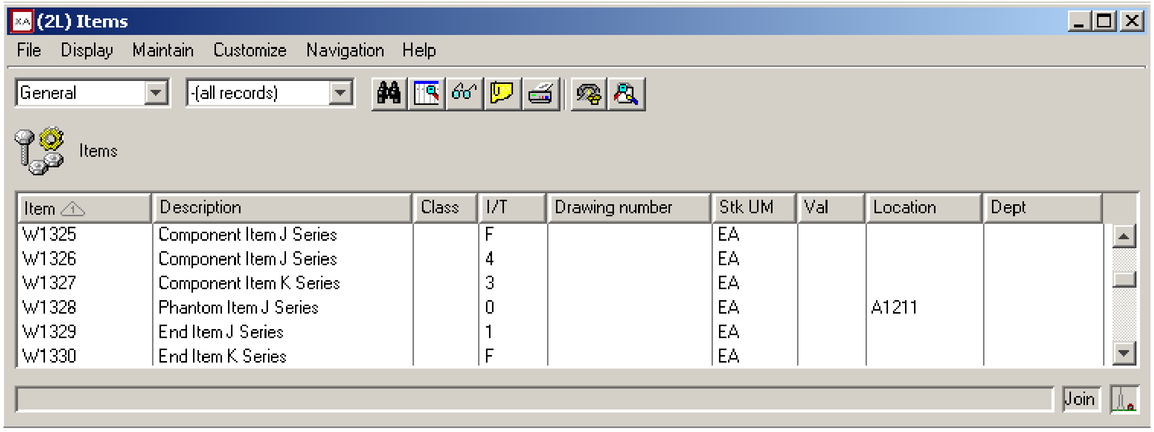
The figure below demonstrates the relationship among PM objects and their lower-level objects.



Items

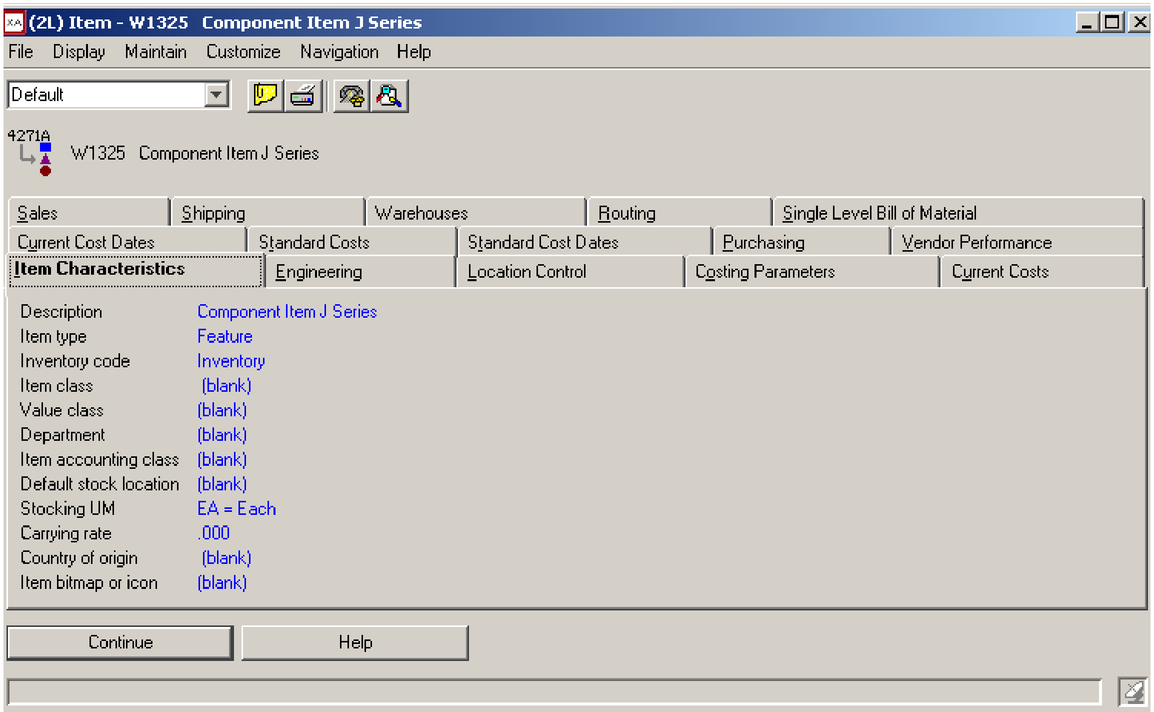
Items are components, materials, purchased parts, finished goods, and any other type of object your company uses, manufactures, stocks, or sells to customers. Use the Items object to view, create, and maintain item records. If Enterprise Product Data Management (EPDM) is installed, use the Item Revisions object in EPDM to create and maintain item information.

The Items list window displays a list of items and includes the following information:



- Item
- Description
- Item class
- Item type. Default types are:
  - 0 Phantom
  - 1 Assembly or subassembly
  - 2 Fabricated item
  - 3 Raw material
  - 4 Purchased item
  - 9 User option
  - F Feature
  - K Kit
- Drawing number (Engineering)
- Stocking UM
- Value class
- Default stock location
- Department.

The Default card file for the Items object contains fifteen cards:



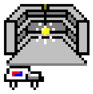
Card	Displays this information
Item Characteristics	Categories to which the item belongs.
Engineering	How your company assembles the item or uses the item in the assembly of another item.
Location Control	Where and how your company stores the item.
Costing Parameters	Different amounts the item adds to the total cost of the product.
Current Costs	Latest expected costs for the item.
Current Cost Dates	Dates when the current this-level costs were last maintained.
Standard Costs	Constant costs for the year.
Standard Cost Dates	Dates at which the standard this-level costs were last maintained.
Purchasing	Purchasing details for buying an item. The information on this card is relevant for items you buy from an outside vendor instead of items you manufacture.
Vendor Performance	Vendor’s effectiveness for supplying a purchased item.
Sales Compound (on the Sales tab)	Figures used to track the sales performance of the item.
Shipping	Packing and delivery information. You can use shipping information for both items you send to a customer and the items you receive from a vendor.
Warehouses	Warehouses where you stock the item.

Card	Displays this information
Routing	Routing operations for the item when PDM Plus is installed.
Single Level Bill of Material	Components at the highest-level for the selected item when PDM Plus is installed.

From the Maintain menu on the Items list window or card file, you can perform the following options when PDM Plus is installed:

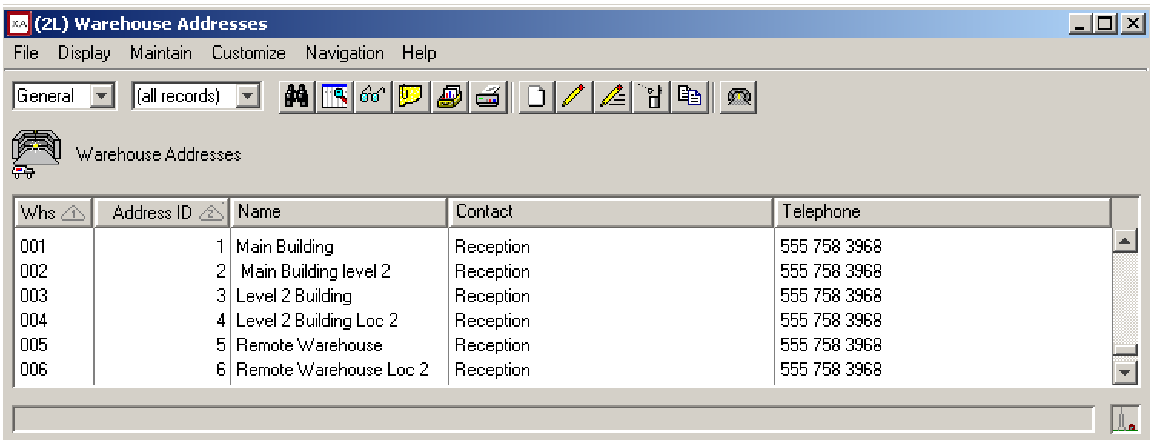
Option	Use this option to
Delete Bill of Material	Delete all the product structure records for the component items associated with the bill of material for the item.
Copy Bill of Material	Copy all the product structure records for the component items from the source item’s bill of material to a new bill of material for the target item.
Delete Routing	Remove all the relationships between the item and the production facilities and operations used in the manufacture of the item.
Copy Routing	Copy all the relationships between production facilities and operations used in the manufacturing of the item to a new routing for the target item.

Warehouse Addresses



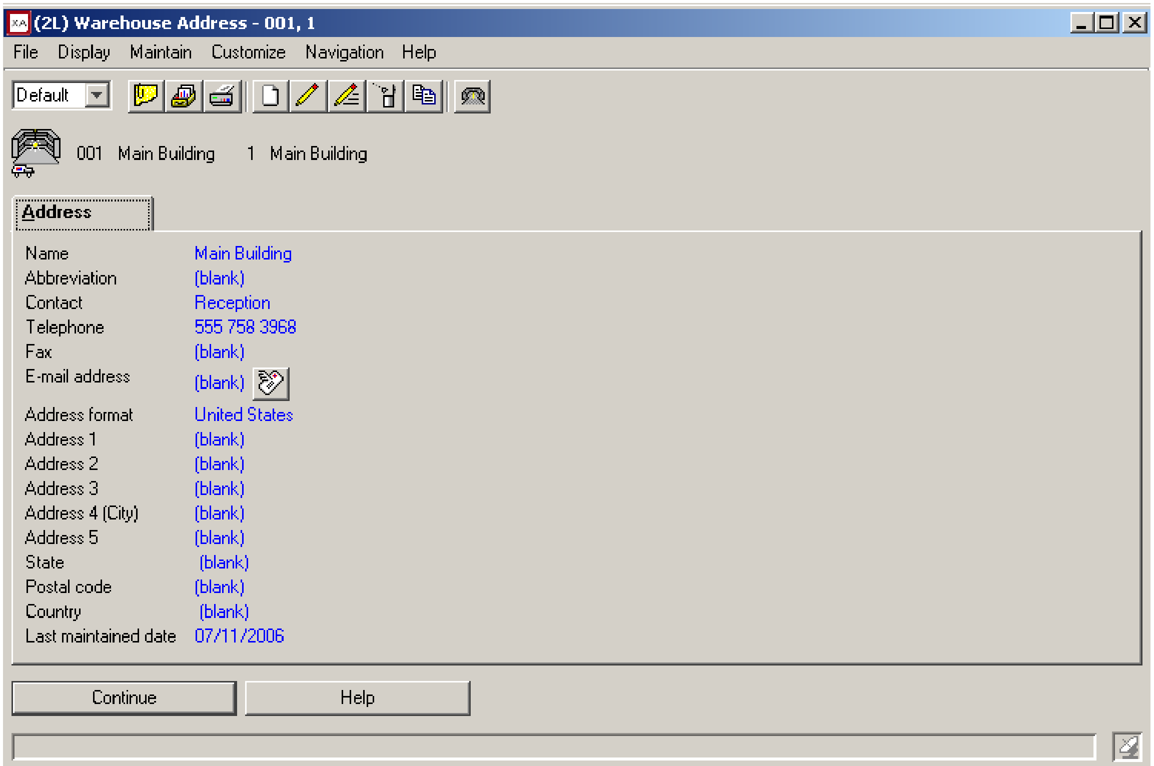
The Warehouse Addresses object contains information associated with the warehouses in your system. XA identifies each address with an ID and associates it with one warehouse. You can create multiple ship-to and bill-to addresses for warehouses.

The Warehouse Addresses list window displays a list of warehouses and includes the following information:

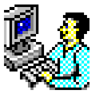


- Warehouse
- Address ID
- Name
- Contact
- Telephone.

The Default card file for Warehouse Addresses consists of one Address card. The Address card displays the contact, telephone information, and full address for the warehouse.

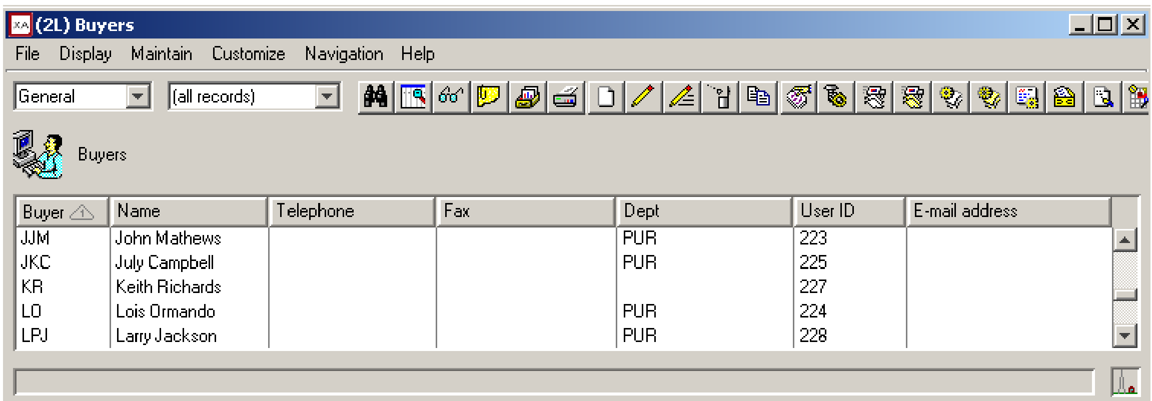


Buyers



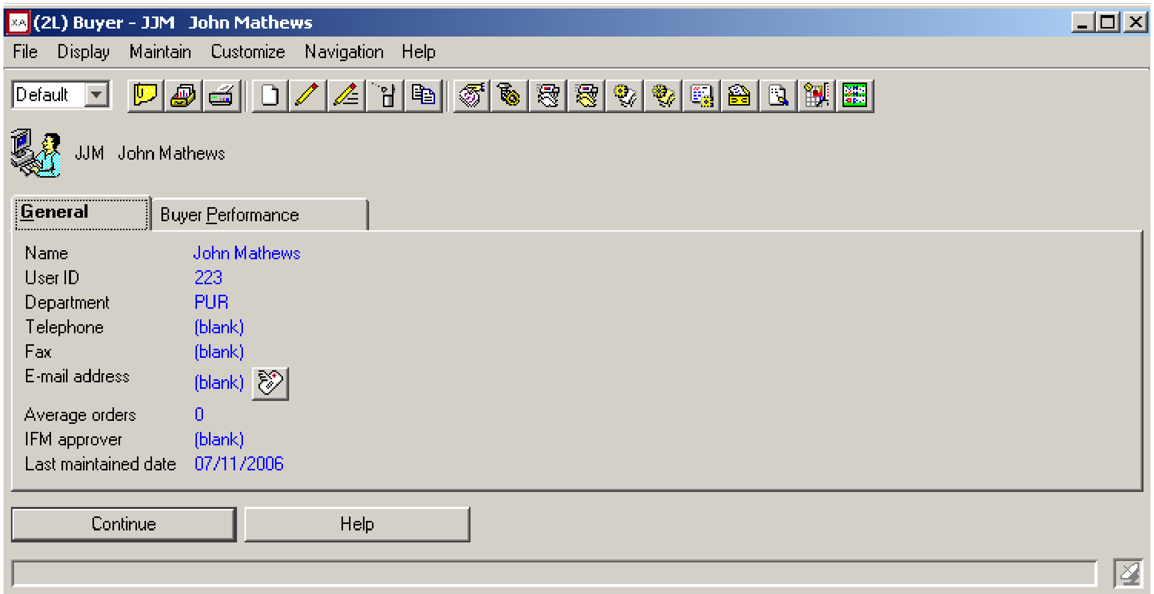
Buyers are people in your company who negotiate prices for goods and services, which your company purchases. XA identifies buyers with unique buyer numbers.

The Buyers list window displays a list of buyers and includes the following information:



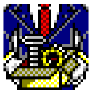
- Buyer
- Name
- Telephone
- Fax
- Department
- User ID
- E-mail address.

The Default card file for the Buyers object contains two cards:



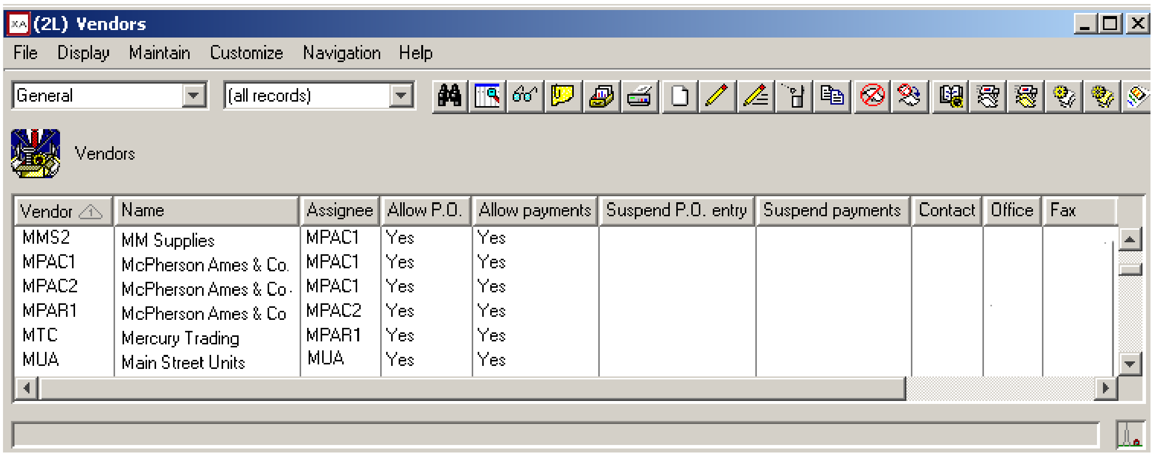
Card	**Displays this information**
General	Buyer’s contact details and average orders.
Buyer Performance	Orders and shipments associated with the buyer.

Vendors



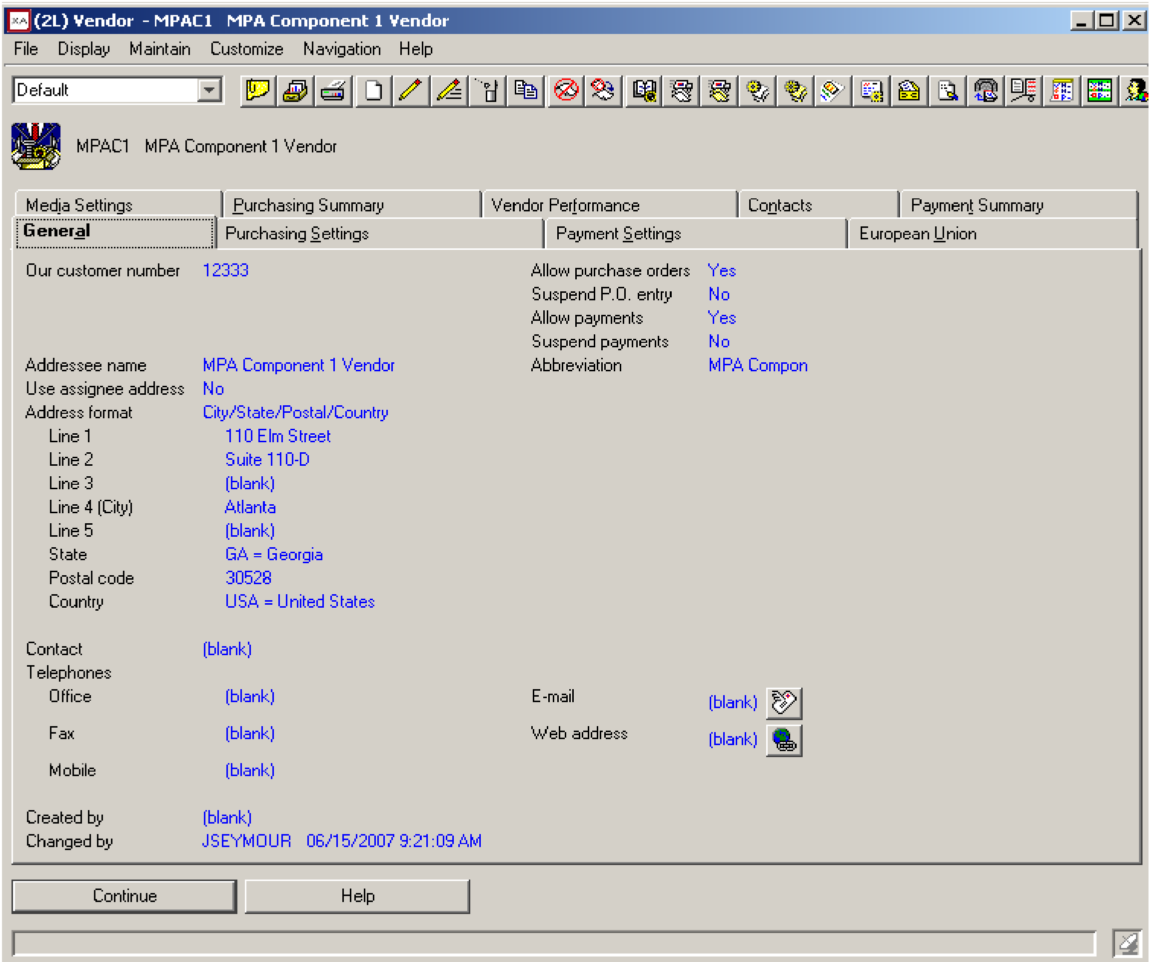
Vendors are suppliers of components, materials, supplies, equipment, or any other type of goods and services purchased by your company. Usually, vendors are the companies to which your company sends purchase orders and from which your company receives shipments. XA identifies vendors with unique vendor numbers.

The Vendors list window displays a list of vendors and includes the following information:



- Vendor
- Name
- Assignee
- Allow purchase orders
- Allow payments
- Suspend purchase order entry
- Suspend payments
- Contact
- Telephone
- Fax
- Mobile
- E-mail
- Web address.

The Default card file for the Vendors object contains nine cards:



Card	Displays this information
General	Vendor's location and how to communicate with the vendor. This card indicates if you can use the vendor on purchase orders, use the vendor to accept payments, or if the vendor is suspended.
Purchasing Settings	Vendor's choices for handling purchase orders and for shipping orders to your company.
Payment Settings	Vendor's choices for handling payments, including bank and tax information for the vendor.
European Union	European Union (EU) information about the vendor, if the vendor is in the EU.
Media Settings	Types of purchasing documents the vendor wants to receive and how XA delivers these documents. If your vendor requires receiving advices, you set that option on this card.
Purchasing Summary	Past purchase orders this vendor supplied.
Vendor Performance	How well the vendor is performing when responding to your purchase orders.

Card	Displays this information
Vendor Contacts Compound (on the Contacts tab)	Contact information for a vendor.
Payment Summary	Payments for past purchases.

From the Maintain menu on the Vendors list window or card file, you can perform the following options:

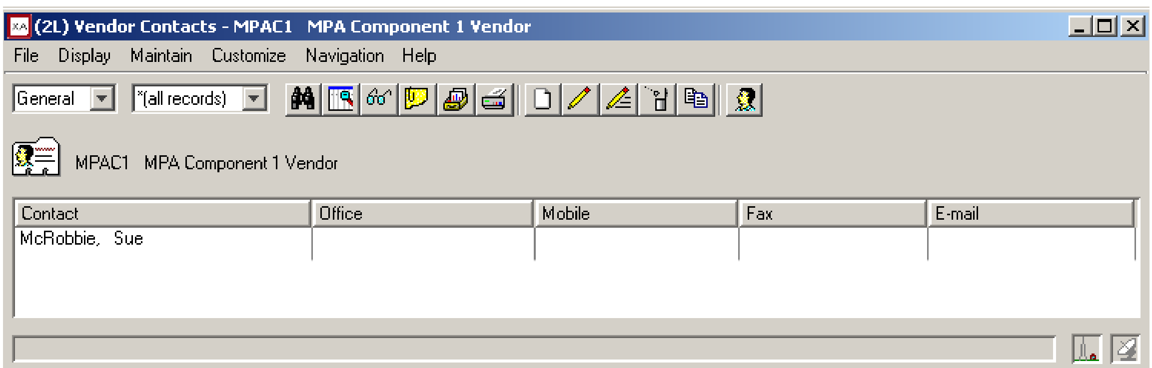
Option	Use this option to
Suspend	Prevent XA users from using the vendor on new purchase orders until the vendor has payment information and you are ready to use the vendor. A suspended vendor has its Suspend purchase order entry attribute set to Yes.
Activate	Allow the vendor to be used on new purchase orders. You cannot activate vendors that PM has suspended until you fix the reason for which PM suspended the vendor.

Vendor Contacts

The Vendor Contacts object shows information about contact details defined for a vendor. A vendor can have multiple contacts.

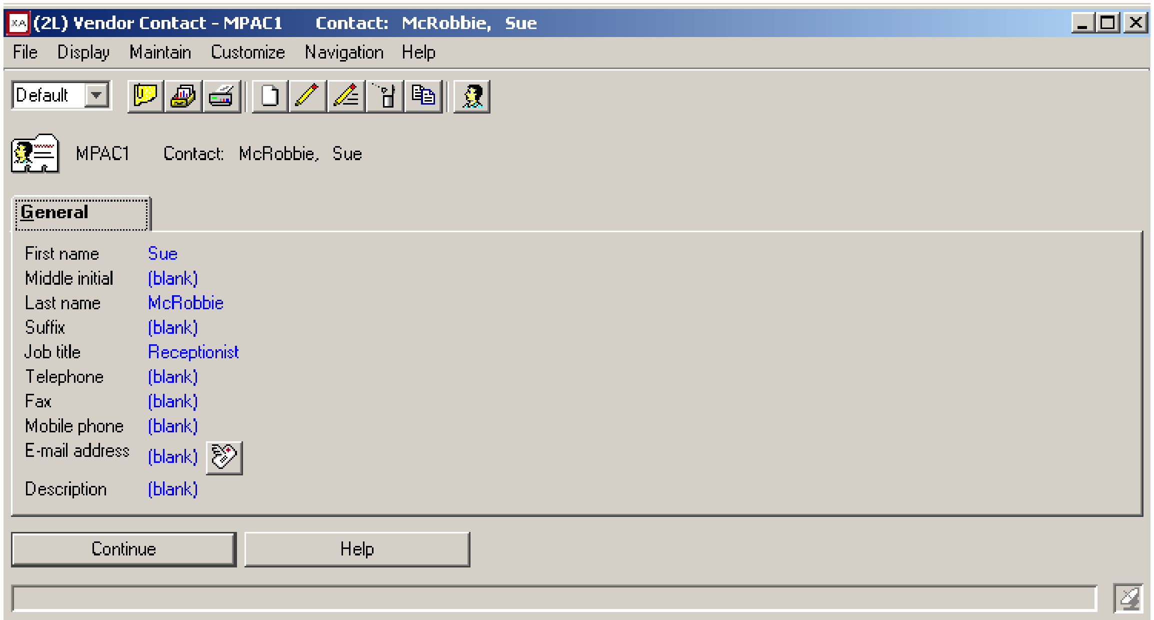
The Vendor Contacts object is a lower-level object of Vendors. You find the Vendor Contacts list window by selecting the option, Vendor Contacts, on the Display menu of the Vendors list window or card file. You can also find the Vendor Contacts list window by selecting the Vendor Contacts Compound (Contacts) card in the Vendor Default card file.

The Vendor Contacts list window displays a list of contacts and includes the following information:

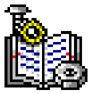


- Vendor
- Contact LFM
- Telephone
- Mobile phone
- Fax
- E-mail address.

The Default card file for Vendor Contacts consists of one card called General. The General card displays the vendor's name and contact details.



Vendor Items

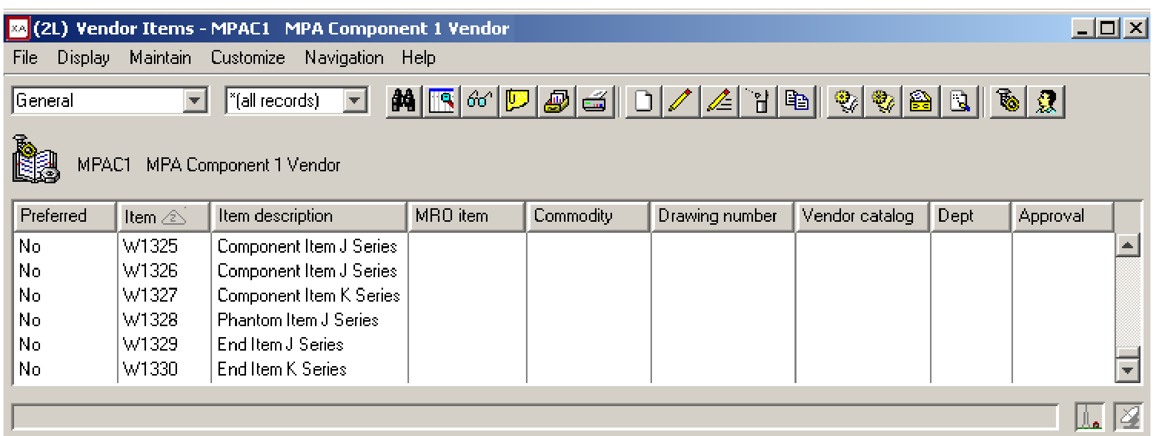


The Vendor Items object defines the relationship between a vendor and the items you purchase from that vendor. For example, XA can link one vendor to different items, and one item to different vendors. Vendor Items shows information such as purchase commodity class, vendor's catalog number, and whether the vendor is the preferred supplier of the item. Other information shows you the vendor's performance for delivering items on time, in the correct quantities, at the correct price, and with acceptable quality.

Records in Vendor Items are important since many views and subsets use the vendor/item relationship to retrieve information. Therefore, PM automatically retrieves these records during the following processes:

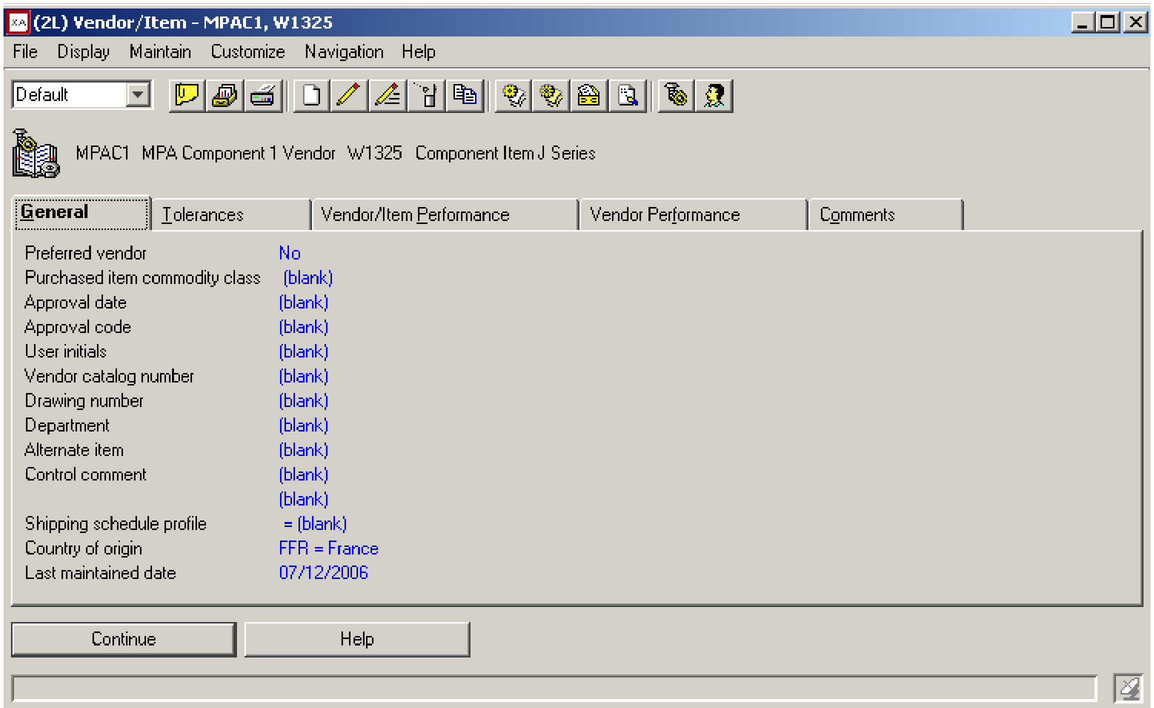
- Purchase order closeout
- Quote/contract entry
- Purchase Order Entry/Edit
- Requisition Entry/Edit
- Quote Responses Load from Electronic Commerce (EC).

The Vendor Items list window displays a list of items and includes the following general information:



- Vendor
- Name
- Preferred vendor
- Item
- Item description
- MRO item
- Purchased item commodity class
- Drawing number
- Vendor catalog number
- Department
- Approval code.

The Default card file for the Vendor Items object contains five cards:



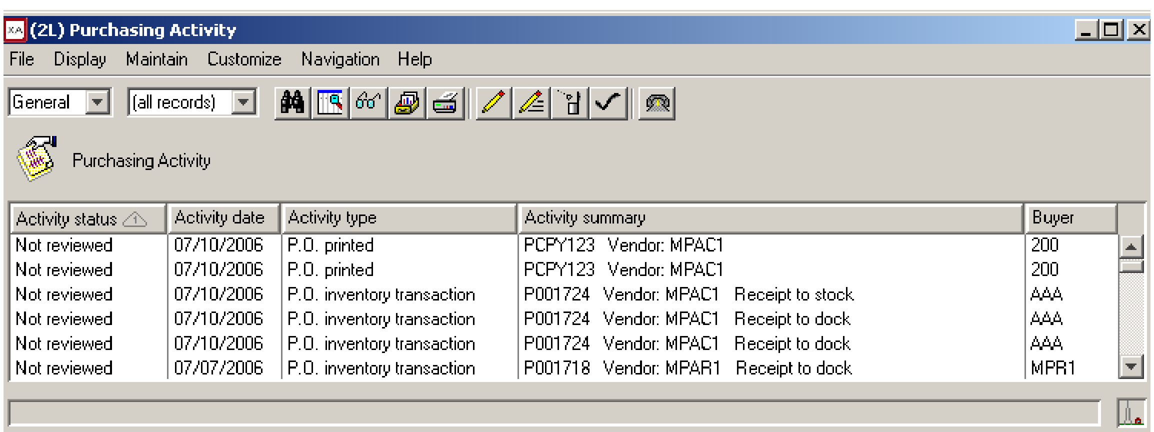
Card	Displays this information
General	Description of the item, such as the vendor for the item, preferred status, control comments, and shipping schedule profile.
Tolerances	Boundaries for accepting a P.O. Acknowledgement and creating an accept promised date (VA) transaction. The EC application uses the attributes on this card to match a P.O. Acknowledgement to the original purchase order.
Vendor/Item Performance	How accurately the vendor has fulfilled orders for the item.
Vendor Performance	Vendor’s record for fulfilling orders for all items correctly.
Comments	Comments that have been provided for the vendor/item. You can create comments about the vendor item using this card.

Purchasing Activity

The Purchasing Activity object contains records of important activities users perform in PM that affect purchase orders and requisitions, including:

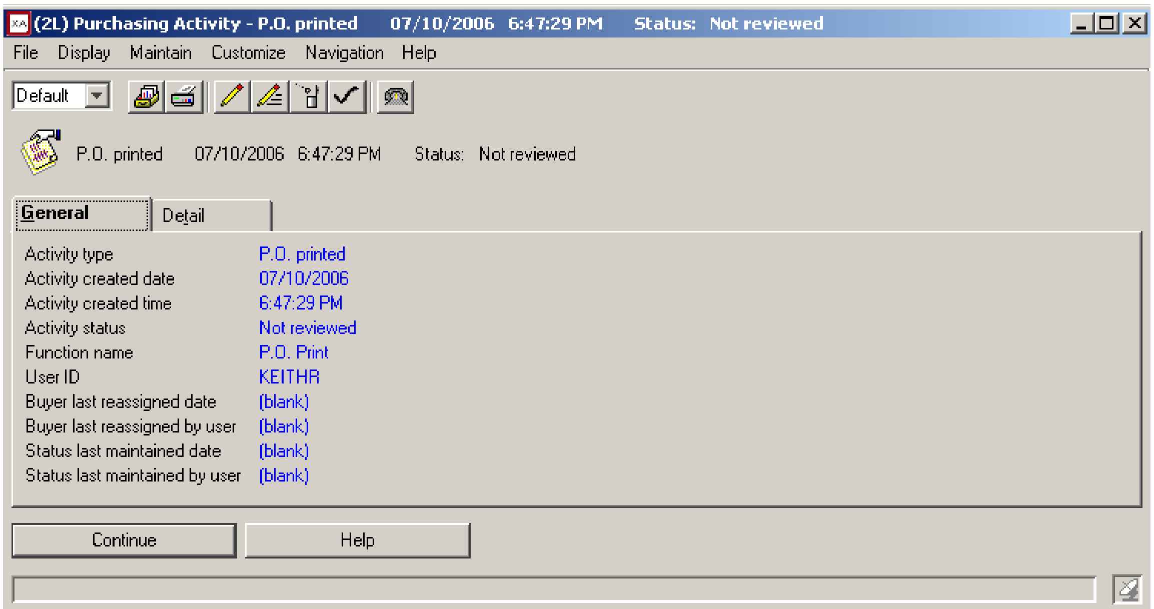
- requisitions;
  - created
  - maintained
- purchase orders;
  - created
  - maintained
  - closed
  - reopened
- purchase order items and releases;
  - created
  - changed
  - canceled
  - deleted
  - reactivated.

The Purchasing Activity list window displays activity types and includes the following information:



- Activity status
- Activity created date
- Activity type
- Activity summary
- Buyer.

The Default card file for Purchasing Activity object contains two cards:



Card	Displays this information
General	Type, time, status of the purchasing activity, and the user who initiated it.
Detail	Purchase order, requisition, or quote information related to the purchasing activity.

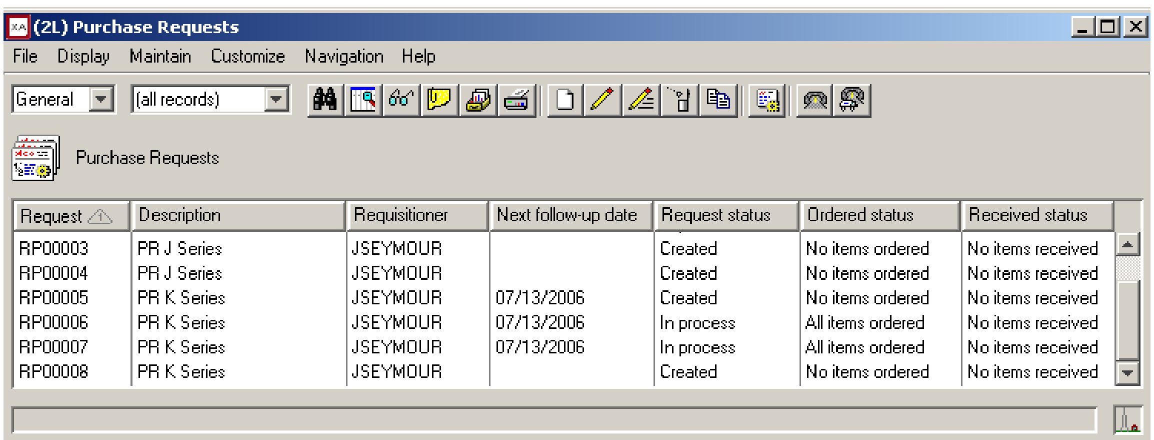
From the Maintain menu on the Purchasing Activity list window or card file, you can perform the following option:

Option	Use this option to
Update Status	Change the status of a purchasing activity record. You can change the status from Not reviewed to Reviewed or from Reviewed to Not reviewed.

Purchase Requests

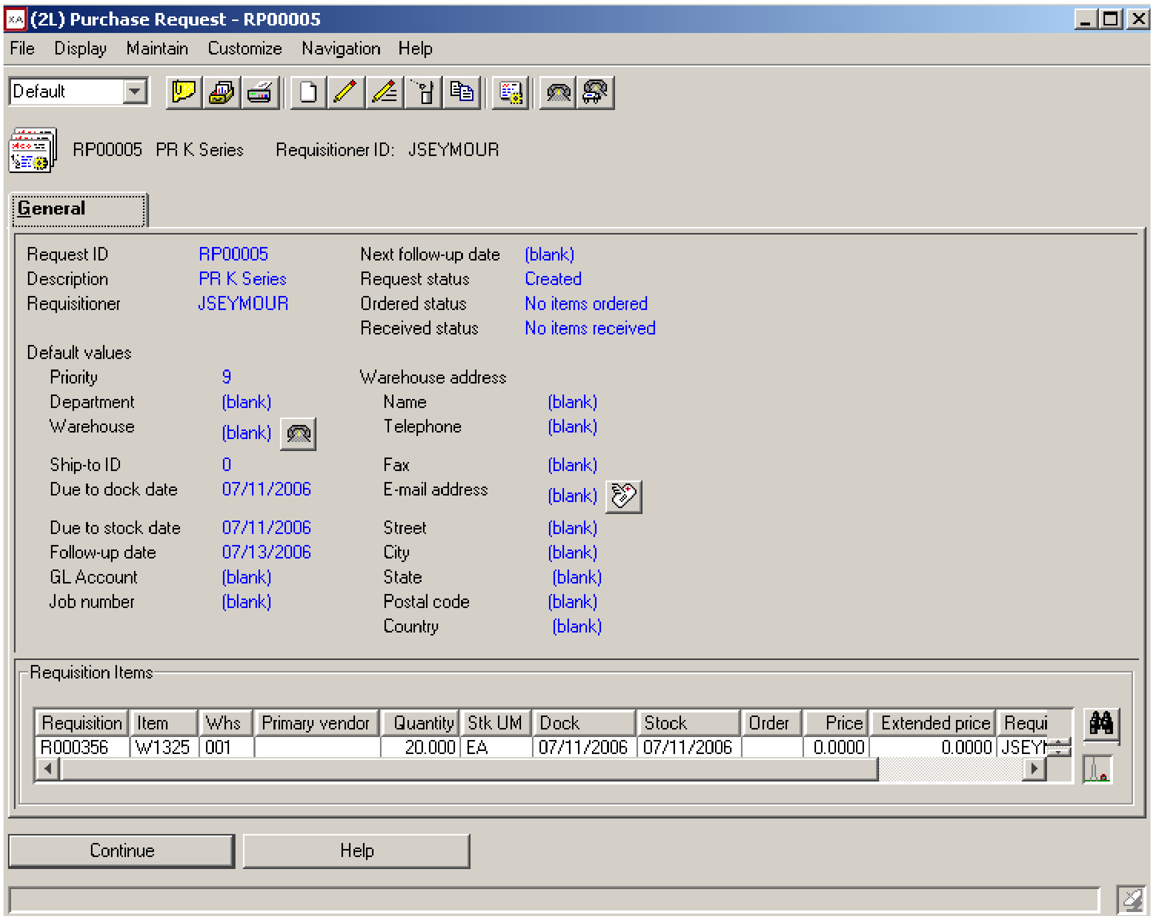
Purchase Requests are containers for one or more requisitions. They provide you with a single object, which can contain multiple related requisition items. A purchase request solves the need to put multiple line items on requisitions. When creating purchase requests, you can provide a description and requisition default values, such as warehouse, job number, department, and due dates. XA uses this information when you create requisitions from the purchase request. You do not need to enter this information for each requisition.

The Purchase Requests list window displays a list of requests and includes the following information:



- Purchase Request ID
- Purchase request description
- Requisitioner
- Next follow-up date
- Request status (Default types are Created, In process, and Complete.)
- Ordered status (Default types are No items ordered, Some items ordered, and All items ordered.)
- Received status. (Default types are No items received, Some items received, and All items received.)

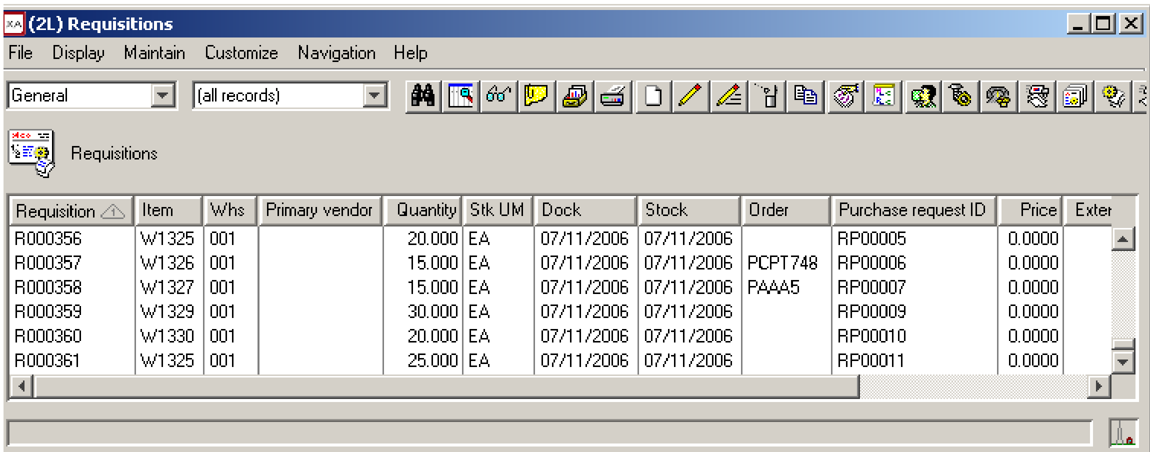
The Default card file for Purchase Requests object consists of one General - Compound (General) card. The card contains information about the purchase request and a list of requisitions users entered for the purchase request.



Requisitions

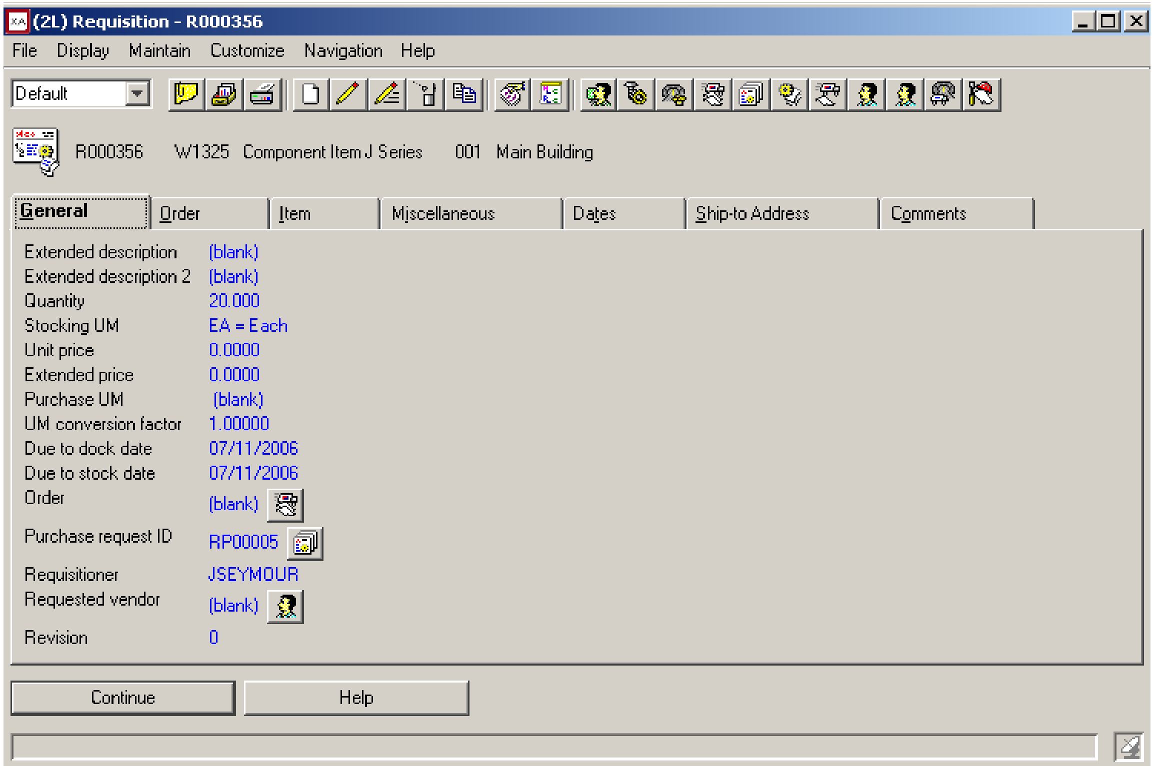
Requisitions are requests for goods or services, which contain the item and quantity needed, the date the item is required, the name of the person who needs the item, and the requisitioner's department. Requisitions can be the first step to create purchase orders, but are not required to create purchase orders.

The Requisitions list window displays a list of items and includes the following information:



- Requisition
- Item
- Warehouse
- Primary vendor
- Quantity
- Stocking UM
- Due to dock date
- Due to stock date
- Order
- Purchase request ID
- Unit price
- Extended price
- Requisitioner
- Create date.

The Default card file for the Requisitions object contains seven cards:



Card	Displays this information
General	Requisition information, including stocking UM, price, due dates and order.
Order	Order, item, and warehouse information associated with the requisition.
Item	Item, warehouse, and lead time information for the item associated with the requisition.
Miscellaneous	Approval status, priority, critical ratio, and information about the requisitioner, planner, and buyer associated with the requisition.
Dates	Dates associated with the requisition.
Ship-to Address	Warehouses address and how to communicate with the warehouse contact.
Comments	Comments that have been provided for the requisition. You can create comments about the requisition using this card.

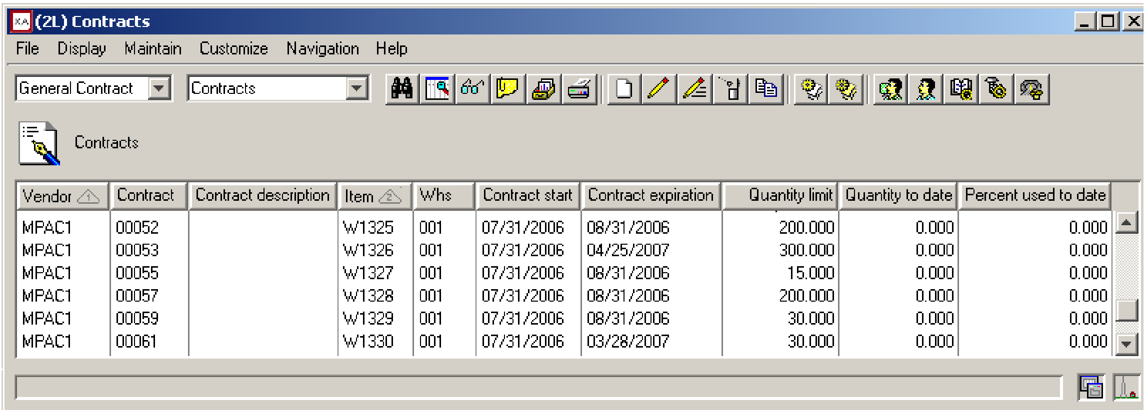
From the Maintain menu on the Requisitions list window or card file, you can perform the following options:

Option	Use this option to
Add to Purchase Order	Add the selected requisition to an existing purchase order. To see requisitions that are available for use with this option, apply the subset, Not Assigned to a P.O.
Create Purchase Order	Use one or more requisitions to create a purchase order. To see requisitions that are available for use with this option, apply the subset, Not Assigned to a P.O.

Contracts

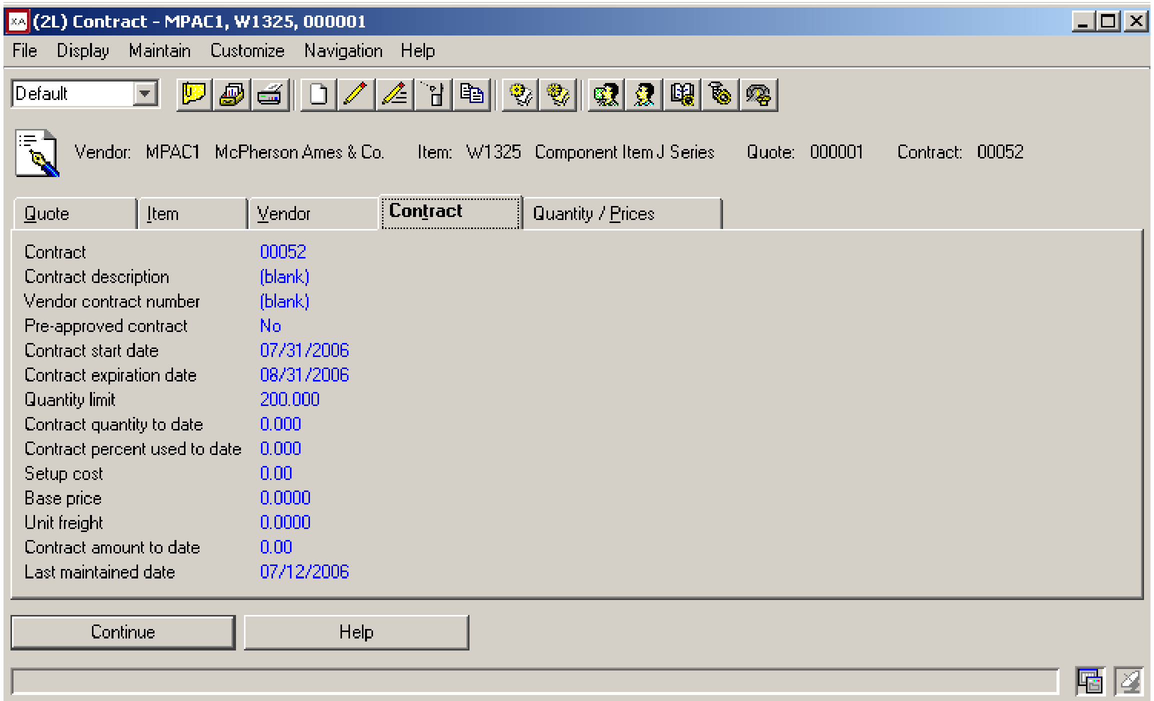
Contracts are agreements between vendors and your company. They are commitments that the vendor will make available the agreed quantities at the agreed price, and your company will purchase the agreed quantities. You do not need to enter a quote first when creating contracts, but you must define at least one quantity/price break for each contract.

The Contracts list window displays a list of contracts and includes the following information:



- Vendor
- Contract
- Contract description
- Item
- Warehouse
- Contract start date
- Contract expiration date
- Quantity limit
- Contract quantity to date
- Contract percent used to date.

The Default card file for the Contracts object contains five cards:



Card	Displays this information
Quote	Quote information and the dates associated with the contract.
Item	Item and unit of measure information for the item entered on the contract.
Vendor	Vendor and vendor contact information for the vendor associated with the contract.
Contract	Dates, quantities, and price associated with the contract.
Quantity / Prices	Quantity and price breaks available for the contract.

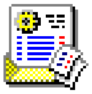
From the Maintain menu on the Contracts list window or card file, you can perform the following option:

Option	Use this option to
Create Purchase Order	Create a purchase order and purchase order item using the information from the selected contract, including buyer, item, vendor, and warehouse.

From the File menu, Host Print ... option on the Contracts list window or card file, you can generate the following reports:

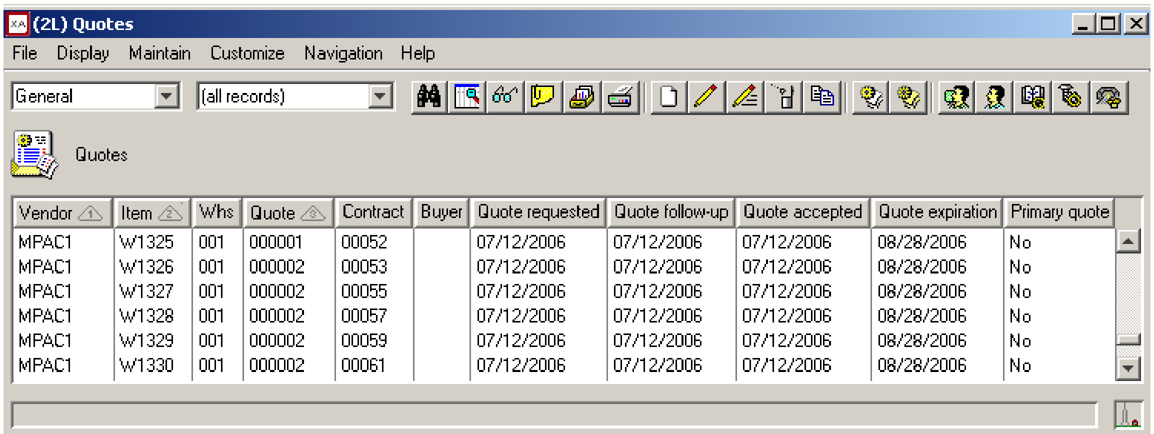
Host Print	Use this report to
Quotation Request	Create a written request, which you send to your vendor or vendors, asking for a quote on goods and services your company intends to purchase. This report is useful only if the contract is associated with a quote.
Quotation/Contract Analysis	Show information from the Quotation/Contract Master files. If multi-currency processing is active, you can choose to print in trading or local currency. This report is useful only if the contract is associated with a quote.

Quotes



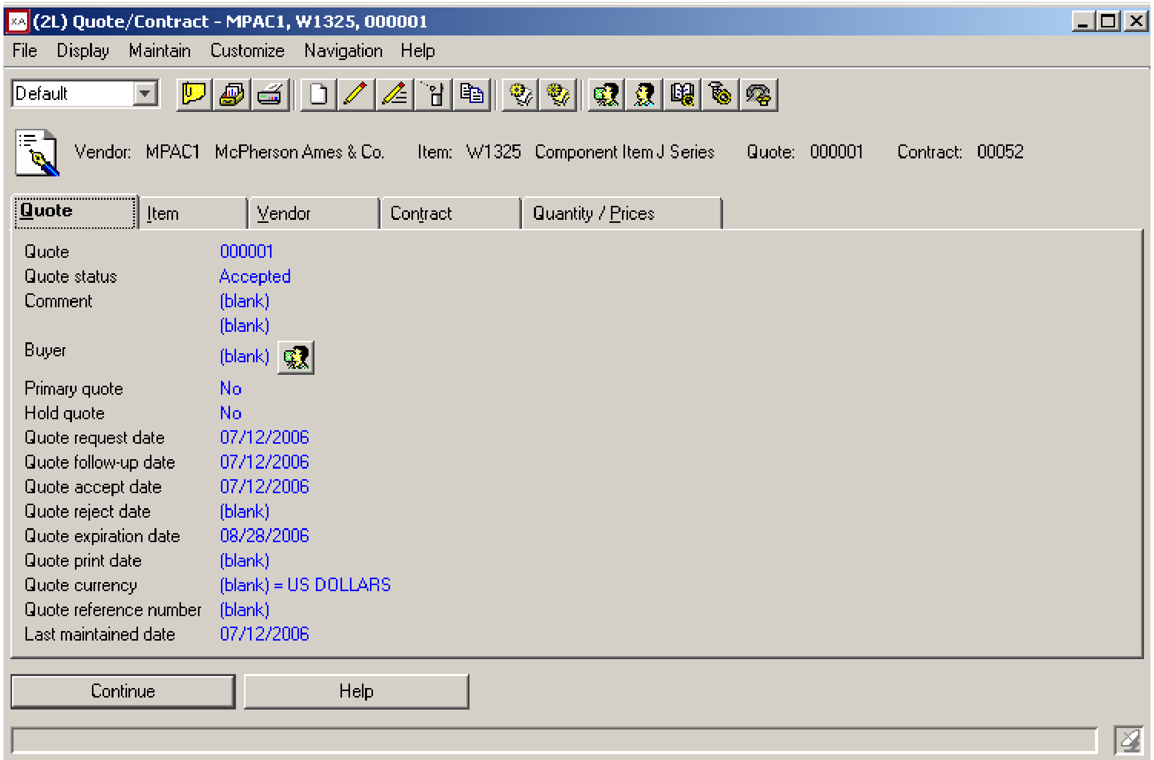
Quotes are statements of an item's price, terms, and quantity/price breaks a vendor is offering to a prospective buyer. It is a bid that you, as the buyer can accept or reject. Quotes are useful for making informed decisions about the purchase of an item. Buyers can compare the quantity and price breaks vendors are offering for an item to determine the best purchasing opportunity.

The Quotes list window displays a list of quotes and includes the following information:



- Vendor
- Item
- Warehouse
- Quote
- Contract
- Buyer
- Quote request date
- Quote follow-up date
- Quote accept date
- Quote expiration date
- Primary quote.

The Default card file for the Quotes object contains five cards:



Card	Displays this information
Quote	Quote information and the dates associated with the quote.
Item	Item and unit of measure information for the item entered on the quote.
Vendor	Vendor and vendor contact information for the vendor associated with the quote.
Contract	Contract dates, quantities, and price associated with the quote.
Quantity / Prices	Quantity and price breaks available for the contract associated with the quote.

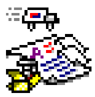
From the Maintain menu on the Quotes list window or card file, you can perform the following option:

Option	Use this option to
Create Purchase Order	Create a purchase order and purchase order item using information from the selected quote, including buyer, item, vendor, and warehouse.

From the File menu, Host Print ... option on the Quotes list window or card file, you can generate the following reports:

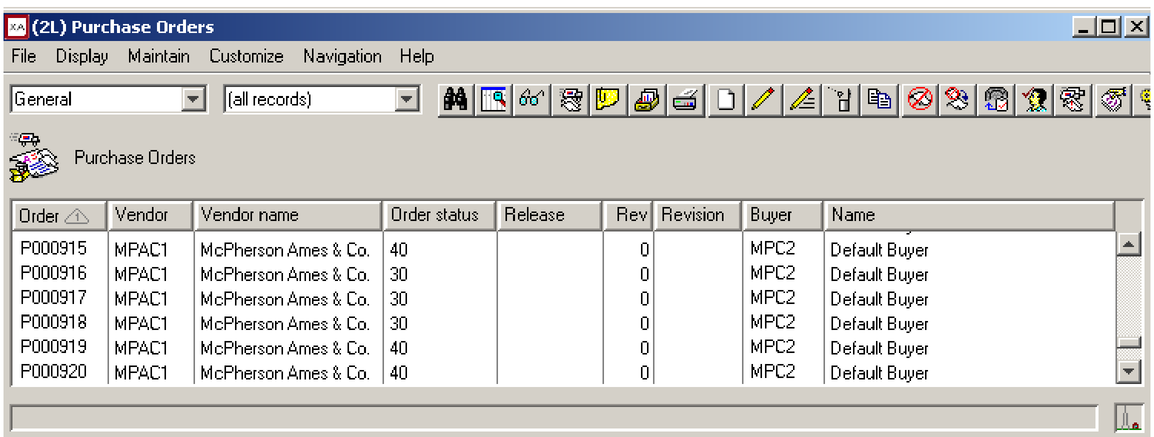
Host Print	Use this report to
Quotation Request	Create a written request that you send to your vendor or vendors, asking for a quote on goods and services your company intends to purchase.
Quotation/Contract Analysis	Show information from the Quotation/Contract Master files. If multi-currency processing is active, you can choose to print in trading or local currency.

Purchase Orders



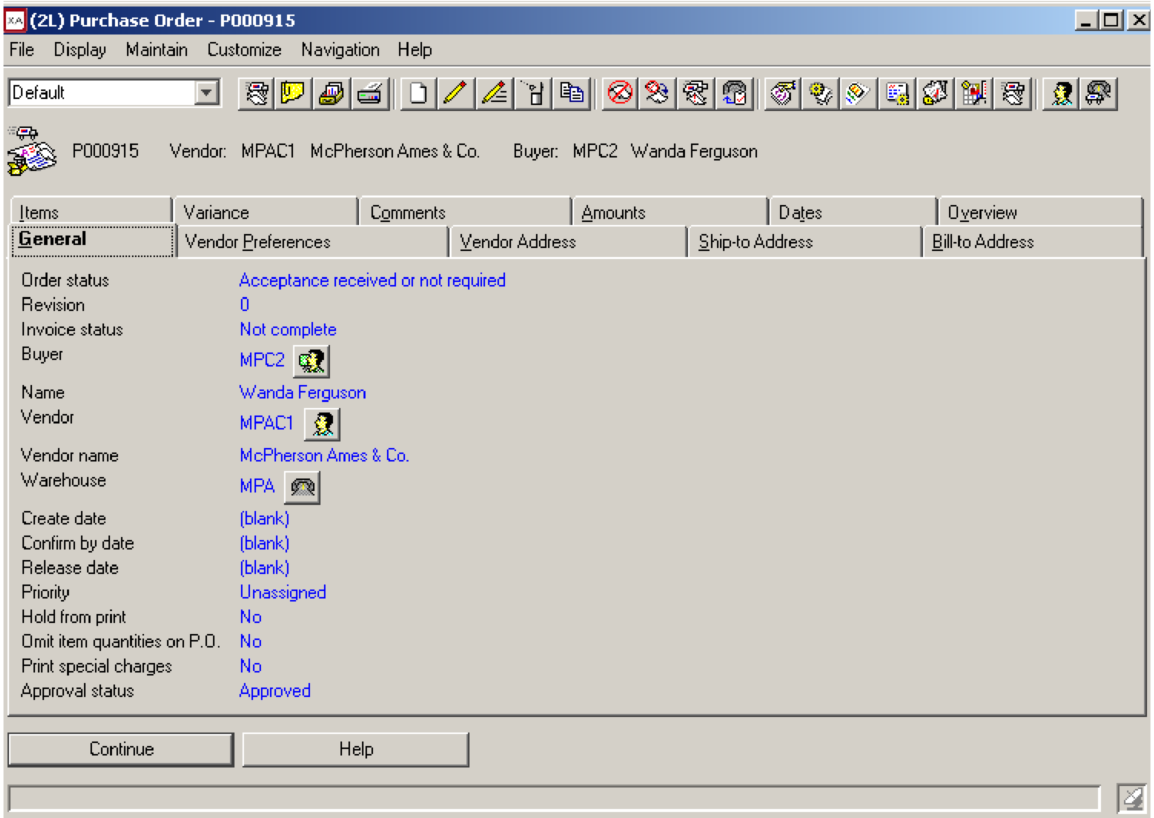
Purchase orders are documents buyers use to order materials for delivery in the required amounts at the correct time. After receiving requisitions for materials or supplies, buyers usually enter and then send purchase orders to vendors. Purchase orders contain purchase order items, which are the materials or supplies you are ordering. The purchase order also contains one or more addresses to indicate where the vendor will deliver the purchase order items and where the vendor will send the bill for the order.

The Purchase Orders list window displays a list of purchase orders and includes the following information:



- Order
- Vendor
- Vendor name
- Order status
- Release date
- Revision
- Last revision date
- Buyer
- Name.

The Default card file for the Purchase Orders object contains eleven cards:



Card	Displays this information
General	Purchase order information.
Vendor Preferences	Vendor's choices for shipping and currency.
Vendor Address	Vendor address information.
Ship-to Address	Address information for where the vendor will ship the purchase order.
Bill-to Address	Address information for where the vendor will send the invoice for the purchase order.
Items	Items entered on the purchase order. You can view this list as the items were requested or approved by selecting the appropriate tab.
Variance	Variance among the standard, actual, and expected costs of items and releases on a purchase order.
Comments	Comments that have been provided about the purchase order. You can create comments about the purchase order using this card. You can add comments to three tabs: Order, Closeout, and Internal.
Amounts	Total amounts that apply to the entire purchase order.
Dates	Dates that apply to the entire purchase order.
Overview	Purchase orders, purchase order items, and purchase order item releases in an indented outline.

From the Maintain menu on the Purchase Orders list window or card file, you can perform the following options:

Option	Use this option to
Cancel	Cancel a purchase order that is active. XA changes the status of the purchase order to 99 - Order cancelled. You can cancel a purchase order until activity has been reported against it. A canceled purchase order remains in the Purchase Orders object. XA writes the canceled order to history, if you are using the history feature, when you purge the purchase order. You cannot add new information to a canceled purchase order.
Activate	Activate a canceled purchase order. XA changes the status of the purchase order from 99 - Order cancelled, to the status the purchase order had before it was canceled. You activate a canceled purchase order when you need to change the purchase order.
Normal Close	Close an order for which you have received all materials complete, against all purchase order items and purchase order item releases, if applicable, and for which the order is completely invoiced. The Order is at status 50 - Order complete. The AP application does not need to be installed and interfacing to perform the invoice matching procedure that updates the order to status 50 - Order complete. If your company does not run purchasing invoicing procedures, you must force close the purchase orders. However, if you selected not to process invoices, on the Invoicing tab of PM Application Settings, the complete Order status is 40 - Received complete, and you can process a normal close.
Force Close	Close a purchase order that has a status of 20 - Acceptance received or not required, or higher including canceled purchase orders. For example, use the Force Close option when you know you will receive no more items for a purchase order.
Receive Complete	Receive completely all the open items on a purchase order. You can use the Receive Complete option as the only option to receive a purchase order, when all the items ordered have arrived intact. Alternatively, you can use the Receive Complete option to receive the rest of the purchase order after you have received the items that require changes using the Receive option on the Scheduled Receipts (MM) or Purchase Order Items objects.
Vendor Accept	Indicate the vendor has received the purchase order and agrees to the associated terms and conditions, and promises to deliver all the purchase order items and purchase order item releases on one date. An accept promised date (VA) transaction must be entered on each item or release with a different promised date to correctly reflect the date or dates. You may enter multiple accept promised date (VA) transactions if the vendor changes the promised date multiple times, providing no user has processed a receive transaction for the purchase order.
Mass Force Close	Close multiple purchase orders that have a status of 20 - Acceptance received or not required, or higher including canceled purchase orders. You can use this option from the Purchase Orders list window but not from a purchase order card file.

From the File menu, Host Print ... option on the Purchase Orders list window or card file, you can generate the following reports:

Host Print	Use this report to
Price Variance	Show you the variance among the standard, actual, and expected costs of a purchase order.
Purchase Order	Print a purchase order on-demand. XA prints the purchase order according to the media options on the Media tab of the report or according to the media options on the Media Settings card for the vendor.

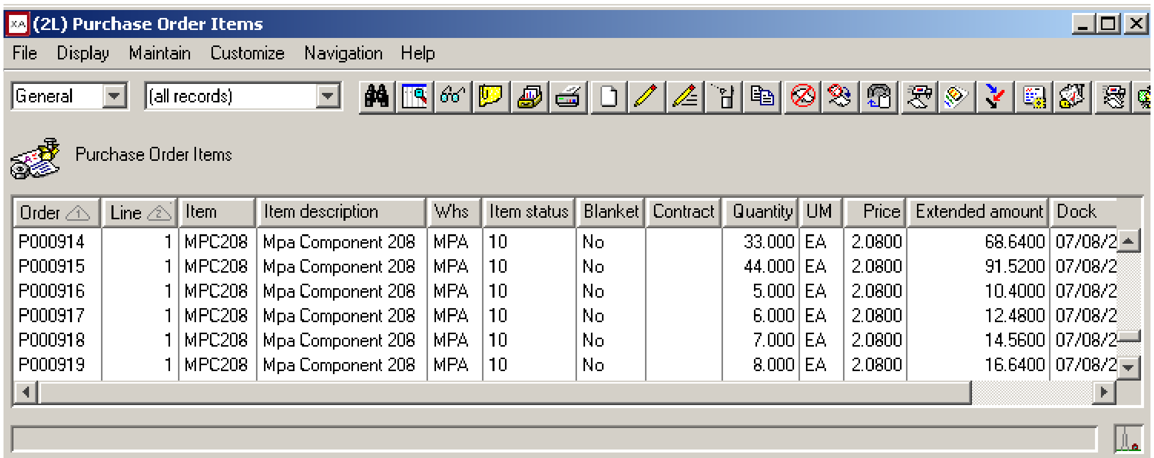
From the File menu, Host Jobs ... option on the Purchase Orders list window or card file, you can generate the following host job:

Host Jobs	Use this host job to
Purge	Remove closed purchase orders from Purchase Orders and add them to Purchase Order History. You cannot maintain purged purchase orders.

Purchase Order Items

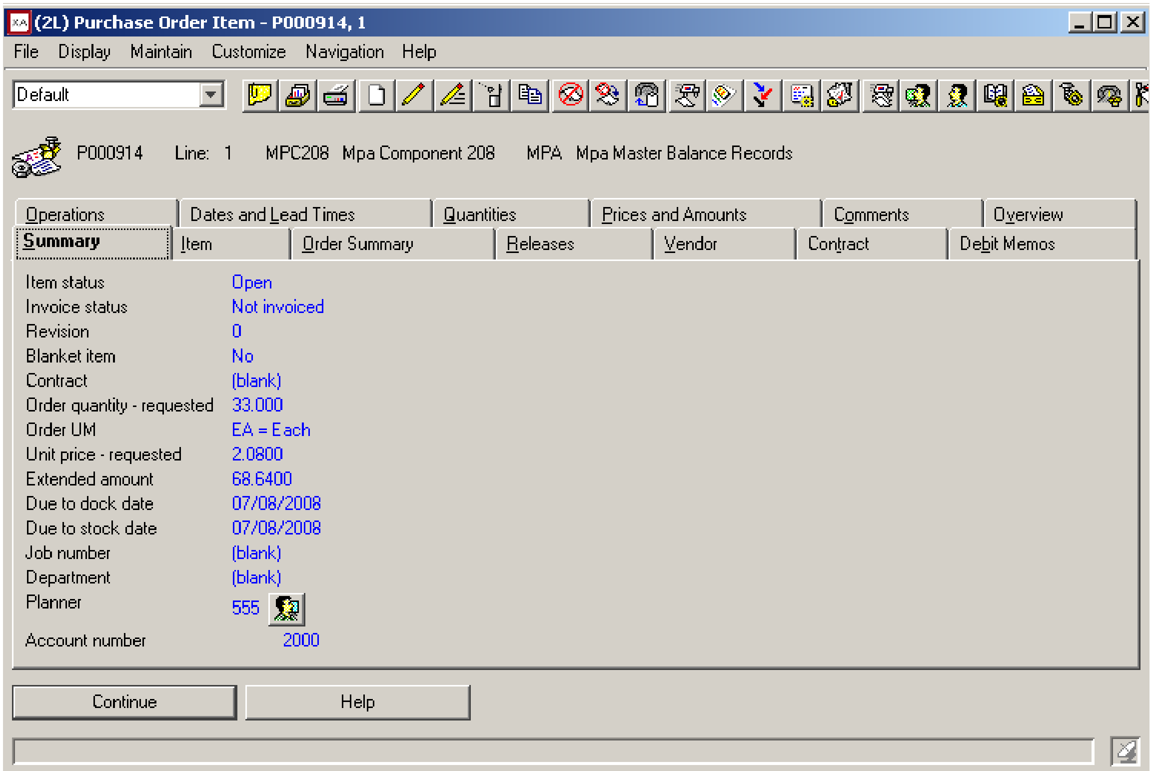
Purchase order items contain detailed information about the materials and supplies on the purchase order, such as associated purchase order item releases, comments, debit memos, and receiving operations.

The Purchase Order Items list window displays a list of items and includes the following information:



- Order
- Line
- Item
- Item description
- Warehouse
- Item status
- Blanket item
- Contract
- Order quantity - requested
- Order UM
- Unit price - requested
- Extended amount
- Due to dock date
- Due to stock date.

The Default card file for the Purchase Order Items object contains thirteen cards:



Card	Displays this information
Summary	Purchase order item information.
Item	Item categories, location, and use.
Order Summary	Purchase order information and dates.
Releases	Releases for the purchase order item. You can view the purchase order item releases as ordered or as stocked.
Vendor	Vendor information for the vendor who is supplying the purchase order item.
Contract	Contract information for the contract that applies to the purchase order item.
Debit Memos	Debit memos entered against the purchase order item.
Operations	Operations performed when users receive the purchase order item from dock to stock.
Dates and Lead Times	Lead times and dates that apply to the purchase and delivery of the purchase order item.
Quantities	Quantities and factors used to calculate quantities for the purchase order item. Tabs are As Ordered, As Stocked, and Dates and Lead Times.
Prices and Amounts	Unit prices and extended amounts that apply to the purchase order item. You view this information by selecting the Prices and Amounts tab.

Card	Displays this information
	Variance data that applies to the purchase order item. You view this information by selecting the Variance tab.
Comments	Comments that have been provided for the purchase order item. You can add comments about the purchase order item to three tabs: Order, Closeout, and Internal.
Overview	Purchase orders, purchase order items, and purchase order item releases in an indented outline.

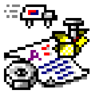
From the Maintain menu on the Purchase Order Items list window or card file, you can perform the following options:

Option	Use this option to
Import Operations	Import operations from the PM routing associated with the item. These operations are performed when receiving the purchase order item from dock to stock.
Cancel	Cancel a purchase order item that is active. XA changes the status of the purchase order item to 99 - Order cancelled.
Activate	Activate a canceled purchase order item. XA changes the status of the purchase order item from 99 - Order cancelled, to the status the purchase order item had before it was canceled. You activate a canceled purchase order item when you need to change the purchase order item.
Complete	Set the Item status to Complete, even if you have not received completely the item quantity ordered. A receive purchased item to stock (RP) transaction is used if the purchase order item is not an inspect on receipt item, and a purchase item QC complete/approved (PQ) transaction is used if the purchase order item is an inspect on receipt item.
Reopen	Reset the Item status from Complete to Received to stock, so that further activity can be entered against it. A receive purchased item to stock (RP) transaction is used if the purchase order item is not an inspect on receipt item, and a purchase item QC complete/approved (PQ) transaction is used if the purchase order item is an inspect on receipt item.
Receive	Receive a purchase order item (partially or completely) to dock, inspection or stock, and return to the vendor some or all of the quantity received. XA creates one or more transactions (RD, RI, RP, and VR) depending on the template selected and the options chosen.
Vendor Accept	Indicate that the vendor has received the purchase order and agrees to the associated terms and conditions, and promises to deliver all the purchase order items and purchase order item releases on one date. An accept promised date (VA) transaction must be entered on each item or release with a different promised date to correctly reflect the date or dates. You may enter multiple accept promised date (VA) transactions if the vendor changes the promised date multiple times, providing no user has processed a receive transaction for the purchase order item.

From the File menu, Host Print ... option on the Purchase Order Items list window or card file, you can generate the following report:

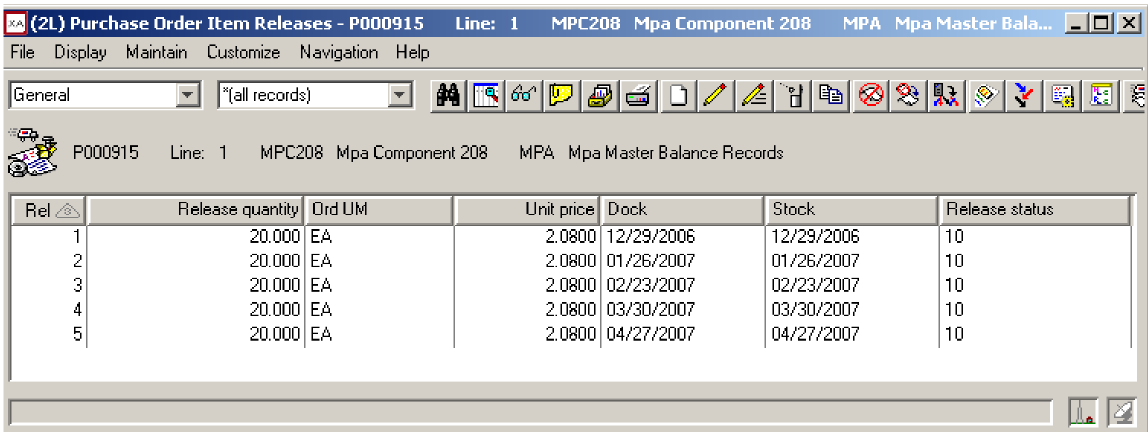
Host Print	Use this report to
Price Variance	Show the variance among the standard, actual, and expected costs of a purchase order.

Purchase Order Item Releases



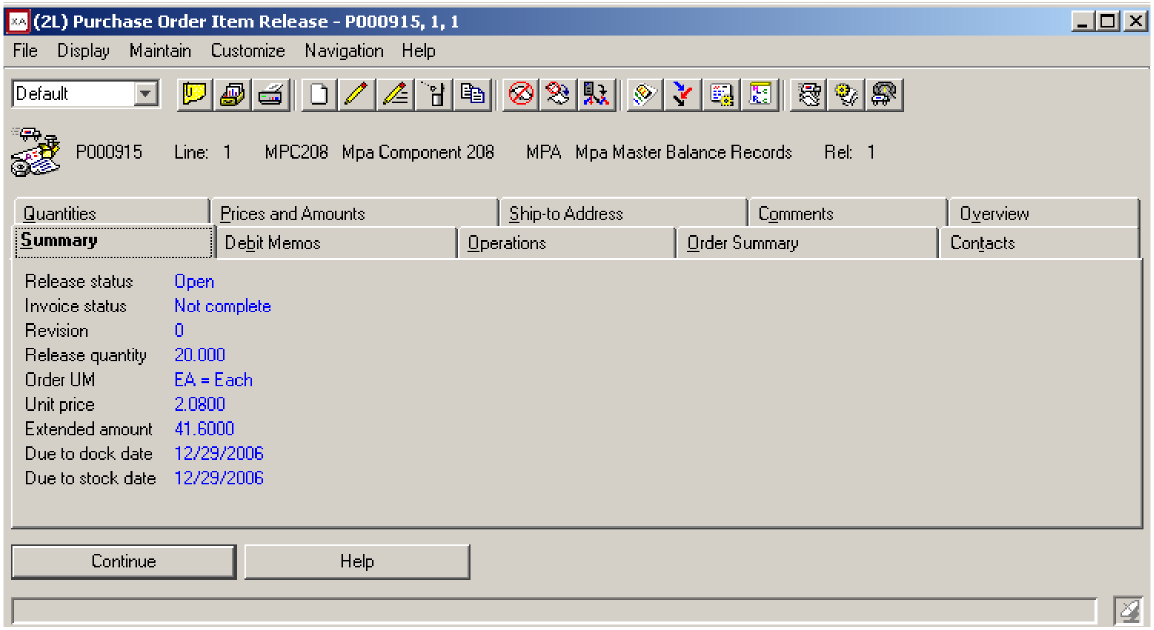
The Purchase Order Item Releases object contains release information for the items on purchase orders, including release quantity, dock and stock dates, and release status.

The Purchase Order Item Releases list window displays details of orders, and includes the following information:



- Order
- Line
- Item
- Release
- Release quantity
- Order UM
- Unit price
- Due to dock date
- Due to stock date
- Release status.

The Default card file for the Purchase Order Item Releases object contains ten cards:



Card	Displays this information
Summary	Purchase order item release information.
Debit Memos	Debit memos for the purchase order item release.
Operations	Operations performed when receiving the purchase order item release from dock to stock.
Order Summary	Purchase order information and dates.
Contacts	Contact information for the vendor, ship-to address, buyer, and planner associated with the purchase order item release.
Quantities	Quantities for the purchase order release. Tabs are As Ordered, As Stocked, and Dates and Lead Times.
Prices and Amounts	Unit prices and extended amounts that apply to the purchase order item release. You view this information by selecting the Prices and Amounts tab.
	Variance data that applies to the purchase order item release. You view this information by selecting the Variance tab.
Ship-to Address	Address information for where the vendor will ship the purchase order item release.
Comments	Comments that have been provided about the purchase order item release. You can add comments about the purchase order item release to three tabs: Order, Closeout, and Internal.
Overview	Purchase orders, purchase order items, and purchase order item releases in an indented outline.

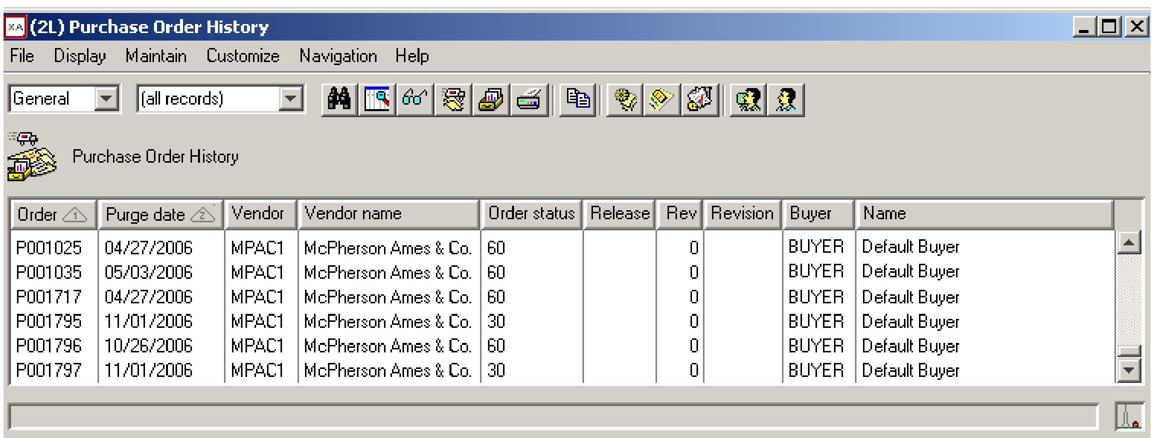
From the Maintain menu on the Purchase Order Item Releases list window or card file, you can perform the following options:

Option	Use this option to
Import Operations	Import operations from the PM routing associated with an item. These operations are performed when users receive the purchase order item release from dock to stock.
Cancel	Cancel a purchase order item release that is active. XA changes the status of the purchase order item release to 99 - Order cancelled.
Activate	Activate a canceled purchase order item release. XA changes the status of the purchase order item release from 99 - Order cancelled, to the status the purchase order item release had before it was canceled. You activate a canceled purchase order item release when you need to change the purchase order item release.
Complete	Set the Release status to Complete, even if you have not received completely the release quantity ordered. A receive purchased item to stock (RP) transaction is used if the purchase order item release is not an inspect on receipt item, and a purchase item QC complete/ approved (PQ) transaction is used if the purchase order item release is an inspect on receipt item.
Reopen	Reset the Release status from Complete to Received to stock, so that further activity can be entered against it. A receive purchased item to stock (RP) transaction is used if the purchase order item release is not an inspect on receipt item, and a purchase item QC complete/ approved (PQ) transaction is used if the purchase order item release is an inspect on receipt item.
Receive	Receive a purchase order item release (partially or completely) to dock, inspection or stock, and return to the vendor some or all of the quantity received. XA creates one or more transactions (RD, RI, RP, and VR) depending on the template selected and the options chosen.
Vendor Accept	Indicate the vendor has received the purchase order and agrees to the associated terms and conditions, and promises to deliver all the purchase order items and purchase order item releases on one date. An accept promised date (VA) must be entered on each item or release with a different promised date to correctly reflect the date or dates. You may enter multiple accept promised date (VA) transactions if the vendor changes the promised date multiple times, providing no user has processed a receive transaction for the purchase order item release.

Purchase Order History

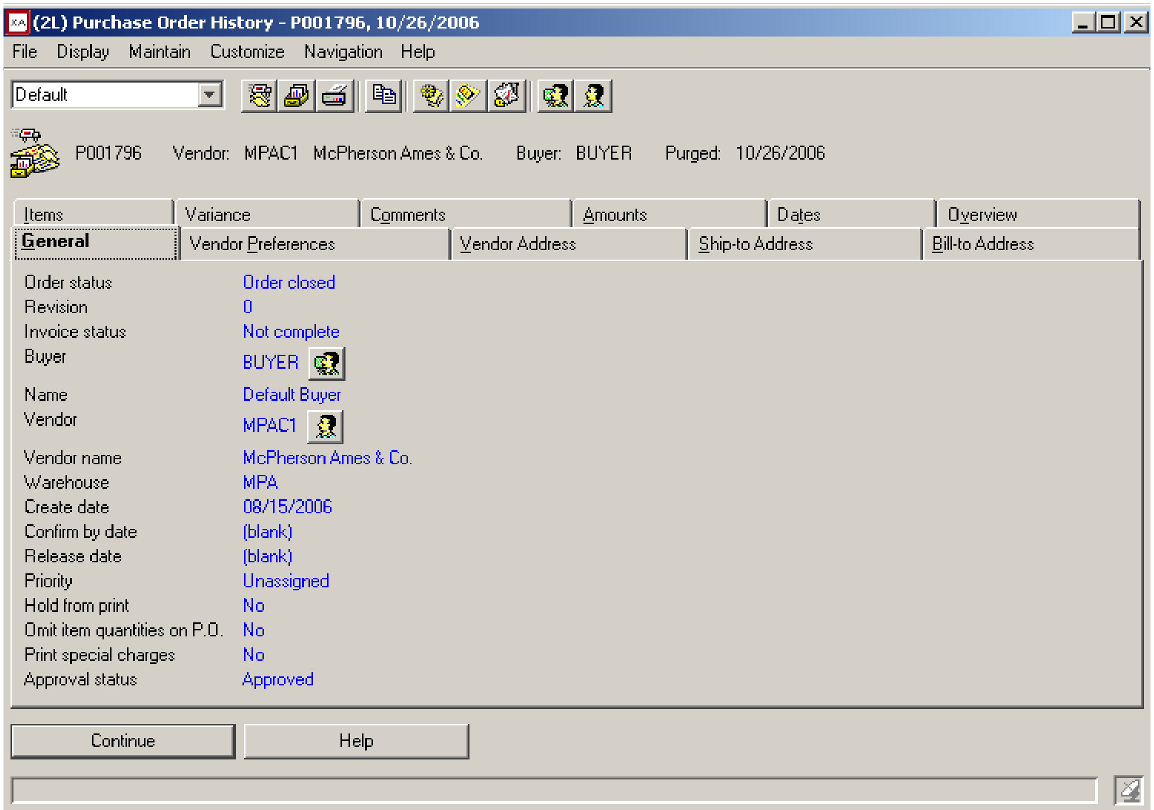
The Purchase Order History object contains information about closed purchase orders, including price, delivery, vendor performance, and other information accumulated during the life of the purchase order; such as comments and information about purchase order items, purchase order item releases, and sources of demand. Use this object to view information about purged purchase orders. You can also copy purged purchase orders to create purchase orders with the same information.

The Purchase Order History list window displays a list of purged purchase orders and includes the following information:



- Order
- Purge date
- Vendor
- Vendor name
- Order status
- Release date
- Revision
- Last revision date
- Buyer
- Name.

The Default card file for the Purchase Order History object contains eleven cards:



Card	Displays this information
General	Closed purchase order information.
Vendor Preferences	Vendor’s choices for shipping and currency.
Vendor Address	Vendor address information.
Ship-to Address	Address information for where the vendor shipped the purged purchase order.
Bill-to Address	Address information for where the vendor sent the invoice for the purged purchase order.
Items	Items entered on the purged purchase order. You can view the list as the items were requested or approved by selecting the appropriate tab.
Variance	Variance among the standard, actual, and expected costs of items and releases on a purged purchase order.
Comments	Comments that have been provided for the purged purchase order.
Amounts	Total amounts that apply to the entire purged purchase order.
Dates	Dates that apply to the entire purged purchase order.
Overview	Purged purchase orders, purchase order items, and purchase order item releases in an indented outline.

From the Maintain menu on the Purchase Order History list window or card file, you can perform the following option:

Option	Use this option to
Copy to Purchase Order	Create a new purchase order using information from the purged order.

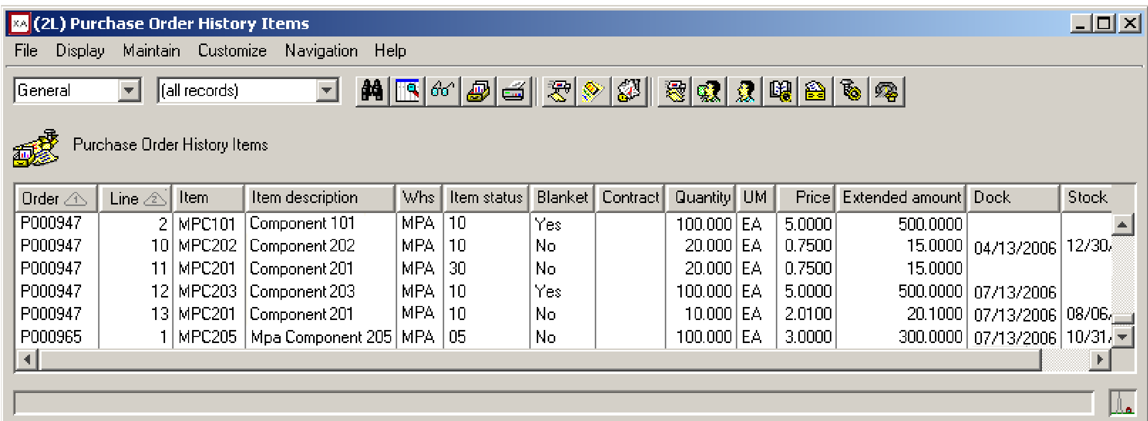
From the File menu, Host Print ... option on the Purchase Order History list window or card file, you can generate the following report:

Host Print	Use this report to
Price Variance	Show you the variance among the standard, actual, and expected costs of a purged purchase order.

Purchase Order History Items

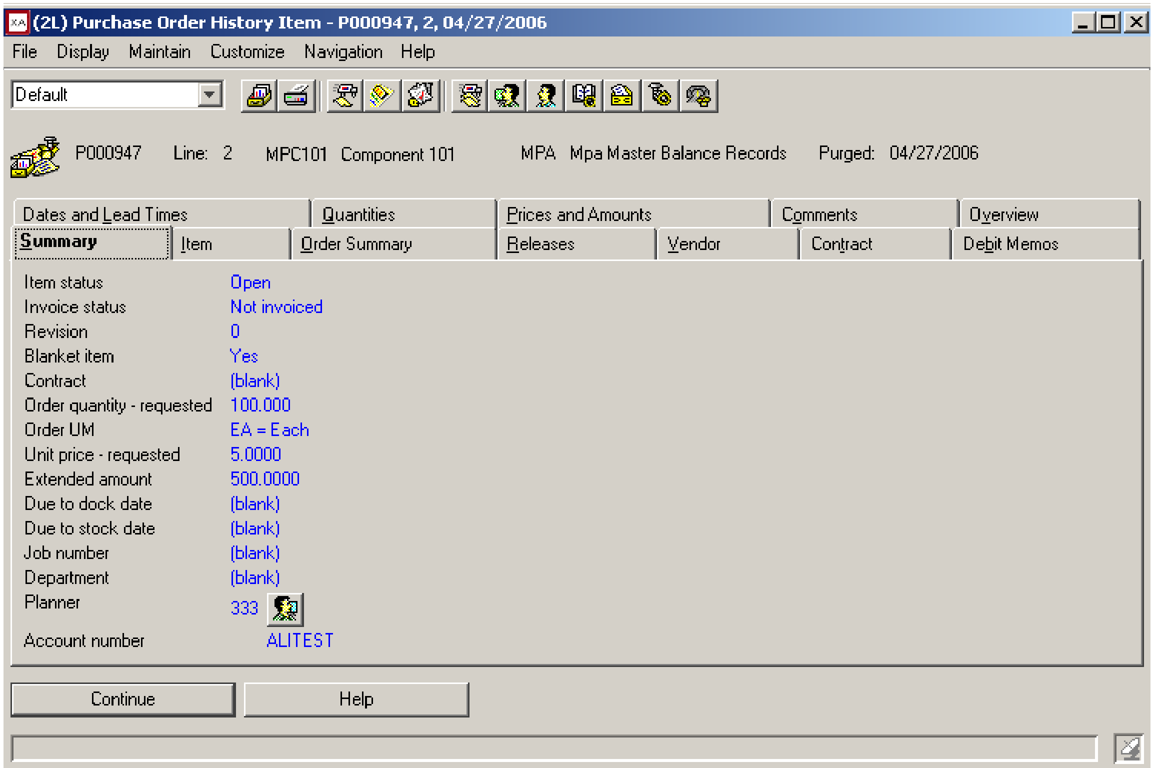
Purchase Order History Items contains detailed information about the materials and supplies your company ordered on each selected purchase order history record. A purchase order history item retains relationships to other objects and information about releases related to the item, comments entered for the purchase order item, debit memos received against the purchase order item, and the sources of demand that initiated the purchase of the item.

The Purchase Order History Items list window displays a list of items and includes the following information:



- Order
- Line
- Item
- Item description
- Warehouse
- Item status
- Blanket item
- Contract
- Order quantity - requested
- Order UM
- Unit price - requested
- Extended amount
- Due to dock date
- Due to stock date.

The Default card file for the Purchase Order History Items object contains twelve cards:



Card	Displays this information
Summary	Purged purchase order item information.
Item	Item categories, location, and use.
Order Summary	Purchase order information and dates.
Releases	Releases for the purged purchase order item. You can view the releases as ordered or as stocked.
Vendor	Vendor information for the vendor who supplied the purged purchase order item.
Contract	Contract information for the contract that applies to the purged purchase order item.
Debit Memos	Debit memos entered against the purged purchase order item.
Dates and Lead Times	Lead times and dates that applied to the purchase and delivery of the purged purchase order item.
Quantities	Quantities and factors used to calculate quantities for the purged purchase order item.
Prices and Amounts	Unit prices and extended amounts that applied to the purged purchase order item. You view this information on the Prices and Amounts tab.
	Variance data that applied to the purged purchase order item. You view this information by selecting the Variance tab.

Card	Displays this information
Comments	Comments that have been provided for the purged purchase order item.
Overview	Purged purchase orders, purchase order items, and purchase order item releases in an indented outline.

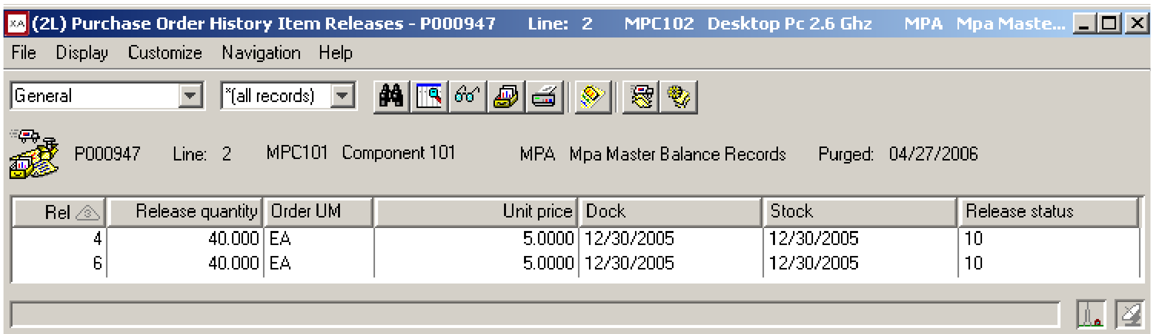
From the File menu, Host Print ... option on the Purchase Order History Items list window or card file, you can generate the following report:

Host Print	Use this report to
Price Variance	Show the variance among the standard, actual, and expected costs of a purged purchase order.

Purchase Order History Item Releases

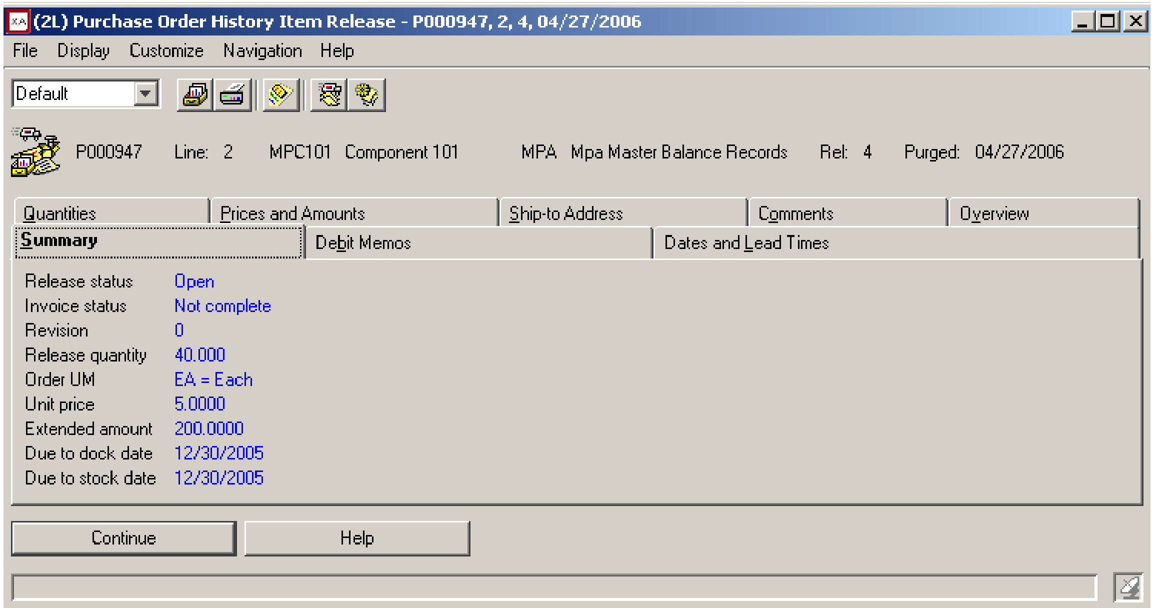
The Purchase Order History Item Releases object contains release information about the item on purged purchase orders, including release quantity, dock and stock dates, and release status.

The Purchase Order History Item Releases list window displays details of orders and includes the following information:



- Release
- Release quantity
- Order UM
- Unit price
- Due to dock date
- Due to stock date
- Release status.

The Default card file for the Purchase Order History Item Releases object contains eight cards:

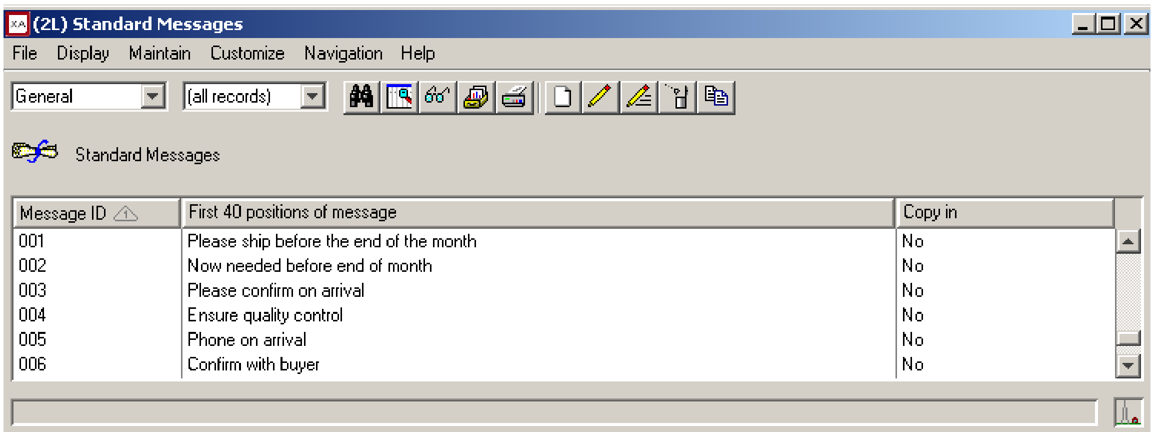


Card	Displays this information
Summary	Purged purchase order item release information.
Debit Memos	Debit memos for the purged purchase order item release.
Dates and Lead Times	Lead times and dates that applied to the purchase and delivery of the purged purchase order item release.
Quantities	Quantities for the purged purchase order release.
Prices and Amounts	Unit prices and extended amounts that apply to the purged purchase order item release. You view this information on the Prices and Amounts tab.
	Variance data that applies to the purged purchase order item release. You view this information by selecting the Variance tab.
Ship-to Address	Address information for the address where the vendor shipped the purged purchase order item release.
Comments	Comments that have been provided for the purged purchase order item release.
Overview	Purged purchase orders, purchase order items, and purchase order item releases in an indented outline.

Standard Messages

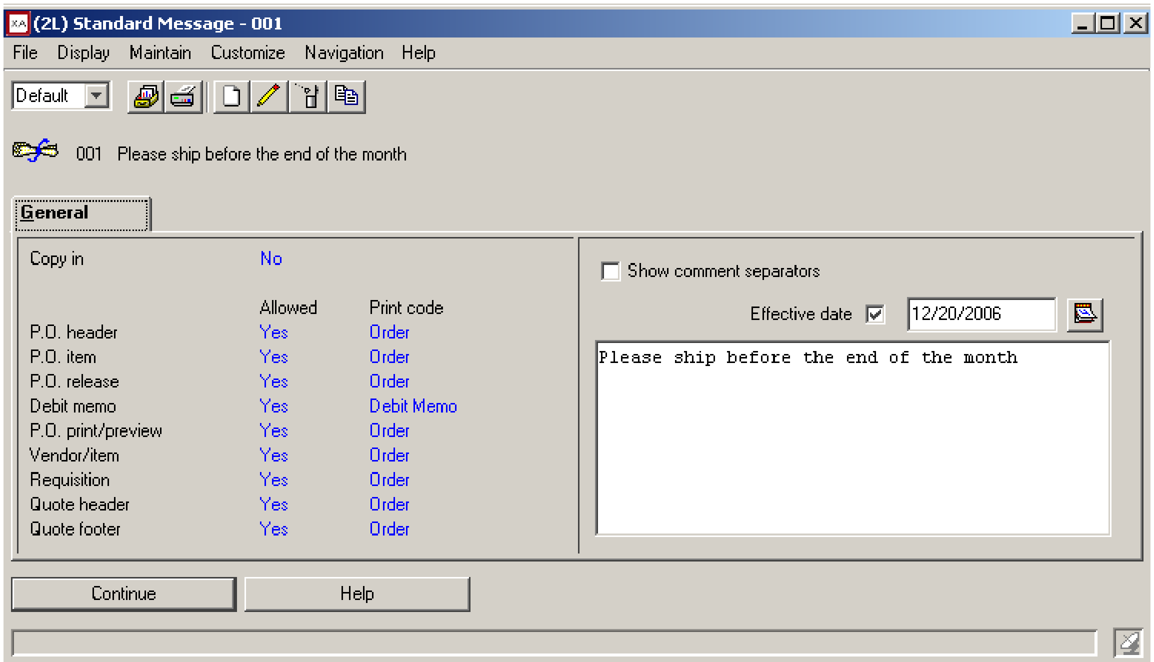
Standard messages are comments defined by your company for common use in quotes, contracts, requisitions, or purchase orders. These messages contain content that can apply to documents sent to multiple vendors, such as “Quoted terms valid 60 days from receipt” or “Overnight or expedited shipping required.” Effective dates associated with the message determine when and how long the message is available for use.

The Standard Messages list window displays a list of messages and includes the following information:



- Message ID
- First 40 positions of message
- Copy in.

The Default card file for Standard Messages object consists of one General card. The card contains information about the documents in which you can use the standard message and whether you use the message by reference or by copying it into the document. The General card also shows the text of the message.



From the Maintain menu on the Standard Messages list window or card file, you can perform the following option:

Option	Use this option to
Mass Change Message Text	Replace the existing text in all of the messages in the Standard Messages list window or of a subset of messages. This option does not affect the Copy in, Allowed, or Print code values for any messages.

Debit Memos

The Debit Memos object shows information about purchase orders, purchase order items and purchase order item releases where users entered a return purchased item (VR) transaction.

The Debit Memos object is a lower-level object that exists in combination with other objects. It combines debit memo information with six objects and results in the following list windows:

Purchase Order Debit Memos: On the Display menu for Purchase Orders, select the option, Purchase Order Debit Memos. The list window displays debit memo details for the selected purchase order.

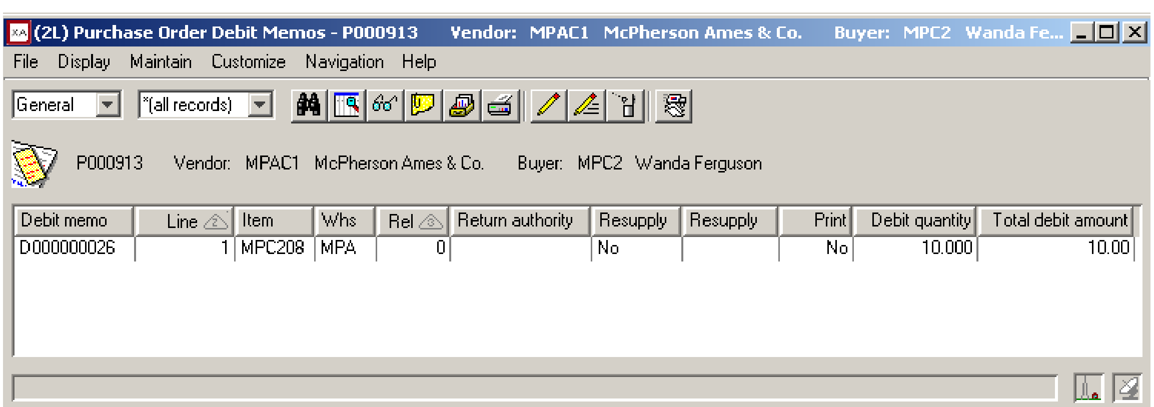
Purchase Order History Debit Memos: On the Display menu for Purchase Order History, select the option, Purchase Order History Debit Memos. The list window displays debit memo details for the selected purged purchase order.

Purchase Order Item Debit Memos: On the Display menu for Purchase Order Items, select the option, Purchase Order Item Debit Memos. The list window displays debit memo details for the selected purchase order item.

Purchase Order History Item Debit Memos: On the Display menu for Purchase Order History Items, select the option, Purchase Order History Item Debit Memos. The list window displays debit memo details for the selected purged purchase order item.

Purchase Order Item Release Debit Memos: On the Display menu for Purchase Order Items, select the option, Purchase Order Item Releases. On the Display menu of Purchase Order Item Releases, select the option, Purchase Order Item Release Debit Memos. The list window displays debit memo details for the selected purchase order item release.

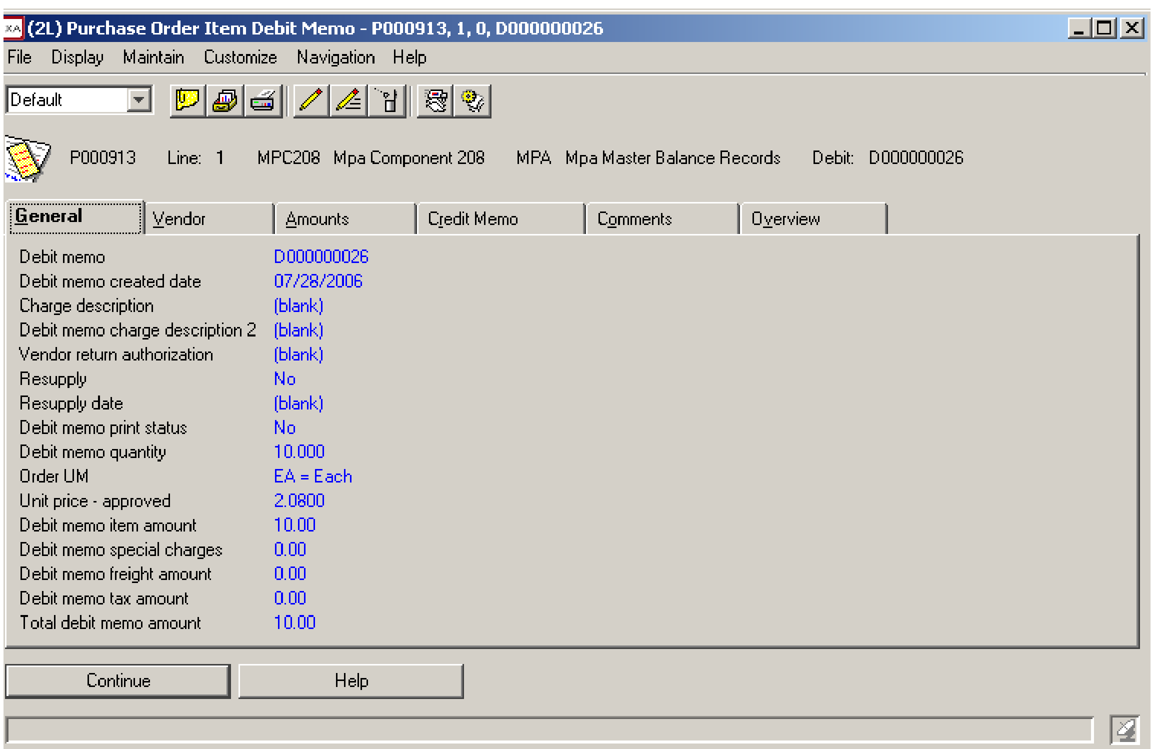
Purchase Order History Item Release Debit Memos: On the Display menu for Purchase Order History Items, select the option, Purchase Order History Item Releases. On the Display menu of Purchase Order History Item Releases, select the option, Purchase Order History Item Release Debit Memos. The list window displays debit memo details for the selected purged purchase order item release.



The list windows include the following columns of information:

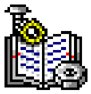
	P.O. / P.O. History	P.O. Items / P.O. History Items	P.O. Item Releases P.O. History Item Releases
Debit memo	✓	✓	✓
Order	✓		
Line	✓		
Item	✓		
Warehouse	✓		
Release	✓		
Vendor return authorization	✓	✓	✓
Resupply	✓	✓	✓
Resupply date	✓	✓	✓
Debit memo print status	✓	✓	✓
Debit memo quantity	✓	✓	✓
Order UM		✓	✓
Total debit memo amount	✓	✓	✓

The Default card file for the Debit Memos object contains six cards:



Card	Displays this information
General	Debit memo information such as created date, charge descriptions, resupply information, and amounts.
Vendor	Vendor information for the vendor associated with the debit memo.
Amounts	Total amounts that apply to the debit memo.
Credit Memo	Quantities and amounts for the credit memo if a credit memo exists for the selected debit memo.
Comments	Comments that have been provided for the debit memo.
Overview	Purchase orders, purchase order items, purchase order item releases, and debit memos in an indented outline.

Purchase Order Performance



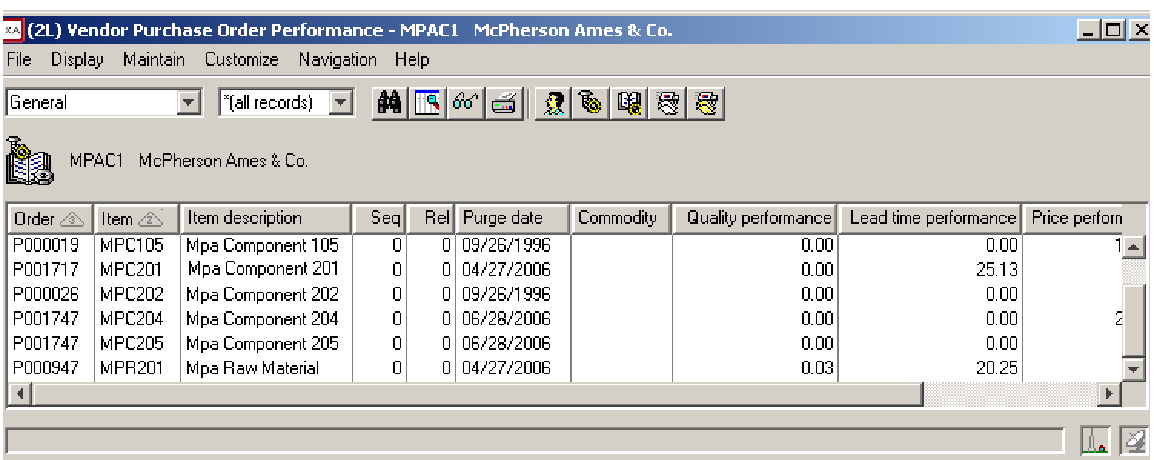
The Purchase Order Performance object shows performance statistics for purchase orders. XA calculates the statistics during order closeout and purge. During the purge, XA updates the Vendors and Vendor Items objects with performance information.

The Purchase Order Performance object is a lower-level object that exists in combination with other objects. It combines statistical information about purchase orders with the Vendors and Vendor Items objects. This combination results in two list windows:

Vendor Purchase Order Performance: On the Display menu for Vendors, select the option, Vendor Purchase Order Performance. The list window displays purchase order performance information for the purchase order history records that contain any items supplied by the selected vendor.

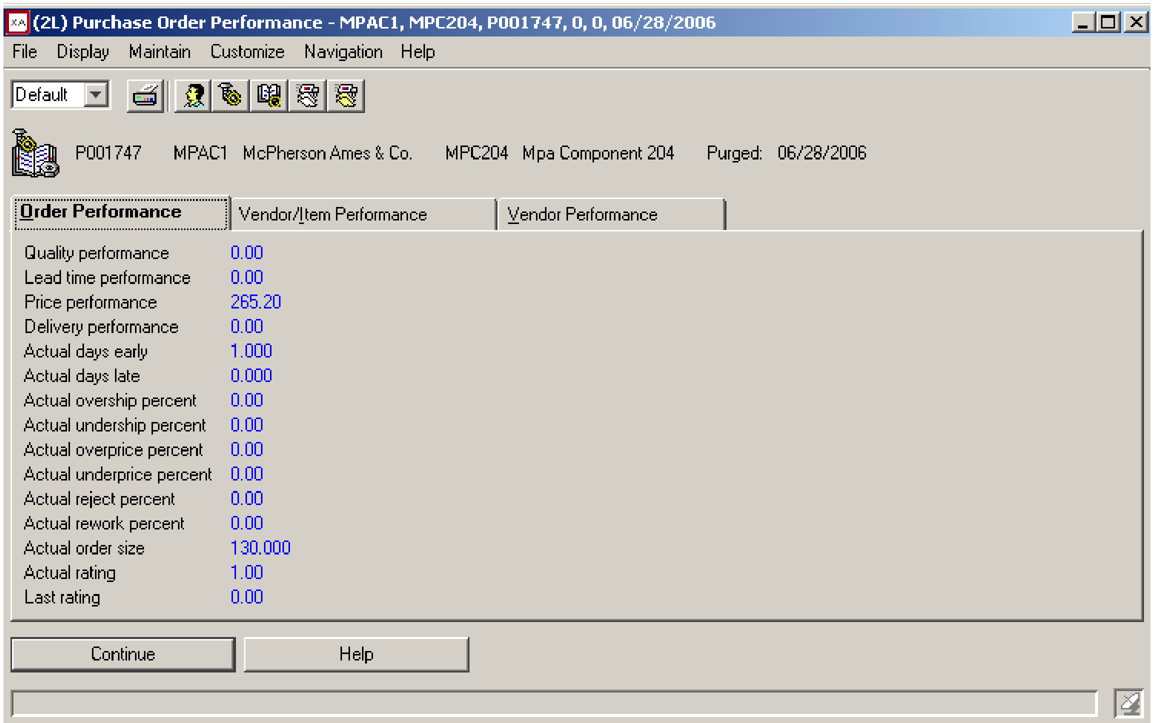
Vendor/Item Purchase Order Performance: On the Display menu for Vendor Items, select the option, Vendor/Item Purchase Order Performance. The list window displays purchase order performance information for the purchase history records that contain the selected item and vendor.

The list windows include the following information:



- Vendor
- Name
- Order
- Item
- Item description
- Item sequence
- Release
- Purge date
- Purchased item commodity class
- Quality performance
- Lead time performance
- Price performance
- Delivery performance.

The Default card file for the Purchase Order Performance object contains three cards:



Card	Displays this information
Order Performance	Actual measurements and percentages for the selected purchase order.
Vendor/Item Performance	Averages, ratings, and percentages for the vendor's performance for delivering the selected item across all purchase orders.
Vendor Performance	Averages, ratings, and percentages for the vendor's performance for delivering all items across all purchase orders.

Receiving Operations

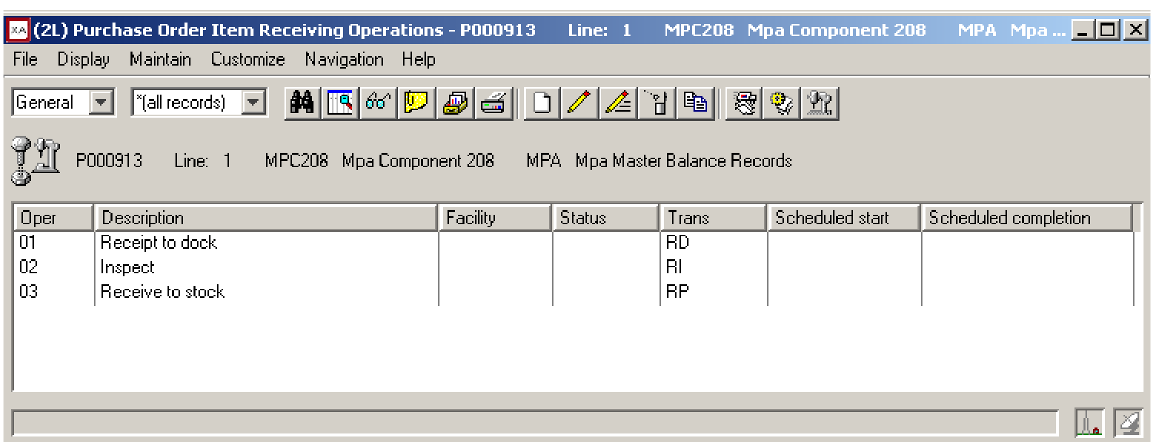
The Receiving Operations object provides a method for tracking the movement of purchased items and purchase order item releases through the dock-to-stock process. The Routing record associated with a purchased item contains standard receiving operations for that item.

The Receiving Operations object is a lower-level object that exists in combination with other objects. It combines receiving information with Purchase Order Items and Purchase Order Item Releases and results in the following list windows:

Purchase Order Item Receiving Operations: On the Display menu for Purchase Order Items, select the option, Purchase Order Item Receiving Operations. The list window displays the receiving operations for the selected purchase order item.

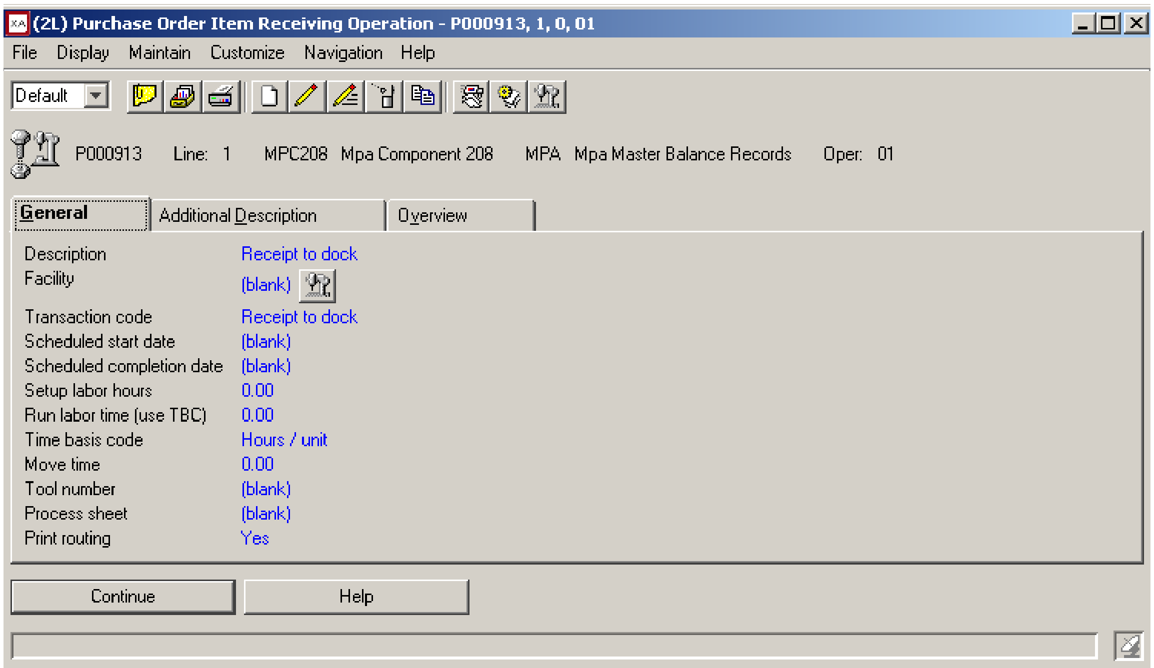
Purchase Order Item Release Operations: On the Display menu for Purchase Order Items, select the option, Purchase Order Item Releases. On the Display menu for Purchase Order Item Releases, select Purchase Order Item Release Operations. The list window displays the receiving operations for the selected purchase order item release.

The list windows include the following information:



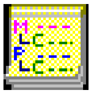
- Operation sequence
- Description
- Facility
- Operation status
- Transaction code
- Scheduled start date
- Scheduled completion date.

The Default card file for the Receiving Operations object contains three cards:



Card	Displays this information
General	Receiving operations for the purchase order item or purchase order item release, including information about the facility, the dates, and the labor schedules associated with the operation.
Additional Description	Descriptions your company has provided about the receiving operation.
Overview	Purchase orders, purchase order items, and purchase order item releases in an indented outline.

Sources of Demand



The Sources of Demand object shows all the sources of demand for purchase order items and purchase order item releases. The sources of demand information is also stored with the purchase order history records when XA purges the purchase order.

The Sources of Demand object is a lower-level object that exists in combination with other objects. It combines source of demand information with five objects and results in the following list windows:

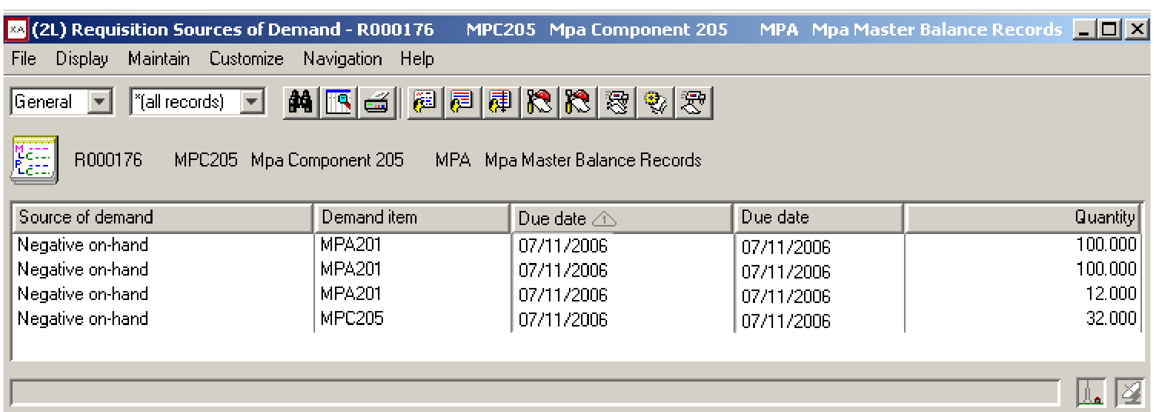
Purchase Order Item Sources of Demand: On the Display menu for Purchase Order Items, select the option, Purchase Order Item Sources of Demand. The list window displays the source of demand for the selected purchase order item.

Purchase Order Item Release Sources of Demand: On the Display menu for Purchase Order Items, select the option, Purchase Order Item Releases. On the Display menu of the Purchase Order Item Releases, select the option, Purchase Order Item Release Sources of Demand. The list window displays the sources of demand for the selected purchase order item release.

Purchase Order History Item Sources of Demand: On the Display menu for Purchase Order History Items, select the option, Purchase Order History Item Sources of Demand. The list window displays the sources of demand for the selected purged purchase order item.

Purchase Order History Item Release Sources of Demand: On the Display menu for Purchase Order History Items, select the option, Purchase Order History Item Releases. On the Display menu of the Purchase Order History Item Releases, select the option, Purchase Order History Item Release Sources of Demand. The list window displays the sources of demand for the selected purged purchase order item release.

Requisition Sources of Demand: On the Display menu for Requisitions, select the option, Requisition Sources of Demand. The list window displays the sources of demand for the selected requisition.



The list windows include the following information:

	P.O. Items / P.O. Item Releases / Requisitions	P.O. History Items / P.O. History Item Releases
Source of demand	✓	✓
Demand item	✓	✓
Component requirement due date	✓	
Requirement due date	✓	✓
Requirement quantity	✓	✓

The Sources of Demand object has no card file.

Code Files

Most code files consist of a code and a code description that allow you to name and describe a piece of information PM uses often. Some code files such as Free on Boards (FOBs) contain additional information. For example, FOBs also contain information about the shipment method of payment and the transportation location qualifier. After you set up values for code files, they are available to maintainable objects that use them.

Code file	Code that identifies
FOBs	The point at which the buyer’s company assumes ownership of the items they are purchasing.
Landed Costs	The costs associated with importation, such as duty and brokerage, that are not invoiced and the accounts used to record these costs. Controls how XA applies landed costs uplifts to vendor’s invoices. The code you enter must reference a record in the Landed Cost Master file. You do not use this attribute when IFM is installed.
Purchased Item Commodities	The commodity class for a purchased item.
Ship vias	The method of shipment used to deliver goods.
Terms	The terms. Includes invoice discount percent, offset payment days, and terms discount days due information.
Unit of Measure Classes	The class of items with functionally equivalent units of measure.
Shipping Profiles	A shipping schedule profile. Your company defines these profiles. They contain information you use for creating purchase shipping schedules, for printing, or for sending EDI 862 transactions.
EU Ports of Entry	The normal port of entry for goods in the EU. EU ports of Entry are maintainable in CAS.

Euro currency considerations

If your company conducts business in any euro-participating country, or if you buy from vendors or sell to customers who provide invoices in a euro-participating currency, you need to understand and use euro currency. If your local currency is a euro-participating currency, you also need to use the Euro Currency Conversion Aid tool to convert your local currency amounts from the national currency to the euro currency. This tool uses fixed exchange rates between the euro-participating currencies and the euro to convert local currency amounts to euro.

The currency conversion routine you use when XA processes customer and vendor transactions uses a concept called triangulation for converting currencies. XA converts amounts from a euro-participating currency to euro, then from euro to the second euro-participating currency. XA does not support a direct currency conversion between two euro-participating currencies.

To handle situations where vendors conduct business in both a euro-participating currency and in euros, you can assign an alternate currency to the vendors. The alternate currency can be a euro-participating currency or euros. When you use alternate currency, amounts for the vendor appear online and in vendor documents in both the regular trading currency and in the alternate currency. The alternate currency lets you quickly see amounts in the euro-participating currency and in euros. For example, seeing amounts in both currencies is useful when working with vendors who conduct business in their trading currency but accepts payments in euros.

In PM, there are rules to define the relationship between the trading currency and the alternate currency.

If trading currency is	alternate currency will be
euro	euro currency or any euro-participating currency.
euro-participating	euro currency or the trading currency.
not euro-related	only the trading currency.

PM shows you amounts in the alternate currency as well as the trading and local currencies. By showing amounts in all three currencies, PM makes responding to various requests for amounts easy. For example, if you have a question for a vendor who conducts business in its local currency but accepts your payments in euros, you can see amounts you ordered in both euros and the local currency. You do not need to perform a currency conversion task to determine the euro amount in local currency.

The following PM objects show amounts in alternate currency, trading currency, and local currency:

- Vendor
- Contract
- Quantity/Prices for quotes or contracts
- Purchase order header, purchase order item, and purchase order item releases
- Purchase order history header, purchase order history items, and purchase order history item releases
- Debit memos for both open purchase orders and purged purchase orders.

The alternate currency, trading currency, and local currency amounts appear on the Multi-Currency Support (MCS) version of the appropriate cards for these objects.

Information flow

PM information flow is driven by the creation and processing of the important purchasing documents:

- Requisitions
- Quotes
- Contracts
- Purchase Orders
- Invoices.

PM creates and maintains all important purchasing documents except invoices, which XA processes through PUR, or AP, or IFM.

Step	Application	Object
1. Requisitions		
Create requisitions.	PM	In Requisitions, use the Create option to create requisitions. PM also reviews and maintains requisitions generated from IM and MRP.
2. Vendors		
Create vendors.	PM	In Vendors, use the Create option to create buy-from vendors and assignee vendors.
Create IFM assignee vendors.	PM	In Vendors with IFM installed, use the Create option to create assignee vendors that process payment information using the Entity object.
Set automatic receiving advices.	PM	In Vendors, use the Send XML receiving advice option (Purchasing Settings card) to determine when XA sends XML receiving advices to vendors.
Set media settings.	PM	In Vendors, use the Media Settings card to determine the way XA sends purchase orders to Vendors.
3. Quotes and Contracts		
Create quotes.	PM	In Quotes, use the Create option to create quotes. **Note:** XA maintains responses to quotes received through EC in PUR.
Create contracts.	PM	In Contracts, use the Create option to create contracts.
4. Print analysis reports		
Print analysis reports.	PUR	Use PUR to print analysis reports.

Step	Application	Object
5. Create purchase orders		
Use requisitions.	PM	In Requisitions, use the Create Purchase Order option to create purchase orders.
Use quotes.	PM	In Quotes, use the Create Purchase Order option to create purchase orders.
Use contracts	PM	In Contracts, use the Create Purchase Order option to create purchase orders.
Create purchase order.	PM	In Purchase Orders, use the Create option to create purchase orders. PM also reviews and maintains purchase orders generated from IM and MRP. **Note:** You maintain P.O. acknowledgments received through EC in PUR.
6. Print purchase orders on-demand		
Print purchase orders.	PM	In Purchase Orders, use the Purchase Order host report to print purchase orders on-demand.
7. Negotiate purchase orders electronically with Vendors		
Change purchase orders.	Vendor Applications	If you are set up to negotiate purchase orders using vendor management software, you can use this software to change purchase orders.
8. Print purchase order tracking reports		
Track purchase orders.	PUR	Use PUR to print reports that track purchase orders.
9. Receive items to inventory		
Process receipts.	IM or MM	Use IM or MM to process receipts of purchase orders.
Receive purchased items.	PM	In Purchase Orders, use the Receive Complete option to receive a purchase order.
	PM	In Purchase Order Items, use the Receive option to receive a purchase order item.
	PM	In Purchase Order Item Releases, use the Receive option to receive a purchase order item release.

Step	Application	Object
10. Create invoices		
Create invoices	PUR, AP, IFM	Use PUR, AP, or IFM to create invoices. PUR sends invoice information to AP to be paid.
11. Close out and purge purchase orders		
Normal close purchase orders.	PM	In Purchase Orders, use the Normal Close option to close out a purchase order that you have received completely.
Force close purchase orders.	PM	In Purchase Orders, use the Force Close option to close out a purchase order that you have not received completely.
Mass force close purchase orders.	PM	In Purchase Orders, use the Mass Force Close option to close out all selected purchase orders that you have not received completely.
Purge purchase orders.	PM	In Purchase Orders, use the Purge host job to purge closed purchase orders.
12. Evaluate vendor performance		
View vendor performance.	PM	In Vendors, Vendor Items, Vendor Purchase Order Performance, or Vendor Items Purchase Order Performance use the list window to see performance for the vendor, each item supplied by the vendor, or each order for each vendor/item.

Procurement Management security

PM establishes security at the object level. The security you set up can be different for each of the PM objects depending on your company's needs. For information about setting up security, see the *Browser Concepts Guide* and the *Cross Application Support User's Guide.* For more information about attribute and task security set up for the Vendors object, see Chapter 3, "Creating and Selecting Vendors" on page 3-4 or Appendix B.

Chapter 2. Creating Requisitions and Monitoring Demand

Overview

Procurement involves purchasing items, equipment, and services your company needs to operate. The first step in procurement is to decide the goods and services you need to purchase by monitoring your company’s demand for materials. This chapter describes the process of assembling a list of items for which you are going to create purchase orders.

Figure 2-1, "Overview of monitoring demand for materials" shows four ways you can monitor your company’s demand for materials. In Procurement Management (PM), you can create and view requisitions and purchase requests. If Order-Based Production Management (OBPM) and Material Requirements Planning (MRP) are installed and interfacing, you can view MRP recommendations and reorder recommendations from these applications.

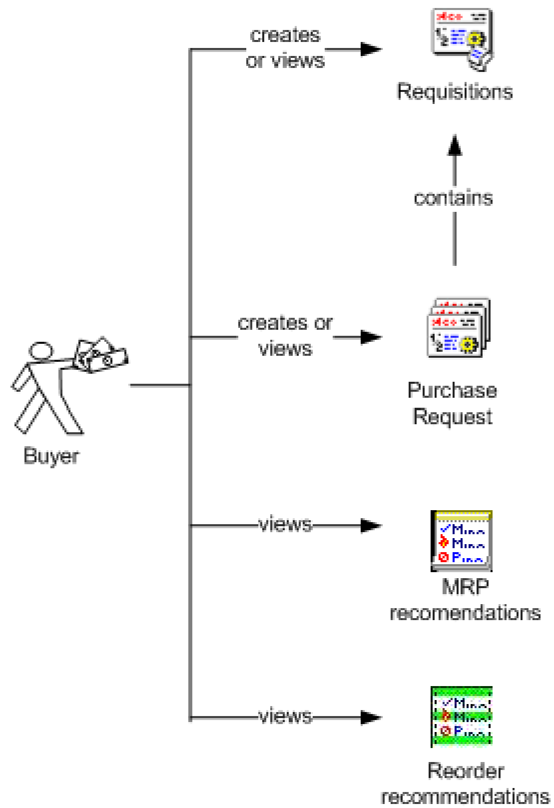


Figure 2-1. Overview of monitoring demand for materials

Purchase requests. A purchase request contains multiple related requisitions. A purchase request is like a header with requisitions for line items. When you create a purchase request, you can enter information for the Warehouse, Job number, Department, Ship-to, G/L information, and due dates attributes. You set this information up once on a purchase request so that you do not need to enter it each time you create a requisition. You can also add existing requisitions to the purchase request after it is created.

Requisitions. Requisitions are requests for goods and services. Requisitions contain an item and the quantity needed, date the item is required, requisitioner who needs the item, and the requisitioner's department. You submit requisitions for inventory, miscellaneous, and service items.

MRP Recommendations. MRP makes recommendations for items to purchase based on all the planned orders created for a warehouse during an MRP planning run. You can display MRP recommendations, create requisitions, and create purchase orders from MRP recommendations.

Reorder Recommendations. Reorder recommendations advise you about items in a warehouse with a quantity available below its reorder point. You can display reorder recommendations, create requisitions, and create purchase orders from reorder recommendations.

Creating purchase requests and requisitions

In PM, you can create purchase requests and requisitions, which buyers use to purchase inventory. PM provides two approaches to creating purchase requests and requisitions:

- Create the purchase request and requisitions at the same time. This approach reduces the amount of data entry when requisition information is defaulted from the purchase request.
- Create the requisition, either adding it to an existing purchase request or not.

You do not need to create purchase requests but adding requisitions to a single purchase request is more efficient and allows you to view these requisitions together from the Purchase Request card file.

Creating a purchase request and requisition

The following procedure assumes you want to create a purchase request and a requisition at the same time. From the Purchase Requests list window, select Create on the Maintain menu. The Create Purchase Request dialog opens.

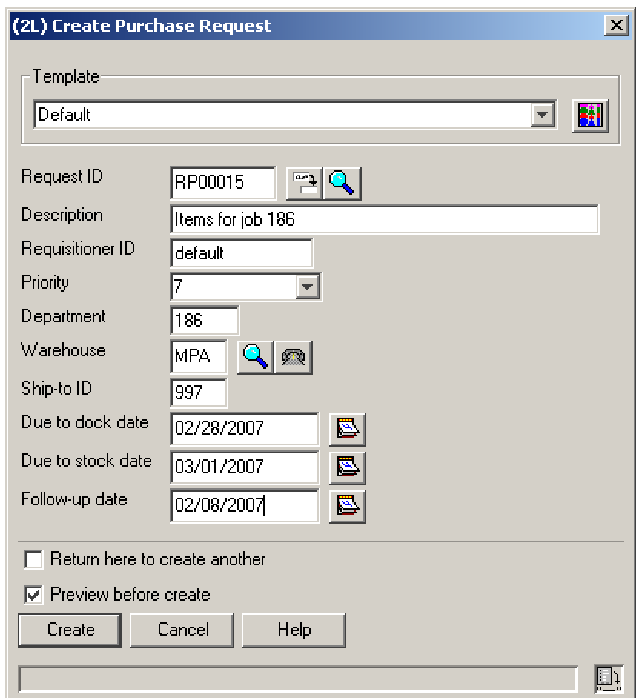


Figure 2-2. Create Purchase Request dialog

You enter the appropriate details on the Create Purchase Request dialog. Priority can be set to unassigned, lowest, or highest, or a value from 2 to 8. In this example, the priority is set at 7, a moderate to high priority.

You can select Preview before create to add information or create requisitions for the request. Click Create and the Create Purchase Request card file opens.

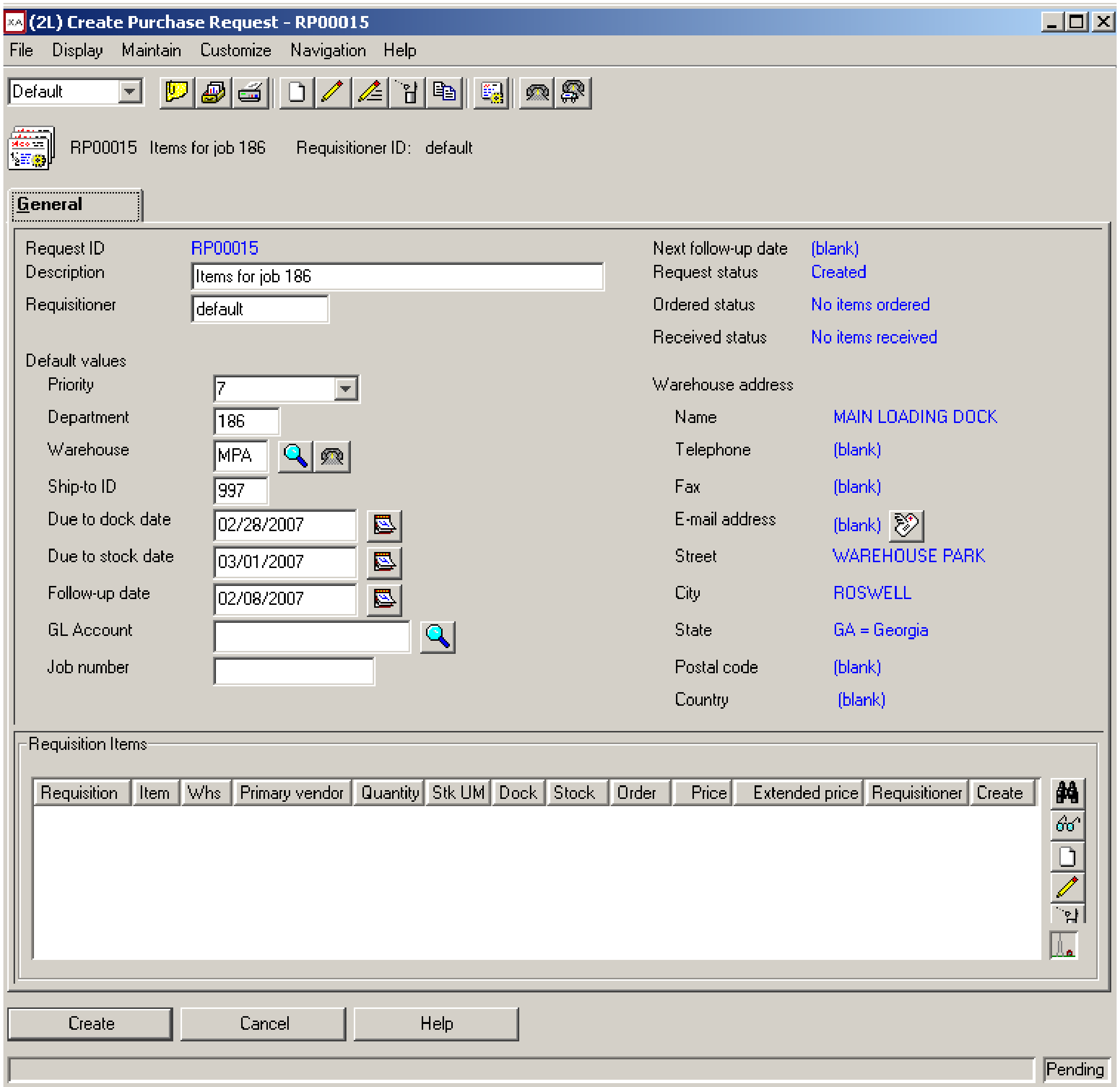


Figure 2-3. Create Purchase Request card file

The values you enter for Priority, Department, Warehouse, Ship-to ID, Due to dock date, Due to stock date, Follow-up date, GL Account number, and Job number will be used as the default values for creating the requisitions.

Add requisitions to the purchase request by clicking the Create button to the right of the Requisition Items list window. The Create Requisition dialog opens.

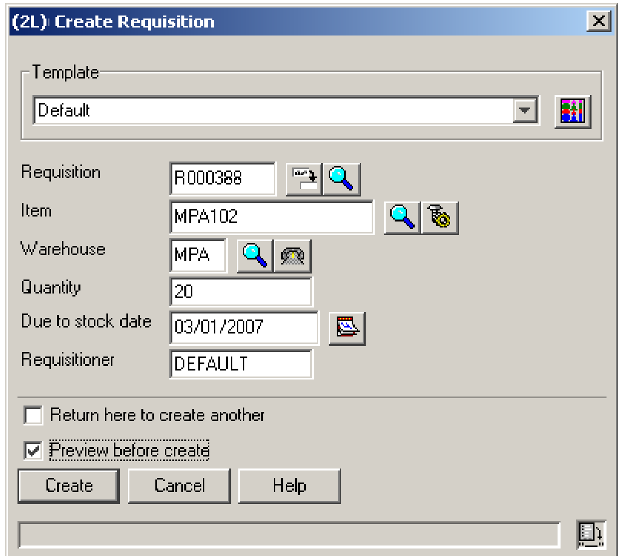


Figure 2-4. Create Requisition dialog

You enter the item and quantity for the requisition on this dialog. If necessary, you can change the other values defaulted from the purchase request, to new values for only this requisition.

If you want to add information for the requisition, select Preview before create. When you click Create, the Create Requisition card file opens.

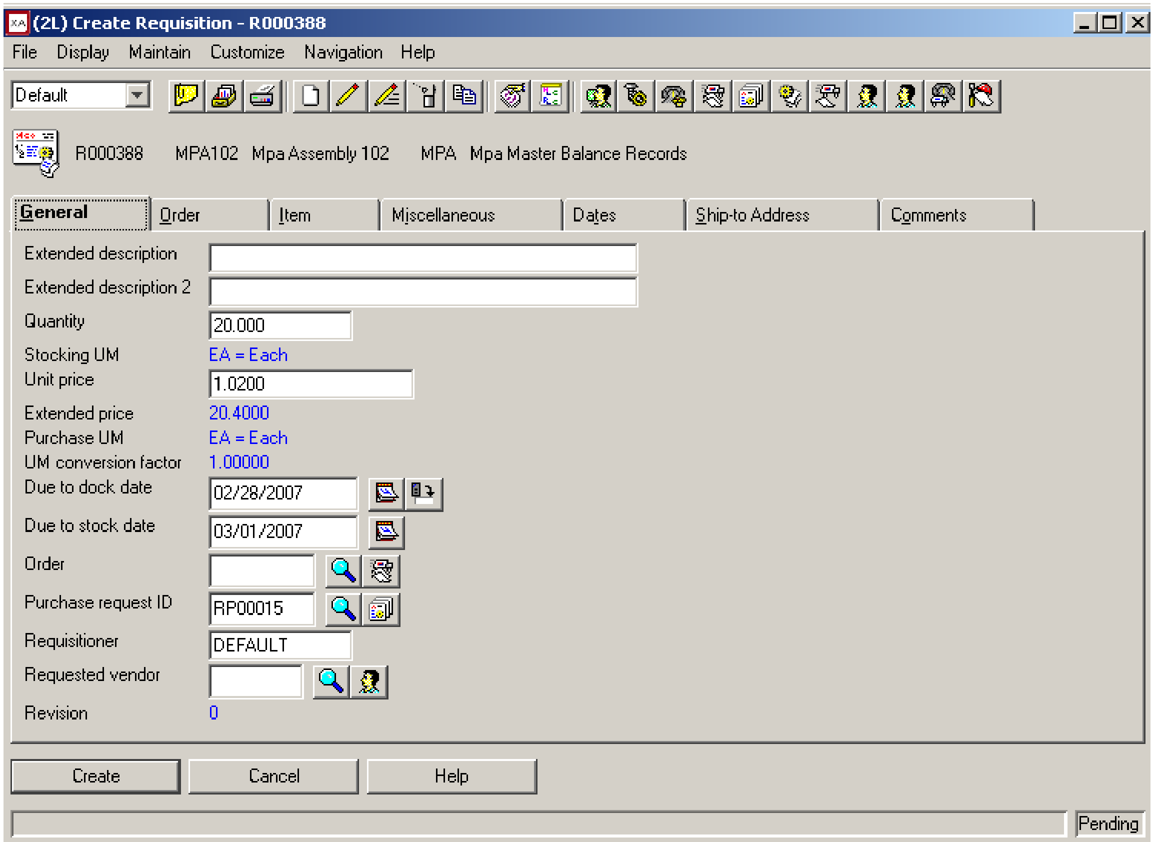


Figure 2-5. Create Requisition card file

Make any changes you require and finish creating the new requisition by clicking the Create button at the bottom. You return to the Create Purchase Request card file, where you can create more requisitions using the Create button to the right of the Requisition Items list.

Finish creating the purchase request by clicking the Create button at the bottom of the Create Purchase Request card file.

A Please Confirm prompt opens. In this example, you added one requisition to the purchase request.

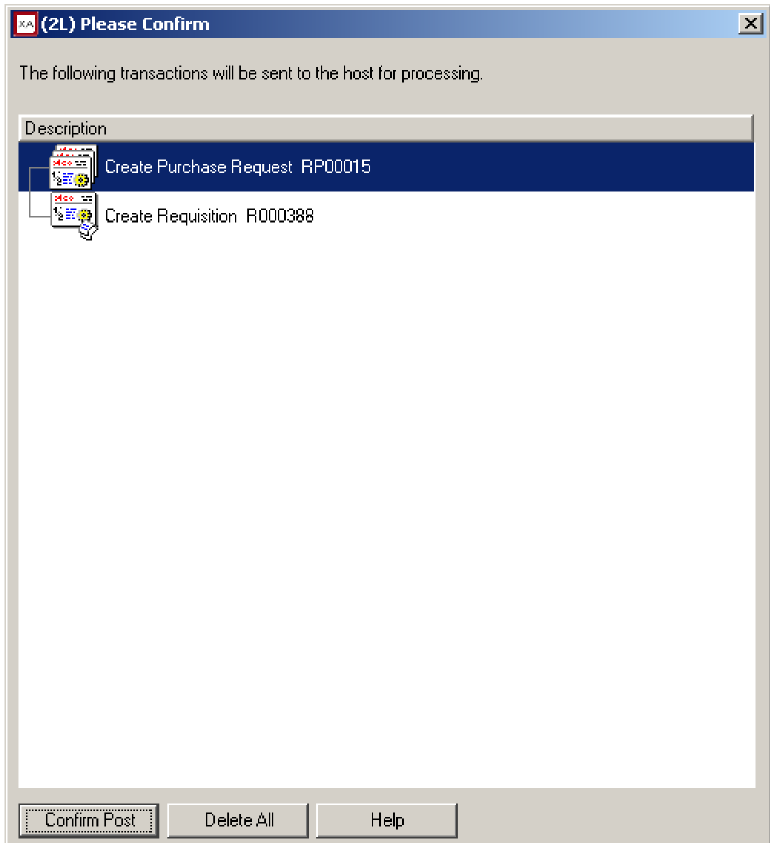


Figure 2-6. Please Confirm Create Purchase Request

Click the button, Confirm Post to create the purchase request and requisition.

Creating a requisition

The following procedure assumes you want to create a requisition and add it to an existing purchase request. From the Requisitions list window, select Create on the Maintain menu and the Create Requisition dialog opens.

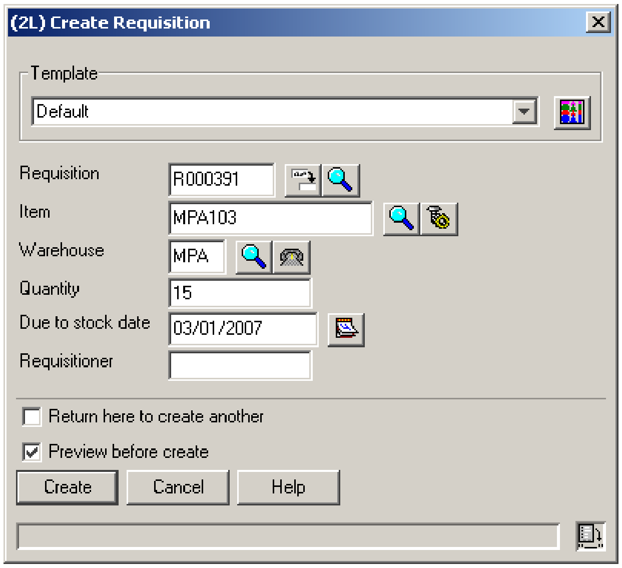


Figure 2-7. Create Requisition dialog

You enter the item and quantity for the requisition and any other values that are required.

If you want to return immediately to this dialog to create another requisition, deselect the Preview before create box and select Return here to create another. Click Create to create the requisition and open another Create Requisition dialog.

Note: If you deselect the Preview before create box, you cannot immediately add the requisition to a purchase request. Use this method when you are not adding requisitions to a purchase request. You can always add them later by adding a purchase request ID to each requisition.

However, if you do want to go to the Create Requisition card file to add requisition information or to add it to a purchase request, select Preview before create.

Click Create and the Create Requisition card file opens.

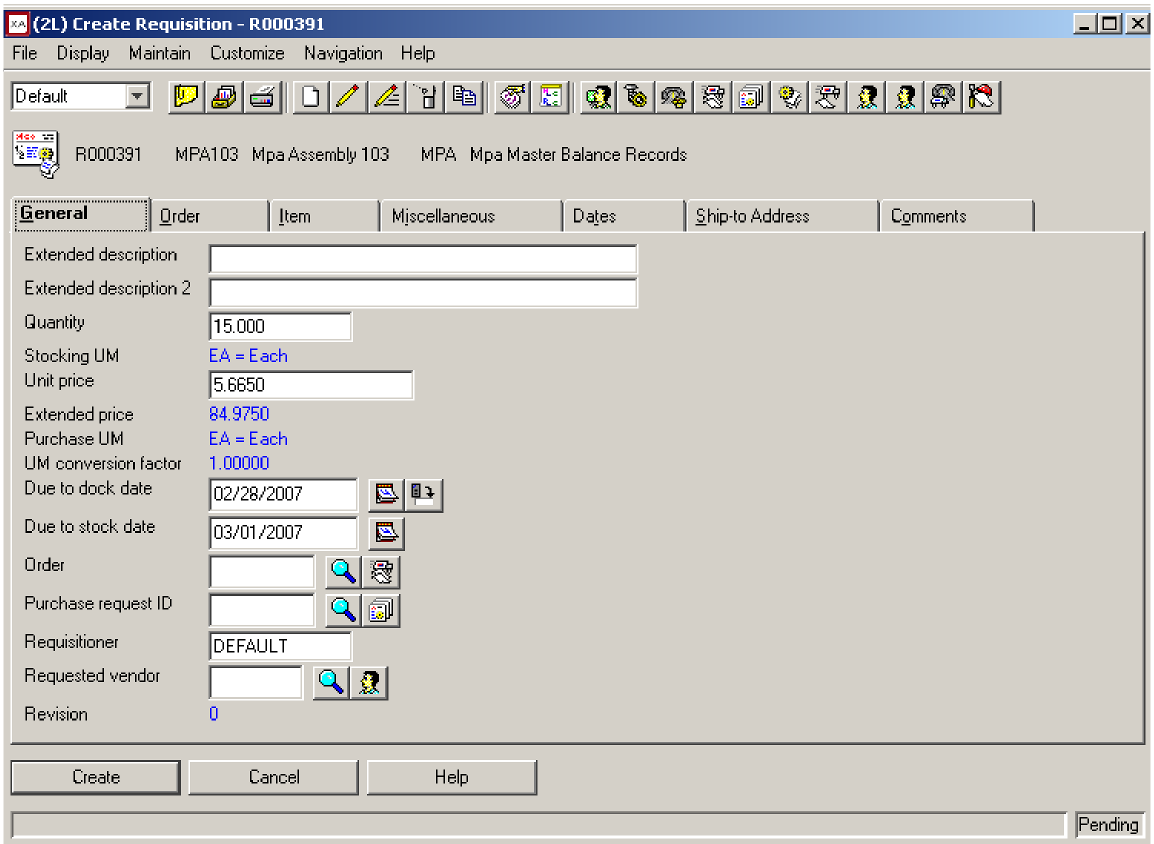


Figure 2-8. Create Requisition card file

Make any changes you require in this card file. For the Purchase request ID attribute, enter the purchase request to which you want to add this requisition.

Finish creating the new requisition by clicking the Create button at the bottom of the card file.

Monitoring demand

You can use the Purchase Requests and Requisitions objects to monitor the demand for materials and to create purchase orders to meet that demand. If OBPM and MRP are installed and interfacing, you can also use information from the MRP Recommendations and Reorder Recommendations objects to monitor the demand for materials.

Monitoring purchase requests

Use the Purchase Requests list windows and subsets to monitor demand.

Purchase Requests list window. This list window shows you the statuses of purchase requests. You can see if the request has been created or is in process, if items have been ordered, and if items are received. The status of a purchase request depends on the status of the requisitions it contains. You view the following statuses from the Default view of the Purchase Requests list window:

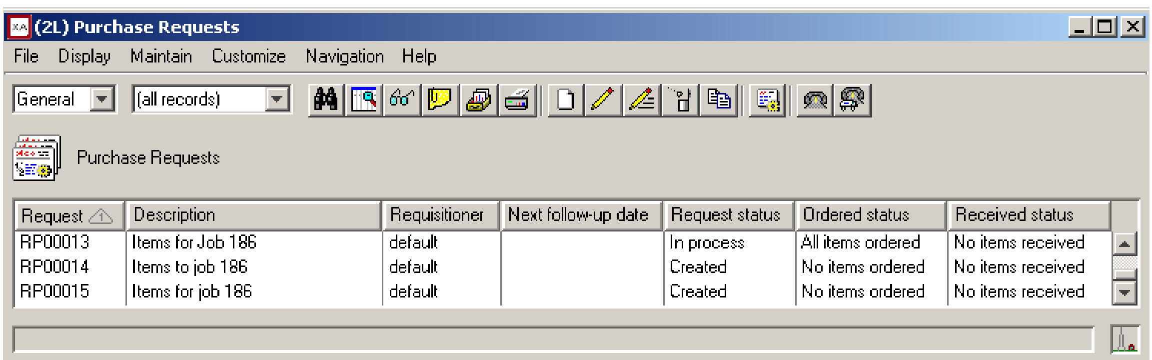


Figure 2-9. Purchase Requests list window

- **Request status** shows activity that has occurred for the purchase request. Created is the first value for newly created purchase requests. It remains this value until some activity occurs on at least one of the contained requisitions. In other words, if the Ordered status is No items ordered, then Request status is Created. When activity occurs, this changes to In process, where it remains until all activity completes on all contained requisitions. When the Ordered status is All items ordered and the Received status is All items received, the Request status becomes Complete. This status is dynamic. A complete purchase request can revert to in process if an additional incomplete requisition is added to the purchase request.
- **Ordered status** shows whether some, all, or none of the requisitions on the purchase request are assigned to a purchase order. Ordered status can be No items ordered, Some items ordered, or All items ordered. The value reflects how many requisition items on the purchase request have purchase order items created for them.
- **Received status** shows whether some, all, or none of the purchase order items associated with the requisitions are received. Received status can be No items received, Some items received, or All items received. The value reflects how many requisition items on the purchase request have purchase order items that are received completely.

You can use Purchase Requests to determine your purchasing requirements by viewing requests that are still at the Created status. For example, in Figure 2-9, you can see two purchase requests have a Request status, Created and an Ordered status, No items ordered. These purchase requests might contain requisitions that require purchase orders.

You can also see that purchase request RP00013 has an Ordered status, All items ordered. You can determine quickly that you do not need to create purchase orders for any requisitions on this purchase request.

You can also use this object to monitor the progress of purchase requests. For example, you create a purchase request that contains requisitions for a single manufacturing job. Viewing the status for a purchase request is a way to view quickly the progress of the items required for the job.

Requisitioner ... subset. This subset, available from the Purchase Requests list window, displays all the requests for a requisitioner you enter. This information is useful if you know the requisitioner, but you do not know the purchase request number.

My Requests subset. This subset selects only the purchase requests for which you are responsible, using your XA User ID. You can use this subset as a starting point for determining your purchase activities for the day.

Purchase Request Items list window. This list window is available from the Purchase Requests list window when you select a request and then select the option, Purchase Request Items, from the Display menu. Use this list when you know the purchase request ID and you want to know which requisitions are in it.

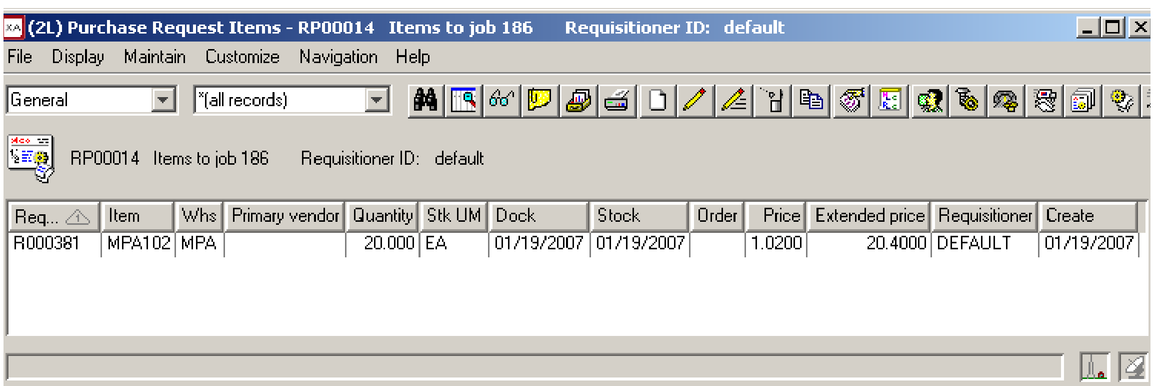


Figure 2-10. Purchase Request Items list window

You can also use the Purchase Request Items list window to create or add to purchase orders from requisitions contained on a purchase request. For example, in Figure 2-9 on page 2-10, you determine RP00014 has requisitions that you need to add to a purchase order. You select RP00014 and then select Purchase Request Items from the Display menu.

From the Purchase Request Items list window, shown in Figure 2-10, you select requisition R000381 and then select Add to Purchase Order on the Maintain menu. For more information about adding requisitions to a purchase order, see Chapter 5, “Creating Purchase Orders."

Monitoring requisitions

Requisitions list window. In contrast to the Purchase Request Items list window, the Requisitions list window contains all requisitions and displays the purchase request ID, if present. Use this list when you do not know the purchase request number, but you do know the number of the requisition for which you are searching.

Use the Requisitions list window, subsets, sorts, and views to monitor demand.

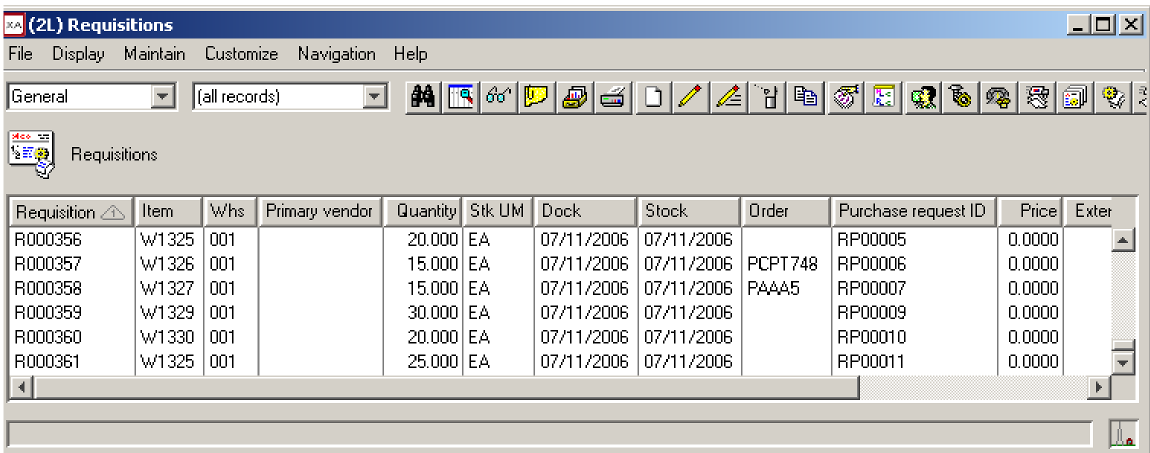


Figure 2-11. Requisitions list window

Days since release exceeds ... subset. This subset displays all requisitions after the number of days you enter. For example, if you enter 30 into the subset, you receive a list of all the requisitions released in the last 30 days. You can use this list to check the progress of requisitions over a period of time, you determine, to ensure requisitions are not overlooked or lost in the system.

Not assigned to a P.O. subset. This subset displays all requisitions not added to purchase orders and therefore which might require attention.

By Priority and Critical Ratio sort. Use this sort when you must prioritize requisitions. The requisitions at the top of the list are the most urgent or whose remaining lead time is greater than the time remaining until their due date.

Priority view. The Requisitions list window has a Priority view, which provides information about the requisition’s priority, critical ratio, number of days since release, department, and account number. You can use this view with the sort, By Priority and Critical Ratio to arrange the requisitions into critical ratio sequence with the most important requisitions at the top of the list.

Requisition Activity list window

This list window is available from the Requisitions list window, when you select a requisition and then select the option, Requisition Activity, from the Display menu.

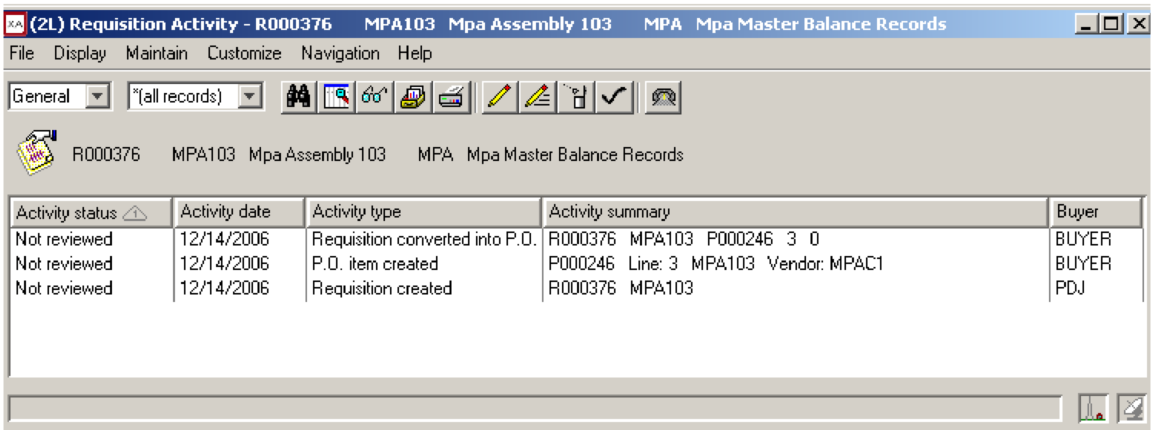


Figure 2-12. Requisition Activity list window

You can use the Requisition Activity list window to view activity that has happened to a requisition. For example, in Figure 2-12, you can see the activity status for the requisition is Not reviewed. An XA user has created the requisition and used it to create a purchase order with an associated purchase order item. You can see which buyer, if any, is responsible for processing the requisition.

Monitoring MRP recommendations

The MRP Recommendations object provides you with recommendations (exceptions) for items to purchase based on all the orders planned by MRP that are created for a warehouse during an MRP planning run. Exceptions are user-defined recommendations that indicate how you should process items.

The MRP recommended orders include:

- released and firmed manufacturing orders
- purchasing orders
- intersite orders
- purchase requisitions
- planned orders (with a start date on or before your MRP Review Horizon).

For information about Material Requirements Planning, see the *Material Requirements Planning User’s Guide* and the *Order-Based Production Management Concepts Guide*.

If MRP and OBPM are installed and interfacing, you can view MRP recommendations from the following objects in PM:

Object	Display option
Buyers	Buyer MRP Recommendations.
Items	Item MRP Recommendations.
Vendors	Vendor MRP Recommendations.

Table 2-1. Objects from which you can view MRP recommendations

Buyer MRP Recommendations. This option shows the MRP recommendations for items for which a buyer is responsible. The Buyer MRP Recommendations list window provides you with useful information for planning future work or you can use this list to create purchase orders.

Item MRP Recommendations. This option shows both planned and released orders that are eligible for processing. You see all requirements for an item together, regardless of where the receipt is going or when it is due. Use this option when you are interested in viewing a list of MRP recommendations for an item regardless of the buyer, vendor, or warehouse associated with the item. **Note:** On the MRP Recommendations list window, you see only one item/warehouse at a time.

Vendor MRP Recommendations. This option restricts the list of all MRP recommendations to just recommendations for any item a vendor sells. For example, you can use this list to communicate projected orders to vendors, so that they can better plan their production. Alternatively, you can use this list to select planned orders and either create a purchase order or add the item to an existing purchase order to send to the selected vendor.

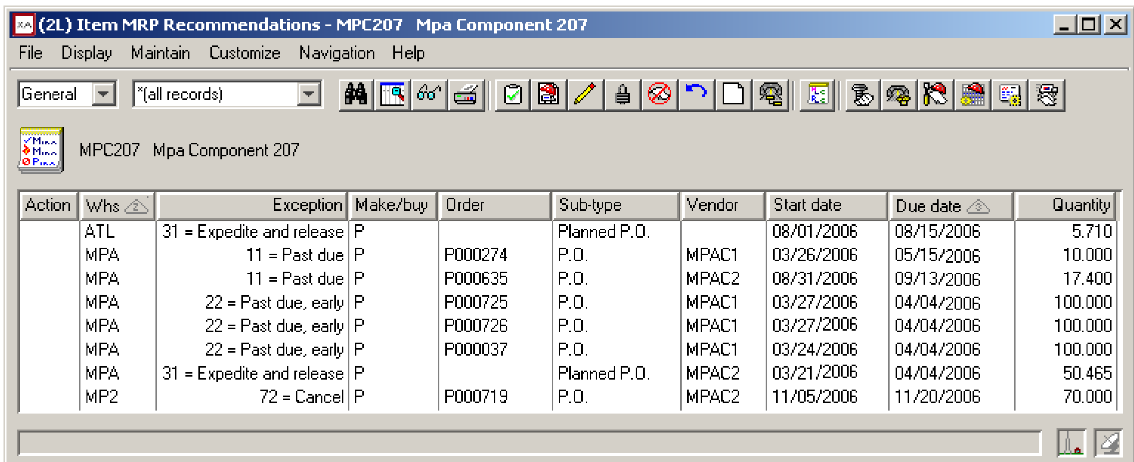
MRP Recommendation subsets. To help you prioritize the recommendations you view in Buyer MRP Recommendations, Item MRP Recommendations, and Vendor MRP Recommendations, use these subsets:

- All exceptions subset includes all the exceptions.
- Release exceptions subset includes all planned orders that MRP recommends you expedite and release.
- Reschedule exceptions subset includes planned or released orders that MRP recommends you schedule or move in one of the following ways:
  - Expedited and released
  - Expedited, rescheduled, and released
  - Expedited
  - Rescheduled
  - Deferred.

The following procedure demonstrates how to view MRP recommendations from Items and use the Release Exceptions subset on the Item MRP Recommendations list window to view all the items that have an MRP recommendation of expedite and release.

From the Items list window, select the item for which you want to view MRP recommendations. Select Item MRP Recommendations from the Display menu.

The Item MRP Recommendations list window opens.



Action	Whs	Exception	Make/buy	Order	Sub-type	Vendor	Start date	Due date	Quantity
	ATL	31 = Expedite and release	P		Planned P.O.		08/01/2006	08/15/2006	5.710
	MPA	11 = Past due	P	P000274	P.O.	MPAC1	03/26/2006	05/15/2006	10.000
	MPA	11 = Past due	P	P000635	P.O.	MPAC2	08/31/2006	09/13/2006	17.400
	MPA	22 = Past due, early	P	P000725	P.O.	MPAC1	03/27/2006	04/04/2006	100.000
	MPA	22 = Past due, early	P	P000726	P.O.	MPAC1	03/27/2006	04/04/2006	100.000
	MPA	22 = Past due, early	P	P000037	P.O.	MPAC1	03/24/2006	04/04/2006	100.000
	MPA	31 = Expedite and release	P		Planned P.O.	MPAC2	03/21/2006	04/04/2006	50.465
	MP2	72 = Cancel	P	P000719	P.O.	MPAC2	11/05/2006	11/20/2006	70.000

Figure 2-13. Item MRP Recommendations list window

From the Item MRP Recommendations list window shown in Figure 2-13, you can see all the MRP recommendations for the Mpa Component 207. You can see the item is available from three warehouses (ATL, MPA, and MP2) because this list window shows these warehouses for the item.

- Two of the recommendations for Mpa Component 207 have an Exception status, 31 - Expedite. MRP recommends releasing and expediting these planned purchase orders.
- Two of the recommendations have an Exception status, 11 - Past due. The scheduled receipt's due date is earlier than the planning start date.
- Three of the recommendations have an Exception status, 22 - Past due early. The scheduled receipt's due date is earlier than the current horizon date, but is needed to cover a prior requirement.
- The last recommendation in the list has an Exception status, 72 - Cancel. MRP recommends canceling this scheduled receipt.

The information you view in the Item MRP Recommendations list window helps you determine the next process you need to perform for the item. For example, you can select the last recommendation in the list and then select Cancel on the Maintain menu of Item MRP Recommendations, because you agree with the MRP recommendation to cancel this scheduled receipt.

Use the Release exceptions subset to display the recommendations for Mpa Component 207 that have an Exception status, 31 - Expedite and release.

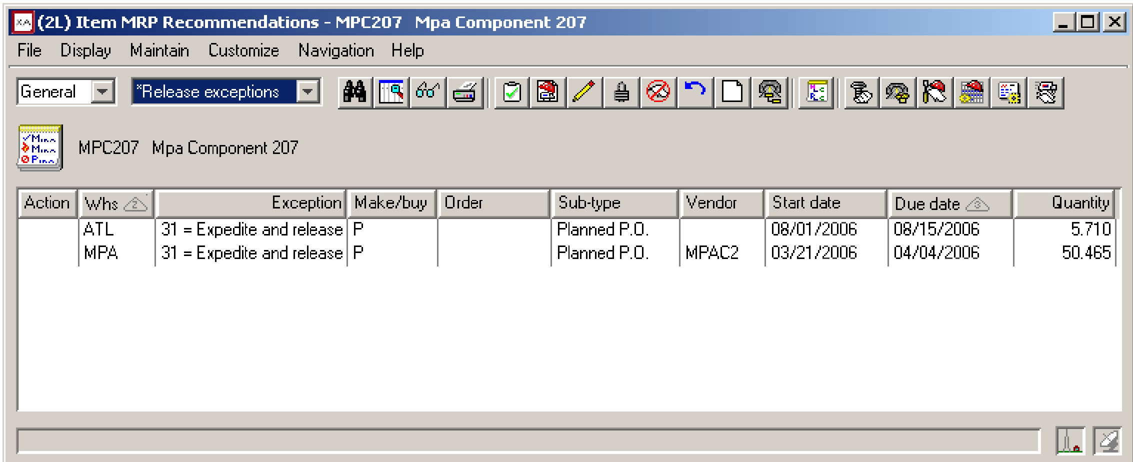


Figure 2-14. Item MRP Recommendations list window - Release exceptions subset

Use this list to create a purchase order by first selecting the item or items to be included on the purchase order and then selecting either Create Order or Mass Create Orders on the Maintain menu. For information about creating a purchase order using MRP Recommendations, see the *Material Requirements Planning User's Guide* and the *Order-Based Production Management Concepts Guide*.

If you do not want to use MRP Recommendations to create a purchase order, you can use the Item MRP Recommendations list window to provide information to create a purchase order using another method available in PM, as explained in Chapter 5, "Creating Purchase Orders."

Monitoring reorder recommendations

The Reorder Recommendations object shows order recommendations generated for replenishment items at the warehouse-level that are eligible for processing. The Generate Reorder Recommendations host job from Warehouses or Manufacturing Orders (OBPM) creates reorder recommendations for item warehouses where the quantity available is fewer than the reorder point. Depending on the applications you have installed, OBPM can generate manufacturing orders, purchase orders, requisitions, and intersite orders.

You can view reorder recommendations from the following objects in PM:

Object	Display option.
Buyers	Buyer Reorder Recommendations.
Vendors	Vendor Reorder Recommendations.

Table 2-2. Objects from which you can view reorder recommendations

Buyer Reorder Recommendations. This option shows the reorder recommendations for items for which a buyer is responsible. The Buyer Reorder Recommendations list window provides you with useful information for planning future work or you can use this list to create purchase orders.

Vendor Reorder Recommendations. This option restricts the list of all reorder recommendations to reorder recommendations for any item a selected vendor sells. For example, you can use this view to communicate projected orders to vendors, so that they can better plan their production or you can use this list to select items and then either create a purchase order or add the requirement to an existing order to send to the selected vendor.

Reorder Recommendation subsets. You can use the reorder recommendation subsets to help you prioritize the recommendations you view from Buyer Reorder Recommendations or Vendor Reorder Recommendations. You can select the Buyer ..., Planner ..., Vendor ..., or Warehouse ... subsets to refine the list of recommendations you want to view. Other reorder recommendation subsets help you view only reorder recommendations that are open or have a completion code of Created.

The following procedure demonstrates how to view reorder recommendations from Vendors and use the Warehouse ... subset on the Vendor Reorder Recommendations list window to view all the recommendations for a vendor and a warehouse.

From the Vendors list window, select the vendor for which you want to view reorder recommendations. Select the option, Vendor Reorder Recommendations, from the Display menu.

The Vendor Reorder Recommendations list window opens.

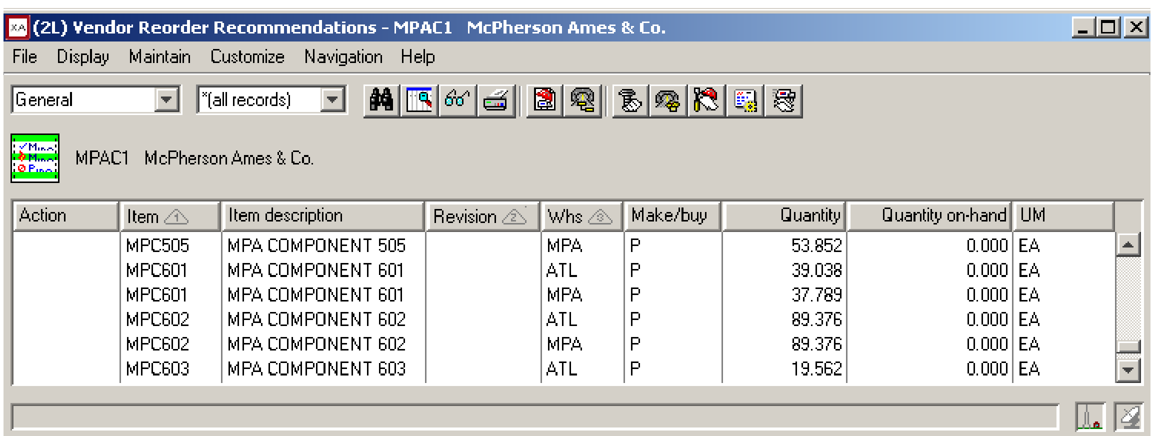


Figure 2-15. Vendor Reorder Recommendations list window

From the Vendor Reorder Recommendations list window shown in Figure 2-15, you can see some of the purchase reorder recommendations for vendor MPAC1.

Use the Warehouse ... subset to display the recommendations for vendor MPAC1 that contain items from warehouse MPA.

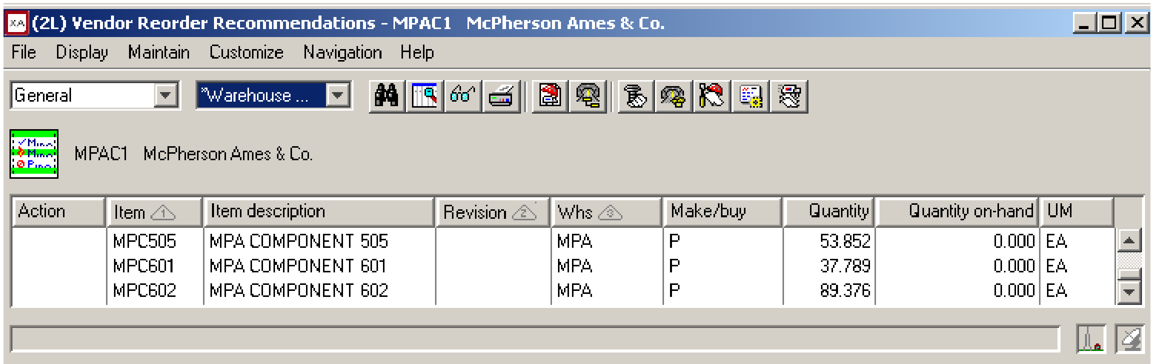


Figure 2-16. Vendor Reorder Recommendations list window - Warehouse ... subset

Use this list to create a purchase order for the MPA warehouse by selecting the item or items to be included on the purchase order and then select either Create Order or Mass Create Orders on the Maintain menu. For information about creating a purchase order using Reorder Recommendations, see the *Order-Based Production Management Concepts Guide*.

If you do not want to use reorder recommendations to create a purchase order, you can use the Vendor Reorder Recommendations list window to provide information to create a purchase order using another method available in PM, as explained in Chapter 5, “Creating Purchase Orders."

Chapter 3. Creating and Selecting Vendors

Overview

Now that you have identified the materials required by your company, the second step in procurement is to decide from whom you need to purchase them. This chapter describes the process of creating, finding, and evaluating vendors.

You can use Procurement Management (PM) to interact with vendors as part of your buying activity.

Vendors. Vendors supply components, materials, supplies, equipment, or any other type of goods and services used by your company. Usually vendors are the companies to whom you send purchase orders and from whom you receive shipments.

Vendors are involved in many phases of the purchasing cycle. For example, vendors:

- sells items, which can be goods or services, to your company's buyers.
- respond to buyers' requests for quotes for items.
- set up contracts with buyers containing the terms and conditions for providing goods and services.
- respond to purchase orders by sending items on the purchase orders to your company's warehouses.

When you receive requisitions or demands for purchased inventory, you need to search for vendors to fulfill the demands. If you are planning to use a vendor your company has not purchased from before, you need to create a vendor record to identify the vendor in XA. Use PM to create vendors and to check which existing vendors:

- sell the items you need to purchase.
- performed adequately in the past.
- are not suspended from being entered on purchase orders.

As part of the selection process, you determine whether the vendor sells the items you need to purchase, and if the vendor does, you can check the vendor's history and active/suspended status to ensure the vendor is one from which your company wants to purchase. If the vendor is a new vendor, you create a vendor record in the Vendors object to specify how to communicate with the vendor and the vendor's choices for handling purchase orders and for shipping orders to your company.

Reviewing the vendor's performance information is an important task for the buyer. You can use this information to determine the reliability of your vendors and which vendors are the best performers.

Figure 3-1 shows how buyers interact with vendors during the purchasing process.

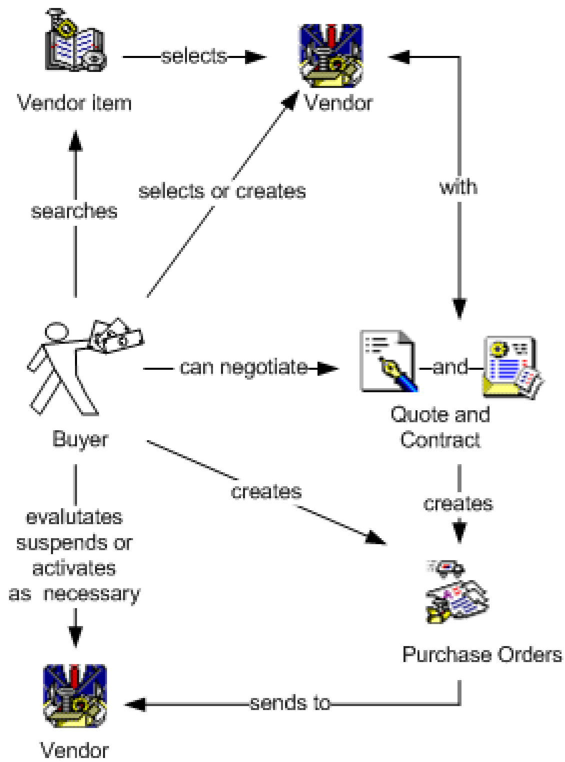


Figure 3-1. Overview of buyer interaction with vendors

When IFM is installed and interfacing

For large organizations from which you purchase goods and services, you can specify various financial entities. XA stores this information in the International Financials Management (IFM) Entities object.

Entities. Entities store information about the trading partners with which your company does business. For example, an entity can be a customer to which you sell your goods and services or a vendor from which you purchase goods and services. The Entities object includes information used for accounts receivable and accounts payable processes. Also, the Entities object can also provide information about banks, bank accounts, or an IFM/Finance unit. An entity can be used in multiple administrative divisions, but each entity has a single administrative division, which controls how the entity can be used and maintained.

When IFM is installed and interfacing, you process vendor pay-to information in the Entities object and you process vendor buy-from information in the Vendors object. You must link the vendor to an entity before you perform payment processing for the vendor.

When MCS is activated in CAS

Multi-Currency Support (MCS) is an option, activated in Cross Application Support (CAS). When MCS is active, you can view the currency values in AM Plus or IFM in trading currency, your local currency, and another currency you specify. To view vendor attributes that have multiple currency values, you can use the following card files in the Vendors object:

- Default (MSC), if you use AM Plus.
- Default (MCS and IFM), if you use IFM.

Creating and maintaining vendors

A vendor record must exist before you can use the vendor on purchase orders. The record must contain a vendor name and must have a unique vendor number. The record can also contain information about:

- the vendor's location and address.
- how the vendor prefers to receive and fulfill purchase orders from your company.
- how your company pays the vendor.
- how much business your company has done with the vendor on past orders.
- how the vendor performs delivering orders accurately and on time.

Types of vendors

You cannot assume the vendor from which you purchase goods and services is the vendor you pay. For example, the vendor you use on purchase orders might not be the same vendor on the invoice for the purchase orders.

In PM, the Vendors object contains records for both assignee vendors and buy-from vendors. This feature allows you to specify vendors used for payment processing, or purchasing processing, or both types of processing.

Assignee vendor. This type of vendor receives payment for the goods and services your company purchases. You use assignee vendors to process payments only. You cannot use assignee vendors to process purchasing information, unless the assignee vendors are also buy-from vendors. When creating purchase orders, if you enter an Assignee vendor and you do not specify that this vendor is also a buy-from vendor that allows purchase orders, you will receive an error message.

The payment settings for assignee vendors provide some or all of the following information:

- bank accounts, taxes, terms of payment, and methods of payment information.
- Entity number. If IFM is installed, an active entity must be entered. The Entity number points you to an entity in IFM that contains the payment information for the vendor.

Buy-from vendor. This type of vendor sells goods and services to your company. You cannot use buy-from vendors to process payments, unless the buy-from vendors are also assignee vendors.

You link the buy-from vendor to an assignee vendor through the Assignee attribute on the Payment Settings card for the buy-from vendor. This attribute points you to an assignee that contains the payment information for the buy-from vendor. If you do not link the buy-from vendor to an assignee vendor, you cannot process new purchase orders using the vendor. You can link multiple buy-from vendors to a single assignee vendor.

Assignee/buy-from vendor. You use this type of vendor to process both payment and purchasing information. In this case, if the vendor is not also its assignee, the Assignee attribute points you to the assignee that contains the payment information for the vendor. If the assignee vendor processes its own payments, then the Assignee attribute contains this assignee vendor number.

Vendors are assignee vendors and/or buy-from vendors depending on the selection of attributes shown in Table 3-1. Additional attributes specify if the vendor is currently suspended from payment or purchase order processing.

Allow payments	**Allow purchase orders**	**Suspend payments**	**Suspend purchase order entry**	**Result**
Yes	No	No	Yes	Assignee vendor.
No	Yes	Yes	No	Buy-from vendor.
Yes	Yes	No	No	Assignee / buy-from vendor that you can pay and purchase from.
Yes	Yes	No	Yes	Assignee / buy-from vendor that you can pay but currently not purchase from.
Yes	Yes	Yes	No	Assignee / buy-from vendor that you can purchase from but currently when used as an assignee will cause the vendor that uses it to be suspended from PO entry.
Yes	Yes	Yes	Yes	Assignee / buy-from vendor that currently when used as an assignee will cause the vendor that uses it to be suspended from PO entry or you cannot purchase from.
Yes	No	Yes	Yes	Assignee vendor that you cannot purchase from and currently when used as an assignee will cause the vendor that uses it to be suspended from PO entry.
No	Yes	Yes	Yes	Buy-from vendor that you currently cannot purchase from.
No	No	Yes	Yes	To create a vendor, you must select Yes to either Allow payments, Allow purchase orders, or both these attributes.

Table 3-1. Attributes that define assignee and buy-from vendors

Allow payments. When this attribute is set to Yes, you can use the vendor to receive payments. When Allow payments is No, the Suspend payments attribute is always Yes and when used as an assignee will cause the vendor that uses it to be suspended from PO entry.

Allow purchase orders. When this attribute is set to Yes, you can use the vendor on new purchase orders. When Allow purchase orders is No, the Suspend purchase order entry attribute is always Yes.

Suspend payments. When this attribute is set to Yes and you use this vendor as an assignee the vendor that uses it will be suspended from PO entry because the assignee cannot receive this vendors payments. However, any existing payments can be received. PM sets Suspend payments to Yes, when IFM is installed and the vendor does not have an active entity.

Suspend purchase order entry. When this attribute is set to Yes, you cannot use the vendor on new purchase orders. PM sets Suspend purchase order entry to Yes when the vendor does not have an active assignee vendor. PM also sets this attribute to Yes when IFM is installed and the vendor's assignee does not have an active entity. Suspend purchase order entry is always set to Yes for assignee only vendors, which do not allow purchase orders. You can set this attribute to Yes, using the Suspend option on the Maintain menu in Vendors, when you do not want the vendor used on purchase orders.

When the Suspend purchase order entry attribute is set to Yes, you can still perform the following tasks for the suspended vendor:

- process existing purchase orders.
- pay invoices, if the assignee vendor is not suspended from payment processing.
- use as the assignee for another buy-from or assignee/buy-from vendor. If this assignee vendor is suspended from payment processing, PM suspends the new assignee/buy-from or buy-from vendor from purchase order entry.

Note: Do not confuse the Suspend purchase order entry attribute with the Suspend attribute in IFM. When the Suspend attribute is set to Yes, you cannot reference the suspended object when creating or maintaining another object.

Separation of duties

An advantage of defining vendors as either assignee vendors or buy-from vendors is your company can specify which XA users are authorized to maintain vendor payment or purchasing information.

For example, your company might want XA users in the financial department to create and maintain vendors you pay, but not allow XA users in the purchasing department access to this task. Your company can also define XA users who have authorization to maintain both types of vendors. If you are authorized to create or change either vendor type, you can change or create all vendors. In this case, there is no separation of duties.

Figure 3-2 shows how separate users can create assignee and buy-from vendors. It also shows where to process payment information for these objects.

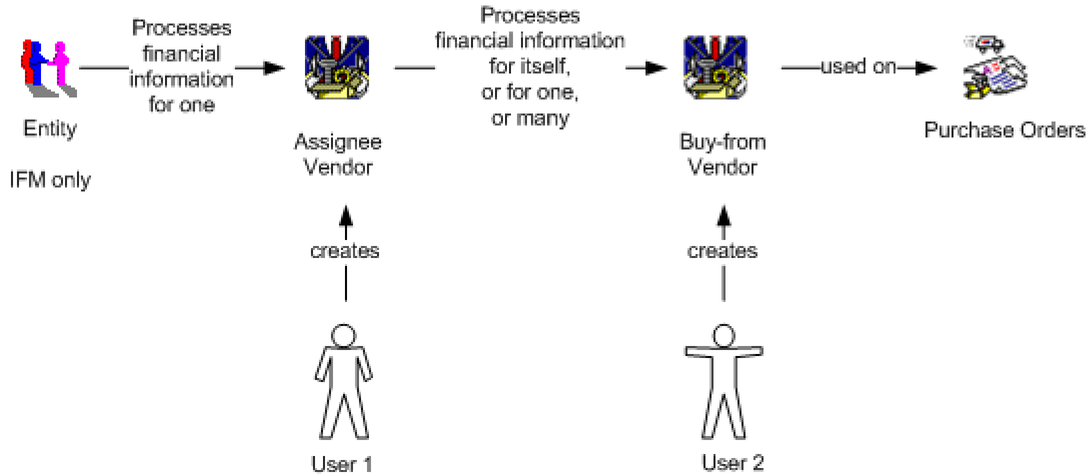


Figure 3-2. Overview of separation of duties

- **User 1** - User 1 is authorized to create and maintain assignee vendors.

  If IFM is installed, User 1 can link the assignee vendor to the Accounts payable entity by providing the Entity number on the Create Vendor dialog using the Assignee (IFM) template. Or, after the vendor is created, User 1 can supply this information on the Payment Settings card in the Default (IFM) card file for Vendors.

  The entity processes payment information for the assignee vendor. An entity can have only one assignee vendor.

  If IFM is not installed, User 1 can create an active assignee vendor by creating a vendor using the Default template and selecting Yes to Allow payments on the General card in Vendors. User 1 enters payment information for the assignee vendor on the Payment Settings card.

  The assignee vendor processes payment information for any buy-from vendors XA users link to the assignee vendor. The Assignee number for this vendor is blank because the vendor is an assignee only vendor.

- **User 2** - User 2 is authorized to create buy-from vendors. User 2 can create an active buy-from vendor by creating a vendor using the Buy-from template and entering an assignee vendor on the Create Vendor dialog

  The buy-from vendor does not process payment information. If the vendor does not have an active assignee Vendor number for its Assignee attribute on the Payment Settings card, then PM suspends the buy-from vendor from purchase order entry and you cannot add the vendor to new or existing purchase orders.

When duties are separate, User 2 can create an assignee/buy-from vendor but requires the assistance of User 1. User 2 first creates a buy-from vendor without an assignee vendor. PM suspends the buy-from vendor from purchase order entry. User 1 changes the buy-from vendor to allow payments and adds the assignee information making the vendor an assignee/buy-from vendor. Either user can then activate the vendor using the Activate option on the Maintain menu of Vendors. For more information about activating vendors, see “Suspending and activating vendors” on page 3-37.

When duties are combined, users can create assignee/buy-from vendors in one-step.

If user 1 enters an assignee number that is the same as the vendor number, the vendor processes its payment information. If user 1 enters an assignee number that differs from the vendor number, another assignee vendor processes the payment information for this assignee/buy-from vendor.

In the case where the assignee vendor specified for the buy-from vendor also has an assignee vendor, the assignee specified for the buy-from vendor is the vendor that pays for the purchased goods and services ordered from the buy-from vendor. For example in Figure 3-3, Vendor A has Vendor B as its assignee, and Vendor B has Vendor C as its assignee. When you enter purchase orders for Vendor A, Vendor B is the pay-to vendor not Vendor C.

Figure 3-3. Example of which vendor pays

Field-level security

Separation of duties is enforced by defining field-level security for XA users. PM provides a field-level security task for XA users who maintain vendors that allow payments and a field-level security task for XA users who maintain vendors that allow purchase orders. PM assigns attributes associated with each vendor type to the appropriate security task.

XA provides an additional level of field-level security for attributes such as bank account numbers and tax IDs. Your company can authorize XA users to view, view and maintain, or prevent XA users from viewing these attributes.

You can maintain name, address format, address lines 1 to 5, state, postal, country, tax city, tax county, telephone, fax, mobile, E-mail, and web address information when the following conditions are met:

- Allow payments
  - You have access to payment attributes,
  - The vendor has an entity, and
  - Update payment address is set to Yes.
- Allow payments
  - You have access to payment attributes,
  - The vendor does not have an entity, and
  - Update payment address is set to No.
- Allow purchase orders
  - You have access to purchasing attributes, and
  - The vendor does not use the assignee's address.
- Allow both purchasing and payment
  - You are authorized to both payment and purchasing attributes,
  - The vendor has an entity, and

  - Update payment address is set to Yes.
- Allow both purchasing and payment
  - You are authorized to both payment and purchasing attributes, and
  - The vendor does not have an entity.

You can maintain the Contact and Abbreviation attributes when the vendor is an assignee or assignee/buy-from vendor and you are authorized to maintain payment attributes, or the vendor is an assignee/buy-from vendor or buy-from vendor and you are authorized to maintain purchasing attributes.

For a list of attributes for each field-level security task, see Appendix B.

PM checks authorization for changing address information only in the object you are maintaining. For example, if you are authorized to maintain address information in the Vendors object, PM does not check you are also authorized to maintain address information in the Entities object. PM updates the changes you make in the Vendors object and updates the changes in the Entities object when you have selected the vendor attribute, Update payment address.

PM determines your authorization to maintain attributes in the Entities object based on your authorization to maintain payment attributes in Vendors. For example, if the vendor you are maintaining allows payments and you are authorized to maintain address attributes for assignee or assignee/buy-from vendors, then you can change these attributes in the Entities object.

Synchronization of data

Depending on the options you select, PM updates relevant information between assignee and buy-from vendors. If IFM is installed, PM also updates relevant information between the Vendors and Entities objects.

PM does not synchronize vendor address, telephone, E-mail, and web address information between assignee vendors and their buy-from vendors. For example, PM never updates the changes you make to a buy-from vendor’s address, telephone, E-mail, web address, tax city, and tax country attributes for its associated assignee vendor.

If your buy-from vendors’ address is always the same as your assignee vendors’ address, you can set the Use assignee address attribute to Yes, on the General card of Vendors. The buy-from vendor’s contact details come from the assignee vendor and are not maintainable. Any changes you make to the assignee vendor’s contact details display in the buy-from vendor’s address information. You can change the Use assignee address attribute to No to maintain these attributes.

Note: If you select No for Use assignee address and you create a buy-from vendor, PM copies the assignee address, telephone, E-mail, web address, tax city, and tax country to the buy-from vendor but allows you to maintain these attributes.

If most of your assignee vendors have the same address as their buy-from vendors, you can use the PM application setting, Use assignee address for buy-from address to default the Use assignee address attribute to Yes. For more information about this application setting, see Appendix A.

PM sets the Use assignee address attribute for assignee vendors to No and you cannot change this attribute on the assignee vendor.

When IFM is installed, the following associated entity, customer, and assignee vendor information must be the same:

- address details
- telephone number
- E-mail
- web address
- tax city
- tax country
- contact.

You control how you want these objects updated using the Update payment address attribute.

- Set this attribute to Yes to update the address information in the entity when address information for the assignee vendor is changed.

  Before address changes are updated in the object, you receive a message indicating the number of objects that will be affected by your change. You can cancel the change.

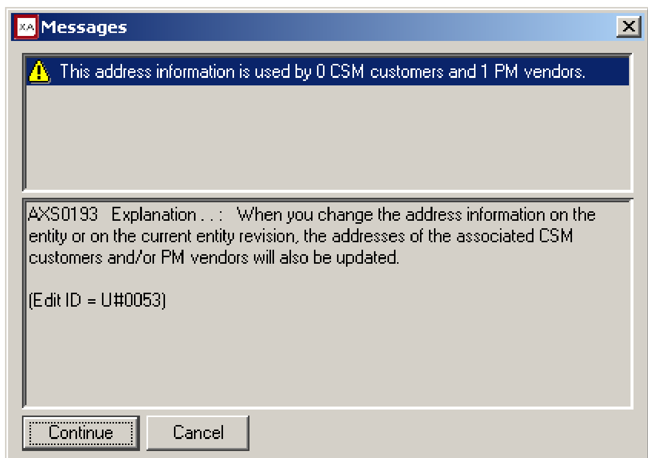


Figure 3-4. Message vendor change address

  When the assignee vendor has information in one or more of its contact attributes; the assignee vendor values replace the entity values for all the synchronized attributes, not just the attributes for the assignee vendor that have values. Any synchronized attributes that are blank for the assignee vendor, XA clears in the entity and customer.

- If Update payment address is set to No, address information for the assignee vendor is display only and cannot be changed. In this case, address information is copied from the entity and updated for the assignee vendor.

  If however, the assignee vendor does not have an entity and the Update payment address is set to No, the address information is maintainable. Enter an entity and the following Information message opens.

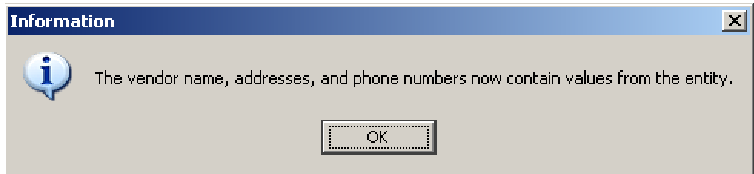


Figure 3-5. Information message

Entity address information replaces any address information that you entered for the vendor.

Maintaining vendors

When you maintain assignee or assignee/buy-from vendors, XA locks the associated records in Entities, Customers, and any buy-from vendors that use this vendor's address. Locking associated records prevents other XA users from trying to maintain these objects before XA updates your changes.

Note: XA does not lock entity, customer, and vendor information in System i when you are maintaining information in these objects in the client. If an XA user is using the records in System i that you are maintaining in client, when you save your changes, the System i records will not be updated. Therefore, it is possible to have different data in the System i and client.

You cannot change the Assignee attribute to blank for assignee/buy-from vendors or buy-from vendors that you are using on active purchase orders.

You cannot change the Entity attribute to blank for assignee vendors or assignee/buy-from vendors you are using on active purchase orders.

If you change the Allow payments attribute for the assignee vendor from Yes to No making this vendor a buy-from only vendor, you must also set the Entity attribute to blank to confirm this selection. PM does not make this change if any buy-from vendors reference this vendor because you want to ensure payment information is present for purchase orders that your company has yet to pay.

Creating an assignee or buy-from vendor

The following procedure assumes you want to create a record for a vendor who can make payments and/or from whom you have decided to purchase goods or services. The example assumes you have authorization to both types of vendors. To create an IFM assignee vendor, see “Creating an assignee IFM vendor” on page 3-24.

From the Vendors list window, select the Create option on the Maintain menu. The Create Vendor dialog opens. Select one of the following templates:

- Default template to create an assignee vendor or assignee/buy-from vendor (non-IFM).
- Buy-from template to create a buy-from vendor (non-IFM and IFM).

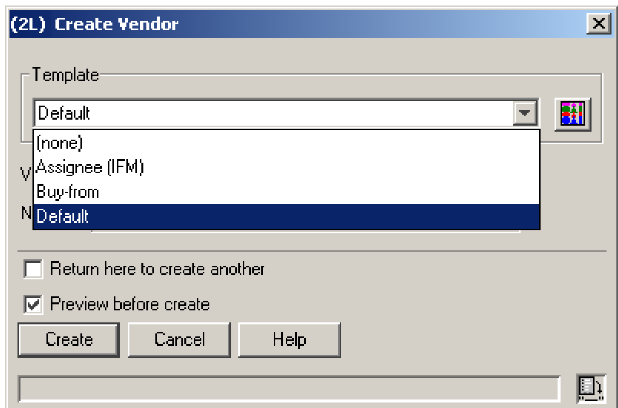


Figure 3-6. Create Vendor dialog - selecting Default template

If you want to create an assignee vendor, enter the vendor number and name for the new assignee vendor on the Create Vendor dialog - Default template. If auto numbering is active, PM assigns a new vendor number for you.

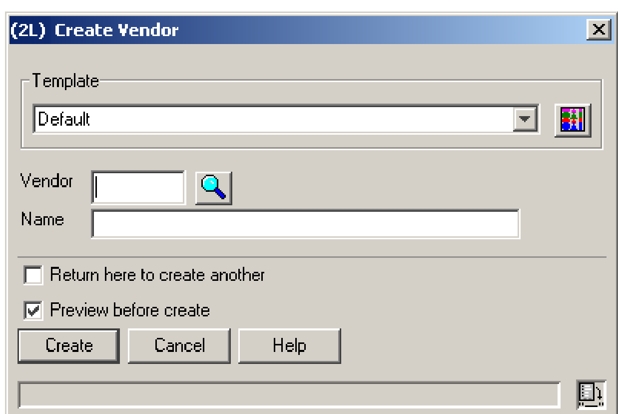


Figure 3-7. Create Vendor dialog - using Default template

If you want to create a buy-from vendor, enter the buy-from vendor number and name on the Create Vendor dialog - Buy-from template. Enter or find the Assignee number.

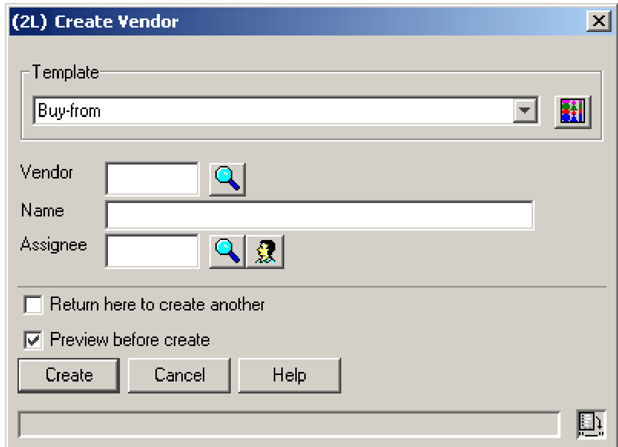


Figure 3-8. Create Vendor dialog - using Buy-from template

Select the Preview before create option. Click Create.

The Create Vendor card file opens displaying the General card. The General card shows information about the vendor's location and how to communicate with the vendor.

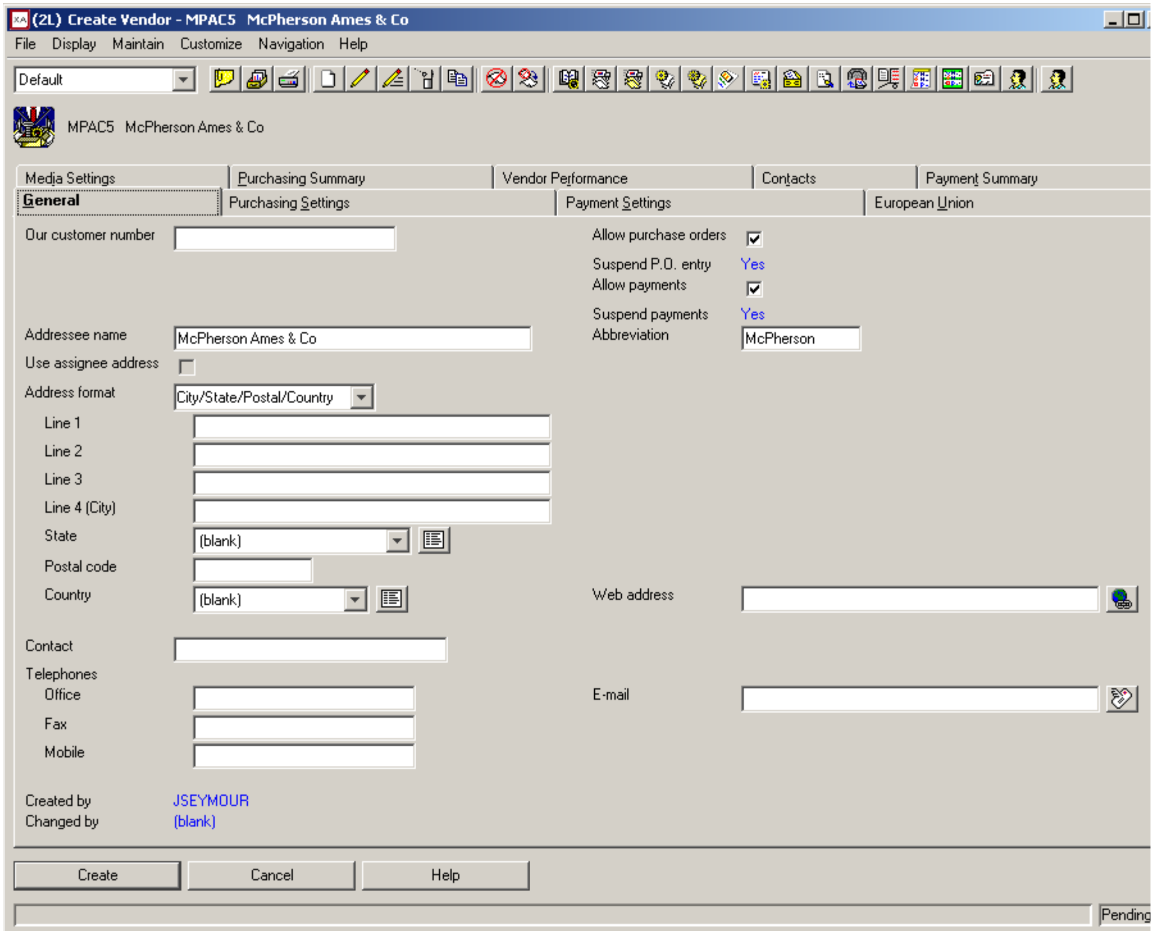


Figure 3-9. Create Vendor card file - General card

For buy-from vendors, the Use assignee address attribute defaults from PM Application Settings. You must be authorized to create and maintain buy-from vendors to change this attribute. If Use assignee address is checked (set to Yes), then you cannot maintain the address attributes for this vendor. For assignee and assignee/buy-from vendors, PM sets Use assignee address always to unchecked (set to No). In this example, the attribute is unchecked, and you can maintain the address attributes.

The default value for the attributes, Allow purchase orders and Allow payments are determined by the type of authorization you have to create assignee or buy-from vendors and then the Create template you use.

Allow purchase orders defaults to Yes when you are authorized to create buy-from vendors. If you are authorized to create only assignee vendors, this attribute defaults to No.

Allow payments defaults to Yes when you are authorized to create assignee vendors. If you are authorized to create only buy-from vendors, this attribute defaults to No.

Table 3-2 assumes you have authorization to create both assignee and buy-from vendors and shows the default values for the attributes, Allow purchase orders and Allow payments depending on the Create template you use.

Create Template	Allow purchase orders	Allow payments
Default	Yes	Yes
Buy-from	Yes	No

Table 3-2. Default values for Allow purchase orders and Allow payments

You must select Yes for either the Allow purchase orders or Allow payments attribute, or both attributes to create a vendor. In this example, you are creating a vendor with both attributes.

The attribute, Suspended payments defaults to Yes when the Allow payments is No. When IFM is installed, Suspended payments also defaults to Yes when the vendor has no associated active entity. This attribute is displayed only.

The attribute, Suspend purchase order entry defaults to Yes when Allow purchase orders is No and/or the vendor does not specify an active assignee vendor. This attribute is displayed only. If you want to suspend a vendor from use on purchase orders, you can use the Suspend option on the Maintain menu of Vendors.

If IFM is installed, the State attribute defaults from the entity specified for the assignee vendor. If the vendor is a buy-from vendor, which has no value in the Entity attribute, the State attribute defaults from the assignee specified for the buy-from vendor.

In this example, Suspend purchase order entry and Suspend payments are set to Yes because no assignee information has been entered for the vendor.

Select the Purchasing Settings card to review or change the preferences for this vendor. The Purchasing Settings card shows information about the vendor's choices for handling purchase orders and for shipping orders to your company.

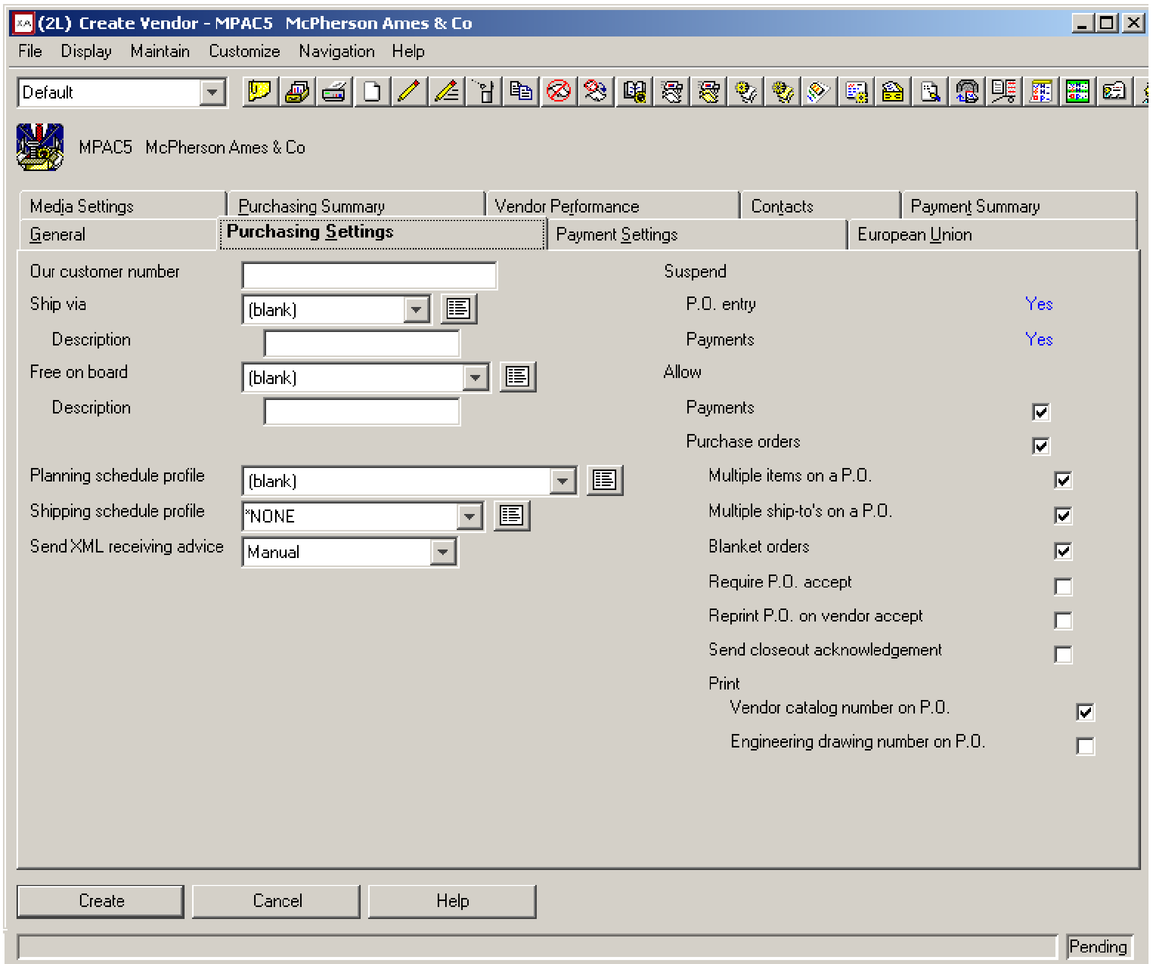


Figure 3-10. Create Vendor card file - Purchasing Settings card

You can maintain the Ship via Description attribute only when the Ship via attribute is blank. (Otherwise Ship via supplies the Description.) If you clear Ship via, PM clears the description also and you can enter a new description.

The same is true of the FOB description. If you clear FOB, PM clears the FOB description and you can enter a new one.

Select the Payment Settings card to review or change the assignee information for this vendor. The Payment Settings card contains information about how you pay the vendor.

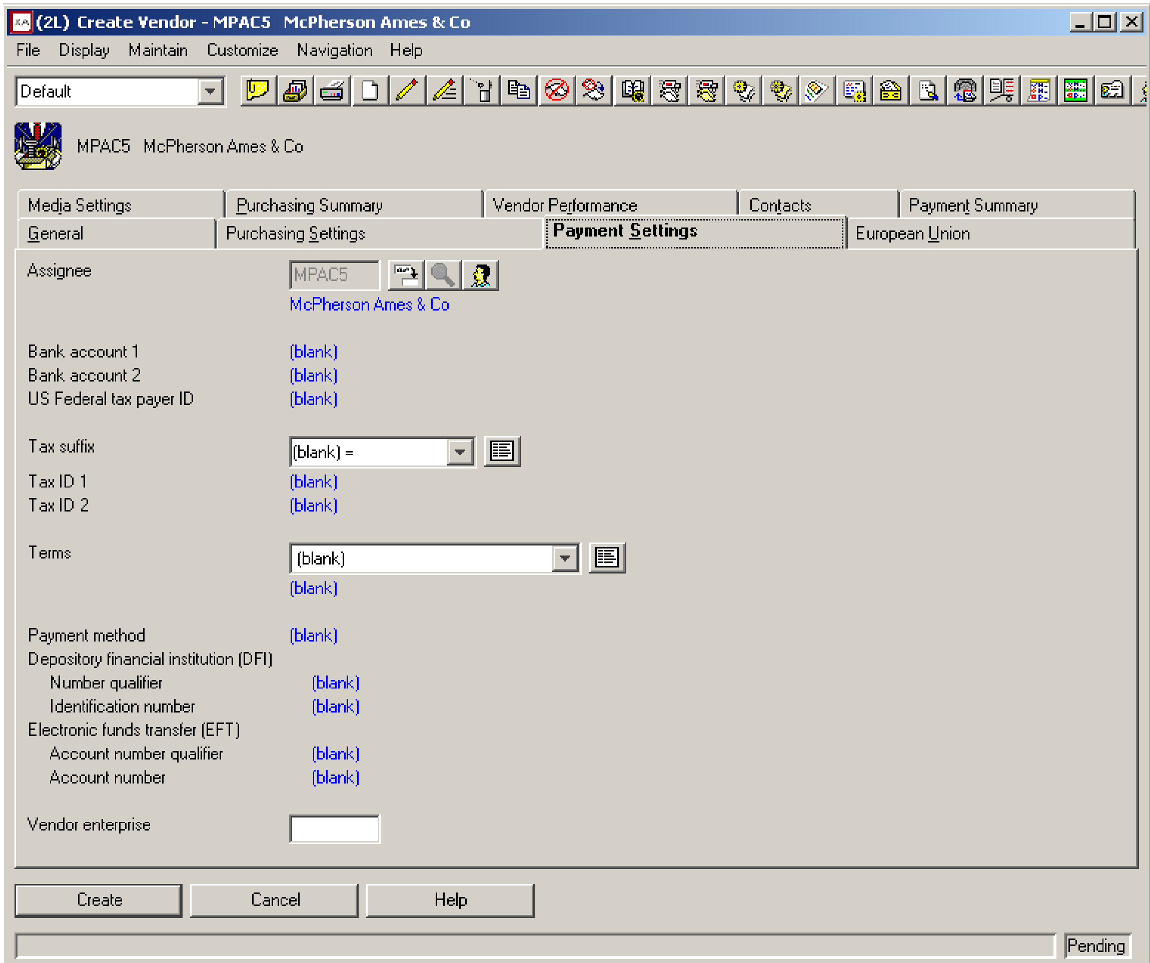


Figure 3-11. Create Vendor card file - Payment Settings card

The Assignee attribute defaults to the assignee vendor associated with the entity specified when:

- IFM is installed,
- purchase orders are allowed for this vendor, and
- you are authorized to create assignee vendors.

If the vendor is a buy-from vendor or an assignee/buy-from vendor and its Assignee number is blank or its assignee vendor is suspended from payments, PM suspends this vendor from purchase order entry. The Assignee attribute cannot be blank for vendors used on existing purchase orders.

You can maintain the Terms description attribute only when the Terms attribute is blank. If you clear Terms, PM clears the Terms description and you can enter a new Terms description.

Select the European Union card to review or change European Union information for this vendor. The European Union card shows information about the vendor if the vendor is in the European Union (EU).

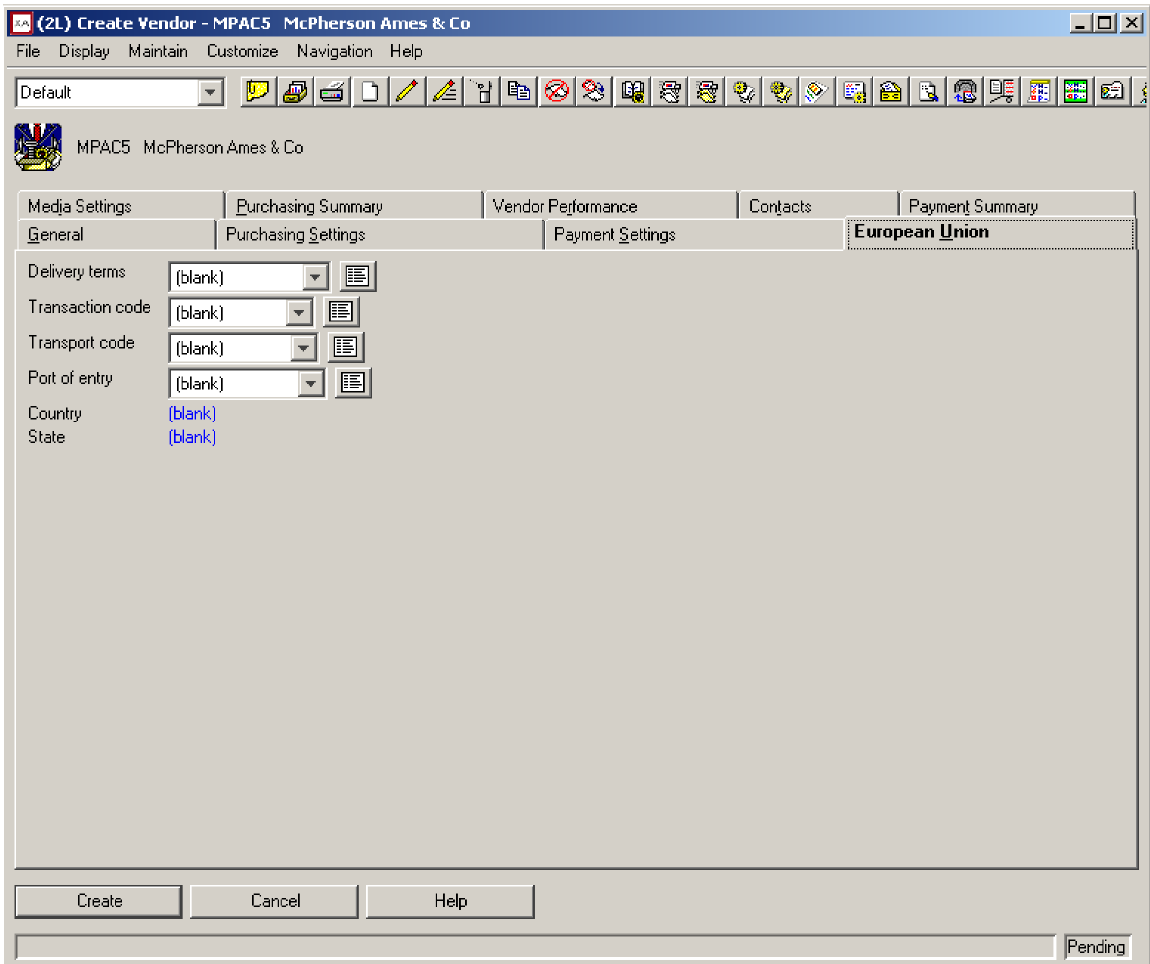


Figure 3-12. Create Vendor card file - European Union card

The Country and State attributes identify the member country and state for the vendor in the European Union. Country is defined in the Country file and State is defined in the State file. The other EU attributes on this card have no influence whether the EU country or EU state is displayed.

Select the Media Settings card to review or change the media you use to communicate with this vendor. The Media Settings card contains information about purchasing documents the vendor wants to receive and how you deliver the documents.

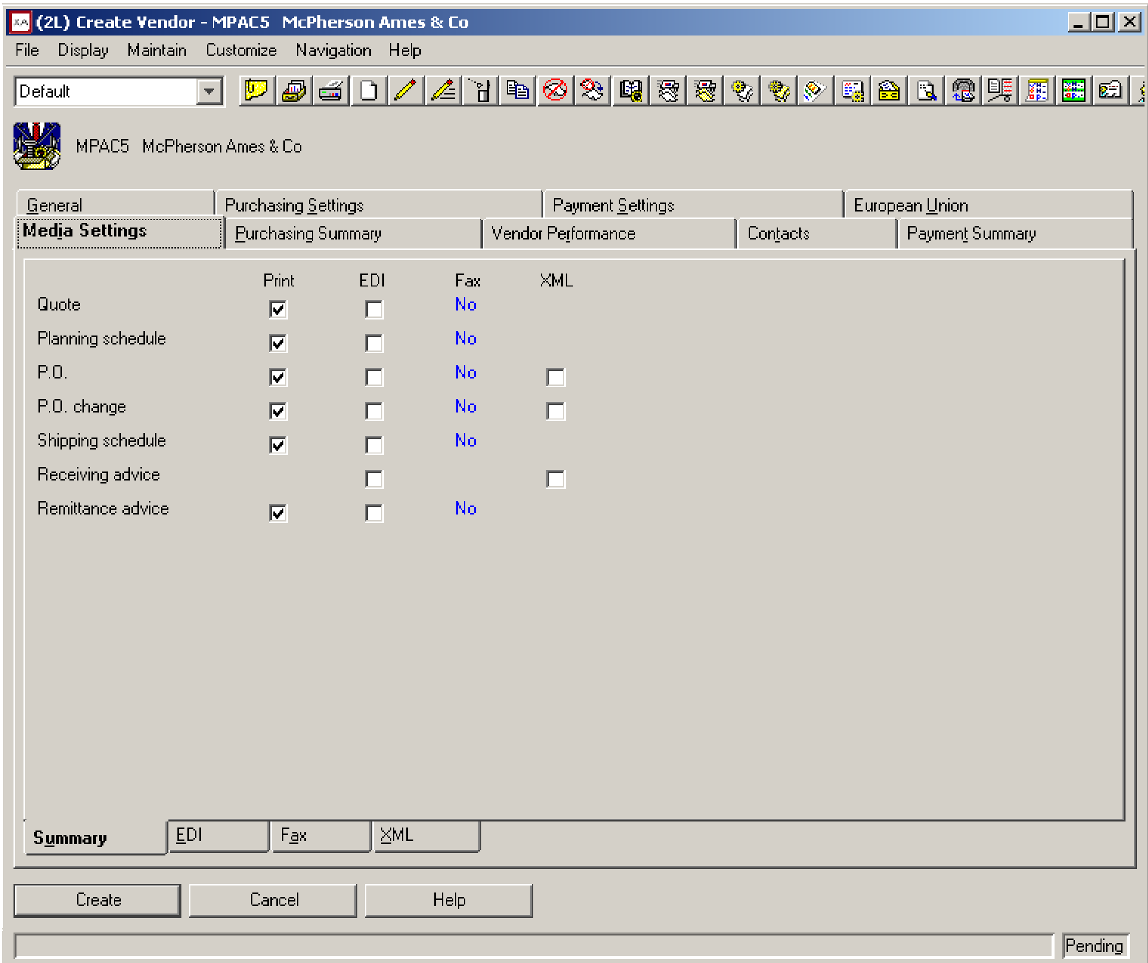


Figure 3-13. Create Vendor card file - Media Settings card

For each attribute on the Media Settings card, you must have at least one option selected. You can maintain EDI, Fax, and XML media types only when the relevant application is installed. For example, you cannot maintain the XML media type for the P.O. attribute unless System-Link is installed.

Select the Purchasing Summary card, which will contain information about past purchase orders this vendor supplied. No information displays on this card when you are creating the vendor because this vendor is new.

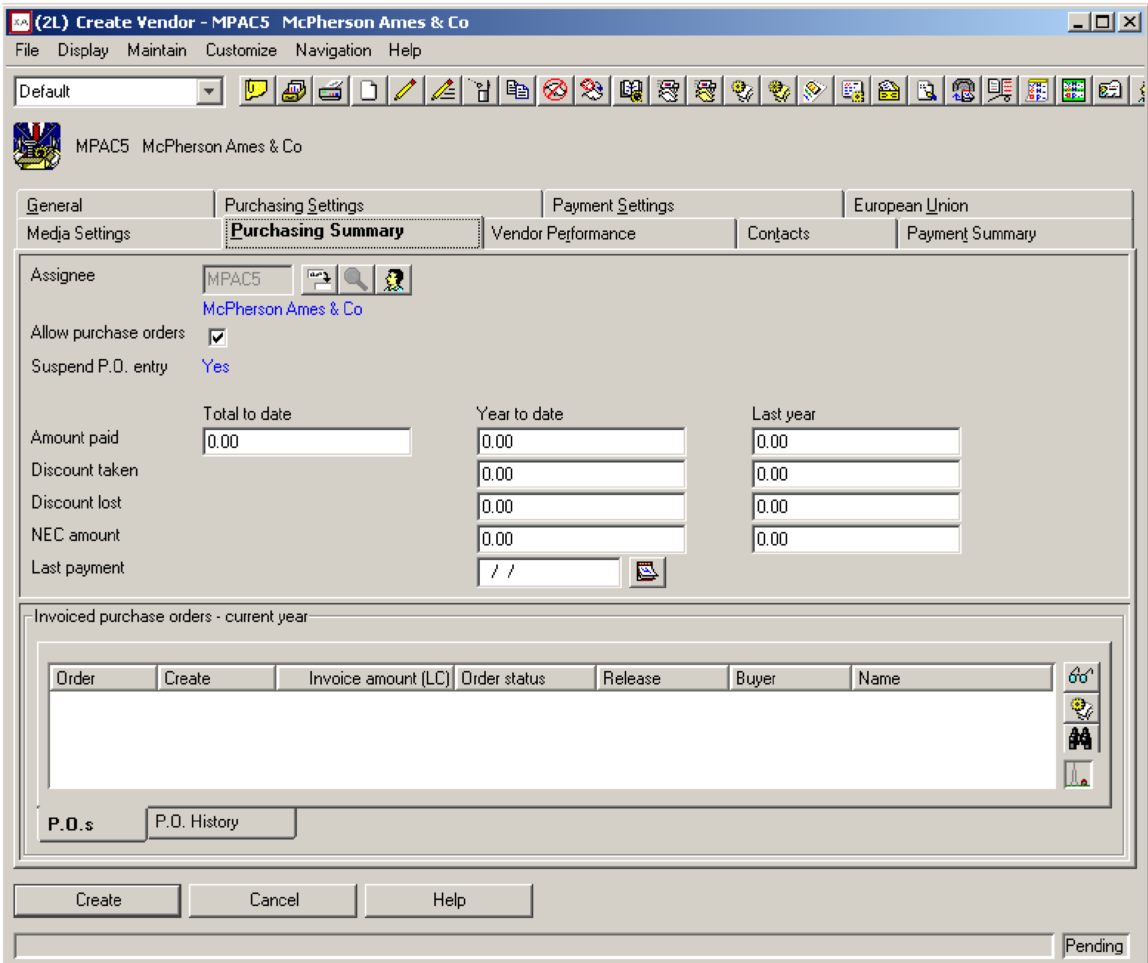


Figure 3-14. Create Vendor card file - Purchasing Summary card

Select the Vendor Performance card, which will contain information about how well the vendor is performing when responding to your purchase orders. No information displays on this card when you are creating the vendor because this vendor is new.

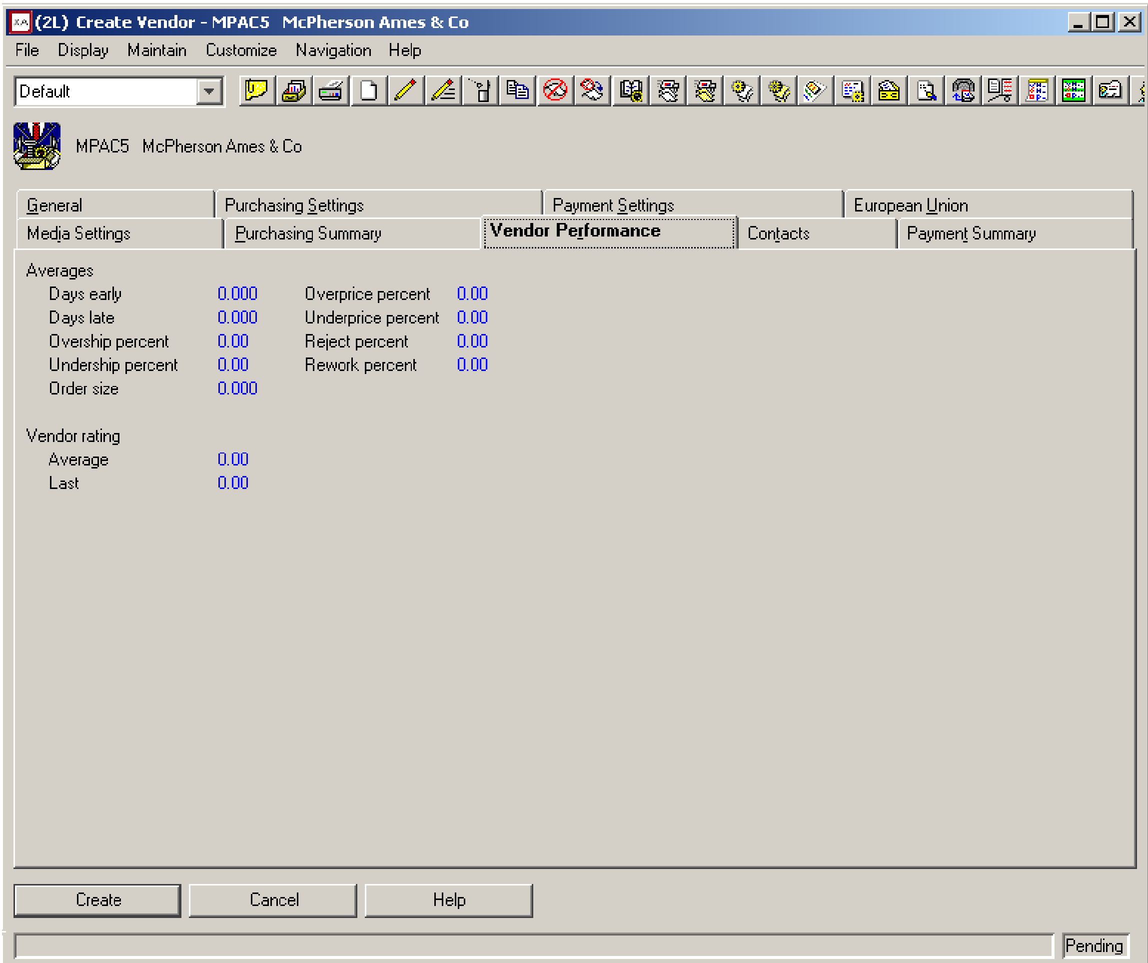


Figure 3-15. Create Vendor card file - Vendor Performance card

Select the Vendor Contacts Compound card (on the Contacts tab) to add contact information for this vendor. Select the Create button to the right of the Contacts list to add a new vendor contact.

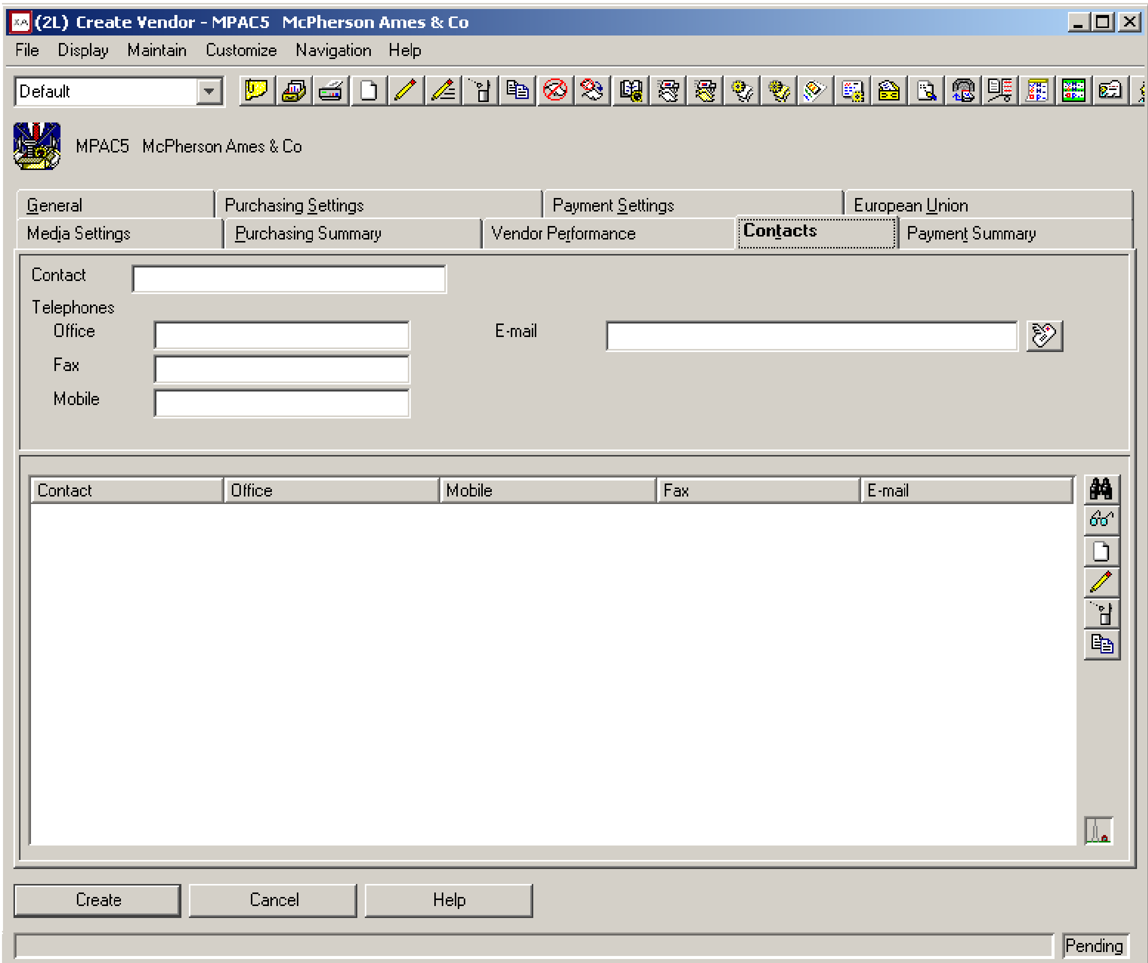


Figure 3-16. Create Vendor card file - Vendor Contacts Compound card

Select the Payment Summary card, which will contain information about payments received for assignee vendor and its buy-from vendors for past purchases. If this vendor is a buy-from only vendor, there are no vendor totals. A buy-from vendor does not receive payments. All payment totals on the Payments Summary card are from the Vendor Master file.

No information displays on this card when you are creating the vendor because this vendor is new.

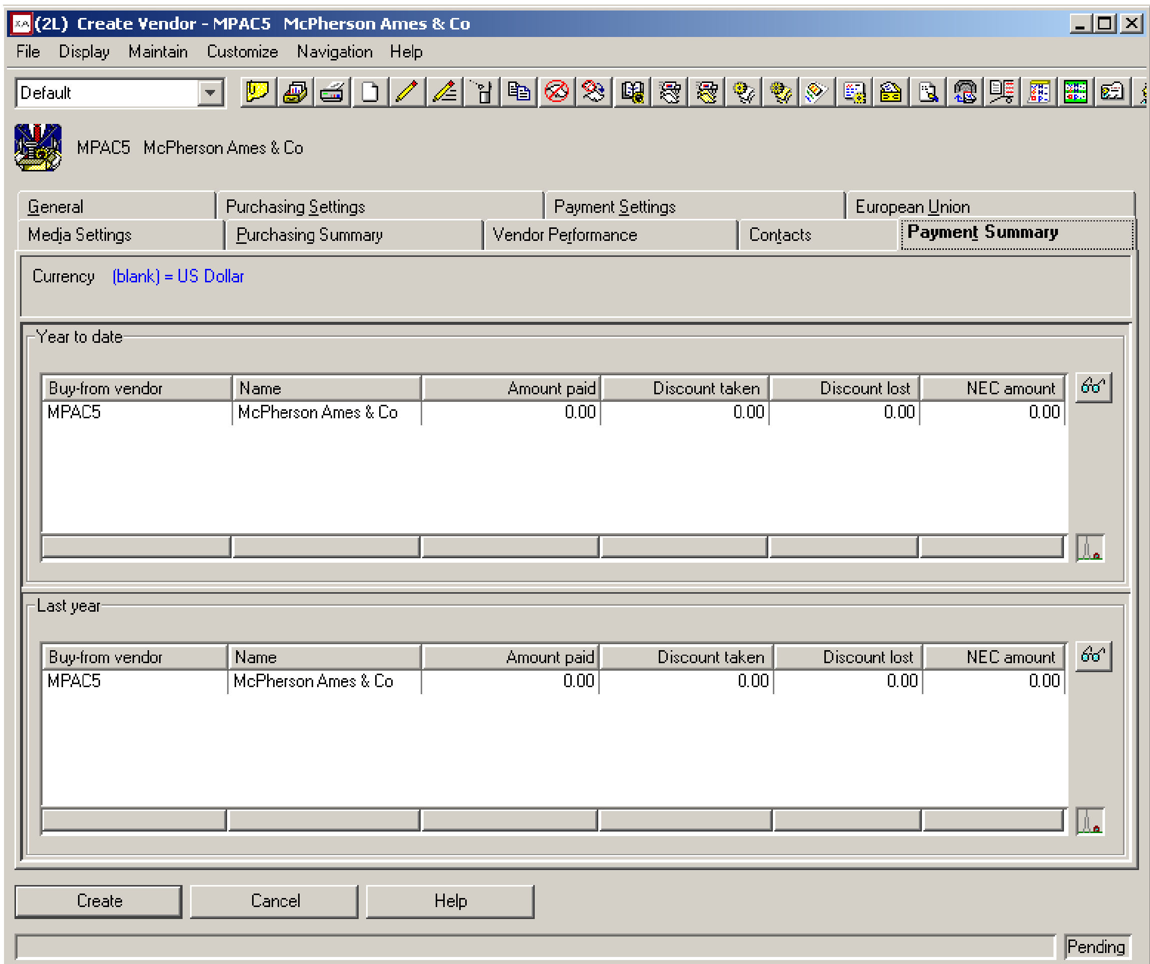


Figure 3-17. Create Vendor card file - Payment Summary card

When you finish entering all the information you want to record about your new vendor, click Create to create the vendor.

Creating an assignee IFM vendor

The following procedure assumes that IFM is installed and interfacing, and you have authorization to create both types of vendors. After you create this assignee vendor, it can be used on buy-from vendors as the vendor to receive its payments. To create a non-IFM vendor, see “Creating an assignee or buy-from vendor” on page 3-12.

From the Vendors list window, select the Create option on the Maintain menu. The Create Vendor dialog opens. Select the Assignee (IFM) template.

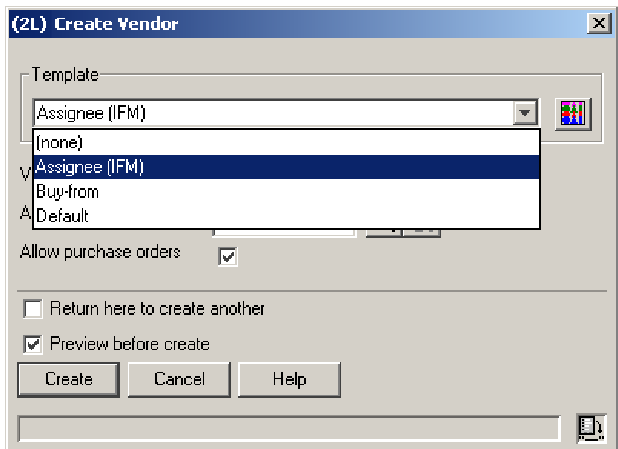


Figure 3-18. Create Vendor dialog - selecting Assignee (IFM) template

Enter the vendor number on the Create Vendor - Assignee (IFM) template dialog. If auto numbering is active, PM assigns a new vendor number for you. Otherwise, enter the Entity number you provide in the vendor’s Entity attribute to default the vendor’s Name attribute. The entity you enter cannot already have an assignee vendor associated with it and you must be authorized to create assignee vendors.

Enter the Entity number in the Accounts payable entity attribute. If the assignee vendor is also a buy-from vendor, select Allow purchase orders.

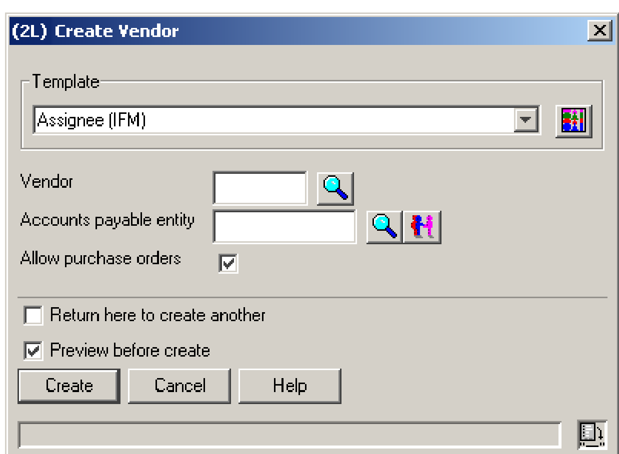


Figure 3-19. Create Vendor dialog - using Assignee (IFM) template

If you want to add information to the assignee vendor, select the Preview before create option. Click Create.

If you enter an Entity attribute that does not exist, PM displays an error prompt.

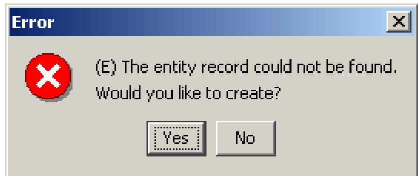


Figure 3-20. Create Vendor error prompt

If you want to create that entity, select Yes. The Create Entity dialog opens. For more information about creating an entity, see Entities online help.

The Create Vendor card file opens displaying the General card. Select the Default (IFM) card file. The General (IFM) card (on the General tab) shows information about the vendor's location and how to communicate with the vendor.

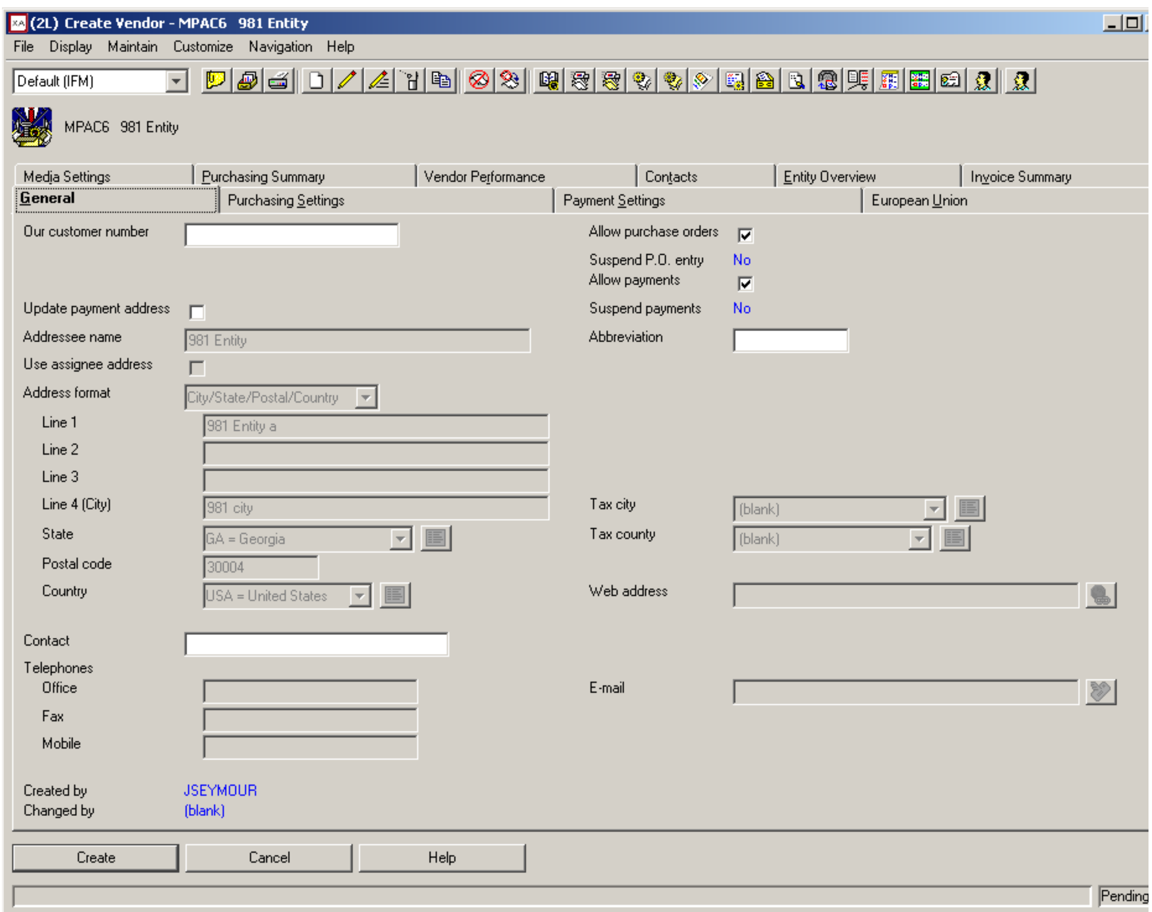


Figure 3-21. Create Vendor card file - General (IFM) card

For assignee and assignee/buy-from vendors, PM sets Use assignee address always to No.

The default value for the attributes, Allow purchase orders and Allow payments are determined by the type of authorization you have to create assignee or buy-from vendors and then the Create template you use.

Allow purchase orders defaults to Yes when you are authorized to create buy-from vendors. If you are authorized to create only assignee vendors, this attribute defaults to No.

Allow payments defaults to Yes when you are authorized to create assignee vendors. If you are authorized to create only buy-from vendors, this attribute defaults to No.

Table 3-3 assumes you have authorization to create both assignee and buy-from vendors and shows the default values for the attributes, Allow purchase orders and Allow payments depending on the Create template you use.

Create Template	Allow purchase orders	Allow payments
Default	Yes	Yes
Assignee (IFM) - select Allow purchase orders	Yes	Yes
Assignee (IFM) - do not select purchase orders	No	Yes
Buy-from	Yes	No

Table 3-3. Default values for Allow purchase orders and Allow payments

You must select Yes for either the Allow purchase orders or Allow payments attribute, or both attributes to create a vendor. In this example, you are creating a vendor with both attributes.

The attribute, Suspended payments defaults to Yes when the Allow payments is No. When IFM is installed, Suspended payments also defaults to Yes when the vendor has no associated active entity. This attribute is displayed only.

The attribute, Suspend purchase order entry defaults to Yes when Allow purchase orders is No and/or the vendor does not specify an active assignee vendor. This attribute is displayed only. If you want to suspend a vendor from use on purchase orders, you can use the Suspend option on the Maintain menu of Vendors.

If IFM is installed, the State attribute defaults from the address of the entity specified for the assignee vendor. If the vendor is a buy-from vendor, which cannot provide address information, the State attribute defaults from the address of the assignee specified for the buy-from vendor.

Select the Purchasing Settings card to review or change the purchasing preferences for this vendor. This card shows how the vendor handles purchase orders and ships orders to your company.

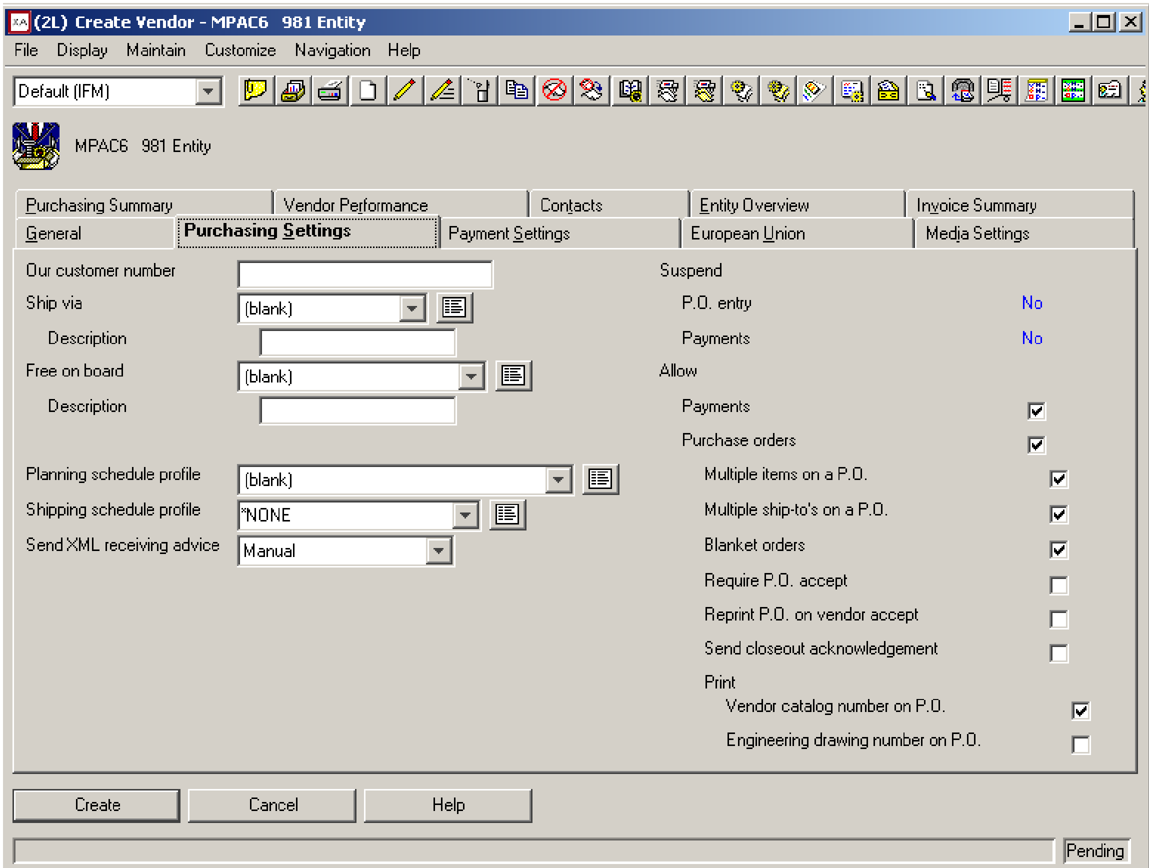


Figure 3-22. Create Vendor card file - Purchasing Settings card

You can maintain the Ship via Description attribute only when the Ship via attribute is blank. (Otherwise Ship via supplies the Description.) If you clear Ship via, PM clears the description also and you can enter a new description.

The same is true of the FOB description. If you clear FOB, PM clears the FOB description and you can enter a new one.

Select the Payment Settings Compound card (on the Payment Settings tab) to review or change the assignee information for this vendor. This compound card contains multiple sections showing how you pay the vendor and who its assignee is.

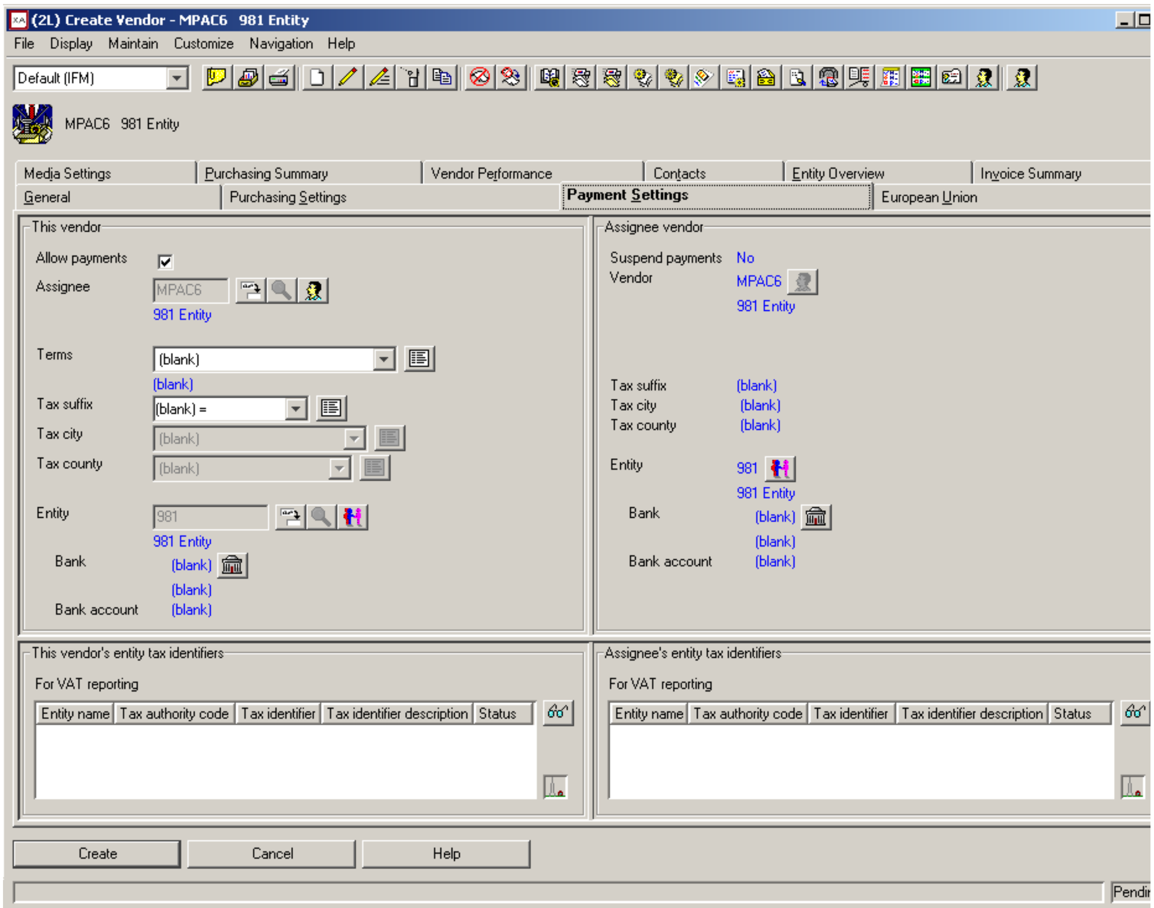


Figure 3-23. Create Vendor card file - Payment Settings Compound card

The Assignee attribute defaults to the assignee vendor associated with the entity. This value is can be specified when:

- IFM is installed,
- purchase orders are allowed for this vendor, and
- you are authorized to create assignee vendors.

Assignee number is required if the vendor is a buy-from vendor or an assignee/buy-from vendor. If Assignee number is blank or its assignee vendor is suspended from payments, PM suspends this vendor from purchase order entry. The Assignee attribute cannot be blank for vendors used on existing purchase orders.

If the PM application setting Use entity ID as assignee vendor ID is set to Yes, the Entity attribute must be the same as the assignee Vendor number, or must be left blank.

If you enter an entity, you must set the Allow payments attribute to Yes. If you do not enter an entity and Allow payments is Yes, PM suspends the vendor from payments until you enter an entity and activate the vendor.

You can maintain the IFM settlement Terms attribute, which is used on the purchase order and AP invoice in IFM.

The Assignee vendor section of this card displays information about the assignee for the vendor you are creating.

Type of vendor	Specify this in This vendor section	Assignee vendor section is updated with
Assignee vendor	Entity ID	Entity ID
Assignee/buy-from vendor	Assignee ID	Assignee ID
	Entity ID (when vendor is its own assignee)	Entity ID
Buy-from vendor	Assignee ID	Assignee ID
		Entity ID

Table 3-4. Payment Settings - Entity ID and Assignee ID entry

Note: The Vendor attribute on the Assignee vendor section is the ID of the vendor you are creating not the Vendor number of another assignee vendor.

Select the European Union card to review or change European Union (EU) information for this vendor. The European Union card shows information about the vendor when the vendor is in the European Union.

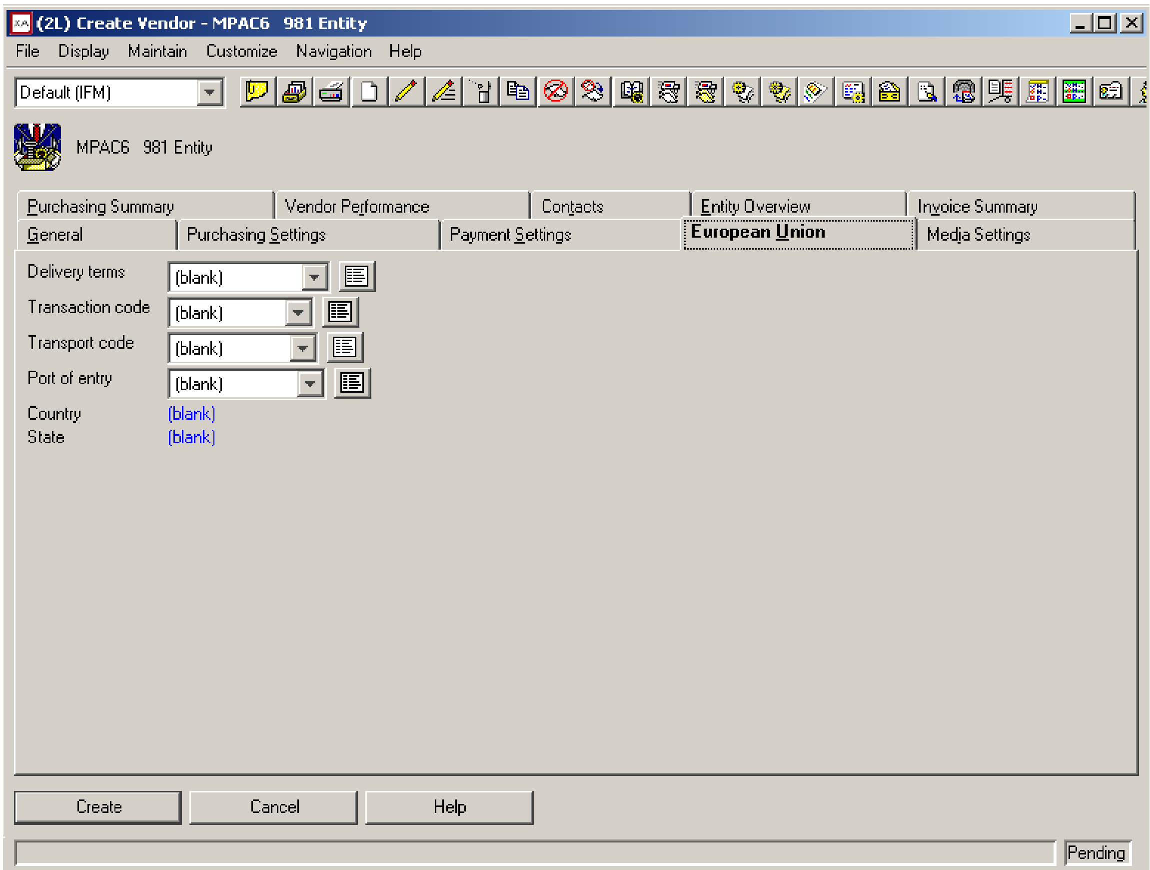


Figure 3-24. Create Vendor card file - European Union card

The EU Country and EU State attributes identify the member country and state for the vendor in the European Union. EU country is defined in the Country file and EU State is defined in the State file. The other EU attributes on this card have no influence whether the EU country or EU state is displayed.

Select the Media Settings card to review or change the media you use to communicate with this vendor. The Media Settings card contains information about purchasing documents the vendor wants to receive and how you deliver the documents.

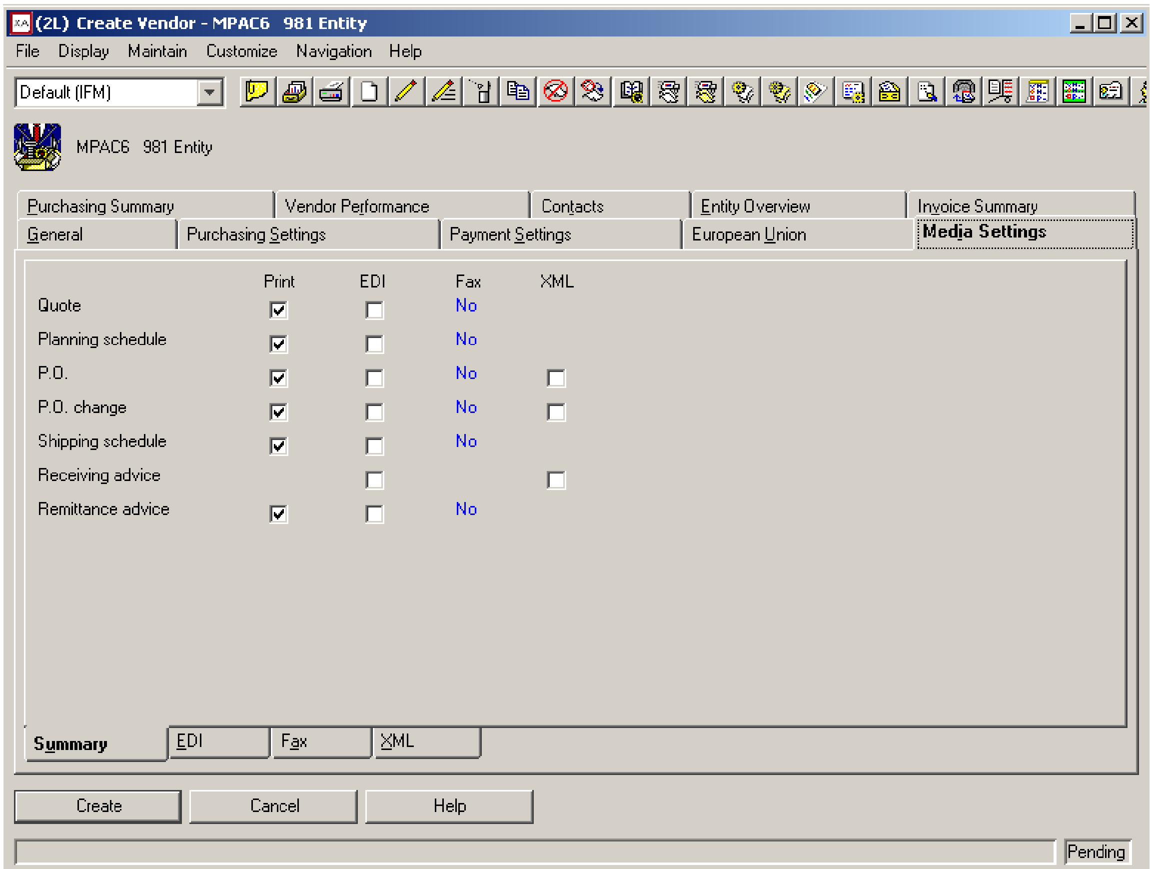


Figure 3-25. Create Vendor card file - Media Settings card

For each attribute on the Media Settings card, you must have at least one option selected. You can maintain EDI, Fax, and XML media types only when the relevant application is installed. For example, you cannot maintain the XML media type for the P.O. attribute unless System-Link is installed.

Select the Purchasing Summary (IFM) card (on the Purchasing Summary tab), which will contain information about past purchase orders this vendor supplied. No information displays on this card when you are creating the vendor because this vendor is new.

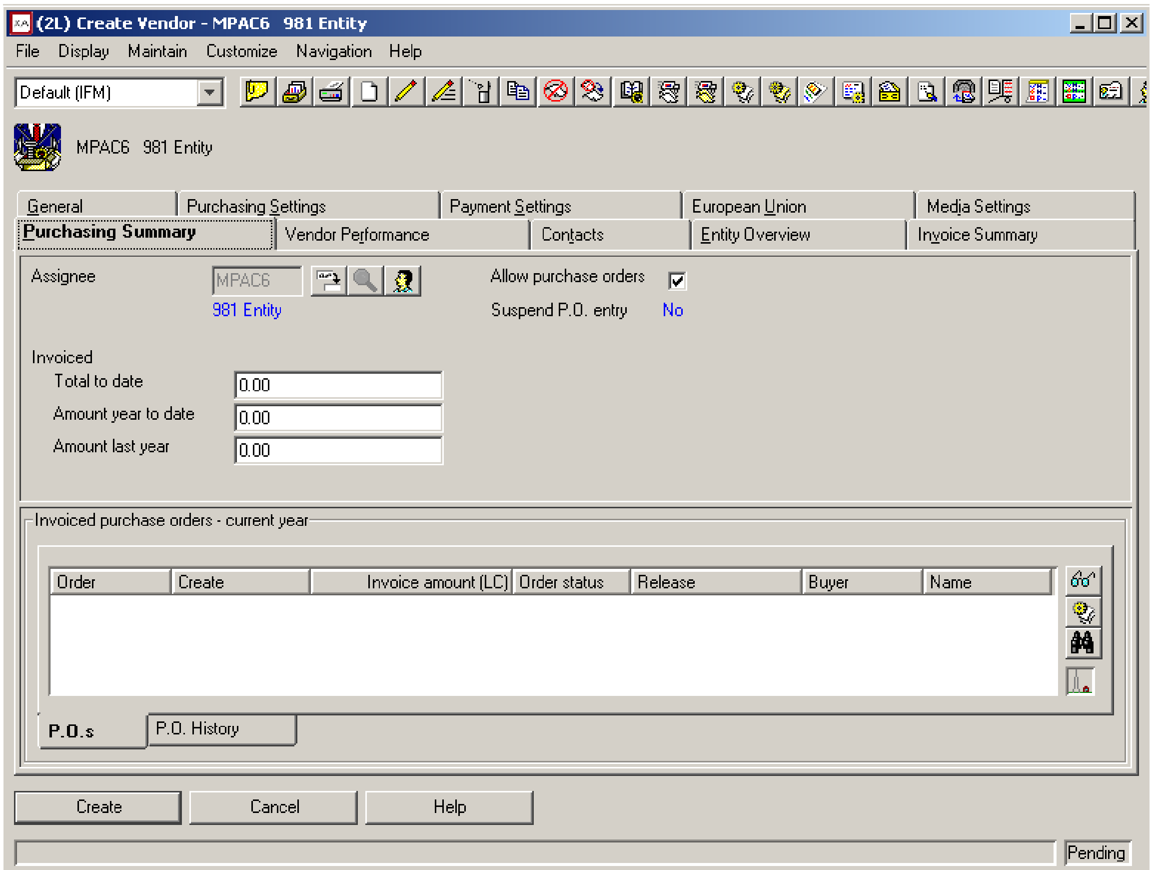


Figure 3-26. Create Vendor card file - Purchasing Summary (IFM) card

Select the Vendor Performance card, which will contain information about how well the vendor is performing when responding to your purchase orders. No information displays on this card when you are creating the vendor because this vendor is new.

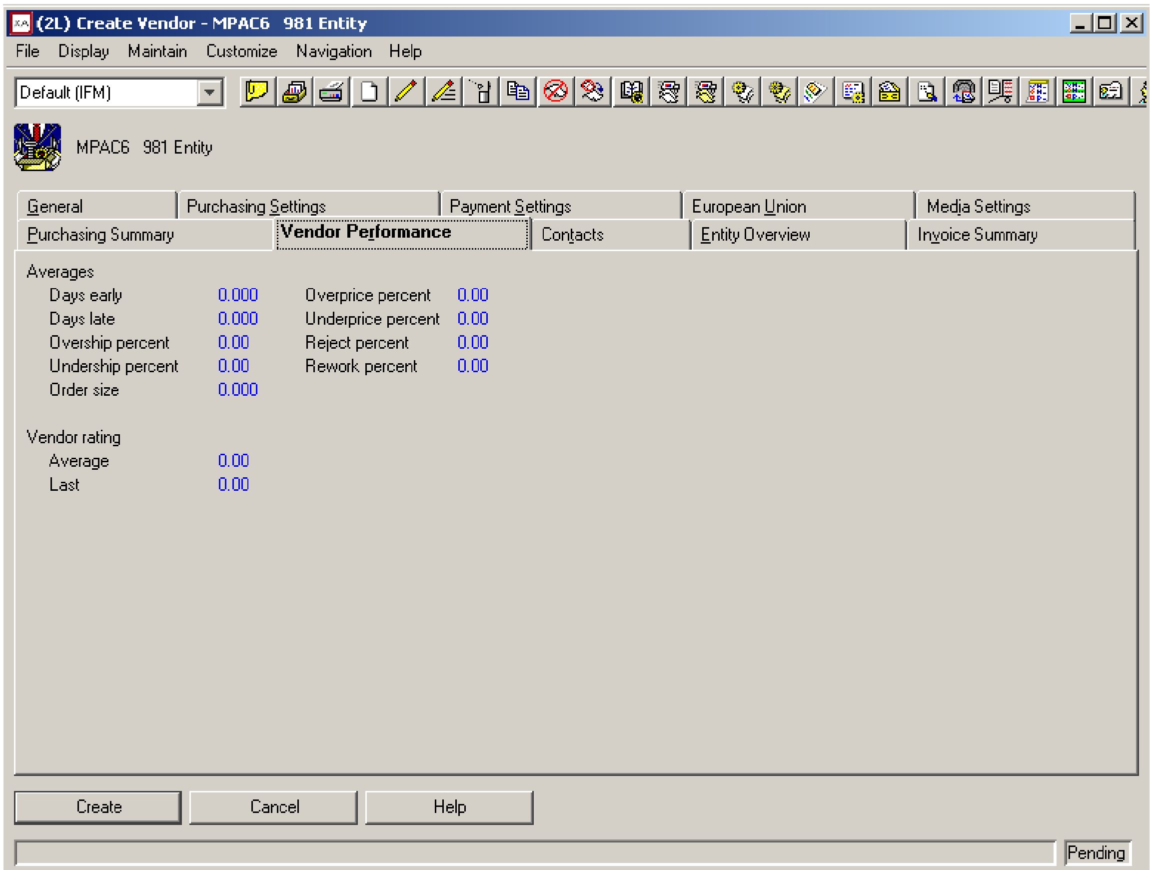


Figure 3-27. Create Vendor card file - Vendor Performance card

Select the Vendor Contacts Compound card (on the Contacts tab) to add contact information for this vendor. Select the Create button to the right of the Contacts list to add a new vendor contact.

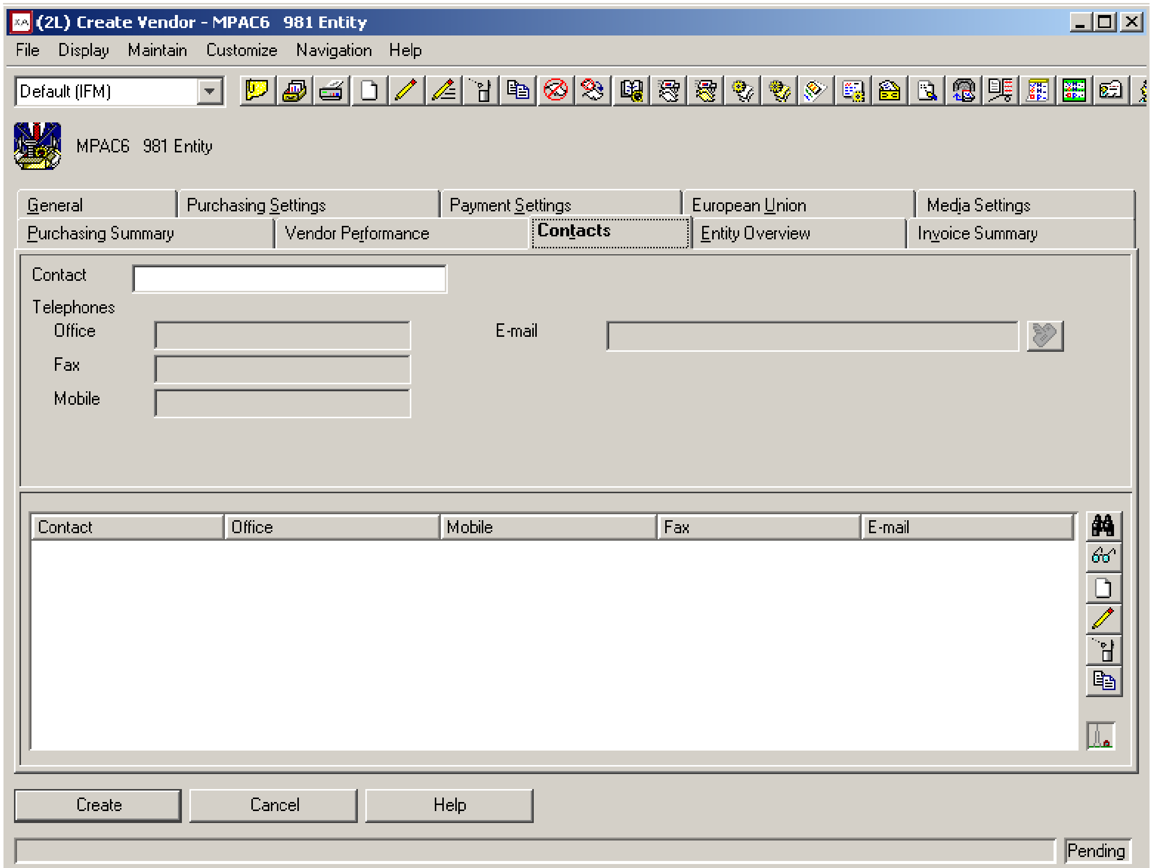


Figure 3-28. Create Vendor card file - Vendor Contacts Compound card

Select the Entity Overview card, which contains the same information as the Entity Overview card in the Entity card file. For assignee vendors, the overview starts at the assignee's entity. For buy-from vendors, the overview starts at the entity related to the buy-from vendor's assignee vendor.

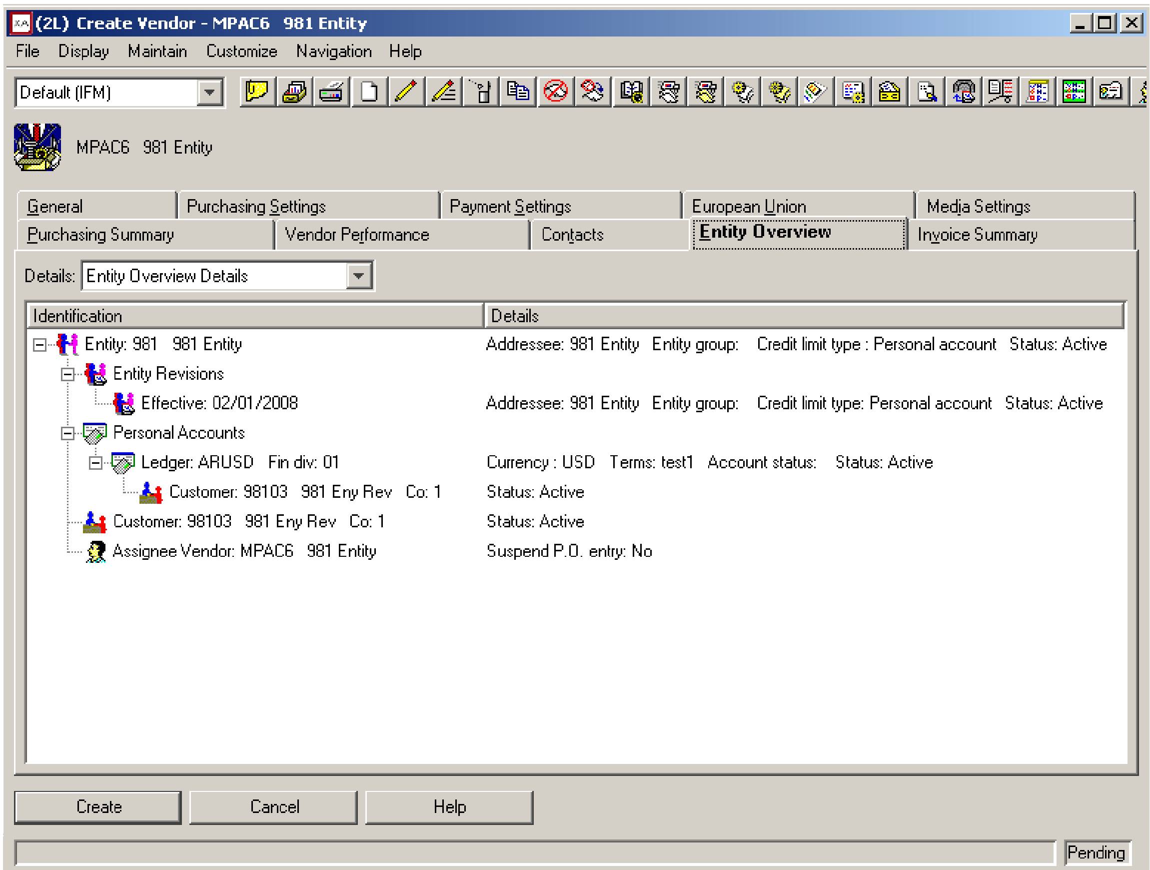


Figure 3-29. Create Vendor card file - Entity Overview card

Select the Payment Summary (IFM) card (on the Invoice Summary tab), which will contain information about payments received for this assignee vendor and its buy-from vendors for past purchases. If this vendor is a buy-from only vendor, there are no vendor totals. A buy-from vendor does not receive payments. All payment totals on the Payments card are from the Vendor Master file.

No information displays on this card when you are creating the vendor because this vendor is new.

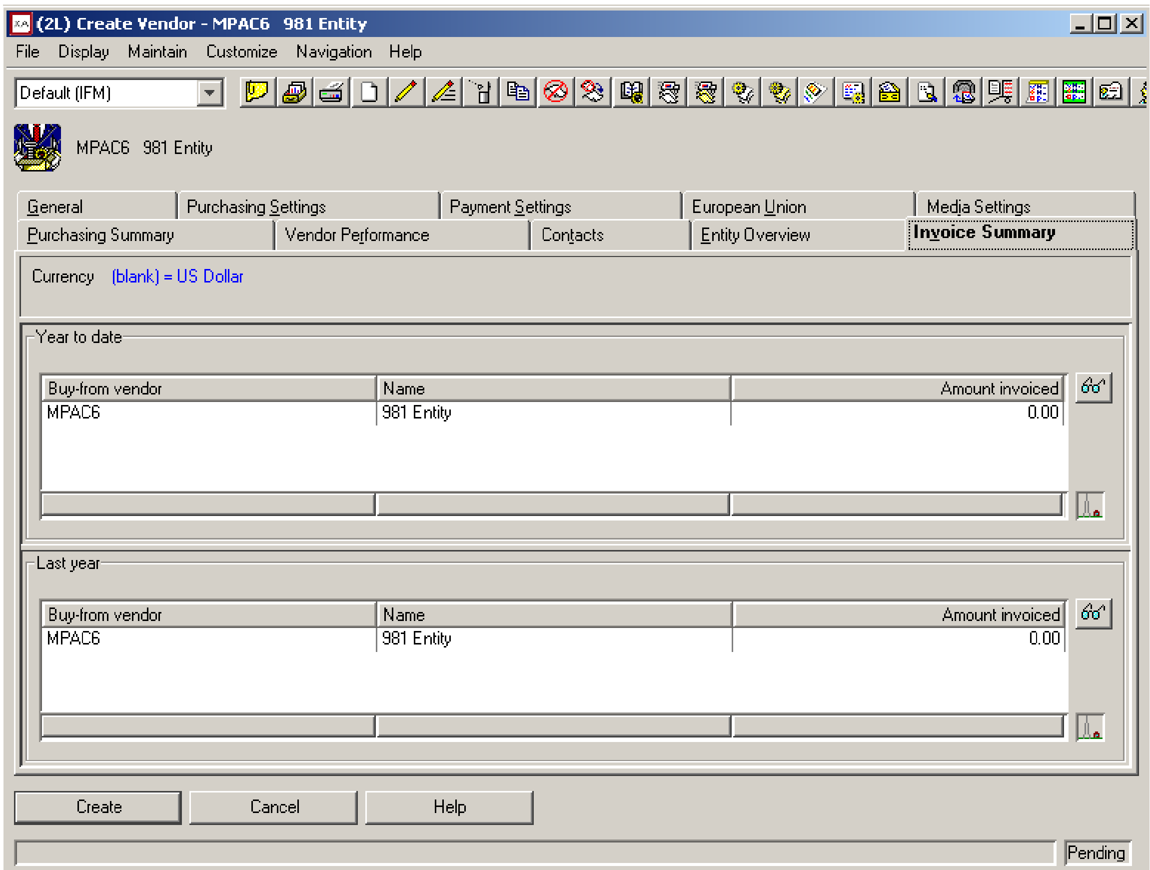


Figure 3-30. Create Vendor card file - Payment Summary (IFM) card

When you finish entering all the information you want to record about your new vendor, click Create to create the vendor.

Suspending and activating vendors

When you suspend vendors, XA users are prevented from using them on new purchase orders. You might do this until you have set up their payment information and your company is ready to use them. Suspended vendors have their Suspend purchase order entry attribute set to Yes.

PM suspends vendors when:

- the vendors Allow purchase orders attribute is No. This vendor is not an assignee/buy-from vendor or buy-from vendor.
- the vendor does not have an active assignee vendor.
- IFM is installed and the assignee vendor does not have an active entity.

You suspend a vendor from the Vendors list window by selecting the active vendor that you want to suspend. You can use the Active vendors subset to eliminate suspended vendors from consideration.Select Suspend on the Maintain menu. A Confirm prompt opens asking if you are sure you want to suspend the vendor you selected.

Figure 3-31. Confirm Suspend prompt

Click Yes to suspend the vendor. A suspended vendor is still in the system but is not available to use on a purchase order.

You can use the Suspended vendors subset to review the list of suspended vendors periodically. This subset narrows the list to only vendors that are suspended. You then focus on resolving the reason the vendor was suspended and either activate the vendor or delete the vendor if the vendor is no longer used.

You cannot activate vendors that PM has suspended until you fix the reason why PM suspended the vendor. For example, PM might have suspended a buy-from vendor because it did not have an active assignee vendor. You enter an active assignee and then activate the vendor.

You activate a vendor from the Vendors list window by selecting the suspended vendor. Select Activate on the Maintain menu in the Vendors object.

A Confirm prompt opens asking if you are sure you want to activate the vendor you selected.

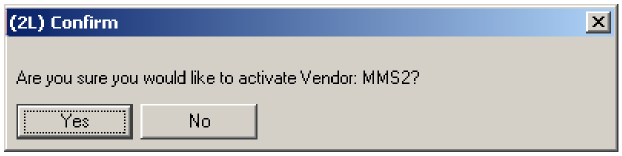


Figure 3-32. Confirm Activate prompt

Click Yes to activate the vendor. An activated vendor is available to use on purchase orders.

Selecting vendors

After you have determined the inventory you need to buy, the next step is to select the vendor or vendors from which you are going to purchase the required items. The Vendors object provides you with a list of possible vendors. If you cannot find a vendor that can supply consistently items you need at the right price, quantity, quality, and by the date the items are required; you might need to search outside PM for a suitable vendor and then create a vendor record in PM.

After you assemble a list of vendors that sell the items you need to purchase, you can evaluate each vendors past performance to help you decide the best vendor from which to purchase the items.

Finding vendors

You can use the Vendors, Vendor Items, and Requisitions objects to find the vendors from whom you want to purchase goods and services.

PM displays the vendor/item relationship from both the Vendors and Items objects. This information makes it easy for you to identify the vendors that sell the items you need to purchase.

Item Vendors. This option provides vendor information for a selected item. You access this information by selecting an item from the Items list window and then selecting the Item Vendors option from the Display menu. The list displays all the vendors that sell the selected item. This option is useful if, for example, you do not know which vendors sell this item and you want a list of vendors to begin your selection process.

Vendor Items. This object provides item information for a selected vendor. You access this object by selecting a vendor from the Vendors list window and then selecting Vendor Items from the Display menu. The list displays all the items that the vendor sells. This option is useful when, for example, you already have an order for a vendor and want to know whether the vendor also sells an item you require. If the vendor does sell this item, you can add it to the existing order.

Requisitions. From this object, you can select options for the primary vendor or requested vendor specified on the requisition. The primary vendor is the vendor from the Item Balance record. The requested vendor is the vendor the requisitioner wants to use for the purchase order. You access the Primary Vendor options and Requested Vendor options by selecting a requisition for the vendor from the Requisitions list window and then selecting Primary Vendor options or Requested Vendor options from the Display menu. For example, use this option if you want to activate the vendor requested on the requisition.

Also from the Requisitions object, you can access the options for the item on the requisition and, from these options, select the Item Vendors option. This selection is useful when you are viewing requisitions you need to add to purchase orders and you want to check which vendors supply the item on the requisition.

For example, from the Requisitions object, select the requisition for which you want to view a list of possible vendors that supply the item. Select Item options from the Display menu, and from the resulting Display menu, select Item Vendors.

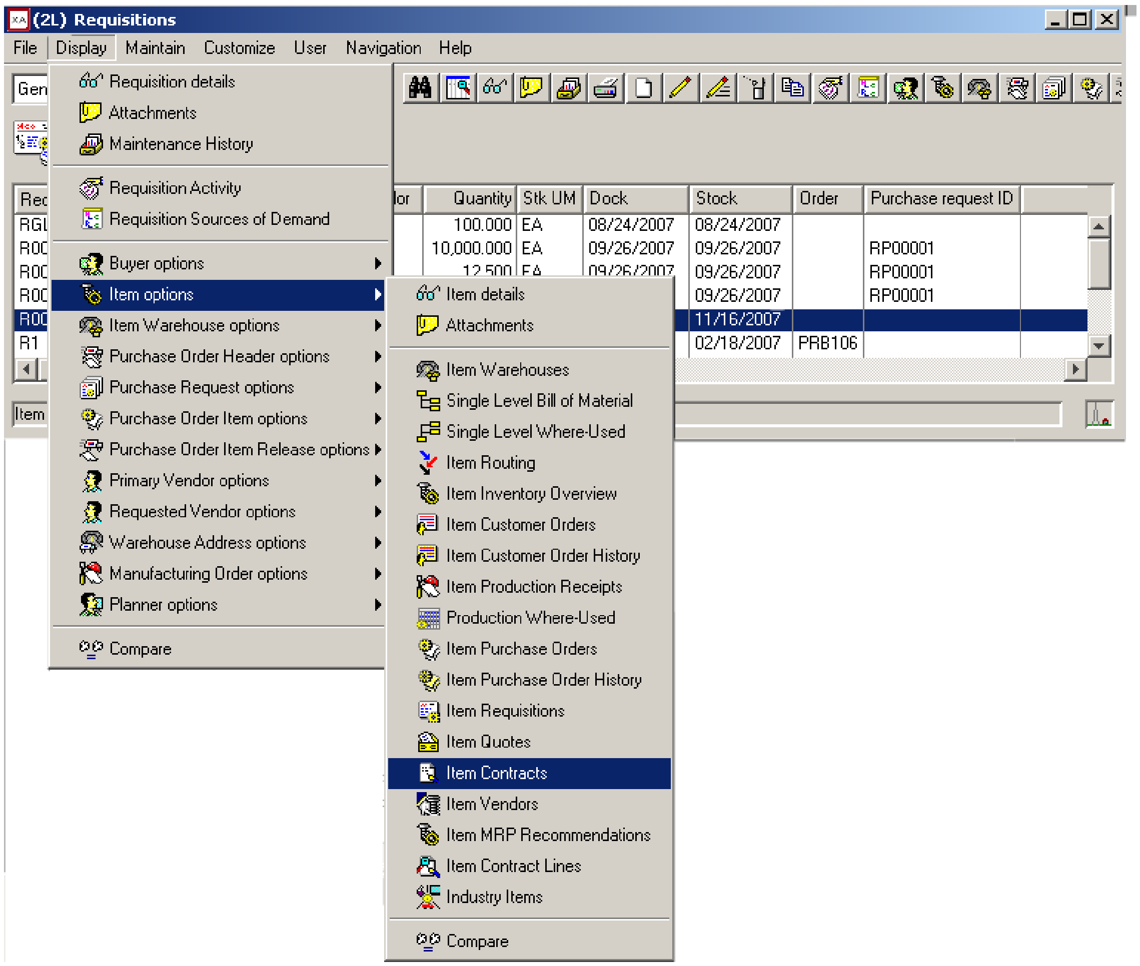


Figure 3-33. Requisitions Display menu

PM displays the list of vendors that supply the item on the requisition you selected. In this example, only one vendor supplies the item.

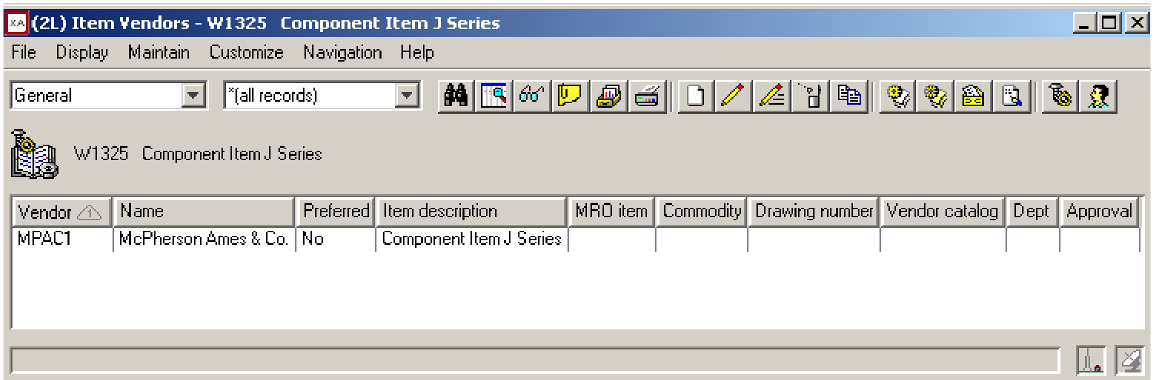


Figure 3-34. Items supplied by vendor for a requisition

To see more details for this vendor, you can double-click the vendor record in this list and the Vendor/Item card file opens.

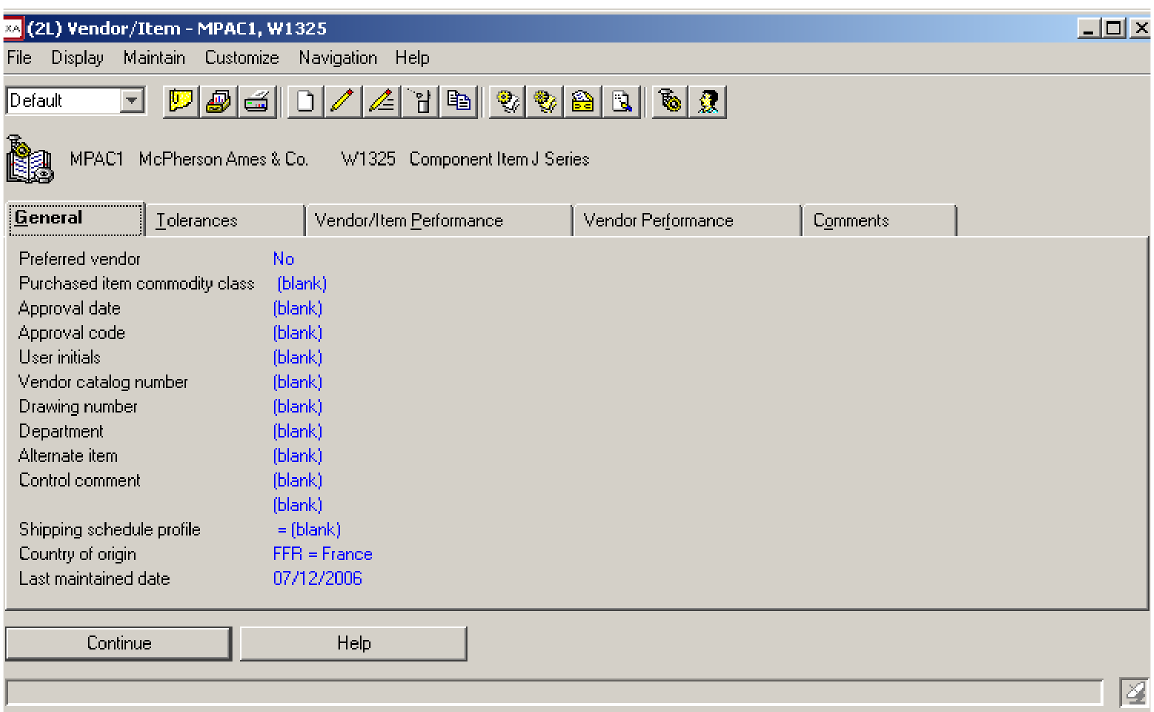


Figure 3-35. Vendor/Items - General card

Evaluating vendors

Part of selecting vendors involves evaluating each vendor's performance to ensure you can receive good service. You can view performance information using the:

- Performance Summary view from Vendors.
- Vendor Performance card and Vendor/Item Performance card.
- Purchase Order Performance option from Vendors and Vendor Items.

You can evaluate vendors before you create purchase orders or while maintaining your vendor lists.

Performance summary view. This view in Vendors shows the average vendor rating and last vendor rating for all vendors. You can then use the Active vendors subset to reduce the list to active vendors only. For example, from the Vendors list window, you can select a vendor and then select the Performance Summary view and Active vendors subset.

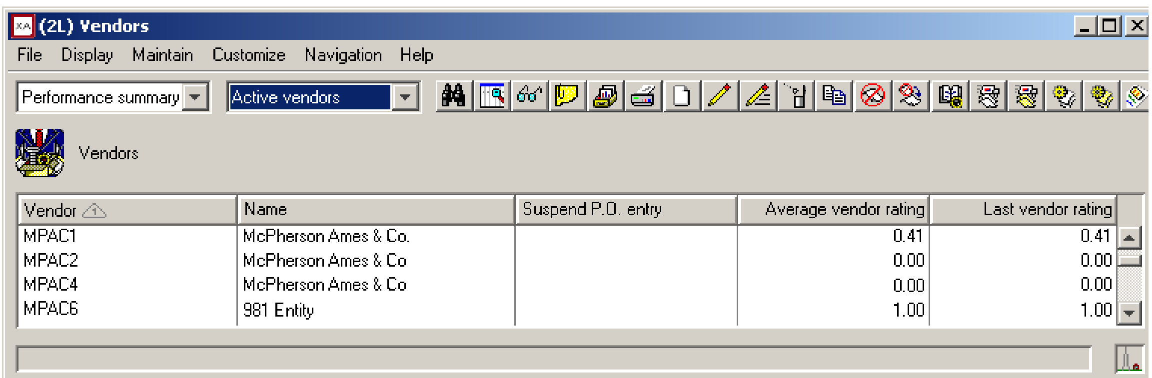


Figure 3-36. Vendors list window - Performance Summary view - Active vendors subset

In the example shown in Figure 3-36, the vendor MPAC1 has an average and last vendor rating of 0.41. The vendor MPAC6 has an average and last vendor rating of 1.00. A rating of 1.00 indicates the orders supplied by MPAC6 on average are on time, the correct quantity and price, and of adequate quality. From the Vendors list window using the Performance Summary view and Active vendors subset, you can see quickly MPAC6 is a more reliable vendor than MPAC1.

These performance statistics are captured by Purchasing when a purchase order item or purchase order item release is completed, before it is purged. Statistics for individual purchase orders are calculated on an interim basis. PM calculates the actual averages and ratings during purchase order closeout and purge only.

Vendor Performance card and Vendor/Item Performance card. You use these cards to view purchase order performance information for vendors and vendor items before you purge the purchase order. The Vendor Performance card is available from the Vendor card file and the Vendor/Item Performance card is available from the Vendor Item card file.

The Vendor Performance and Vendor/Item Performance cards summarize the following performance criteria:

- Average days early
- Average days late
- Average overship percent
- Average undership percent
- Average overprice percent
- Average underprice percent
- Average reject percent
- Average rework percent
- Average order size
- Average vendor rating
- Last vendor rating.

The Vendor/Item Performance card also provides information about:

- Quality performance
- Lead time performance
- Price performance
- Delivery performance.

You can view the Vendor Performance and Vendor/Item Performance cards to be sure you are making the best possible vendor selection. In this example, you selected MPAC6 as a reliable vendor using the Performance summary view. Next, you can view the Vendor Performance card for MPAC6.

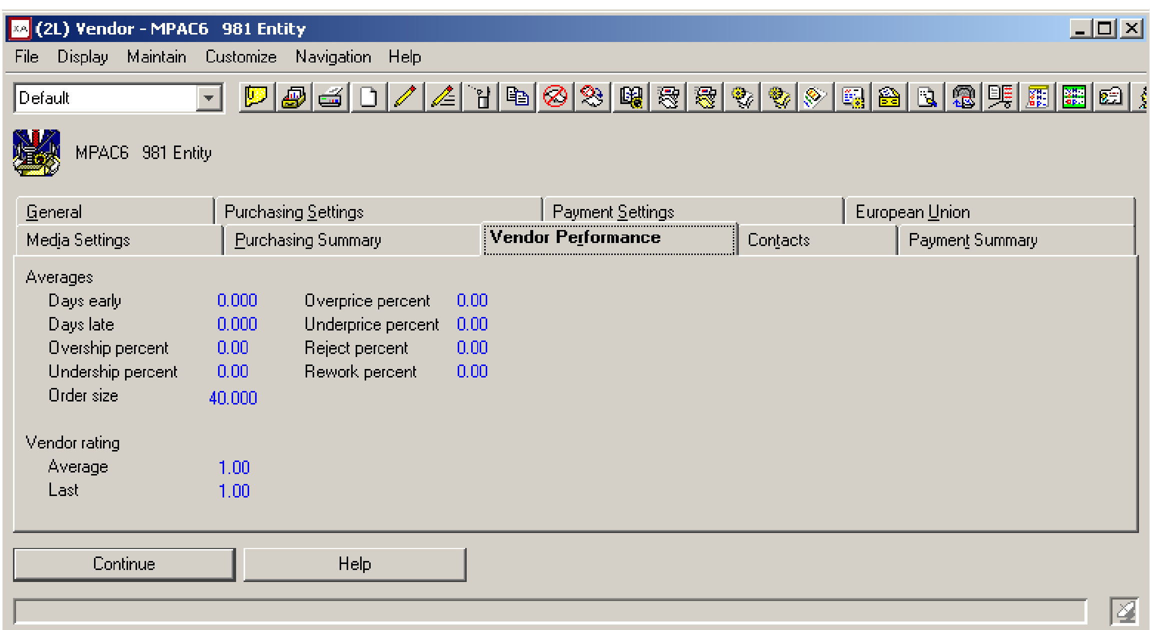


Figure 3-37. Vendors - Vendor Performance card

On the Vendor Performance card, you can see the average size of purchase orders supplied by MPAC6. In this example, on average 40 items are on the purchase orders received from MPAC6.

From the Vendor/Item Performance card, you can see Item MPR605 has a price performance rating of 36.00. The Price Performance value is used (with Lead time, Delivery and Quality performance) to calculate the average and last vendor/item rating, and average and last vendor rating.

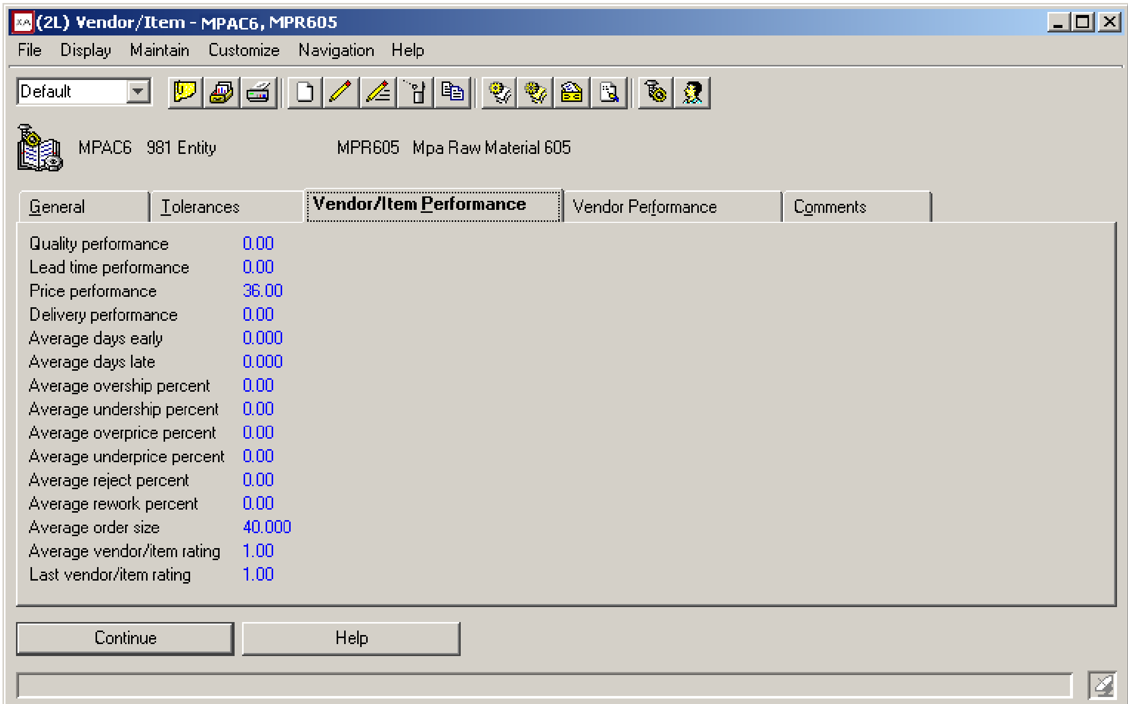


Figure 3-38. Vendor/Items - Vendor/Item Performance card

Purchase Order Performance. This object shows performance statistics for purchase orders, PM has purged. PM recalculates the averages, ratings, and other statistics during order closeout and purge and updates the Vendors and Vendor Items objects with performance information.

You can view Purchase Order Performance information from the following objects in PM:

Object	**Display option**
Vendors	Vendor Purchase Order Performance.
Vendor/Items	Vendor/Item Purchase Order Performance.

Table 3-5. Objects from which you can view purchase order performance

Vendor Purchase Order Performance. This list window displays details of the purchase order history records that contain any items supplied by the selected vendor. Until at least one purchase order associated with the vendor is purged, you do not see any information in this list window.

Vendor/Item Purchase Order Performance. This list window displays details of the purchase history records that contain the selected item and selected vendor. Until at least one purchase order associated with the vendor and item is purged, you do not see any information in this list window.

Note: PM updates this information during when it purges purchase orders, but you do not view performance information from Purchase Order History.

The following procedure assumes you want to view performance information for a related purchase order, vendor, and vendor item from the Vendors list window. (You could also view it from the Vendor/Items list window.) You select the vendor you want to evaluate and then select Vendor Purchase Order Performance from the Display menu. The Vendor Purchase Order Performance list window opens.

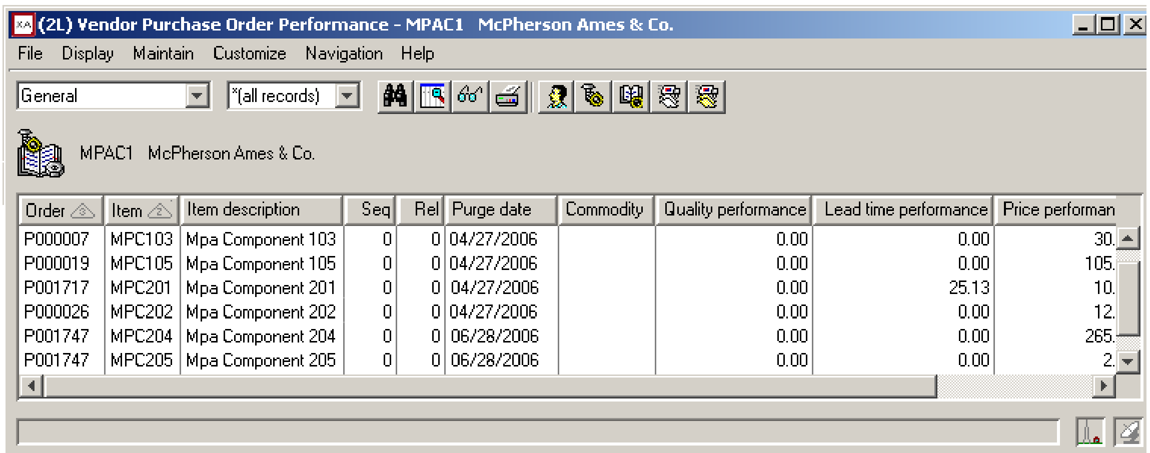


Figure 3-39. Vendor Purchase Order Performance list window

Select the purchase order item or purchase order item release you want to evaluate.

The Purchase Order Performance card file opens. This card file (and that of the Vendor/Item Purchase Order Performance object) contains three cards:

- Order Performance
- Vendor/Item Performance
- Vendor Performance.

The order performance information includes the actual performance criteria, while the vendor and vendor item performance information includes the average performance criteria. You can also view this information to see purchase orders PM has purged to be sure you are making the best possible vendor selection.

The Purchase Order Performance card file displays the date PM purged the purchase order. The Order Performance card provides the actual purchase order performance for this purchase order. In this example for purchase order P001747, the actual rating is 1.00. You can see the order was received early.

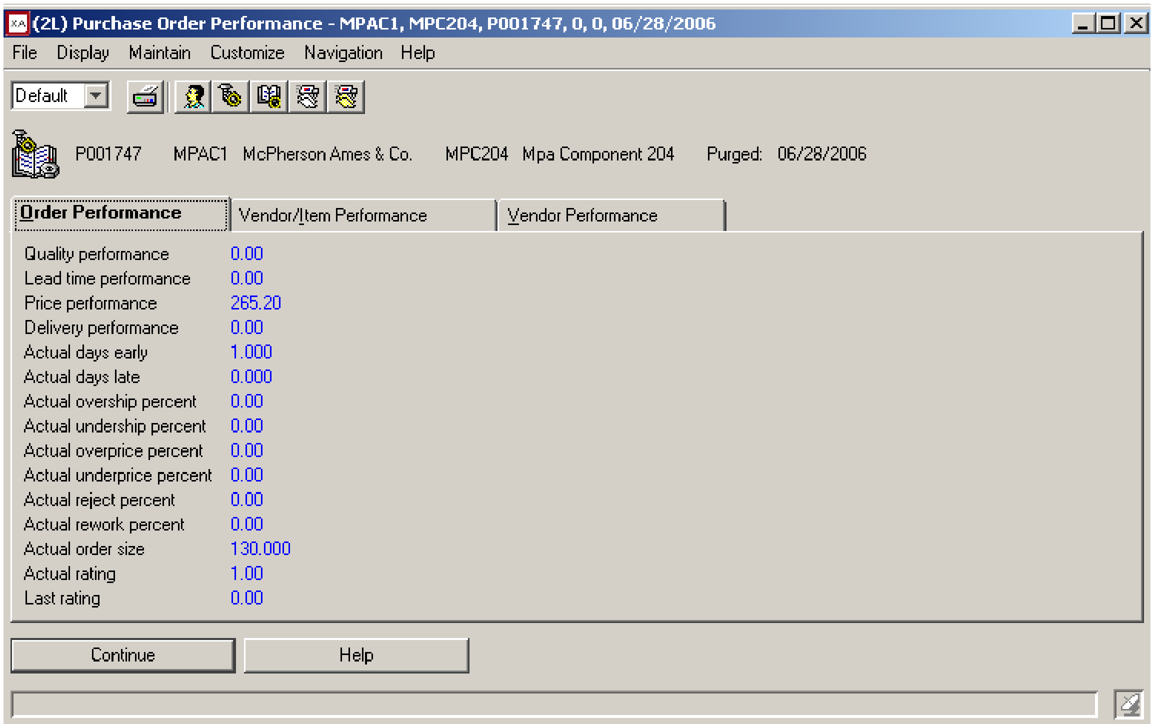


Figure 3-40. Purchase Order Performance - Order Performance card

The Vendor/Item Performance card provides the average performance for this vendor for the selected item. In this example, there is no data because you are viewing information at the vendor level, not the vendor/item level.

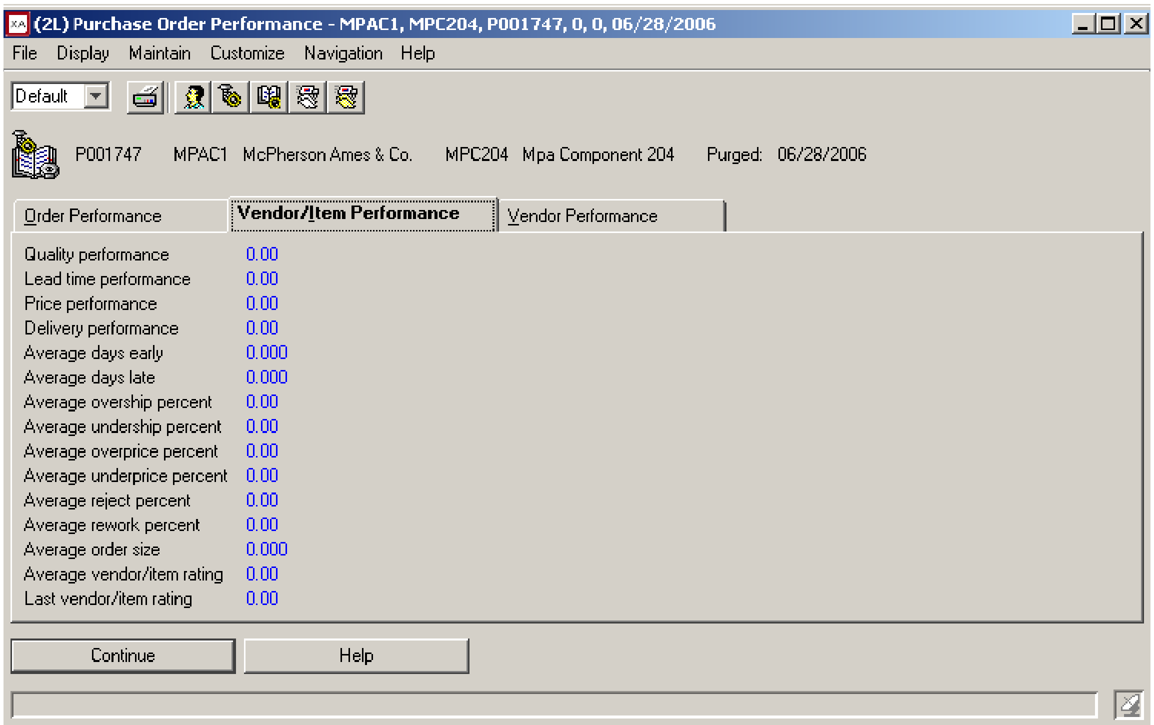


Figure 3-41. Purchase Order Performance - Vendor/Item Performance card

The Vendor Performance card provides the average performance for all items the vendor you selected supplied. In this example, the Average vendor rating is 0.41.

From the Purchase Order Performance card file for the vendor MPAC1, you can see although the purchase order P001747 has no problems, on average the vendor does not perform well.

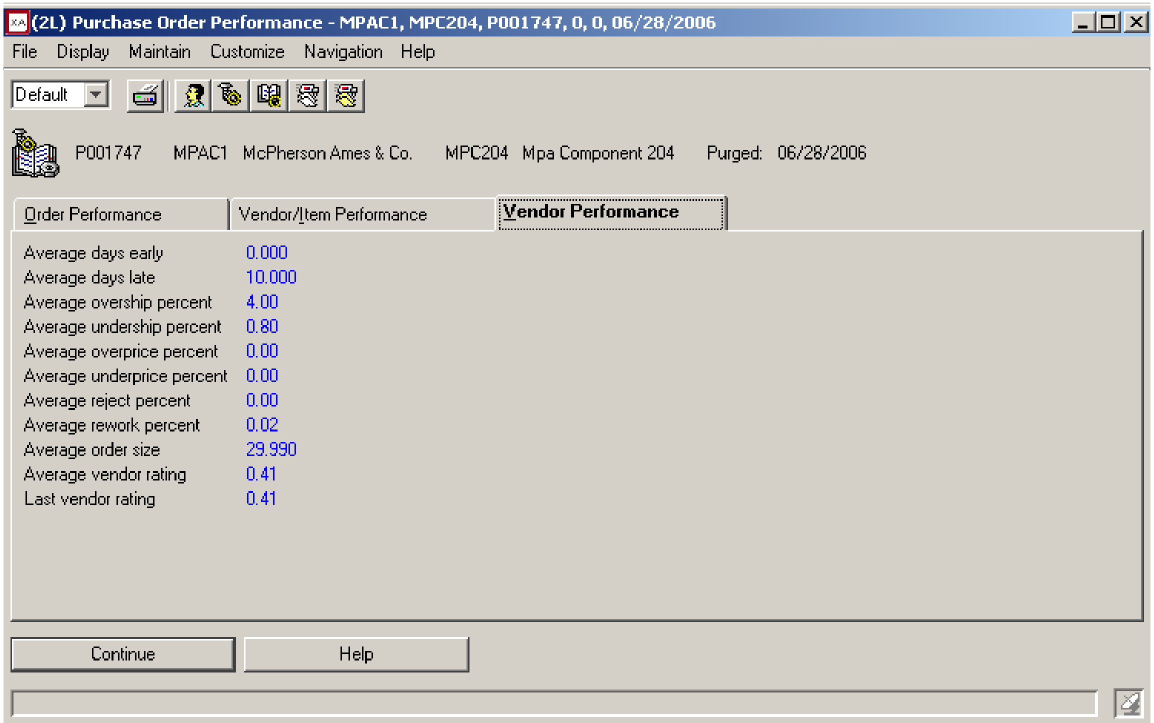


Figure 3-42. Purchase Order Performance - Vendor Performance card

Chapter 4. Requesting Quotes and Creating Contracts

Overview

After you select possible vendors, you can choose to request quotes from vendors and then compare prices and terms. Then after you pick a vendor, you can create a contract to confirm the terms proposed in the quote. This chapter describes using quotes and contracts to help you obtain the best possible price and terms for your purchase orders.

You create a request for a quote and use the Quotation Request host report to print and send the quote to the vendor. The vendor returns the quote, providing the prices and terms for purchasing the goods and services.

Using the Quotation/Contract Analysis host report, you can then compare the quote you received from one vendor to any other quotes, and determine which quote is the most acceptable. Reviewing quotes also helps you determine the price you should expect to pay for items. You can then use this information to negotiate new pricing agreements with your vendors.

If you reject the quote, you are not able to assign a contract to the quote. You can reopen the quote by removing the reject date.

If you accept the quote, you can create and assign a contract to the quote with the vendor you select as the primary supplier for each item.

You use contracts to take advantage of vendor-level-pricing and item-level pricing, and make sure your purchase order uses the prices you negotiated. The quote and contract are available for reference on purchase orders, and you can use the contract to create purchase orders.

Figure 4-1 shows that the status of quotes and contracts change as they are processed.

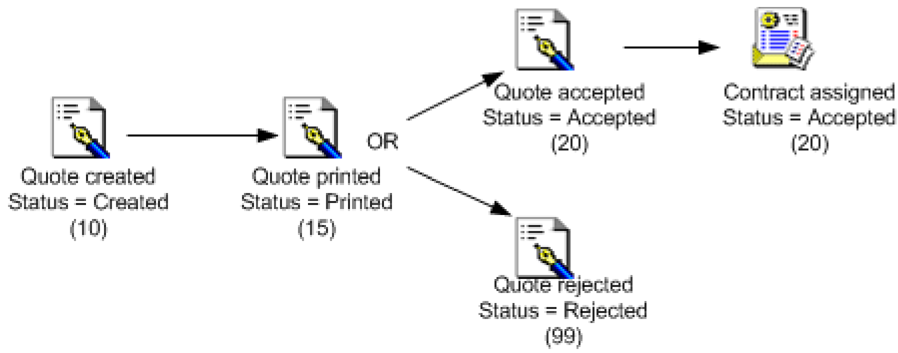


Figure 4-1. Overview of quote and contract activities

Quote requests have a Quote status equal to 10 - Created when you create them. When you print and send them to the vendor, the Quote status changes to 15 - Printed. If rejected, the Quote status changes to 99 - Rejected. If accepted, the Quote status changes to 20 - Accepted and a contract can be assigned.

Quotes. The Quotes object contains a statement of an item's price, terms, and quantity/price breaks that a supplier is offering to a prospective buyer. It is a bid, which the buyer may accept or reject. Quotes are useful for making informed decisions about the purchase of an item. Buyers can compare the quantity and price breaks vendors offer for items to determine the best purchasing opportunity. You typically create quotes before contracts.

Contracts. A Contract is an agreement between the vendor and your company. It is a higher-level of commitment that the vendor will make available the agreed quantities at the agreed price, and your company will purchase the agreed quantities. You typically create a contract after you accept the quote.

Quotation Request host report. You use this host report to send quote requests to the vendor. The vendor responds with a quote for goods and services your company intends to purchase. You can print quotation requests from either the Quotes or Contracts object.

Quotation/Contract Analysis host report. You use this host report to show information from the Quotation/Contract Master files. If multi-currency processing is active, you can choose to print the report in trading or local currency. You can print this report from either the Quotes or Contracts object.

Creating quotes and contracts

In Purchasing (PUR), quotes always precede contracts. Procurement Management (PM), however, breaks the quote/contract link and separates the two objects so that you can open contracts independent of quotes. When you view a list of quotes, you see the associated contract if one exists, but when you look at the list of contracts, the default view does not show quote information.

You can create a contract without creating a quote. However, because PM must still work within the architecture and rules of the PUR database, PM automatically creates a quote for a contract. PM uses defaults to create and accept the quote, using the system date for the Quote create date and the Contract expiration date for the Quote expiration date.

PM provides the following approaches to creating quotes and contracts:

- Create the quote and the contract at the same time. PM uses pricing information from the quote on the new contract. If you want, you can override this price for exceptional circumstances.
- Create a quote without a contract.
- Create the contract without a quote.
- Create a contract for an existing quote.

Creating a quote

The following procedure assumes you want to create a quote, and optionally create a contract at the same time. From the Quotes list window, select Create and the Create Quote/Contract dialog opens.

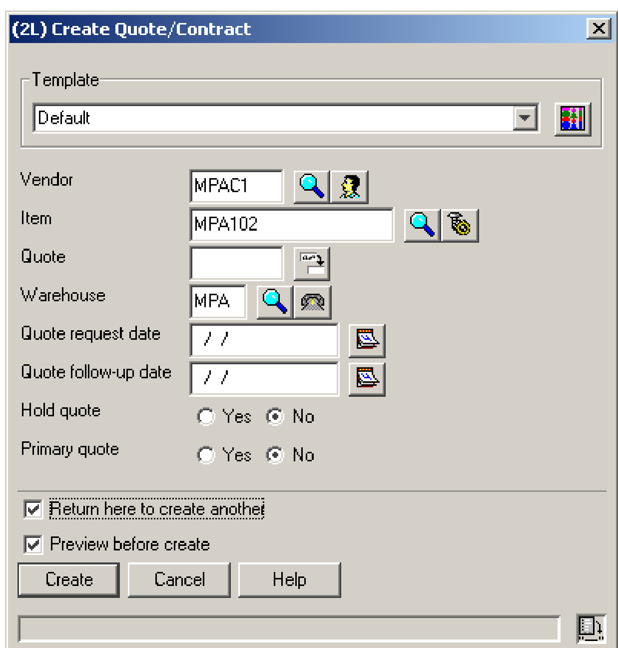


Figure 4-2. Create Quote/Contract dialog

You enter the appropriate details on this dialog.

If you want to view or change information in the Create Quote/Contract card file, or if you want to create a contract for this quote, select the Preview before create option and click Create.

The Create Quote/Contract card file opens.

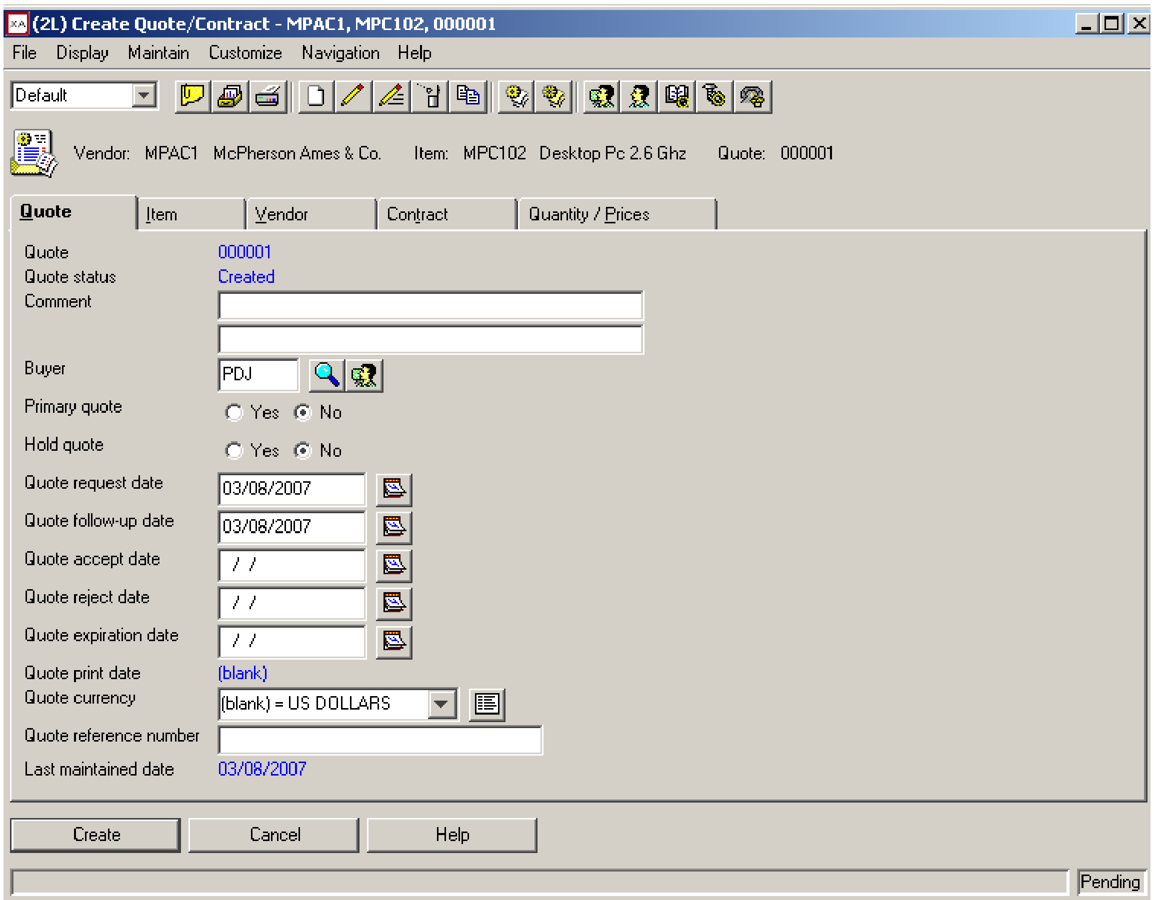


Figure 4-3. Create Quote/Contract card file - Quote card

Enter the required details on the appropriate cards. You must enter a quote accept date and quote expiration date on the Quote card, if you want to add a contract.

If you want to create the contract at the same time, select the Contract card and enter the required details. In this example, a contact number is assigned, a description, contract start date and expiration date, and quantity limit is added.

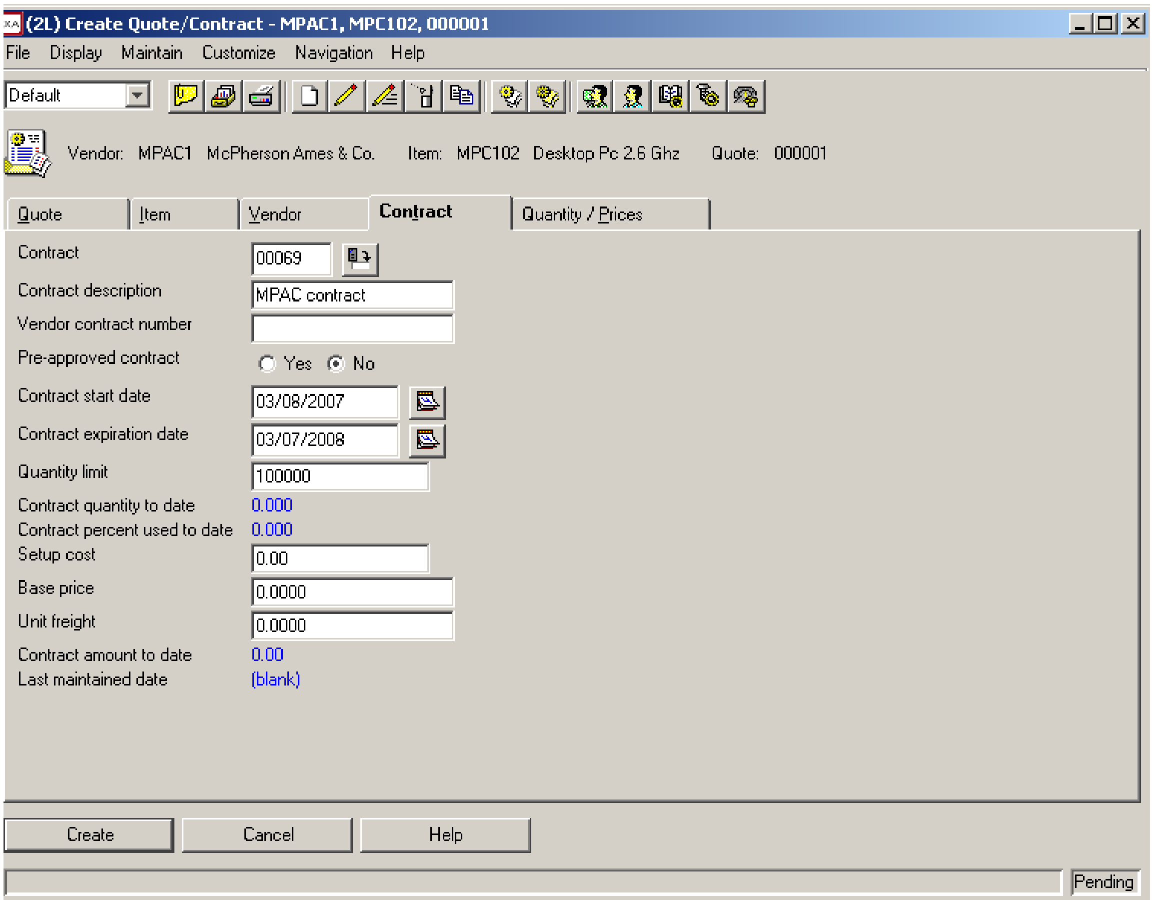


Figure 4-4. Create Quote/Contract card file - Contract card

Select the Quantity/ Prices card because you must create at least one quantity/price break when creating a contract.

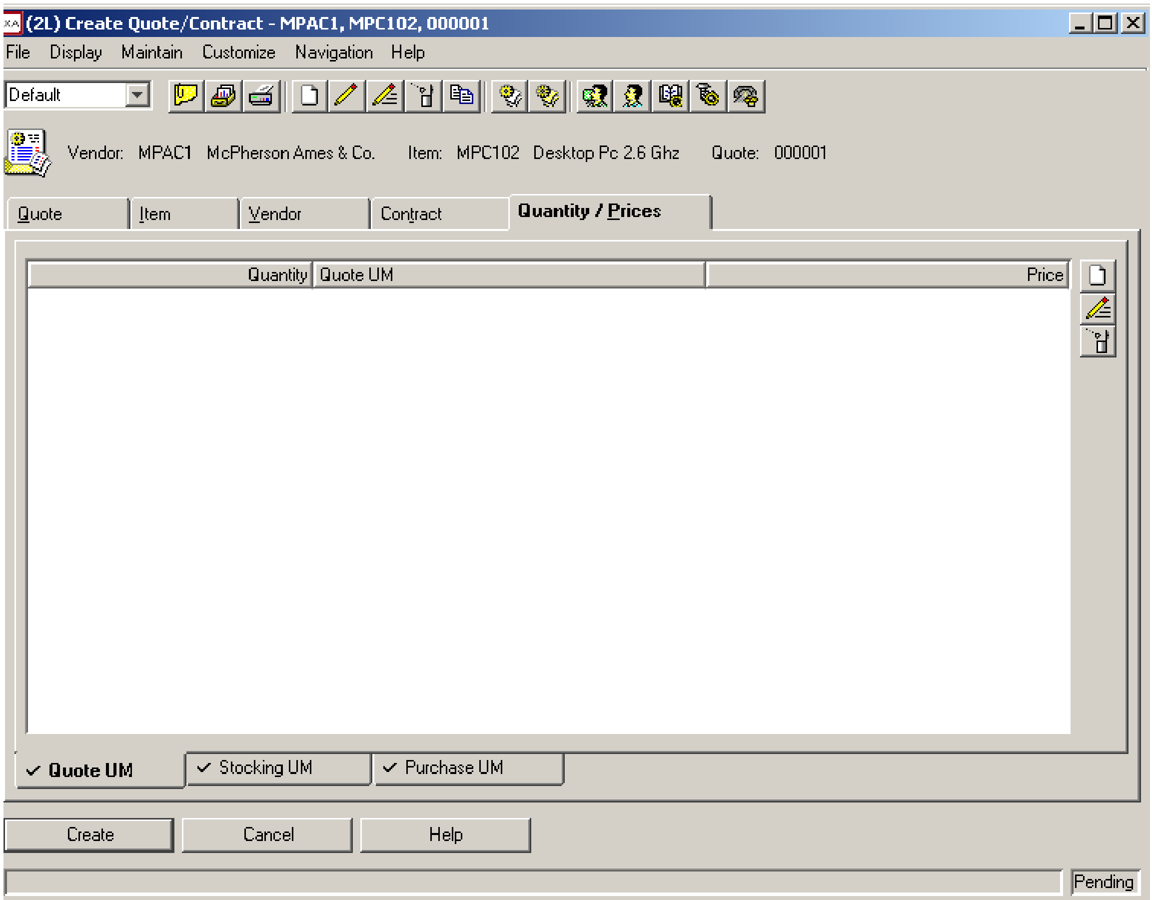


Figure 4-5. Create Quote/Contract card file - Quantity/Prices card

Click the Create button next to the list window on the Quote UM, Stocking UM, or Purchase UM tab. The Create Price Break dialog opens.

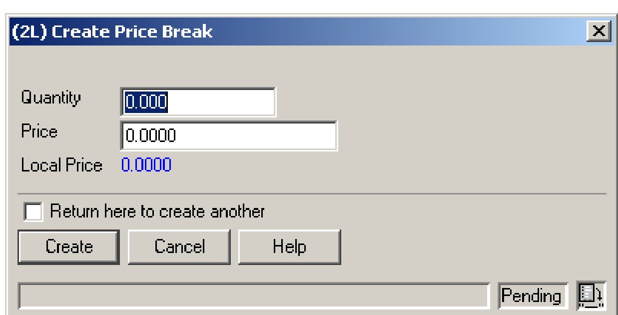


Figure 4-6. Create Price Break dialog

Enter the required details on the Create Price Break dialog. To create the price break, click Create. Click Create on the Quote/Contract card file to create the quote. If you chose to create a contract, PM creates the contract at the same time.

Printing a Quotation Request

This example assumes you want to print a Quotation request to send to a vendor. From the Quotes or Contracts list window, select the quotes or contracts associated with the quotation request you want to print. Select the Host Print ... option on the File menu. The Quote/Contract Host Reports window opens.

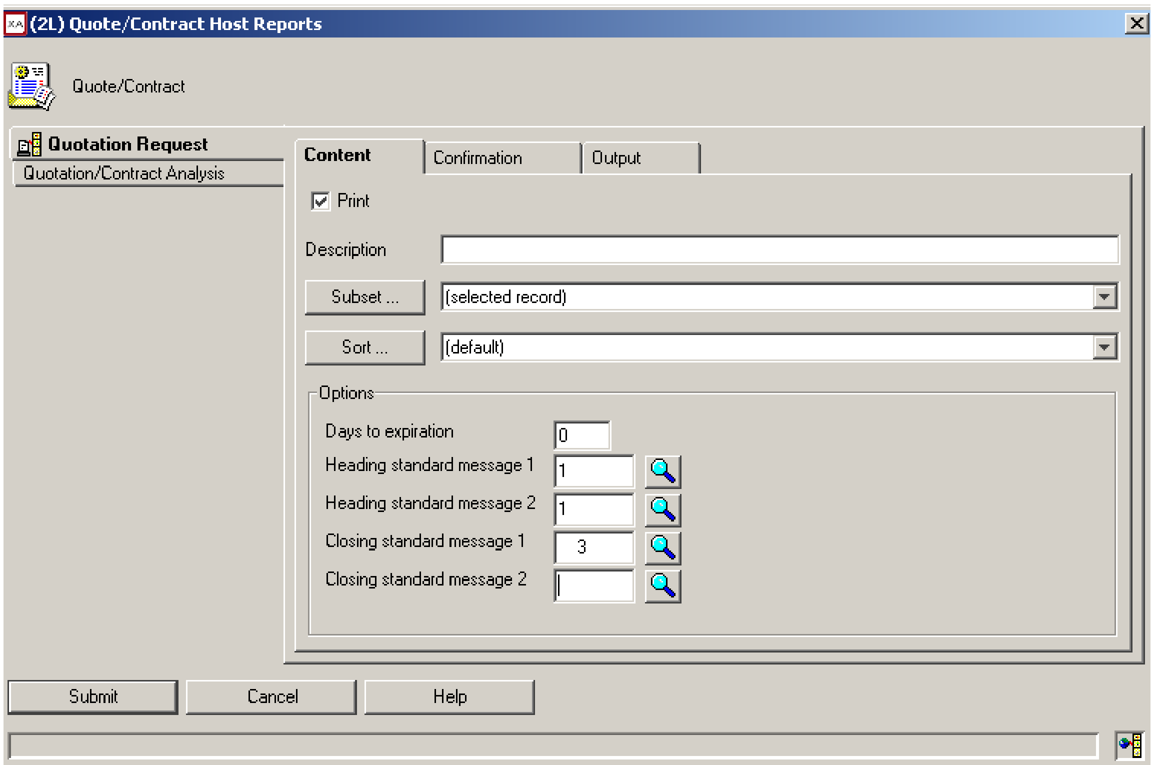


Figure 4-7. Quote/Contract Host Reports window

Select the Quotation Request tab and enter the appropriate details.

Click Submit. A Confirmation prompt opens.

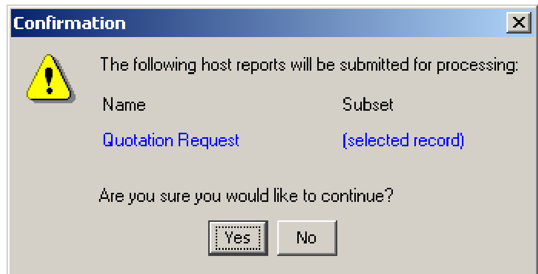


Figure 4-8. Confirmation Quotation Request prompt

Click Yes, and PM sends the quotation request to the vendor according the vendor's media settings. PM changes the Quote status from 10 - Quote created to 15 - Quote printed.

Creating a contract

After you review the quotes from vendors and you select a vendor, you can choose to create a contract with the vendor. "Creating a quote" on page 4-3 shows that you can create a quote and a contract at the same time. The following topic, "Creating a contract" shows that you can create a contract without first creating a quote. "Assigning a contract to a quote" on page 4-11 shows that you can create a contract from an existing quote.

When you choose the Create option from the Contracts list window, the Create Contract dialog opens.

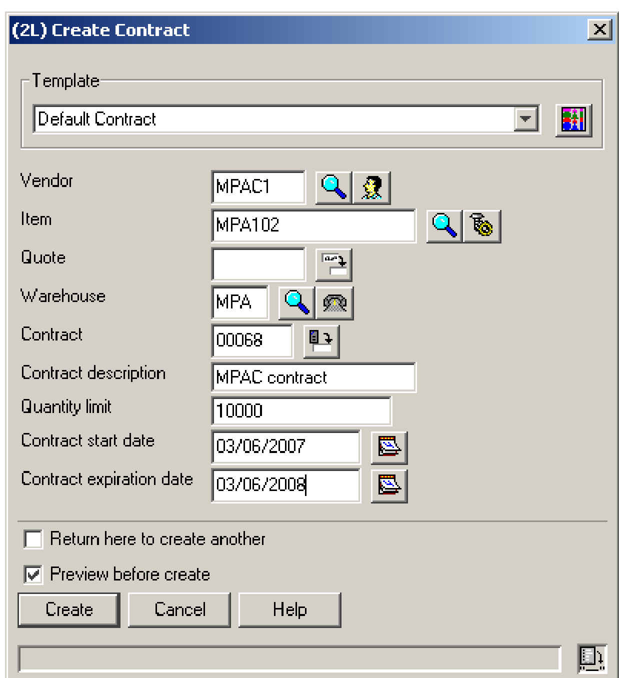


Figure 4-9. Create Contract dialog

Enter the appropriate details on the Create Contract dialog. If you enter a quote number or assign a quote, you will link this contract to the quote number. When you enter or assign a Contract number, the remaining four attributes are available for you to enter details.

You need to add at least one quantity/price break to create a contract. Select the Preview before create option and click Create.

The Create Contract card file opens showing the Contract card.

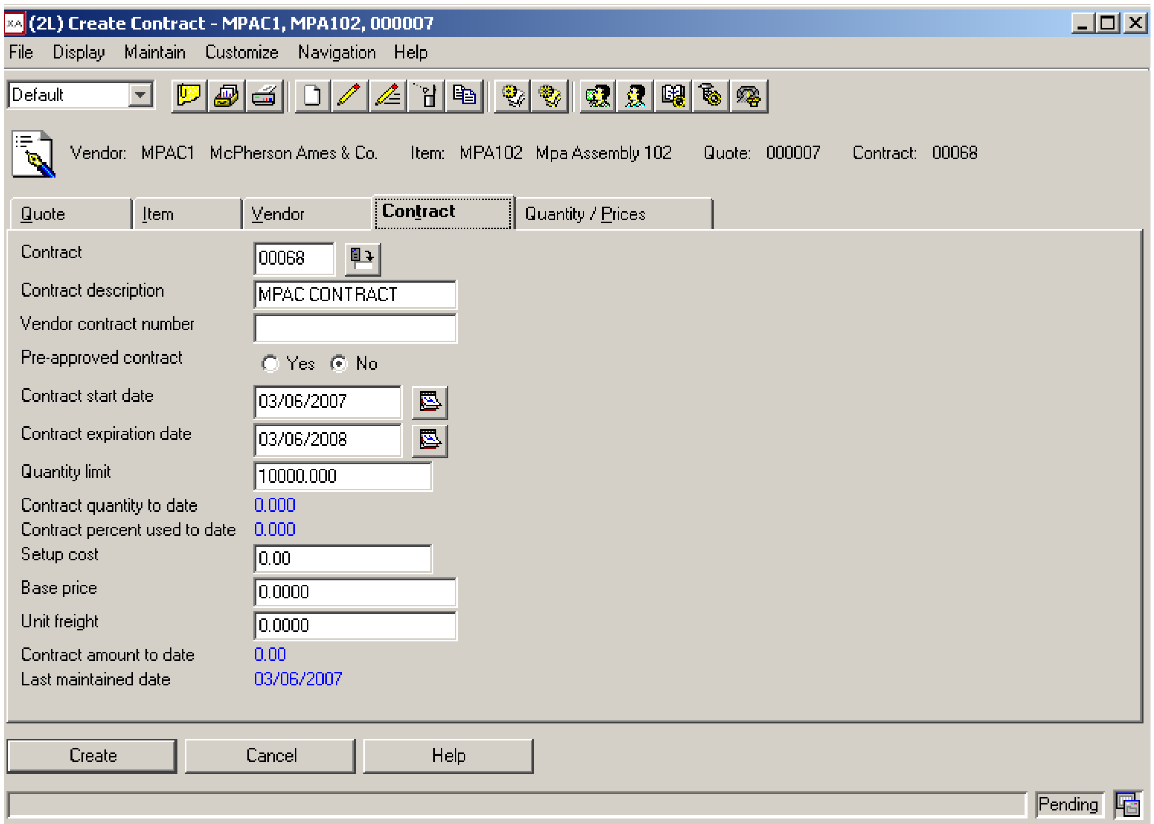


Figure 4-10. Create Contract card file - Contract card

Enter the required details on the Contract card. In this example, the card displays the values you specified on the Create dialog for Contact number, Contract description, Quantity limit, and contract start and expiration dates.

Select the Quantity/ Prices card because you must create at least one quantity/price break when creating a contract.

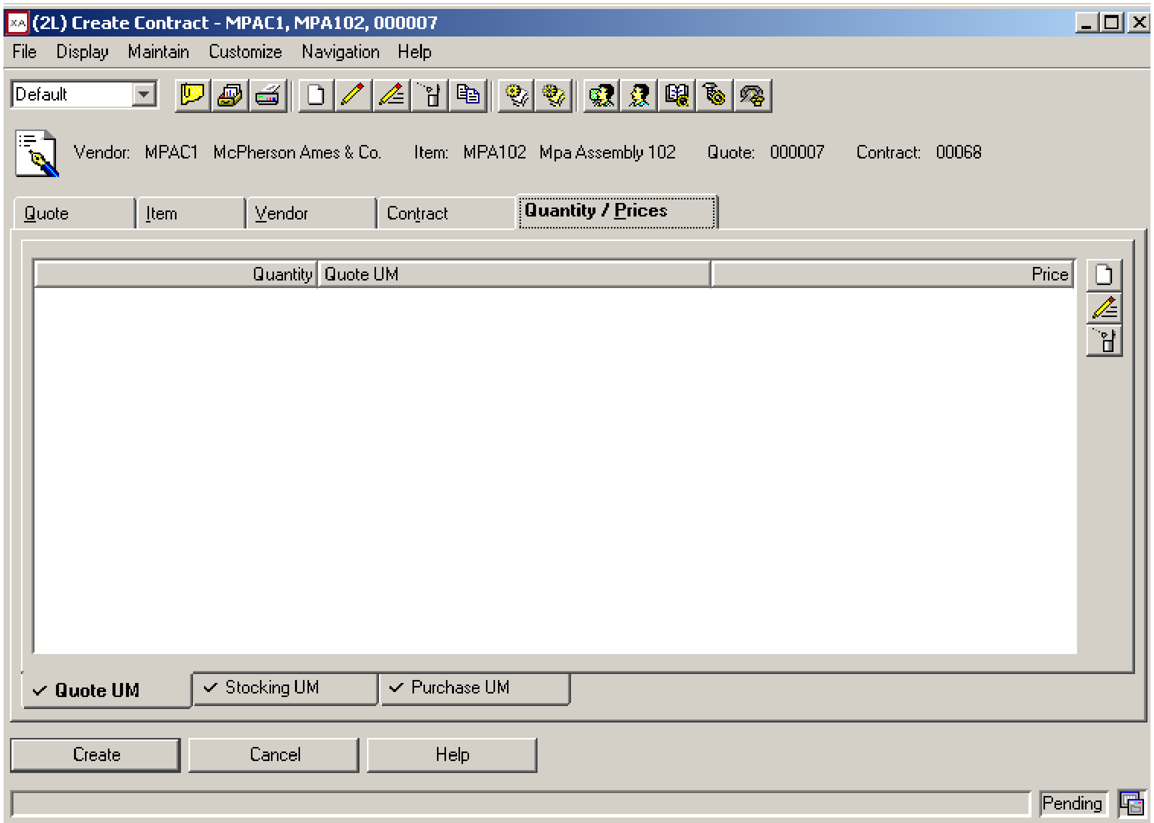


Figure 4-11. Create Contact card file - Quantity/Prices card

Click the Create button next to the list window on the Quote UM, Stocking UM, or Purchase UM tab. The Create Price Break dialog opens.

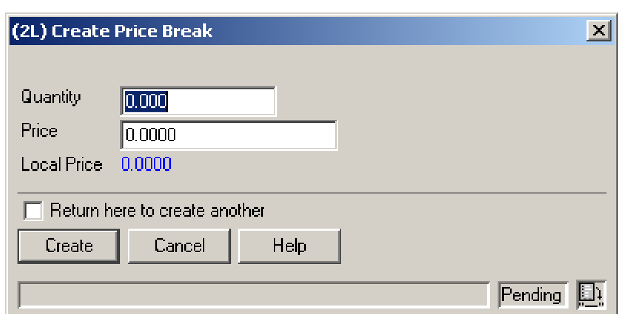


Figure 4-12. Create Price Break dialog

Enter the required details on the Create Price Break dialog. To create the price break, click Create.

Click Create on the Create Contract card file to create the Contract.

Assigning a contract to a quote

This example assumes that you accepted a quote and now you want to create a contract for it. From the Quotes list window, select the quote for which you want to assign a contract. Select Change on the Maintain menu and the Change Quote/Contract card file opens.

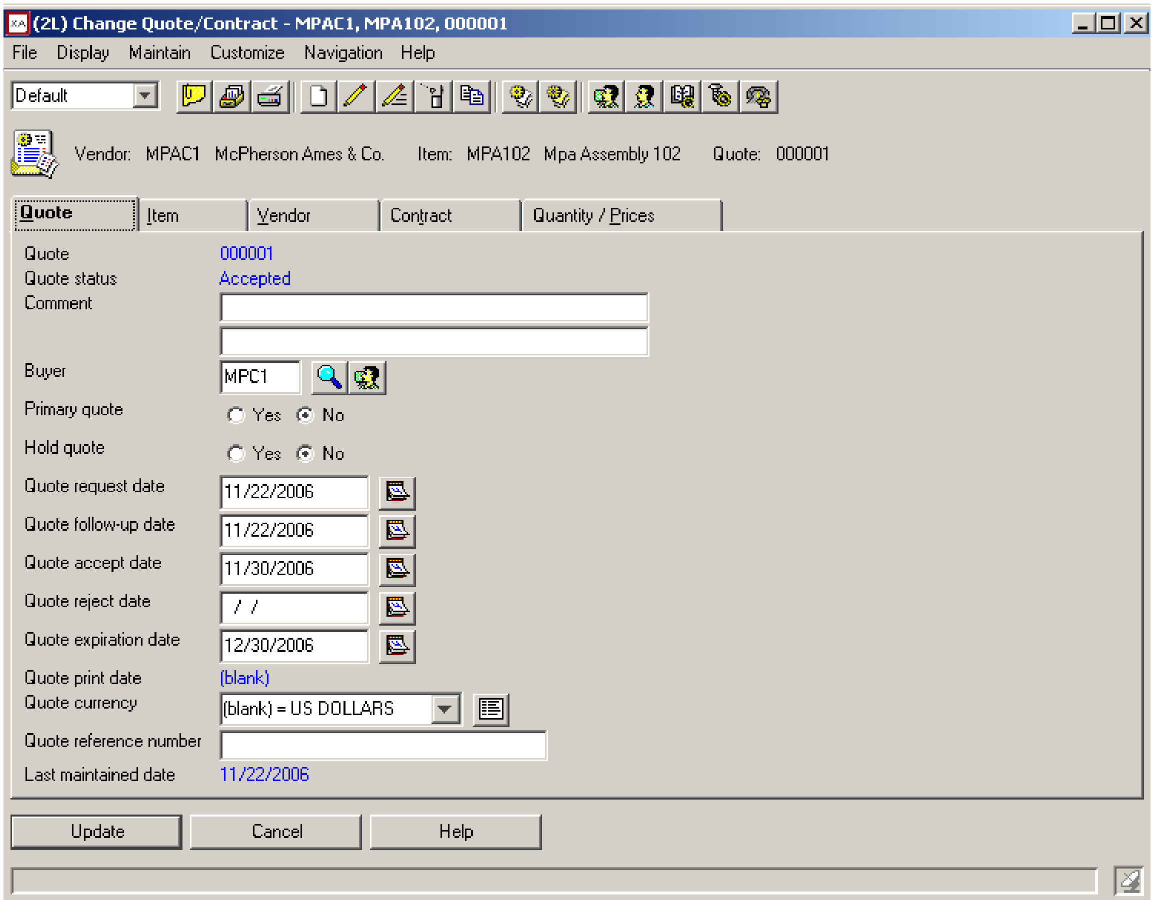


Figure 4-13. Change Quote/Contract card file

Select the Contract card. Either click the Assign Contract button next to the Contract attribute to assign the Contract ID, or type the number you want to use to identify the contract.

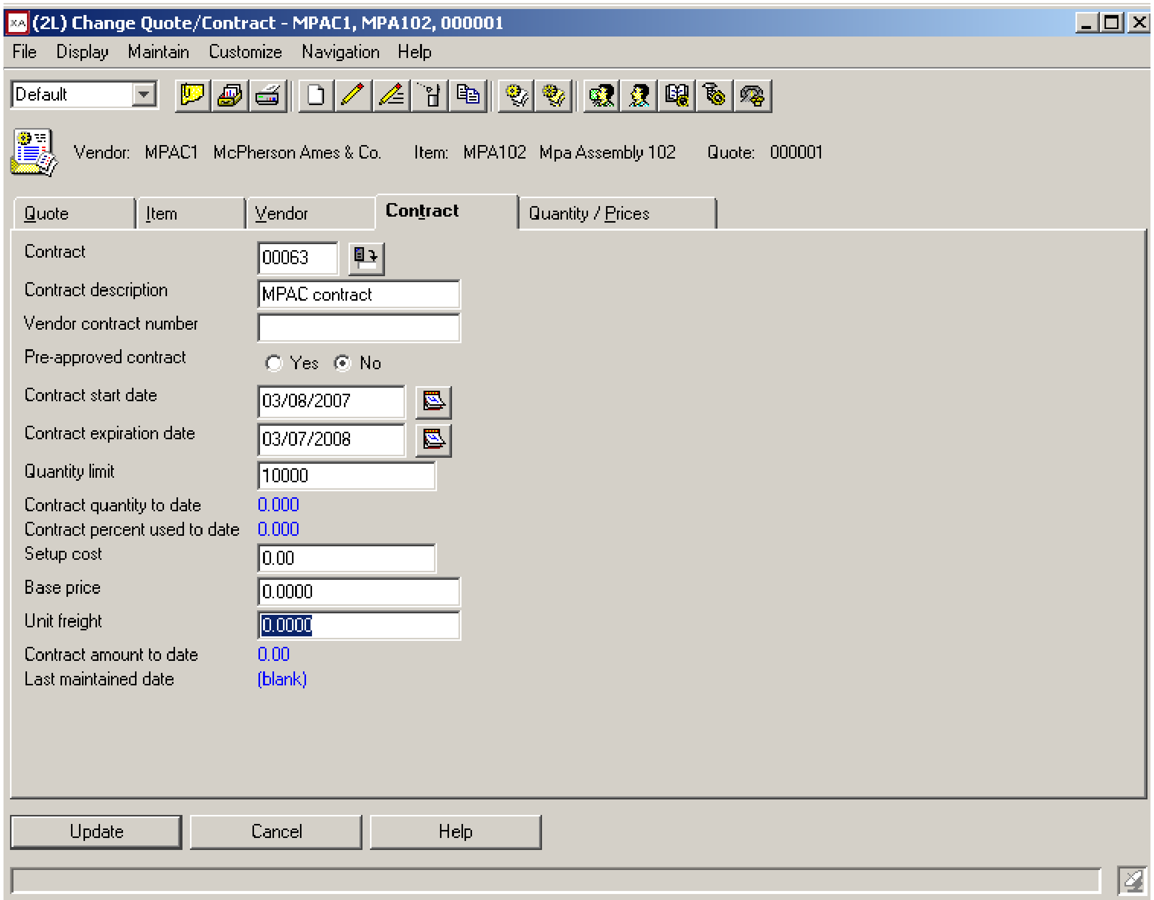


Figure 4-14. Change Quote/Contract card file - Contract card

Enter the required details on the Contract card. In this example, a contact number is assigned, you add a description, contract start date and expiration date, and quantity limit.

If no price/break exists, select the Quantity/ Prices card because you must create at least one quantity/price break to create the contract.

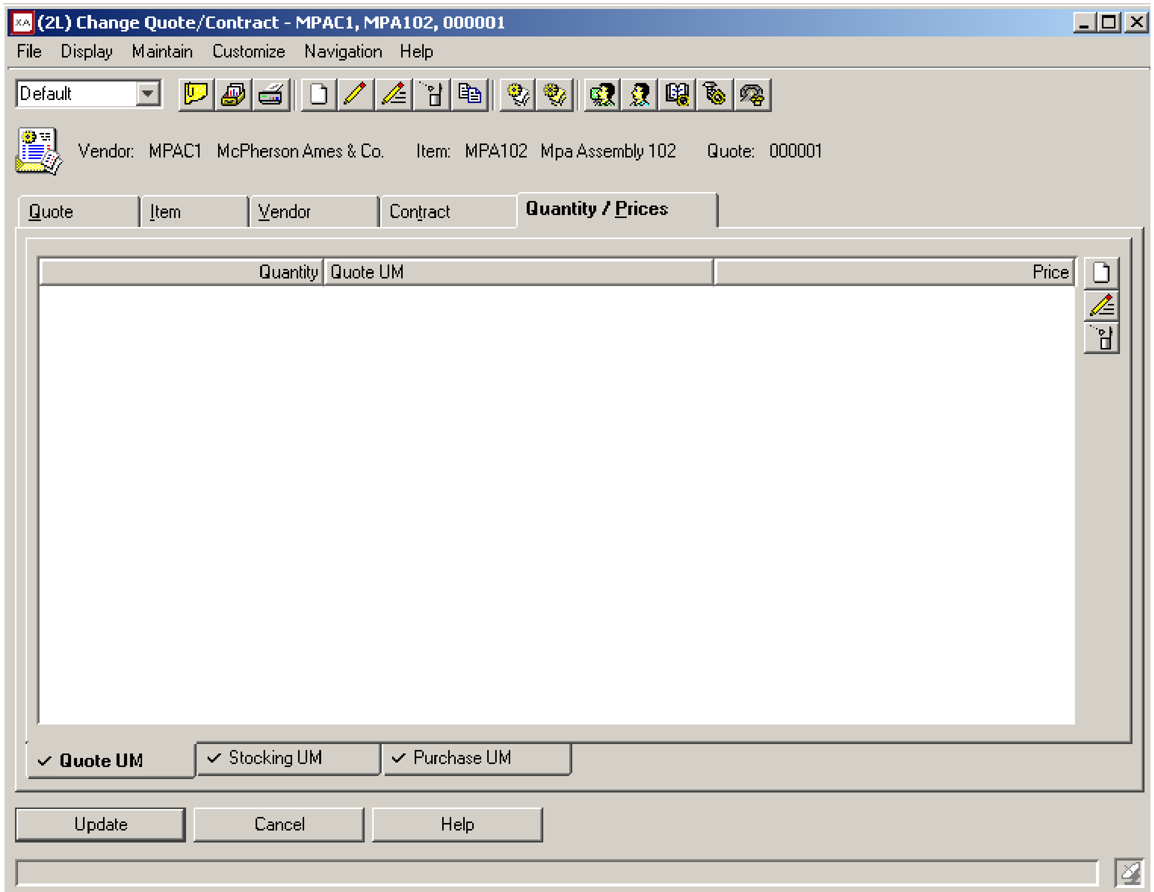


Figure 4-15. Change Quote/Contact card file - Quantity/Prices card

Click the Create button next to the list window on the Quote UM, Stocking UM, or Purchase UM tab. The Create Price Break dialog opens.

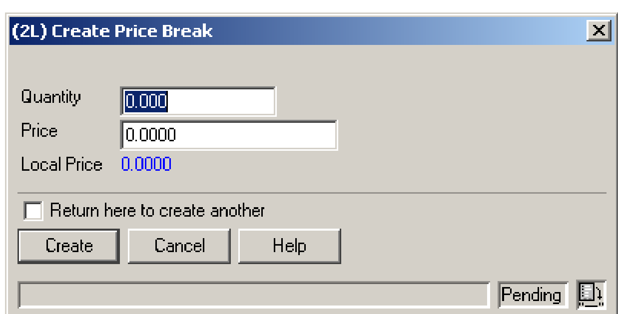


Figure 4-16. Create Price Break dialog

Enter the required details on the Create Price Break dialog. To create the price break, click Create. Click Update to create the contract.

Viewing quotes and contracts

You can use information in the Quotes and Contracts objects to help you select vendors and determine which quotes and contracts you need to follow up. From other objects such as the Buyers, Items, and Vendors, you can view information about quotes and contracts related to these objects. You can also generate Quotation/Contract Analysis host reports to help you analyze quote and contract information.

Quotes and Contracts list windows. From these list windows, you can use the Contract Purchase Orders or Contract Purchase Order History options on the Display menu to view purchase orders and purged purchase orders associated with a contract or quote. For example, use these options to track a contract you used to create a purchase order or view all the purchase orders affected by the terms of a contract.

PM provides the following subsets on the Quotes and Contacts list windows. You can use these subsets to refine quote and contract information.

Item ... subset. This subset displays quotes and contracts for the item number you enter. This information, for example, is useful if you want to check other contracts for an item you want to purchase. You can use these contracts to check the prices at which your company has previously purchased the item.

Quotation/contract analysis ... subset. This subset presents you with contracts and quotes that have the item, vendor, buyer, and reference number you enter. Use this subset to view information about quotes and contracts for an item, buyer, and/or vendor.

Reference ... subset. This subset displays quotes and contracts for the quote reference number you provide. For example, use this subset if you have a reference number and need to learn about the contract associated with this number.

Unprinted primary subset. This subset displays all quotes that are primary quotes, are not on hold, and are not printed. For example, use this subset to check quotes that are not printed when they should be printed.

Overdue, unreceived subset. This subset displays all quotes that have no accept date and have a request date that is before today's date. You can use this subset to check quotes that you requested from vendors but have not received.

Unreceived, follow-up ... subset. This subset shows you the quotes that your company has not accepted, you have not yet followed up, and the follow-up date is before or on the date you enter. Use this subset to create a list of quotes you need to follow up.

Rejected subset. This subset presents you with a list of quotes that your company has rejected. For example, use this subset to view rejected quotes and to pick quotes that you want to accept or reject (by specifying an accept or reject date). You can also view this subset to decide whether you want to send any more requests for quotes to a vendor because your company normally rejects the vendor's quotes.

Contract expires by ... subset. This subset provides you with a list of contracts that expire between today's date and the date you enter. You can use this subset, for example, to follow up all contracts that expire next week.

Contract starts by ... subset. This subset provides you with a list of contracts that have a start date between today's date and the date you enter. You could use this subset, for example, to check all contracts that start in the next week.

Expired subset. This subset provides you with a list of quotes that have expired.

Expired quote and contract. This subset provides you with all quotes that have contracts where both the contract and quote expiration date are in the past.

Expires by ... subset. This subset provides you with all quotes that expire between today's date and the date you enter. For example, use this subset to follow up quotes that your company has accepted but will soon expire.

PM also displays quotes and contracts from other PM objects, which makes it easy for you to organize a list of quotes or contracts. The Quotes and Contracts subsets are also available from these list windows. You can view quote and contract information from the following objects:

Object	Display option
Buyers	Buyer Quotes.
Buyers	Buyer Contracts.
Items	Item Quotes.
Items	Item Contracts.
Vendors	Vendor Quotes.
Vendors	Vendor Contracts.

Table 4-1. Objects from which you can view quotes and contracts

Buyer Quotes. This option shows the quotes for which a buyer is responsible. This information is useful when you want to see all the quotes you or another buyer is responsible for processing. For example, you can use this option to create a list of quotes for which you are the buyer. You can then subset this list using the subset, Unprinted primary to display all the quotes you need to print.

Buyer Contracts. This option shows the contracts for which a buyer is responsible. This information is useful when you want to see all the contracts you or another buyer is responsible for processing. For example, you can use this option to create a list of contracts for which you are the buyer. You can then subset this list using the subset, Expires by ... to display all the contracts that you need to review because they expire by the date you enter.

Item Quotes. This option shows all the quotes associated with the selected item. Use this option, for example, if you want to copy a quote created for an item in order to create a similar quote for the same item number.

Item Contracts. This option shows all contracts associated with the selected item. For example, you might want to view all the contracts that your company uses to buy an item in order to consolidate the purchase of the item under one contract and/or vendor.

Vendor Quotes. This option shows all quotes that your company has sent to a selected vendor. This option provides information, for example, if you want to select previous quotes a vendor has provided and view the ones that were accepted.

Vendor Contracts. This option restricts the list of contracts to all the contracts for a selected vendor. For example, use this information to review other contracts for a vendor before creating a new contract with the vendor.

Printing a Quotation Contract Analysis

This example assumes you want to print the Quotation/Contract Analysis host report. From the Quotes or Contracts list window, select the quotes or contracts for which you want to print a Quotation/Contract Analysis host report. Select the Host Print ... option from the File menu and the Quote/Contract Host Reports window opens.

Select the Quotation/Contract Analysis tab.

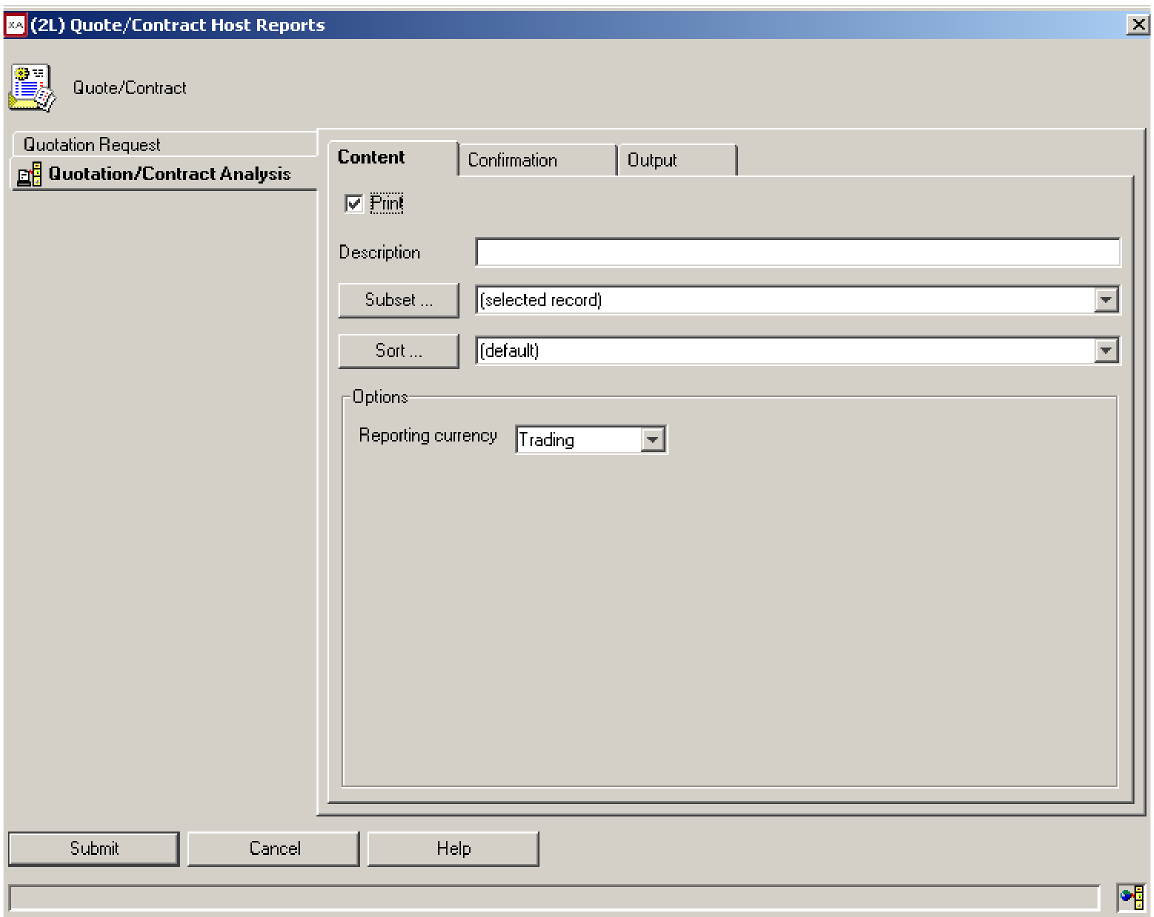


Figure 4-17. Quote/Contract Host Reports - Quotation/Contract Analysis tab

Enter the appropriate details on the Quotation/Contract Analysis tab. If multi-currency processing is active, you can choose to print the report in trading or local currency.

Click Submit. A Confirmation prompt opens.

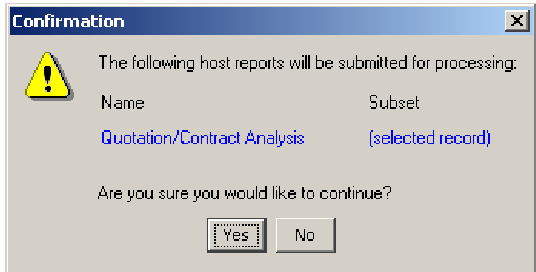


Figure 4-18. Confirmation Quotation/Contract Analysis prompt

Click Yes, and the Quotation/Contract Analysis host report is printed.

Chapter 5. Creating Purchase Orders

Overview

The fourth step in procurement is to create the purchase order for the items and vendor you have identified. This chapter describes the process of creating purchase orders.

You use purchase orders to order materials for delivery in the required amounts for a required date. Buyers usually enter purchase orders in response to a requisition for materials or supplies. You assemble a purchase order from header, purchase order items, purchase order item releases, comments and standard messages, and receiving operation information.

Procurement Management (PM) provides several ways to create purchase orders. You can create purchase orders from the Purchase Order default card file. To reduce the amount of information to need to enter, you can create purchase orders by copying another purchase order, or use requisitions, contracts or quotes as a starting point. How you create a purchase order depends on the amount of information you want to enter and the starting point you want to use.

Figure 5-1 illustrates the various starting points for creating a purchase order and purchase order components.

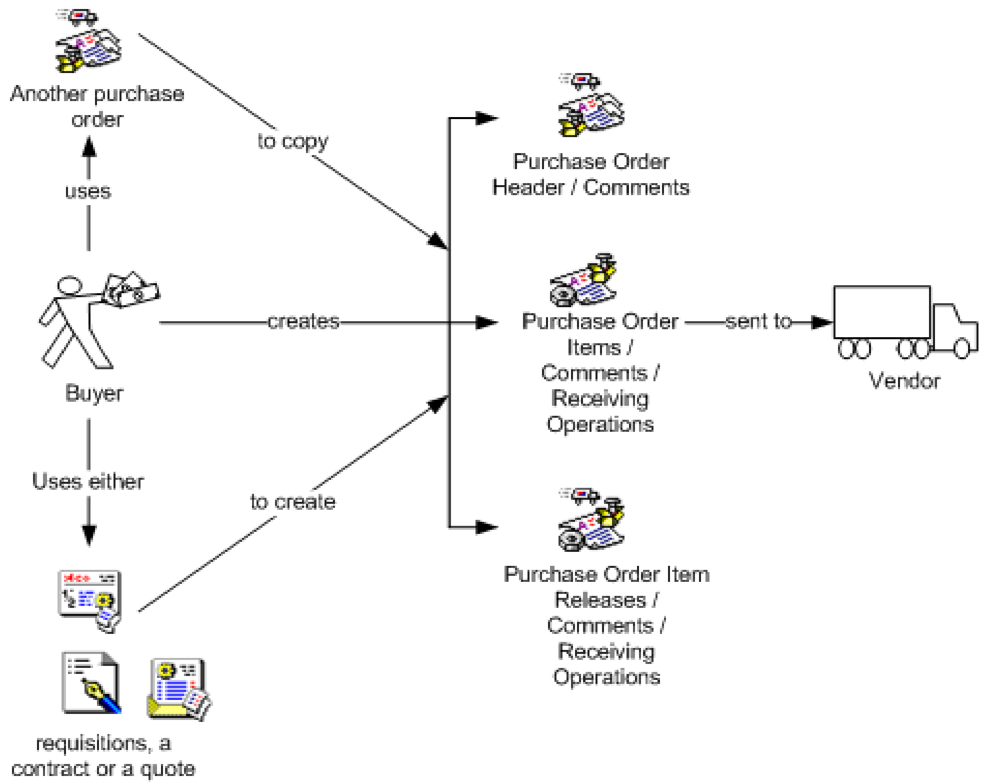


Figure 5-1. Overview of creating a purchase order

Purchase Orders. The Purchase Orders object consists of a header, any optional order comments, and one or more items. The purchase order also contains one or more ship-to addresses where the items are shipped and the address where bills are sent.

You can create the following kinds of purchase orders:

- A single purchase order item with a header record, one purchase order item detail record, and as many comment records as needed. This type of purchase order is the simplest to create.
- A purchase order with multiple purchase order items, with multiple purchase order item detail records. This type of order is complete only when you receive all the purchase order items.
- A blanket order with a purchase order item that has two or more delivery dates associated with it. This order is complete only when all purchase order item releases are satisfied. A blanket order can contain multiple items, with multiple releases entered for each item.
- A drop ship order with a purchase order item that has two or more delivery addresses. You create this type of order using a blanket order except that each purchase order item release has a separate ship-to address associated with it.

Purchase Order Items. Purchase order items are the materials or supplies you are ordering. If a purchase order item does not have purchase order item releases, it consists of:

- a detail record
- item comments (optional)
- receiving operations (optional)
- debit memos (if they exist).

A purchase order item with blanket releases consists of:

- a detail record
- item comments (optional)
- one or more blanket releases.

Three types of purchase order items can appear on purchase orders:

Item type	Inventory code	Other item object information required	Typical use	MRO equivalent
Inventoried item	1	Item and Item Warehouse	On shop floor, part of manufactured item. Tracked in inventory.	MRO stores item.
Miscellaneous item	2	Might have Item Warehouse	Expense type of commodity, such as office supplies.	MRO non-stores item.
Service item	3	Might have Item Warehouse	Non-product expense, such as recurring utility charge.	MRO service item.

Table 5-1. Types of purchase order items

Purchase Order Item Releases. Purchase order item releases contain information about the quantities and dates associated with multiple deliveries of an item. A purchase order item release consists of:

- a detail record
- release comments (optional)
- receiving operations (optional)
- debit memos (if they exist).

Comments. You can add comments to purchase orders, purchase order items, purchase order item releases, purchase order item debit memos, and purchase order item release debit memos. PM supports the following four types of comments for purchase order information:

- Order
- Closeout acknowledgement
- Internal
- Traveler (only available for purchase order items, purchase order item releases, and debit memos).

Receiving Operations. Receiving operations provide a method for tracking the movement of purchased items through the dock-to-stock process. The Routing record associated with a purchased item contains standard receiving operations for that item. You can copy the receiving operations from a standard routing into an order. Other receiving operations can be associated with a particular purchase order. You can enter additional purchase order receiving operations for particular purchase order items or purchase order item releases.

Creating purchase orders from the Default card file

You can use the Default card file for Purchase Orders to create purchase orders and add purchase order items, purchase order item releases, comments, and receiving operations. Using the Default card file allows you enter all parts of an order as a single task. This technique is faster than creating a purchase order header, purchase order items, purchase order item releases, and operations separately using the Maintain options on the list windows for these objects.

You can also change purchase order information on a purchase order created with the Default card file after a user has created the order. These changes include:

- Creating purchase order items
- Creating purchase order item releases
- Creating comments
- Creating receiving operations
- Changing purchase order card file information.

Creating a purchase order header

The following procedure assumes you want to create a purchase order. From the Purchase Orders list window, select Create on the Maintain menu and the Create Purchase Order dialog opens.

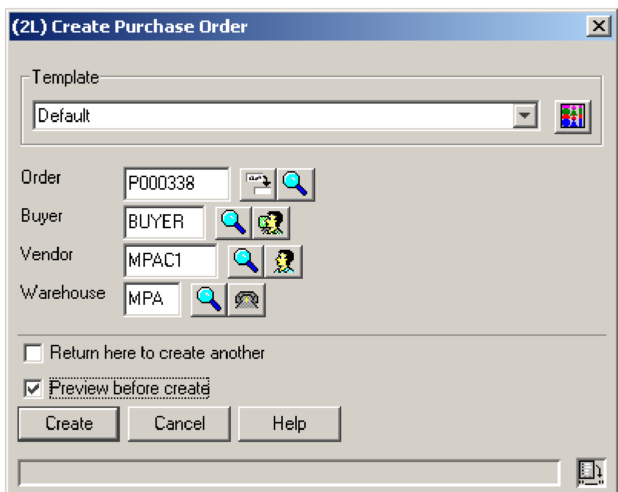


Figure 5-2. Create Purchase Order dialog

The information you enter on the Create Purchase Order dialog is enough to create a purchase order. The vendor you enter must allow purchase orders and not be suspended from purchase order entry.

If you want to go to the Create Purchase Order card file and add order information such as items and comments, select Preview before create and then click Create.

The Create Purchase Order card file opens displaying the General card. The information on the General card contains the default settings and information you entered on the Create Purchase Order dialog.

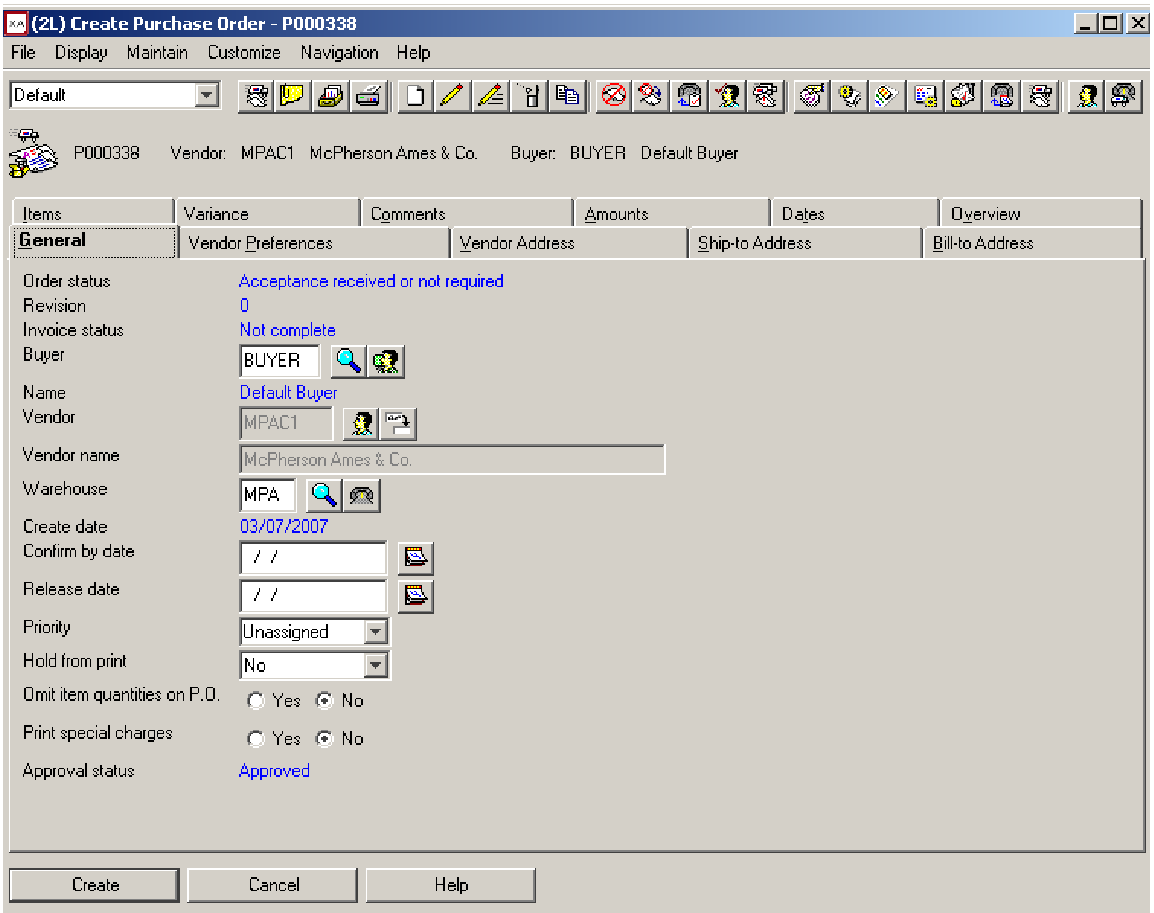


Figure 5-3. Create Purchase Order card file - General card

Until PM prints the purchase order or the purchase order has activity, you may change the vendor by clicking the button to the right of the vendor.

The Confirm by date contains a value if your company requires this vendor to acknowledge purchase orders with a confirmation.

Select the Vendor Preferences card to review or change the preferences for this vendor. The Vendor Preferences card shows information about the vendor's choices for handling purchase orders and for shipping orders to your company. This information corresponds to the Purchasing Settings card in the Vendors object.

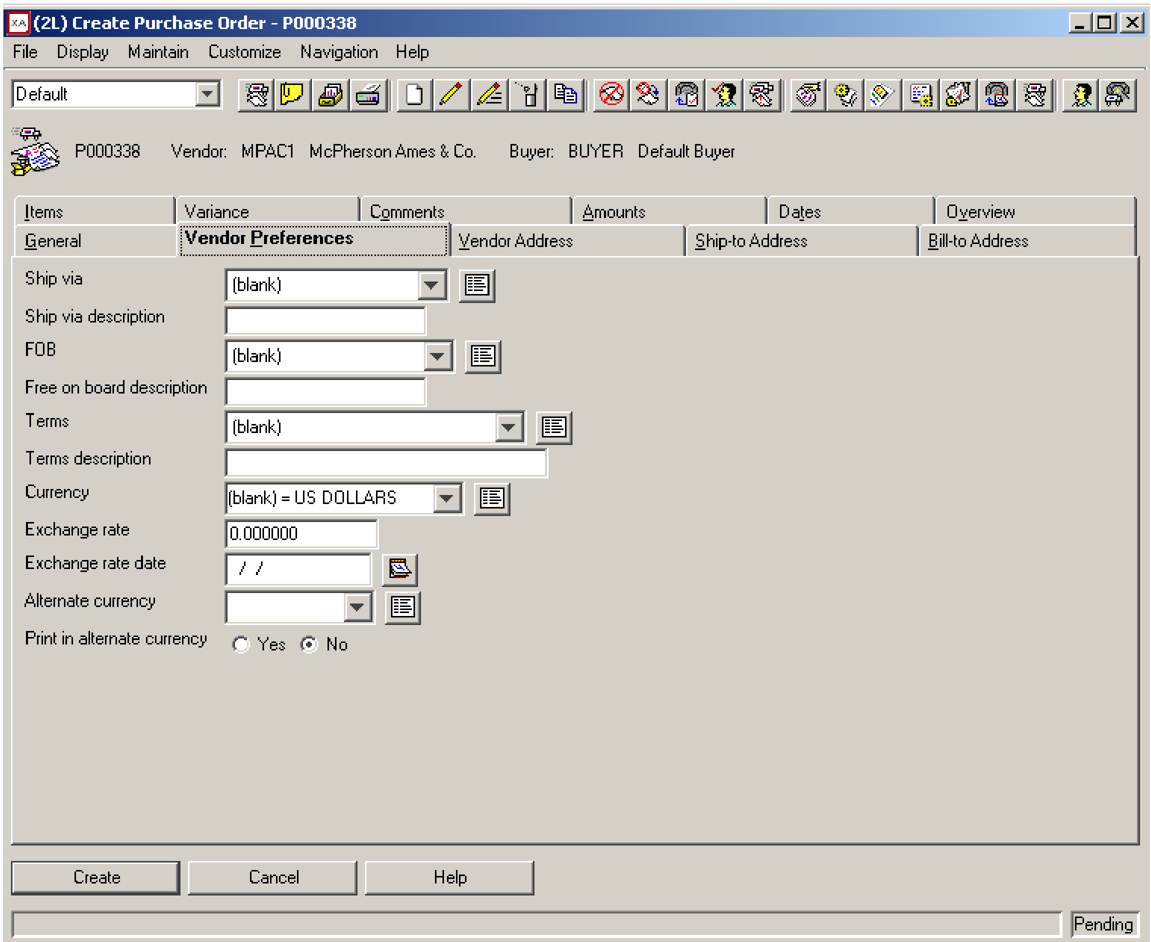


Figure 5-4. Create Purchase Order card file - Vendor Preferences card

You can create and maintain records for the Ship via, FOB, and Terms code files.

Select the Vendor Address card to review or change the address for this vendor. You can change the contact, telephone and fax numbers, and e-mail address information.

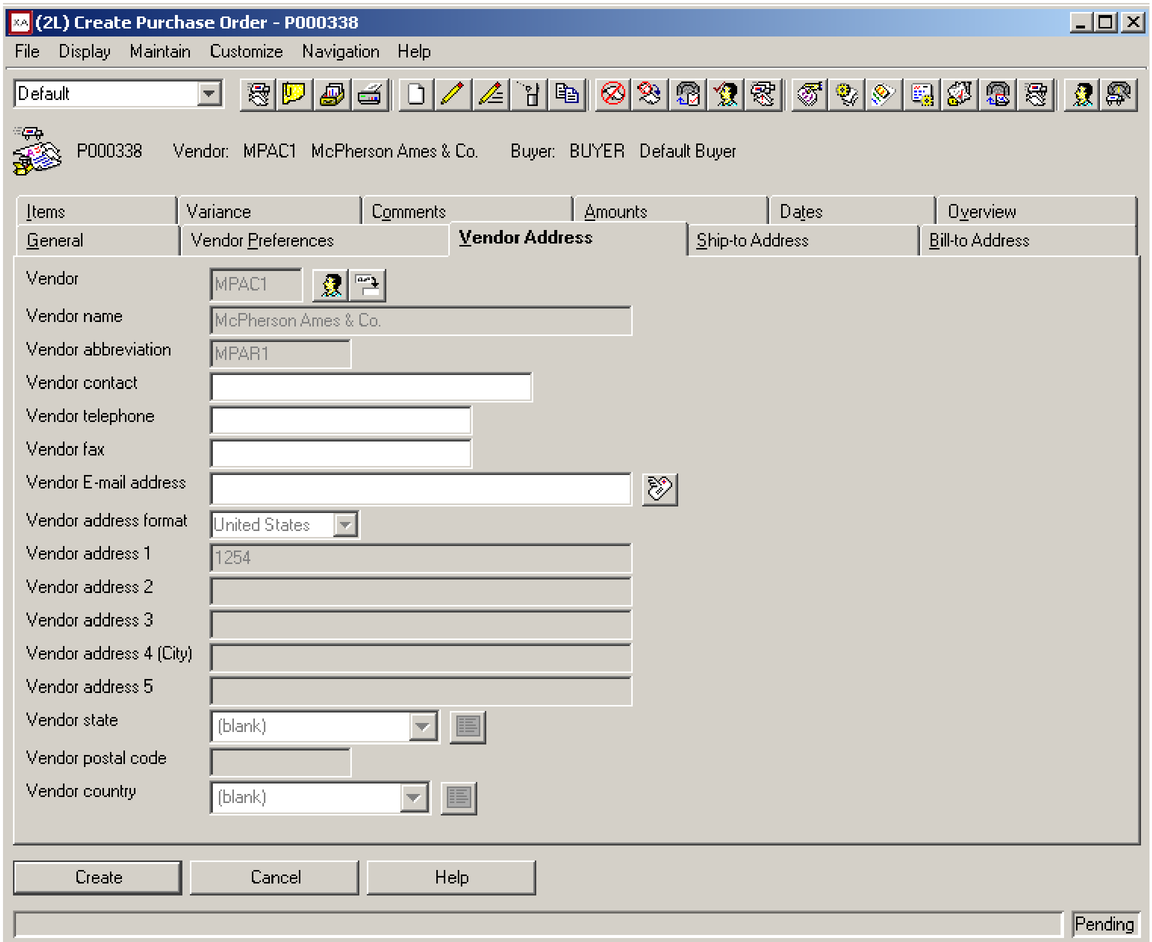


Figure 5-5. Create Purchase Order card file - Vendor Address card

Select the Ship-to Address card to review or change the address for the receiving warehouse. The default values on the Ship-to Address card come from the information in the Warehouse Addresses object. You can change the Ship-to ID, contact name, telephone and fax numbers, and e-mail address information.

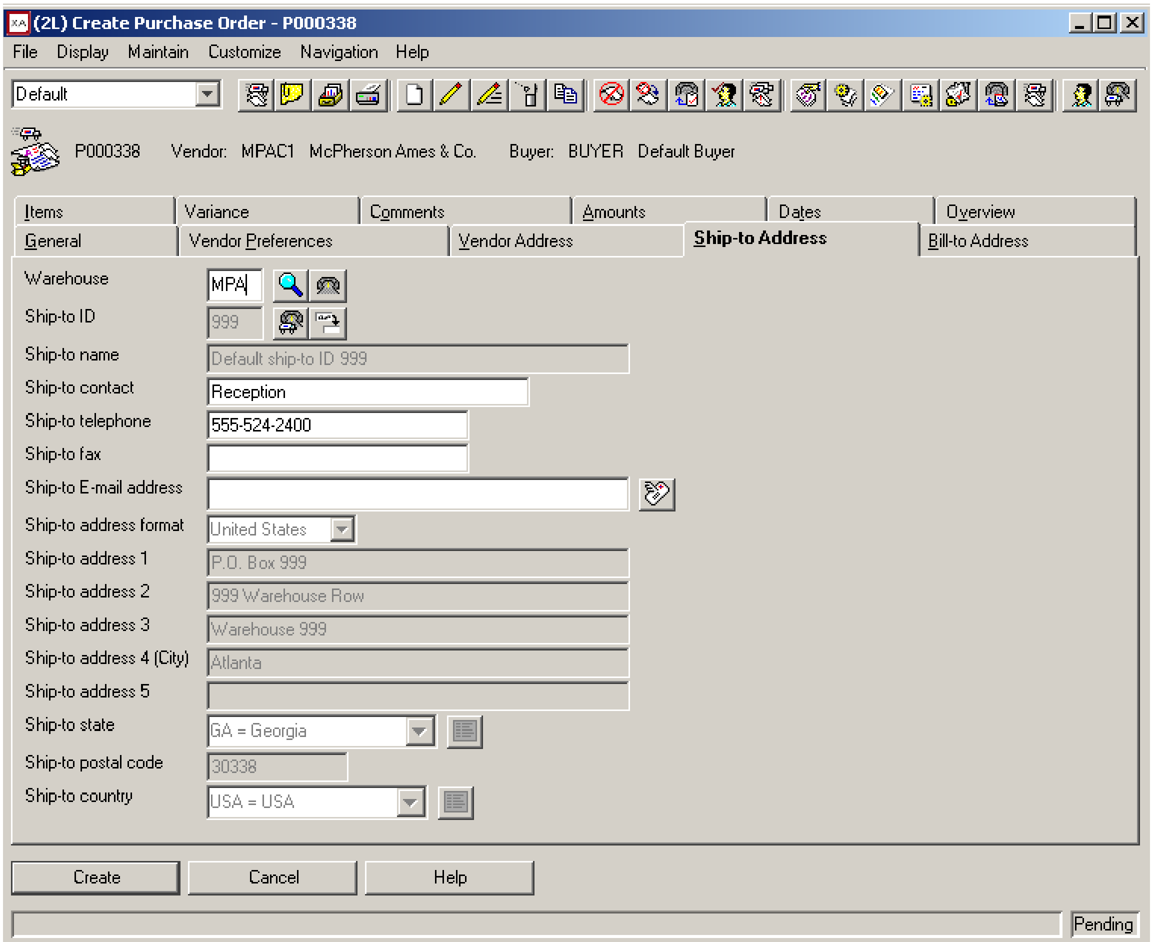


Figure 5-6. Create Purchase Order card file - Ship-to Address card

Select the Bill-to Address card to review or change the address the vendor uses to invoice the purchase order. You can change the Bill-to ID, contact name, telephone and fax numbers, and e-mail address information.

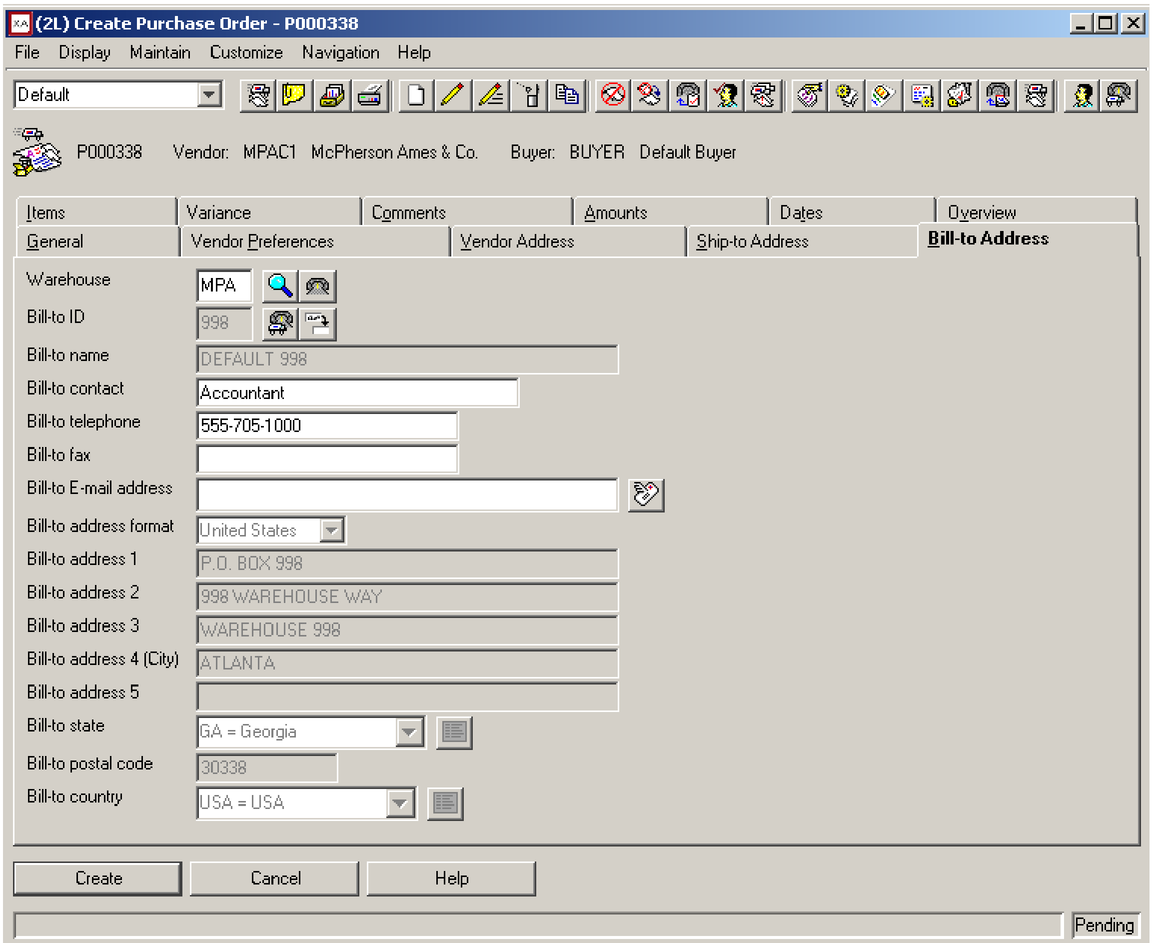


Figure 5-7. Create Purchase Order card file - Bill-to Address card

Select the Items card to create items on this purchase order.

For more information about creating purchase order items, see “Creating a purchase order item” on page 5-19. For more information about creating purchase order item releases, see “Creating a purchase order item release” on page 5-36. In this example, using those steps, you add a purchase order item, item release, and receiving operation to this purchase order.

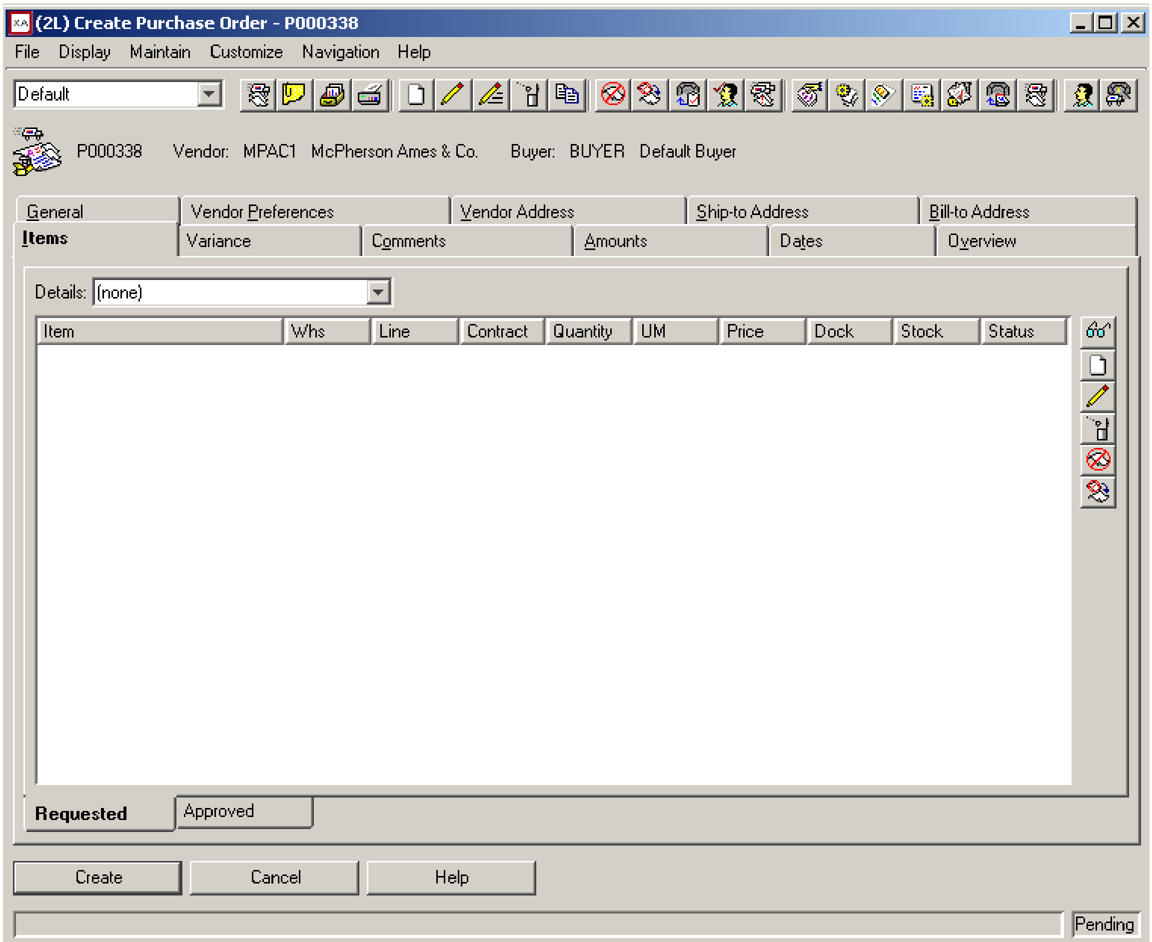


Figure 5-8. Create Purchase Order card file - Items card

The Variance card shows the variance between the standard, actual, and expected costs of purchase order items and purchase order item releases for the purchase order. No information displays on this card because you are creating a new purchase order.

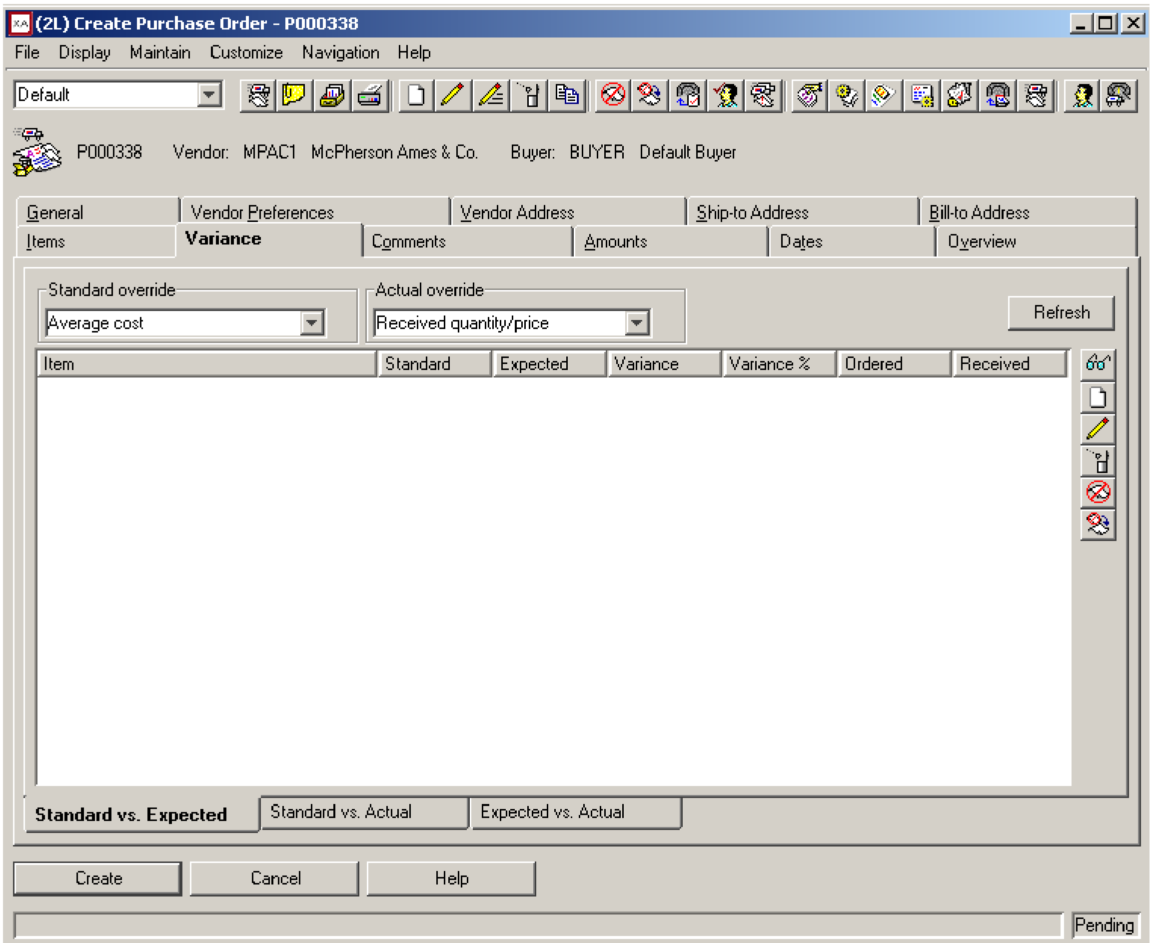


Figure 5-9. Create Purchase Order card file - Variance card

Select the Comments card to insert comments for the purchase order.

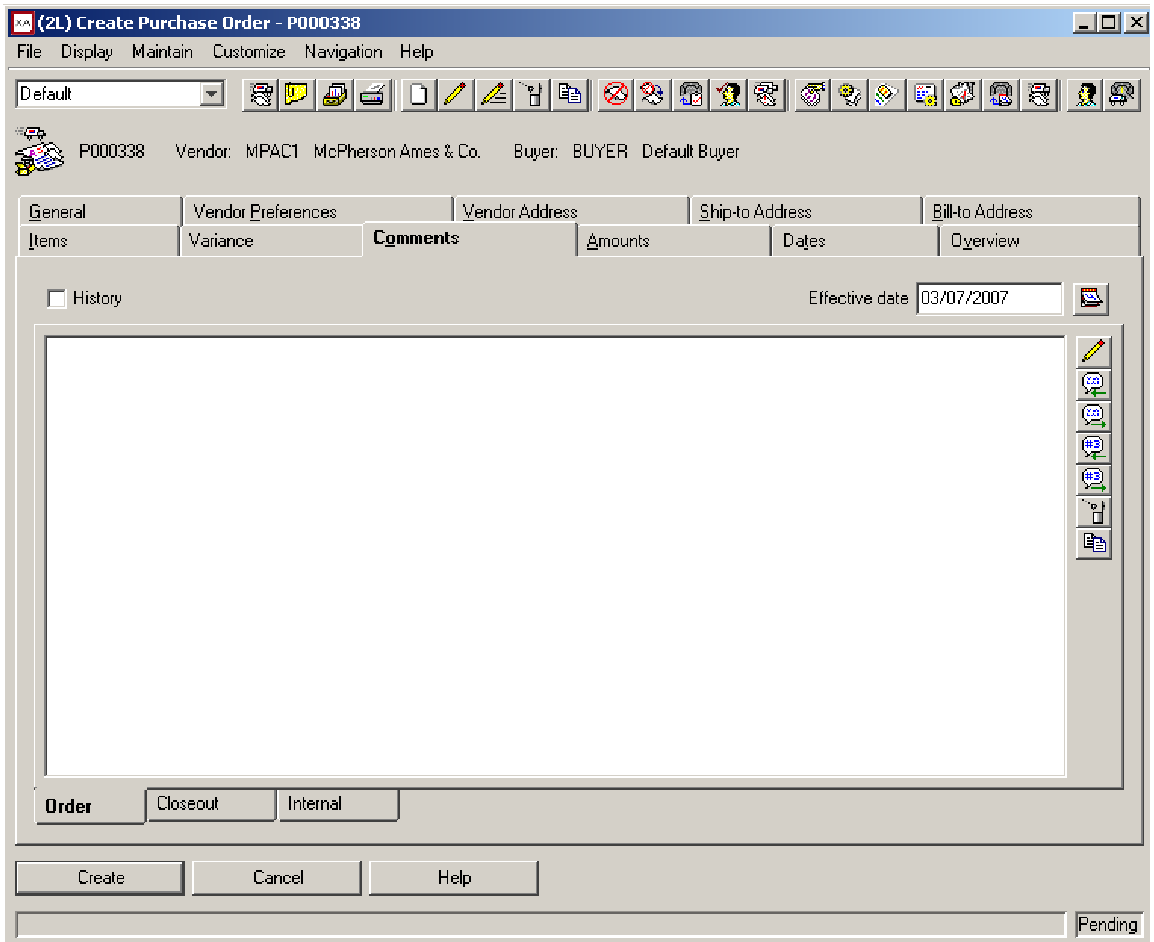


Figure 5-10. Create Purchase Order card file - Comments card

You can create comments and use standard messages on the Comments card of purchase orders. The three tabs at the bottom of the Comments card organize the comments into groups:

- Order comments appear on the purchase order.
- Closeout comments appear on the closeout purchase order, which prints when the order is closed.
- Internal comments do not print on any documents and are not stored in history files.

Select the Order, Closeout, or Internal tab on which you want to type a comment or add a standard message.

To type text before any comments on the Comments card, click the button, Insert manual before. To type text after any comments on the Comments card, click the button, Insert manual after.

When you insert a manual comment, the Create Purchase Order Comment window opens.

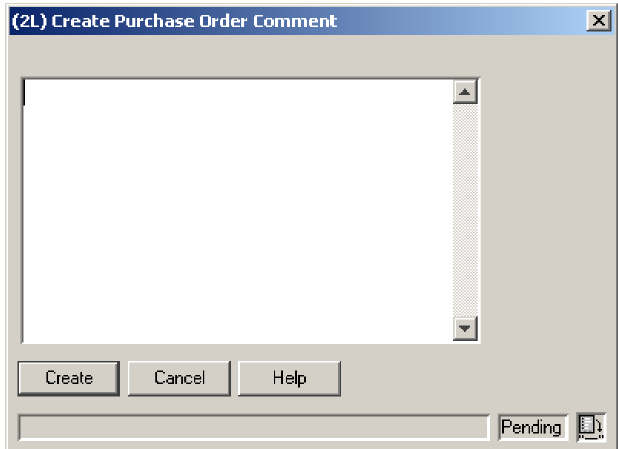


Figure 5-11. Create Purchase Order Comment window

Add text by positioning the cursor in the text area and typing the new text.

To add a standard message before any comments on the Comments card, click the buttons, Insert message before or the Insert message after. When you insert a message, the Create Purchase Order Comment dialog opens.

Figure 5-12. Create Purchase Order Comment dialog

Click the button, Find Standard Message ... to open the Standard Messages list window.

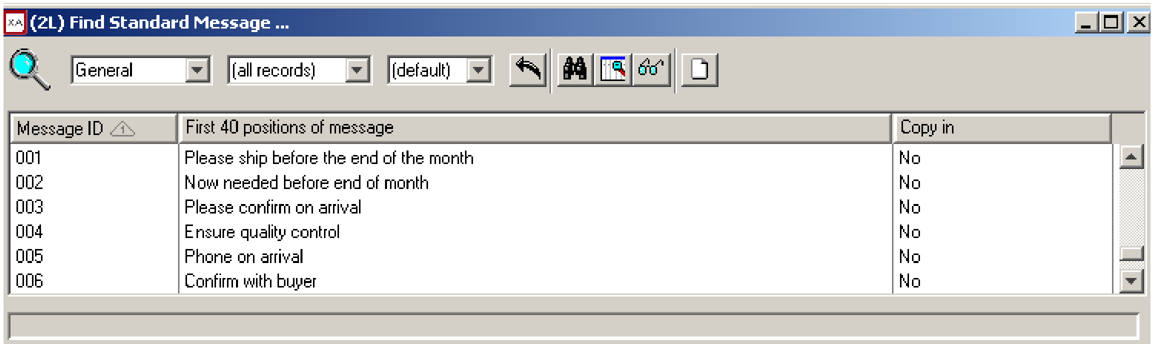


Figure 5-13. Find Standard Message ... list window

You can select a message to use and then click Create to insert the message.

If you need to create standard messages, use the Standard Messages object. For more information about creating standard messages, see “Creating standard messages” on page 5-64.

Select the Amounts card to review or change estimated amounts for special charges and freight for this purchase order. You can also select the currency to use on this purchase order and enter an exchange rate.

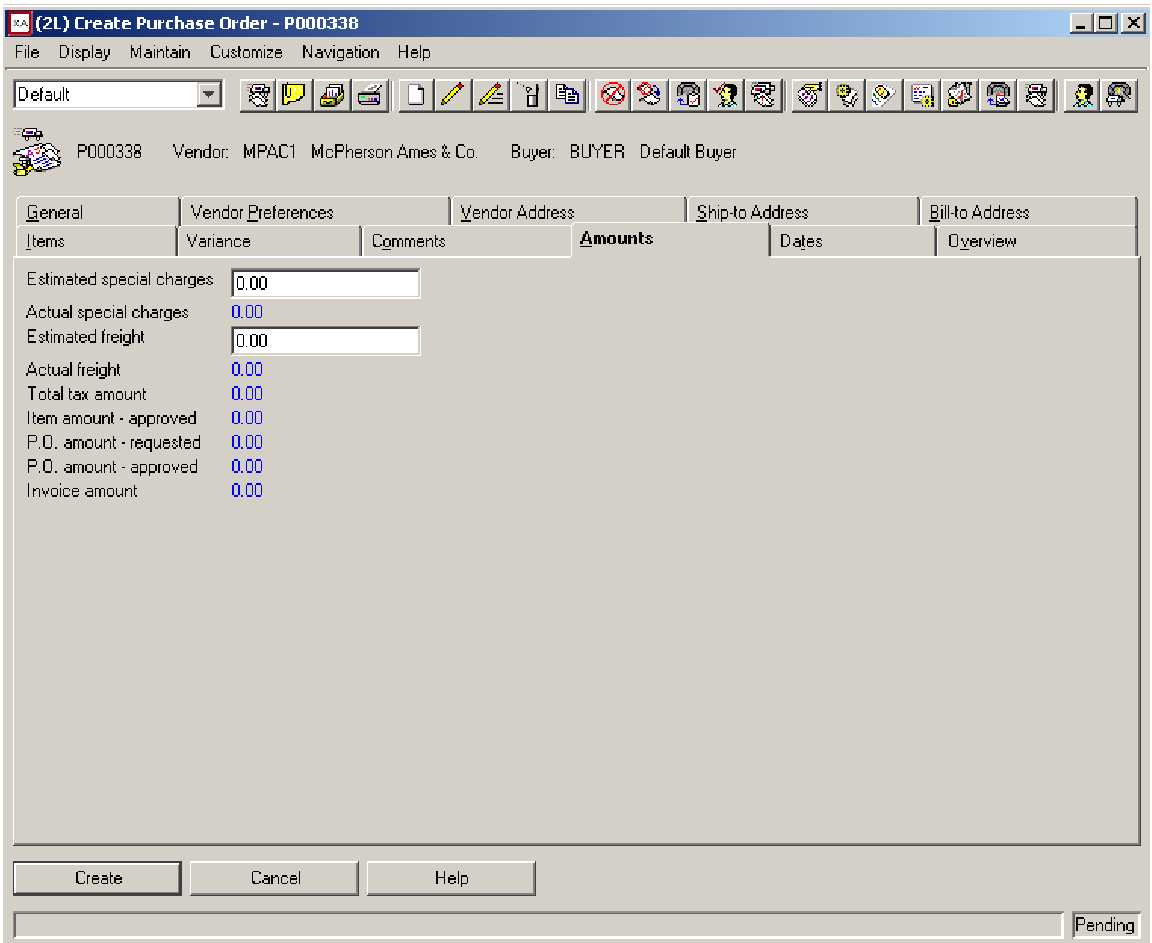


Figure 5-14. Create Purchase Order card file - Amounts card

Select the Dates card to review or enter information for Release date and Confirm by date.

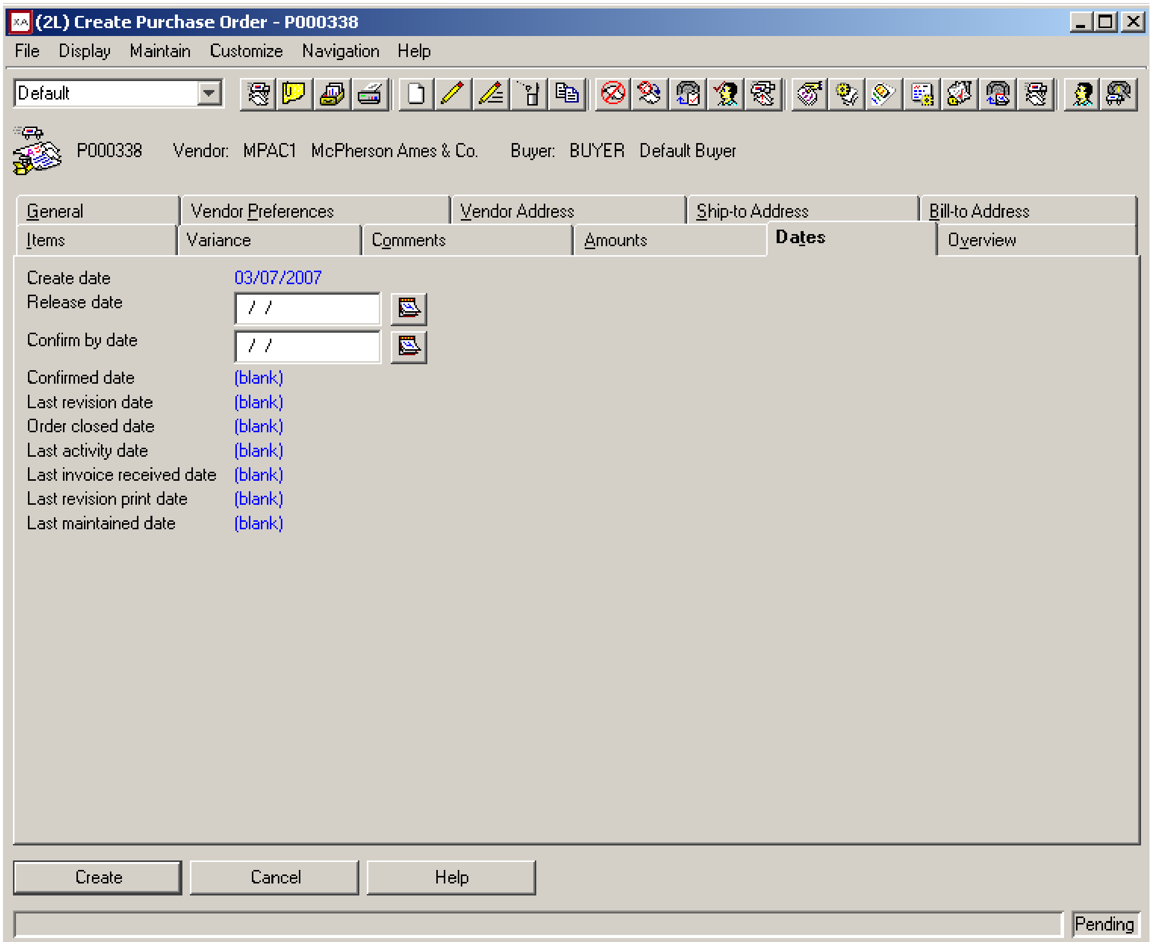


Figure 5-15. Create Purchase Order card file - Dates card

The Overview card allows you to see all the contents of a purchase order in an indented outline. The highest-level in the overview is the purchase order header, with other contents of the purchase order shown in lower-levels. For more information about the Overview card, see “Viewing a purchase order overview” on page 7-4.

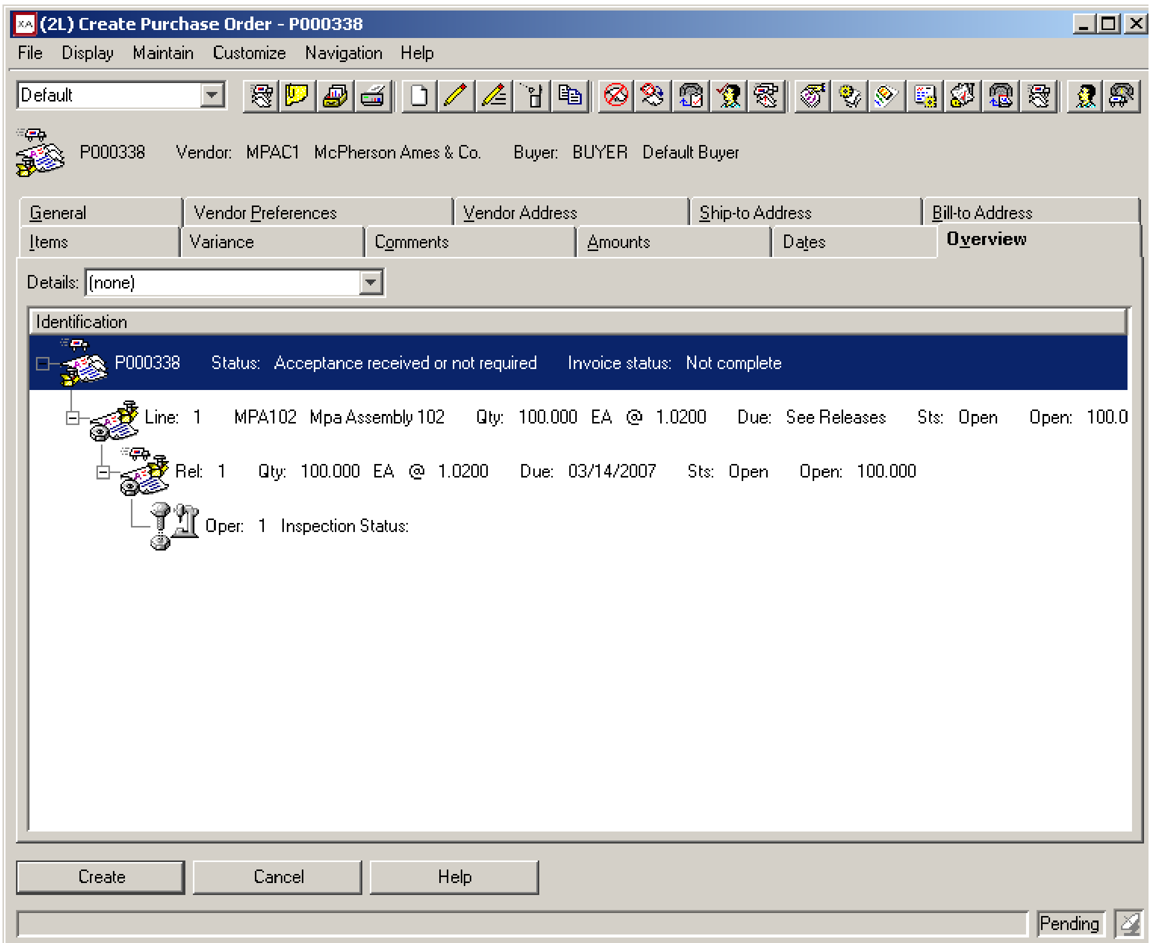


Figure 5-16. Create Purchase Order card file - Overview card

When you finish entering the information for the purchase order, purchase order items, and purchase order item releases; click the Create button.

A Please Confirm prompt opens.

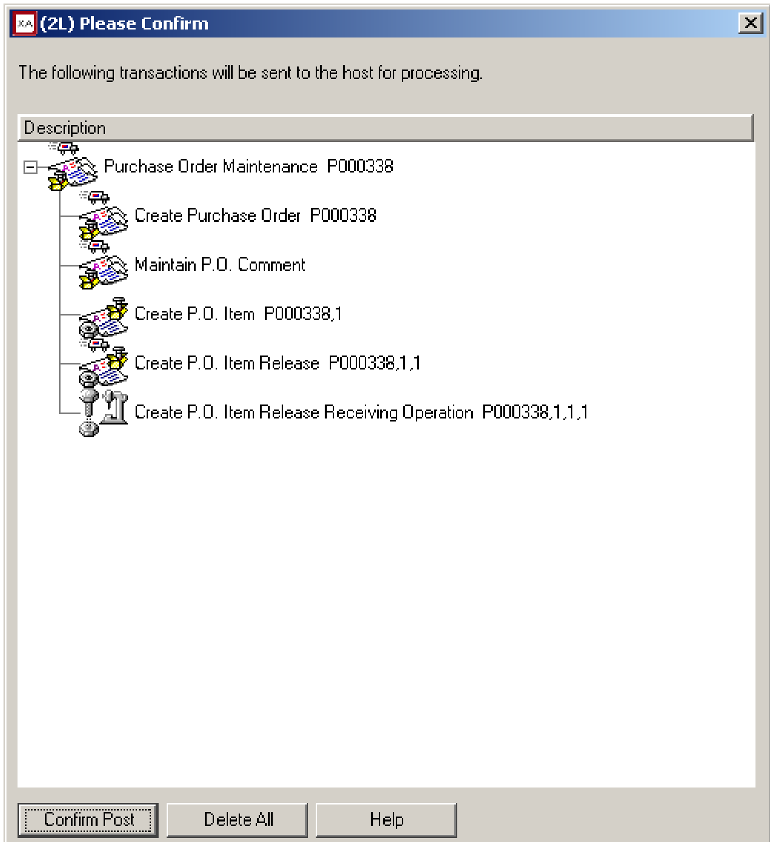


Figure 5-17. Please Confirm Create Purchase Order prompt

Click Confirm Post to create the purchase order and add any purchase order items and purchase order item releases to the purchase order.

In the above example, only one purchase order item and one purchase order item release are created. You use the same procedure to create and add many purchase order items and purchase order item releases to the purchase order, by selecting Return here to create another on the Create dialogs or by clicking the Create buttons in the Purchase Order Item and Purchase Order Item Release card files. In this example, comments are added to the purchase order header and a receiving operation is added to the purchase order item release.

Creating a purchase order item

This example assumes you want to create a purchase order item at the same time you are creating the purchase order. However, you can also create purchase order items from the Purchase Order Items object. For example, to create a purchase order item, select the Create option on the Maintain menu of the Purchase Order Items list window. Enter the purchase order and click Continue. The Create Purchase Order Item dialog opens.

To create a purchase order item from the Create Purchase Order card file, select the Items card.

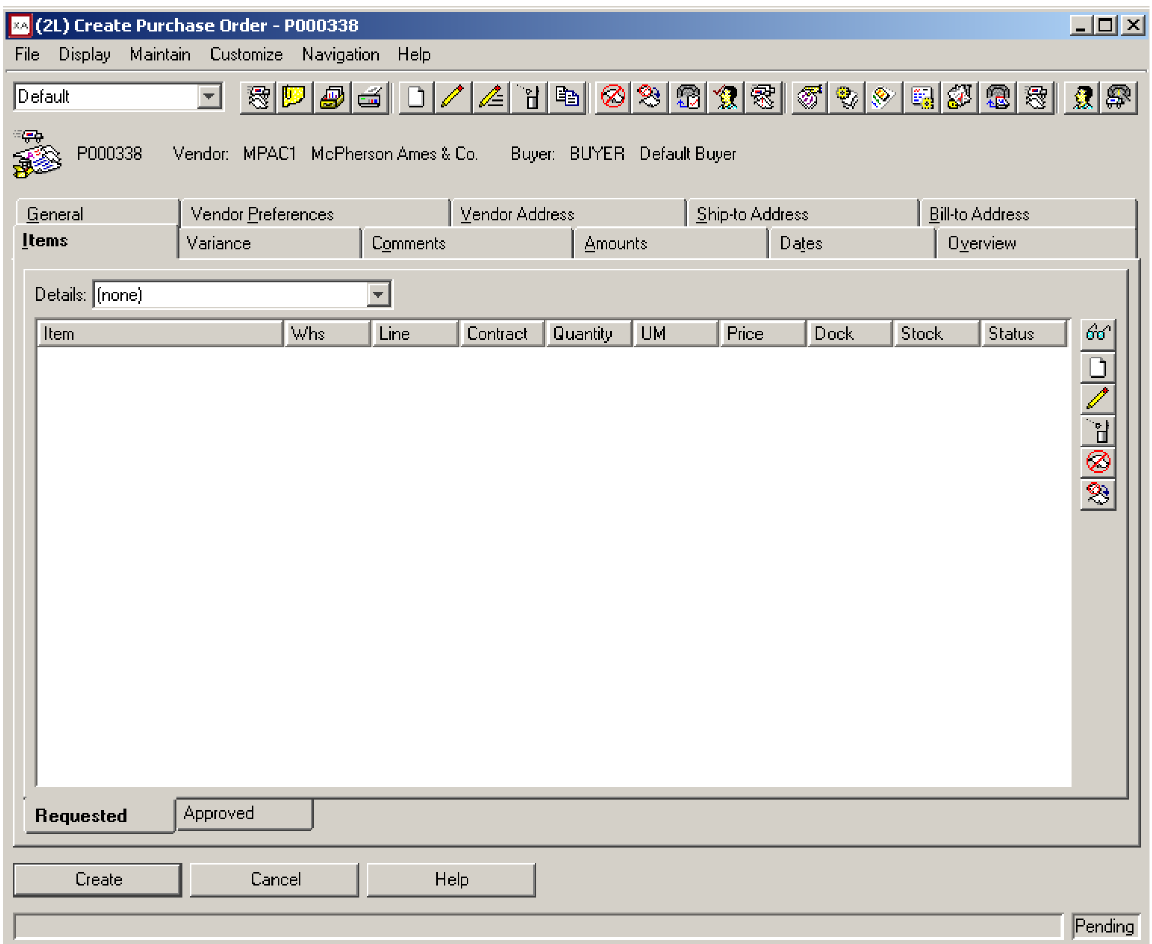


Figure 5-18. Create Purchase Order card file - Items card

Click the Create button to the right of the Items list window.

The Create Purchase Order Item dialog opens.

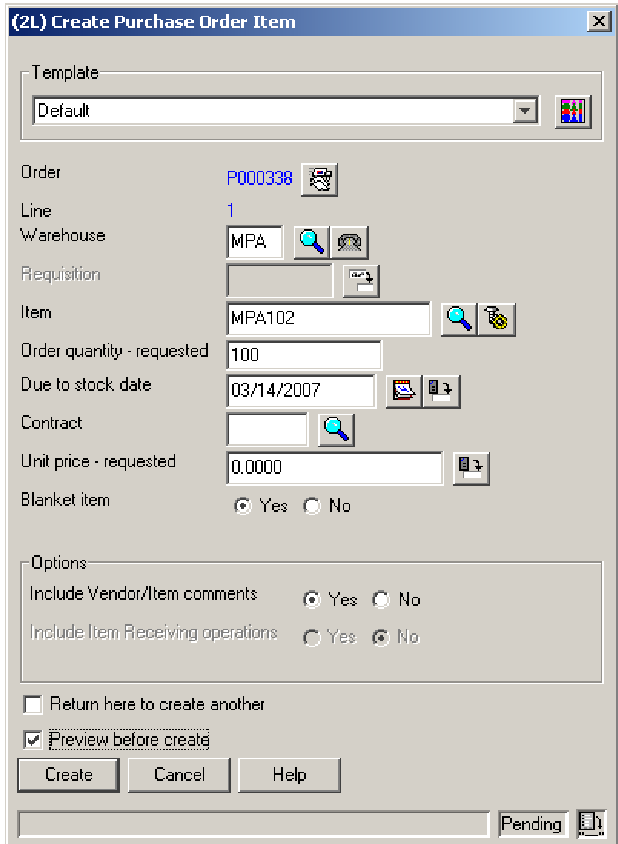


Figure 5-19. Create Purchase Order Item dialog

The information you enter on the Create Purchase Order Item dialog is enough to create a purchase order item. If you want to go to the Create Purchase Order Item card file and add order information such as purchase order item releases, comments and receiving operations, select Preview before create and then click Create.

The Create Purchase Order Item card file opens displaying the Summary card. The Summary card shows basic information about the purchase order item.

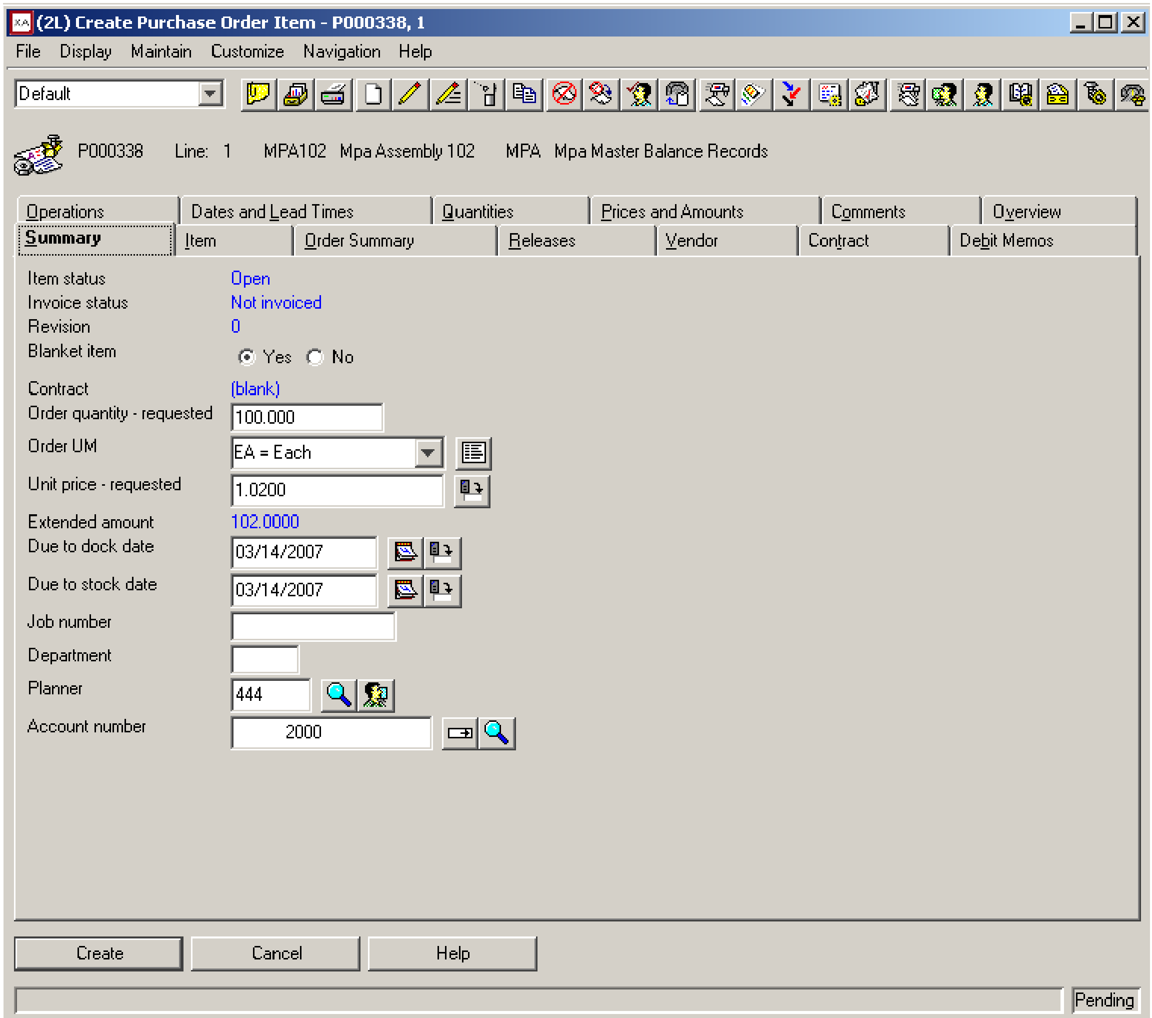


Figure 5-20. Create Purchase Order Item card file - Summary card

Select the Item card to review or change general information about the item.

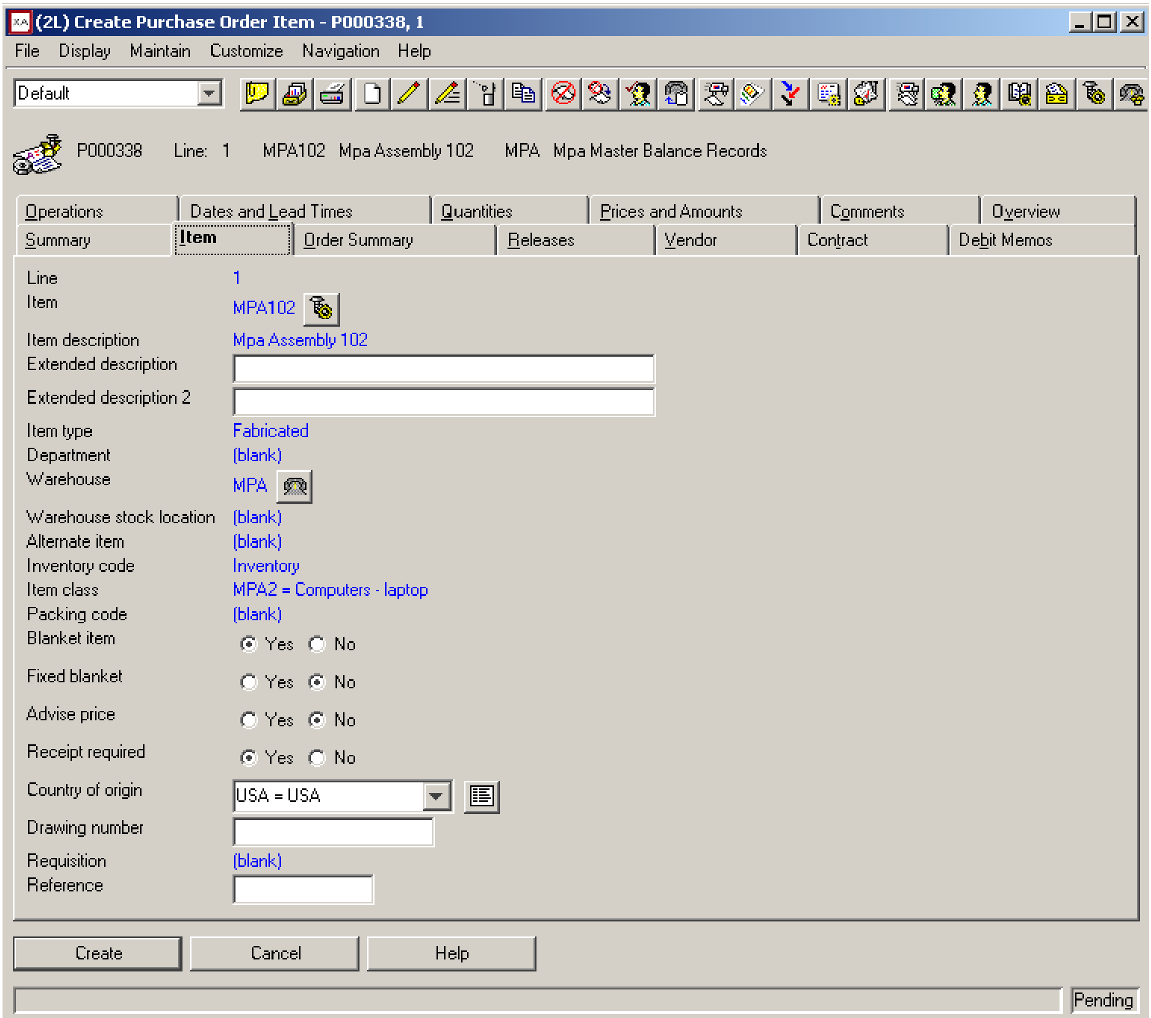


Figure 5-21. Create Purchase Order Item card file - Item card

Select the Order Summary card to review or change information about the purchase order for the purchase order item.

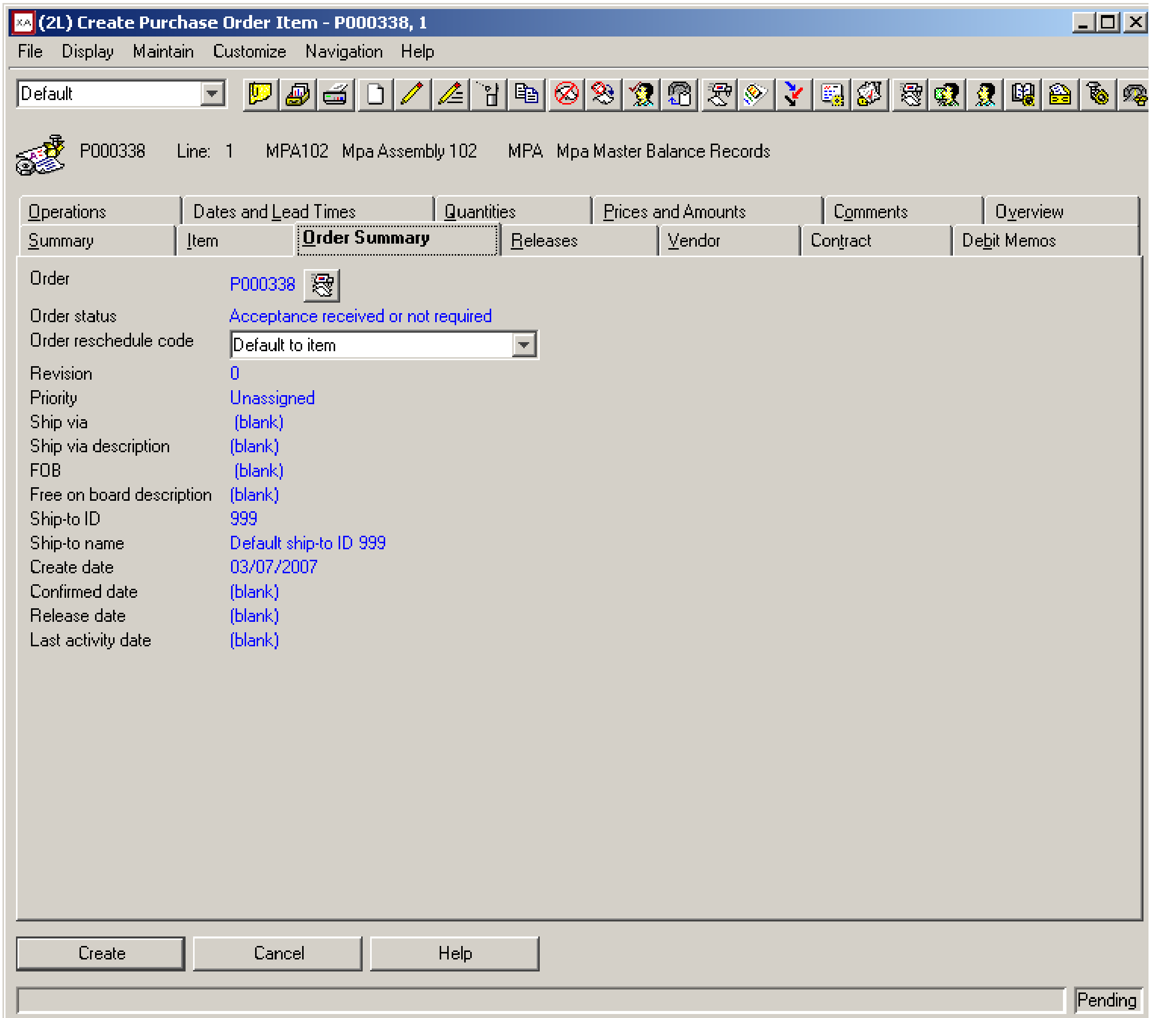


Figure 5-22. Create Purchase Order Item card file - Order Summary card

Select the Releases card to create releases for this purchase order item. For more information about creating purchase order item releases, see “Creating a purchase order item release” on page 5-36.

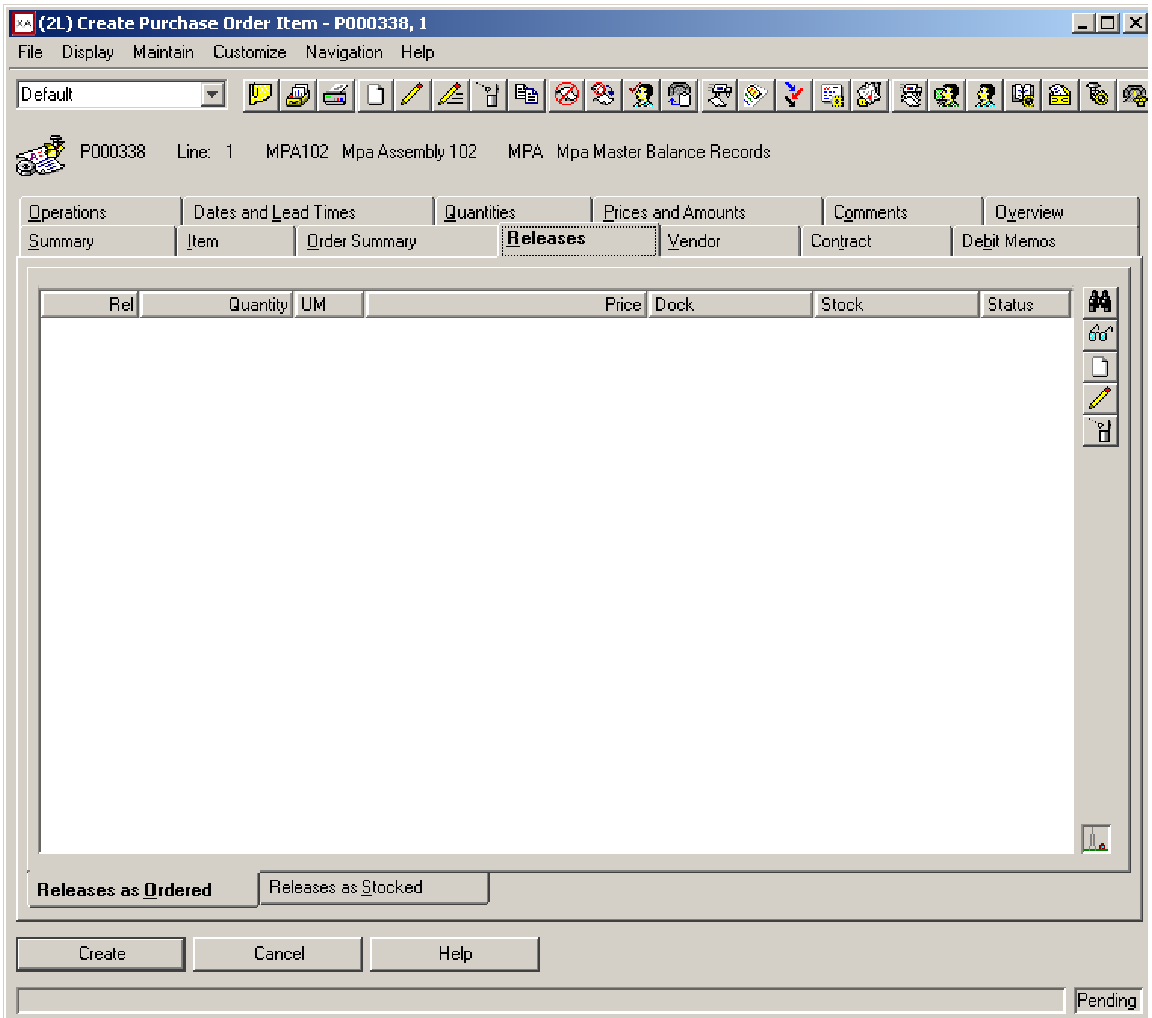


Figure 5-23. Create Purchase Order Item card file - Releases card

Select the Vendor card to review or change vendor information for the vendor supplying the purchase order item.

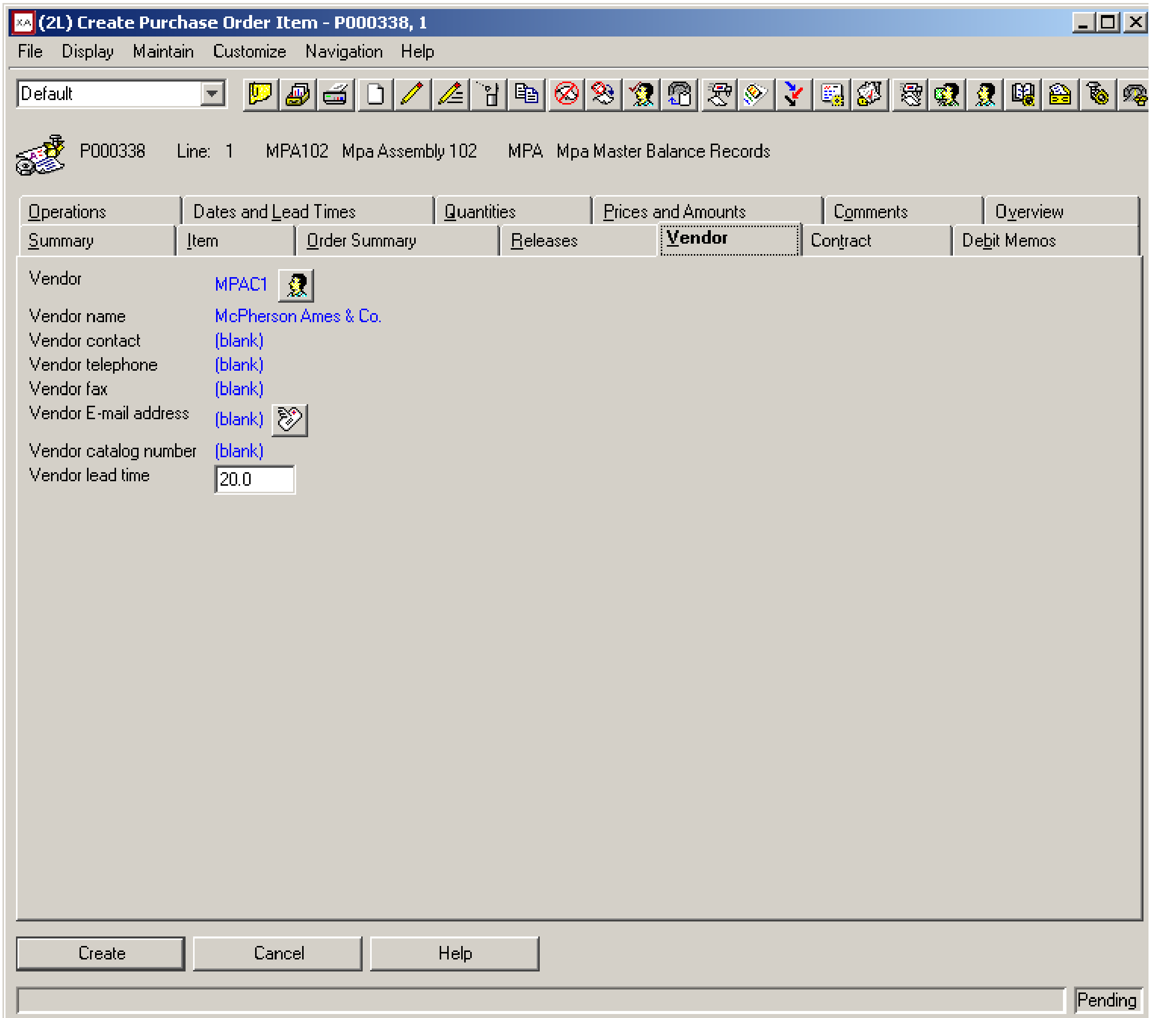


Figure 5-24. Create Purchase Order Item card file - Vendor card

Select the Contract card review or change contract and quote information for the purchase order item.

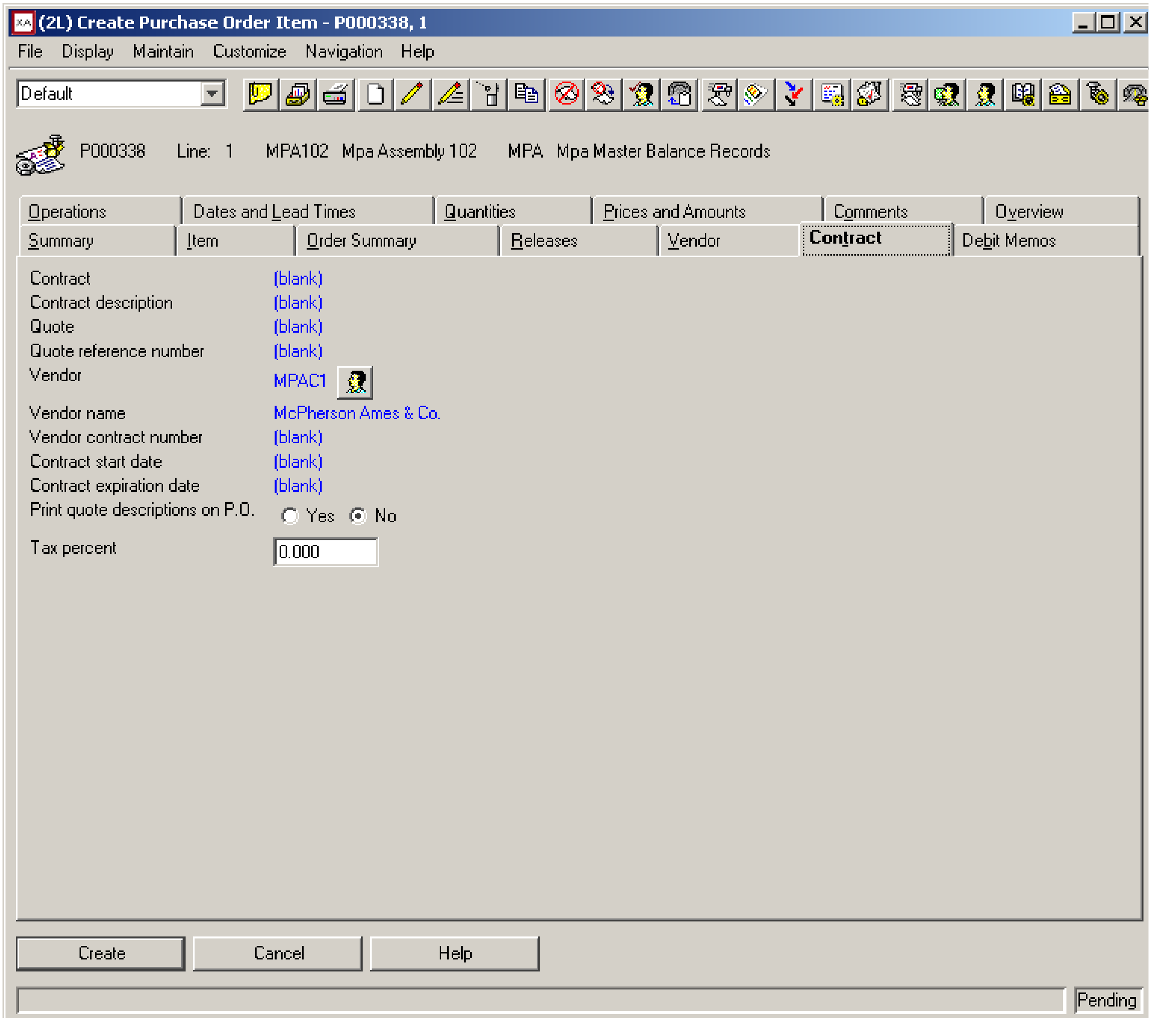


Figure 5-25. Create Purchase Order Item card file - Contract card

The Debit Memos card contains a list of debit memos entered against the purchase order item. No information displays on this card because you are creating a new purchase order item.

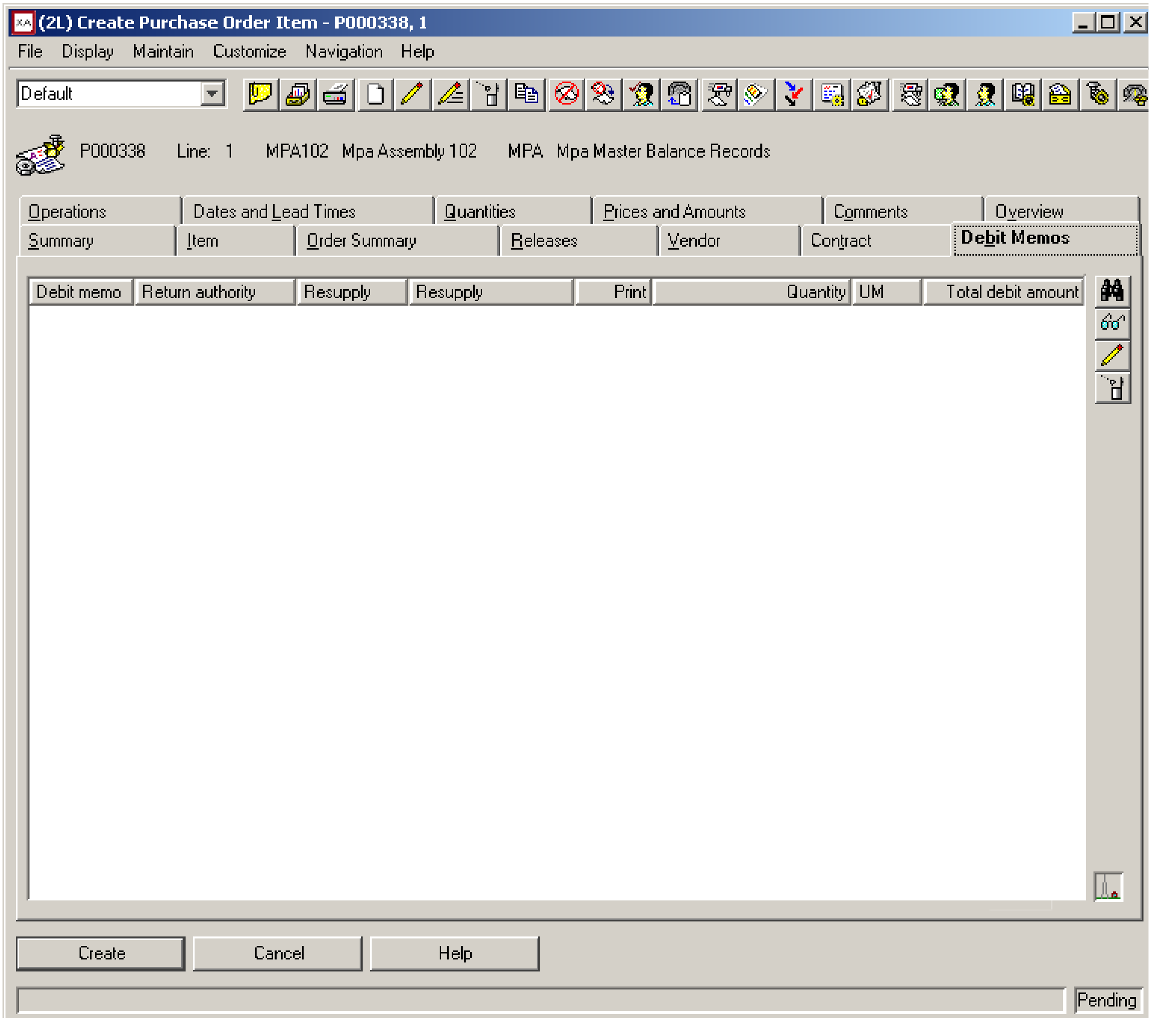


Figure 5-26. Create Purchase Order Item card file - Debit Memos card

Select the Operations card to create receiving operations, which are performed when receiving the purchase order item from dock to stock.

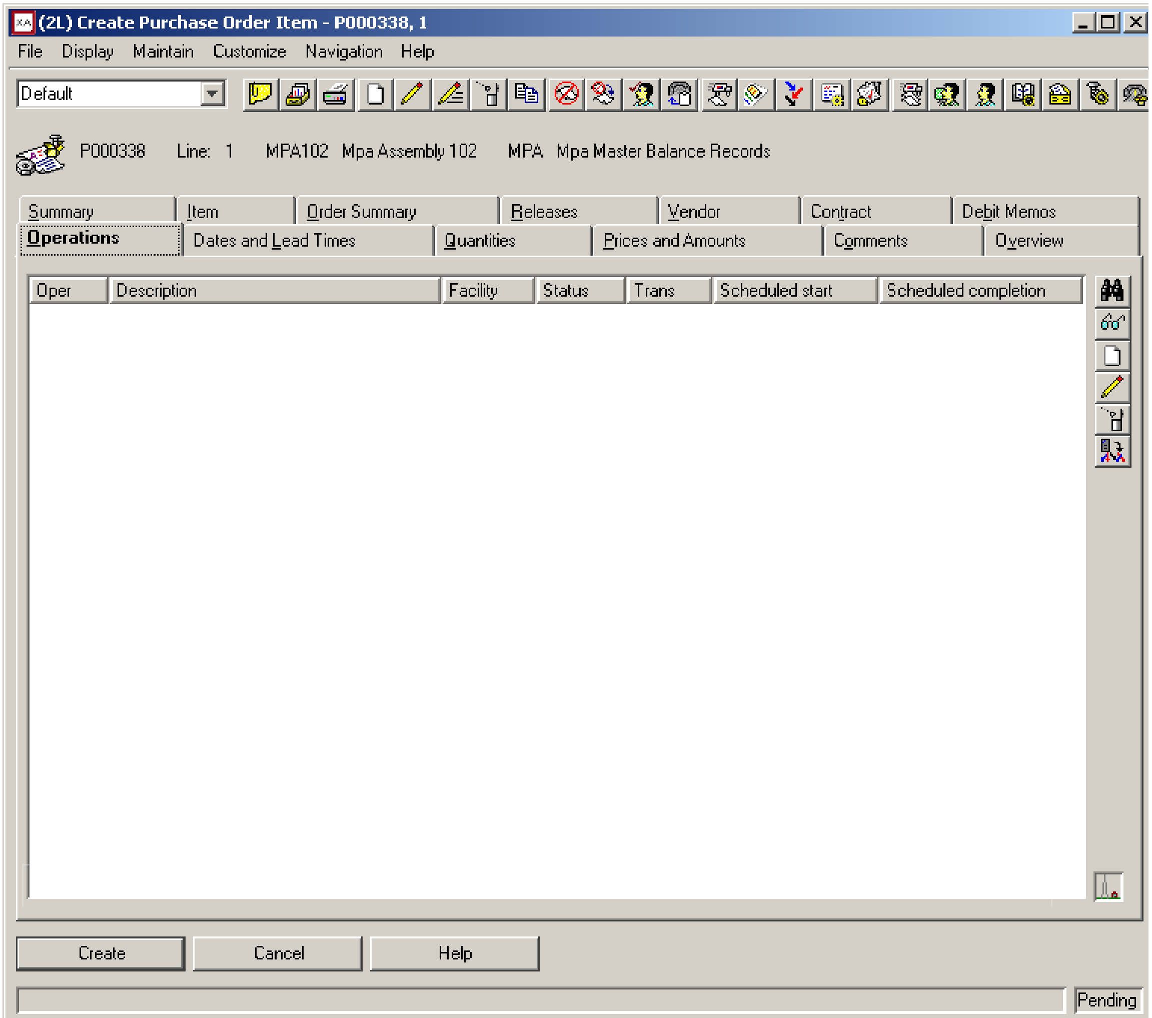


Figure 5-27. Create Purchase Order Item card file - Operations card

For both purchase order items and purchase order item releases, you can create receiving operations. You can automatically generate receiving operations by:

- selecting Import Operations on the Maintain menu of Purchase Order Items and Purchase Order Item Releases and specifying a PDM routing ID. For more information about adding a routing, see “Importing a routing” on page 6-10.
- creating a purchase order item or purchase order item release and selecting the Include Item Receiving operations option on the Create dialog.
- using the Create button on the Operations card in the Purchase Order Item or Purchase Order Item Release card files. For more information about creating a receiving operation, see “Creating a purchase order item release” on page 5-36.

Note: you cannot create a receiving operation for a purchase order item that is a blanket item. In Figure 5-19, "Create Purchase Order Item dialog" on page 20, the option to include purchase order item receiving operations is not available because the dialog is for a blanket item.

Select the Dates and Lead Times card to review or change information about the lead times and dates, which apply to the purchase and delivery of the purchase order item.

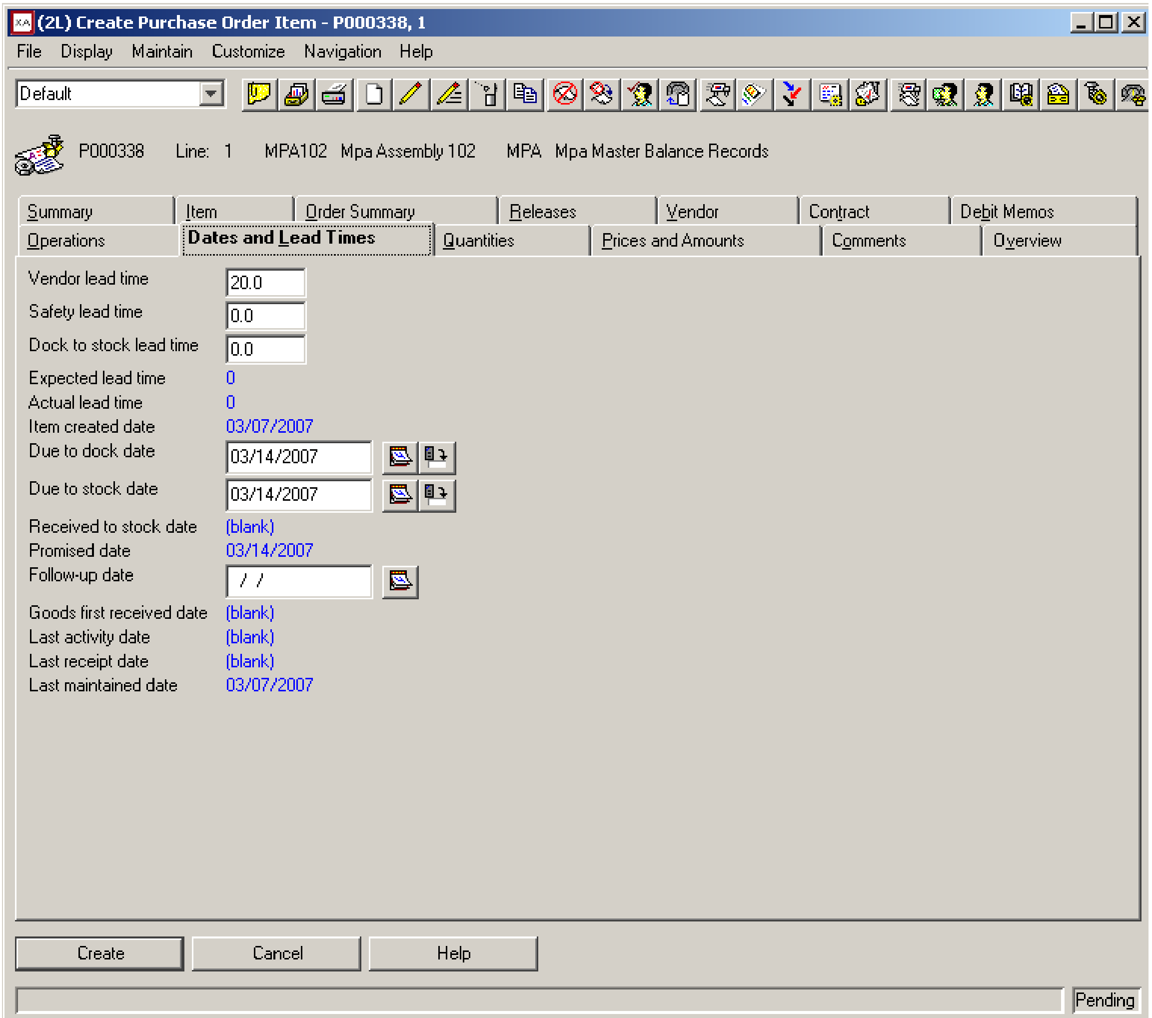


Figure 5-28. Create Purchase Order Item card file - Dates and Lead Times card

Select the Quantities card to review or change information about quantities and attributes used to calculate quantities for the purchase order item. You can see quantities as ordered, as stocked, and information from the Dates and Lead Times card.

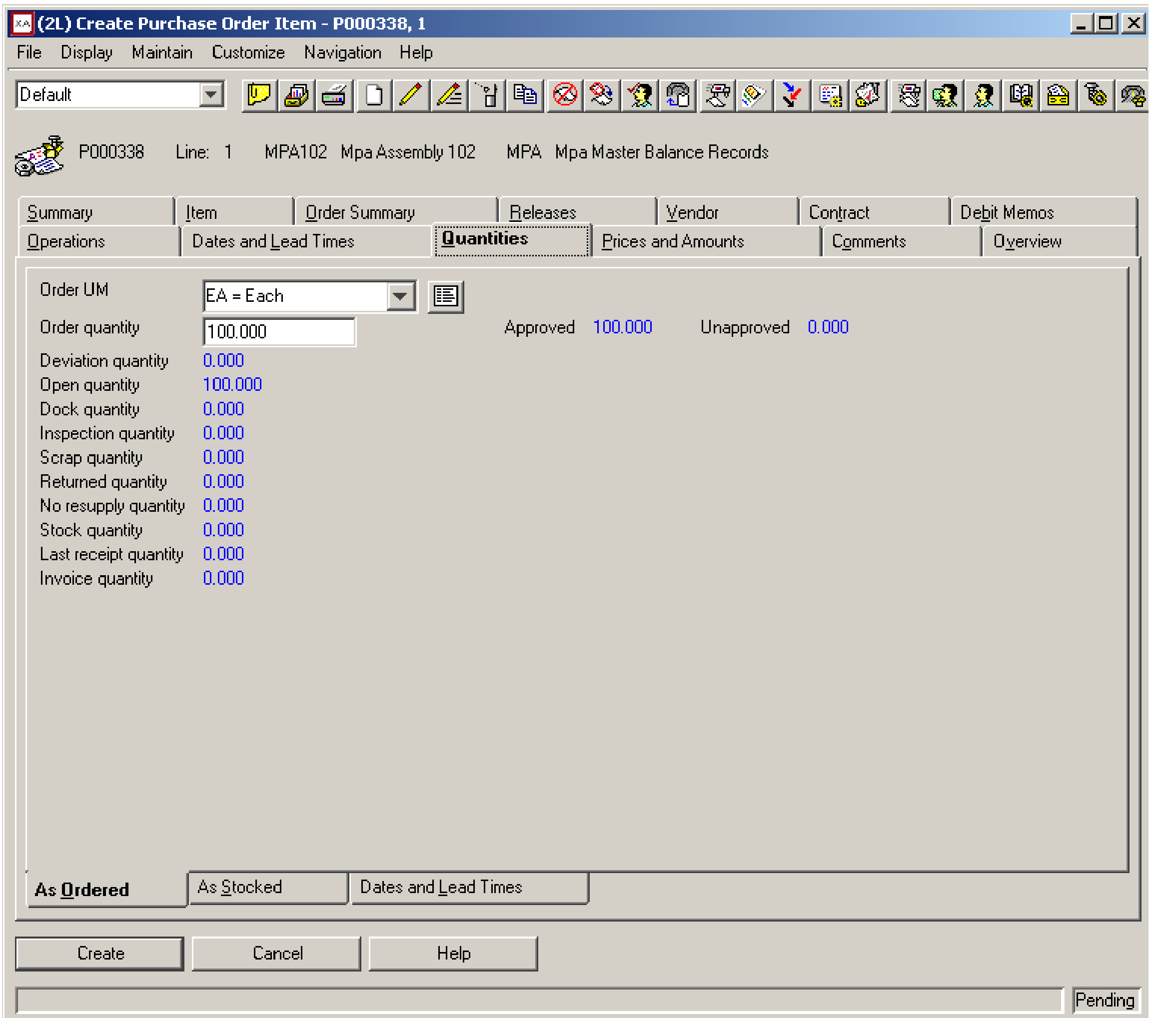


Figure 5-29. Create Purchase Order Item card file - Quantities card

Select the Prices and Amounts card to review or change prices and extended amounts that apply to the purchase order item.

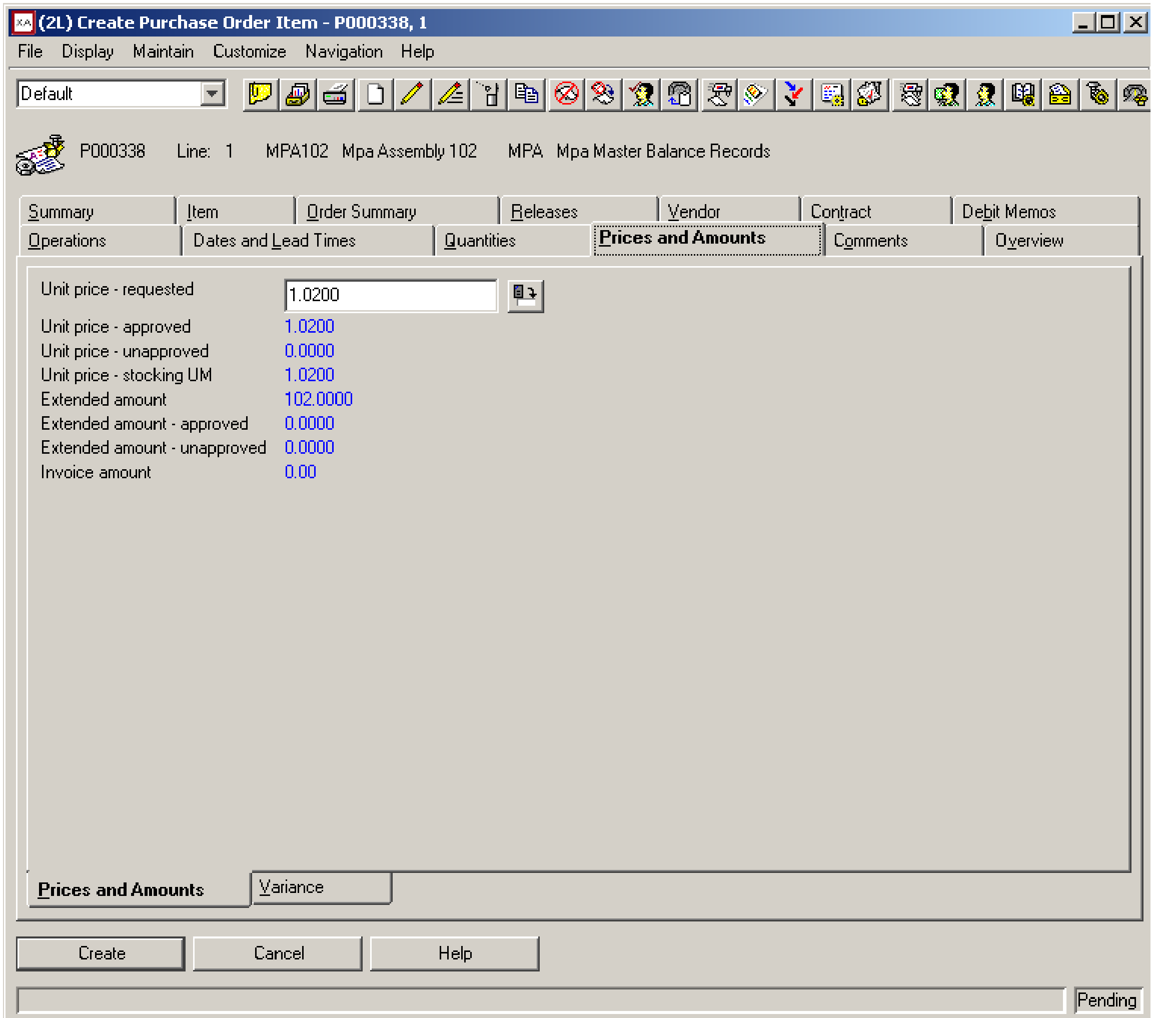


Figure 5-30. Create Purchase Order Item card file - Prices and Amounts card

The Variance tab displays variance data that applies to the purchase order item. No information displays on this card because you are creating a new purchase order item.

Select the Comments card to insert comments for the purchase order item.

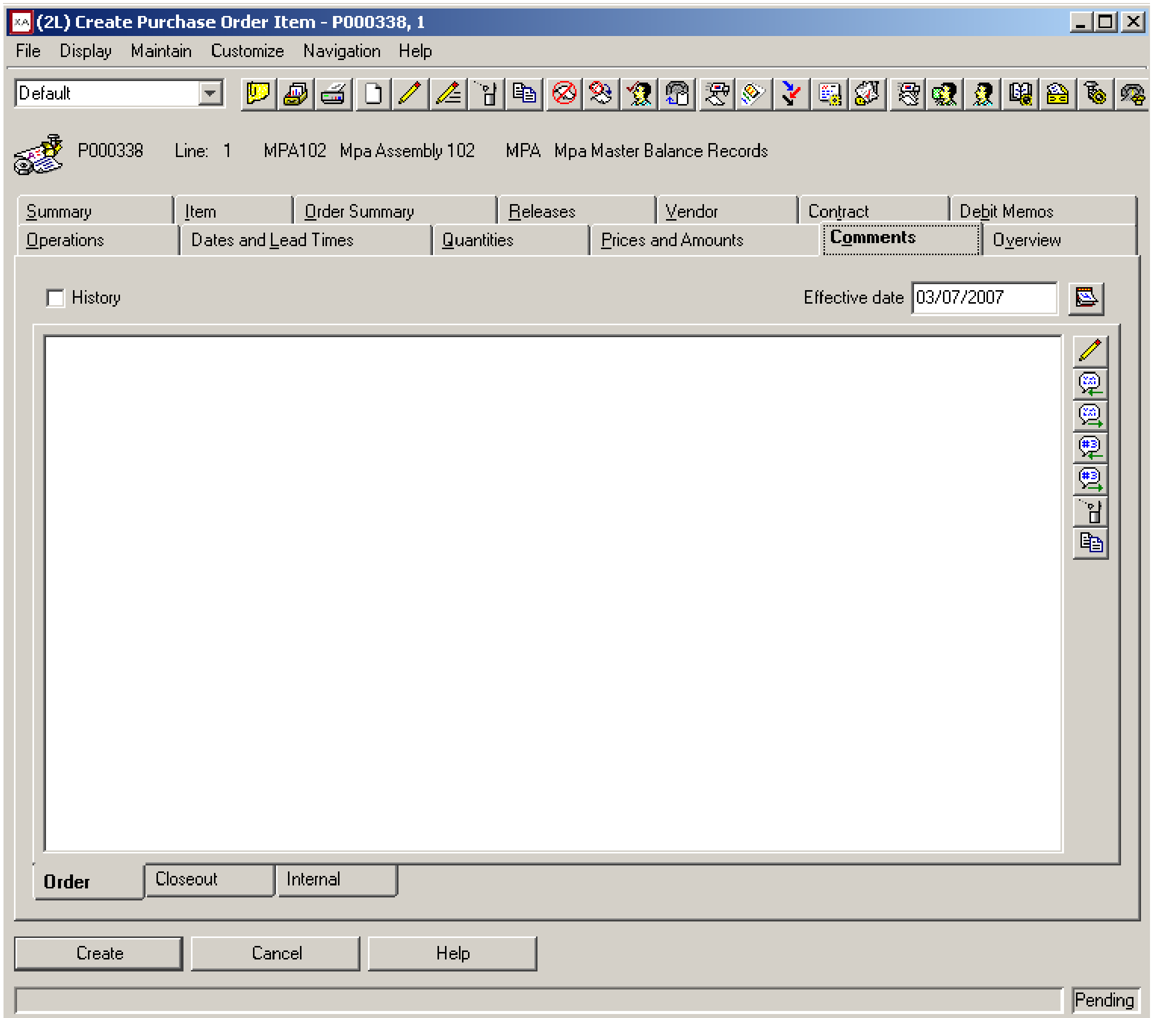


Figure 5-31. Create Purchase Order Item card file - Comments card

You can create comments and use standard messages on the Comments card of purchase order items. The three tabs at the bottom of the Comments card organize the comments into groups:

- Order comments appear on the purchase order.
- Closeout comments appear on the closeout purchase order, which PM prints when the order is closed.
- Internal comments do not print on any documents and are not stored in history files.

Select the Order, Closeout, or Internal tab on which you want to type a comment or add a standard message.

To type text before any comments on the Comments card, click the Insert manual before button. To type text after any comments on the Comments card, click the Insert manual after button.

When you insert a manual comment, the Create Purchase Order Item Comment window opens.

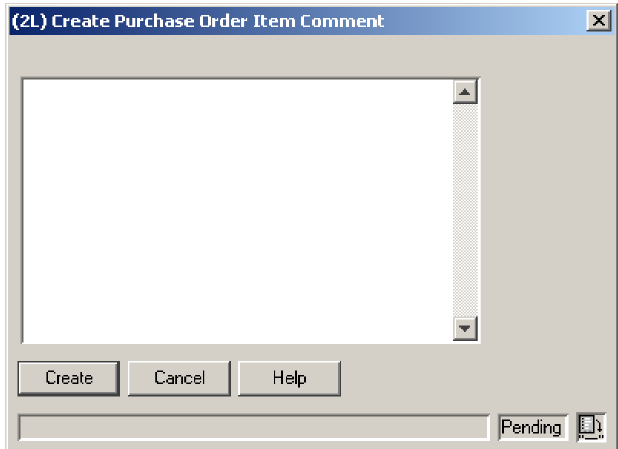


Figure 5-32. Create Purchase Order Item Comment window

Add text by positioning the cursor in the text area and typing the new text.

To add a standard message before any comments on the Comments card, click the buttons, Insert message before or Insert message after. When you insert a message, the Create Purchase Order Item Comment dialog opens.

Figure 5-33. Create Purchase Order Item Comment dialog

Click the button, Find Standard Message ... to open the Standard Messages list window.

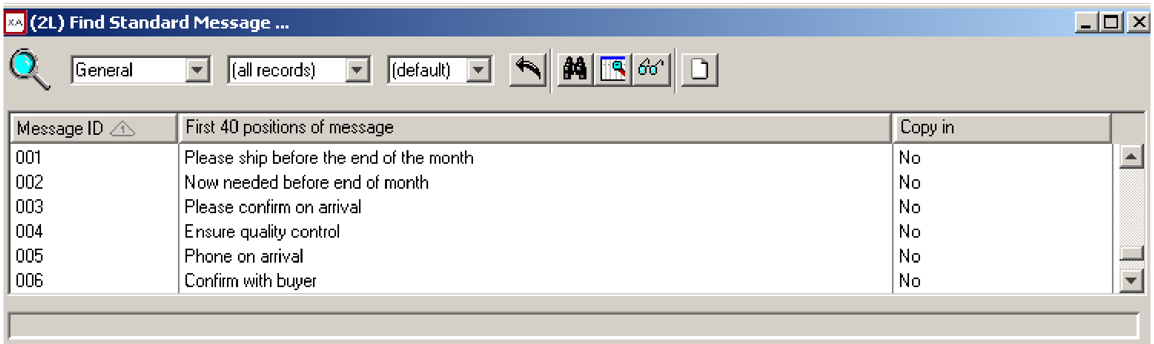


Figure 5-34. Find Standard Message ... list window

You can select a message to use and then click Create to insert the message.

If you need to create standard messages, use the Standard Messages object. For more information about creating standard messages, see “Creating standard messages” on page 5-64.

The Overview card allows you to see all the contents of a purchase order in an indented outline. The highest-level in the overview is the purchase order header, with other contents of the purchase order shown in lower-levels. For more information about the Overview card, see “Viewing a purchase order overview” on page 7-4.

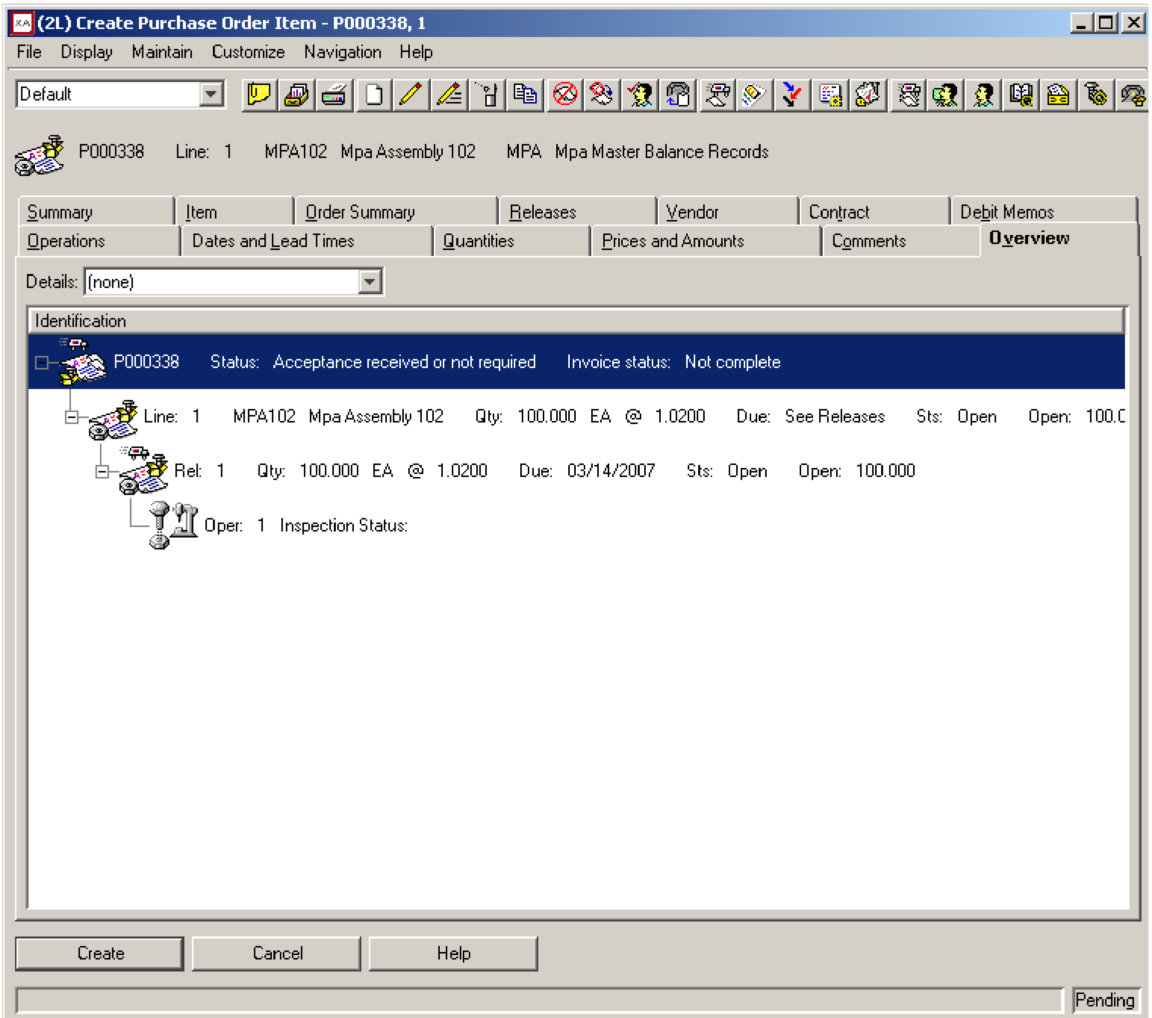


Figure 5-35. Create Purchase Order Item card file - Overview card

Click Create on the Create Purchase Order Item card file to add the new purchase order item to the purchase order.

Creating a purchase order item release

This example assumes you want to create a purchase order item release at the same time you are creating the purchase order item.

However, you can also create purchase order item releases from the Purchase Order Item Releases object. For example, to create a purchase order item release, select the purchase order item from the Purchase Order Items list window and then select the Purchase Order Item Releases option from the Display menu. Select Create on the Maintain menu of the Purchase Order Item Releases list window. The Create Purchase Order Item Release dialog opens.

To create a purchase order item release from the Create Purchase Order Item card file, select the Releases card.

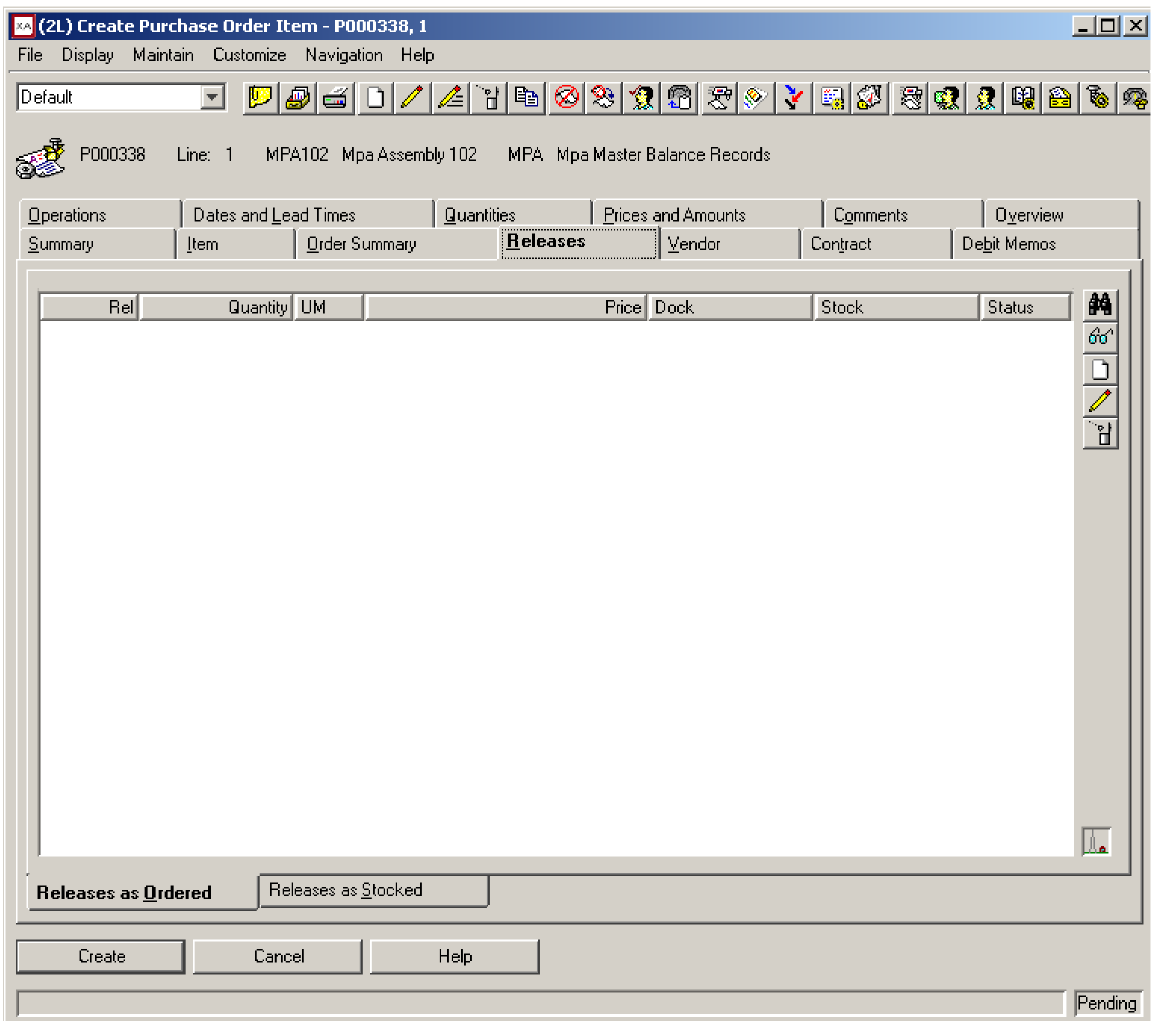


Figure 5-36. Create Purchase Order Item card file - Releases card

Click the Create button to the right of the Releases card and the Create Purchase Order Item Release dialog opens.

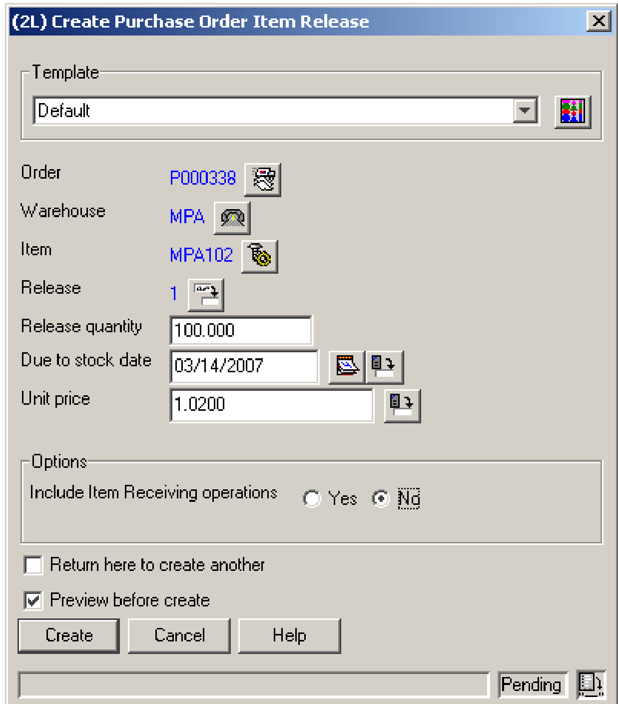


Figure 5-37. Create Purchase Order Item Release dialog

The information you enter on the Create Purchase Order Item Release dialog is enough to create a purchase order item release. If you want to go to the Create Purchase Order Item Release card file and add order information such as comments and receiving operations, select Preview before create and then click Create.

The Create Purchase Order Item Release card file opens displaying the Summary card. The Summary card shows basic information about the purchase order item release.

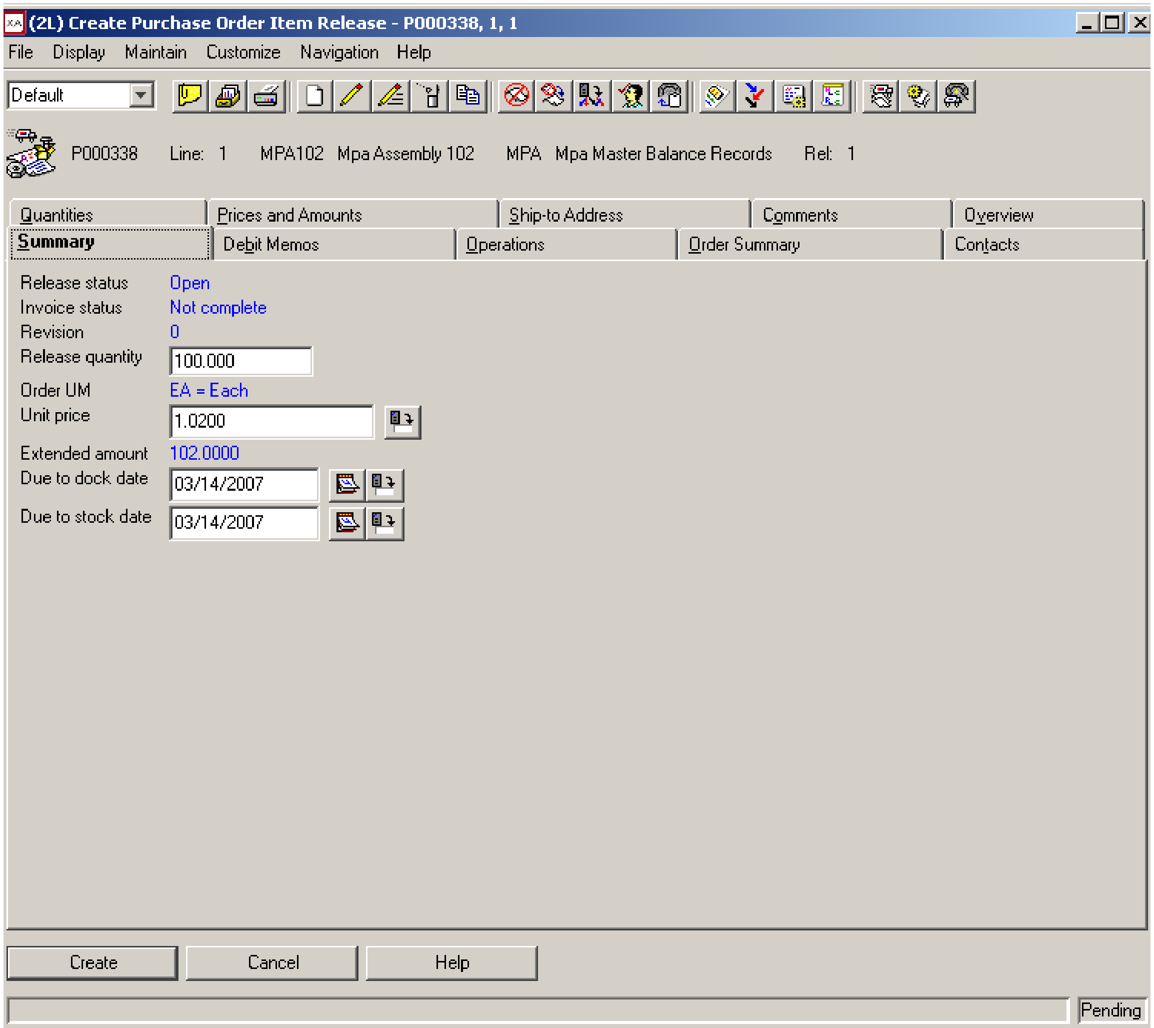


Figure 5-38. Create Purchase Order Item Release card file - Summary card

The Debit Memos card contains a list of debit memos entered against the purchase order item release. No information displays on this card because you are creating a new purchase order item release.

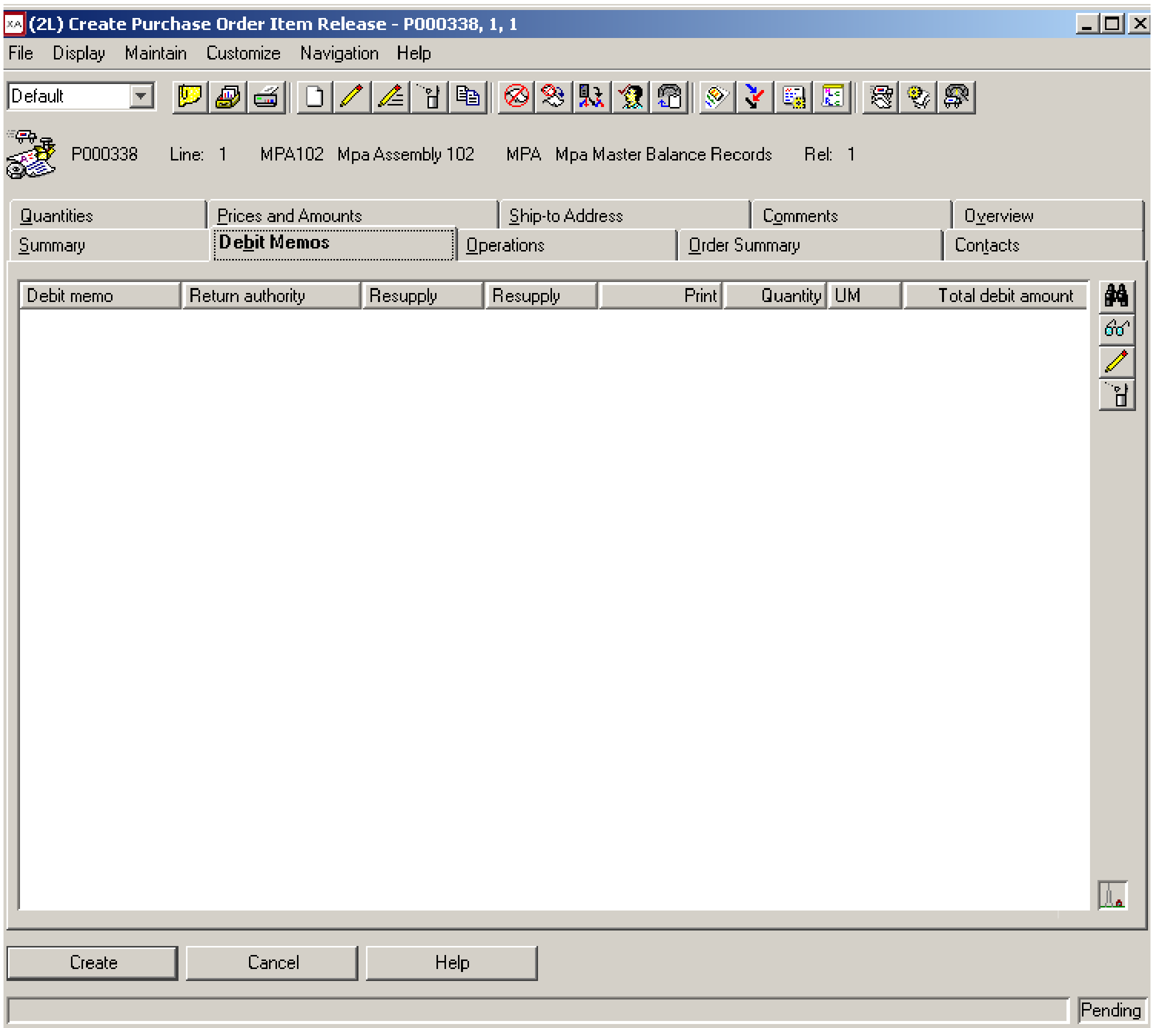


Figure 5-39. Create Purchase Order Item Release card file - Debit Memos card

Select the Operations card to create receiving operations, which are performed when receiving the purchase order item release from dock to stock.

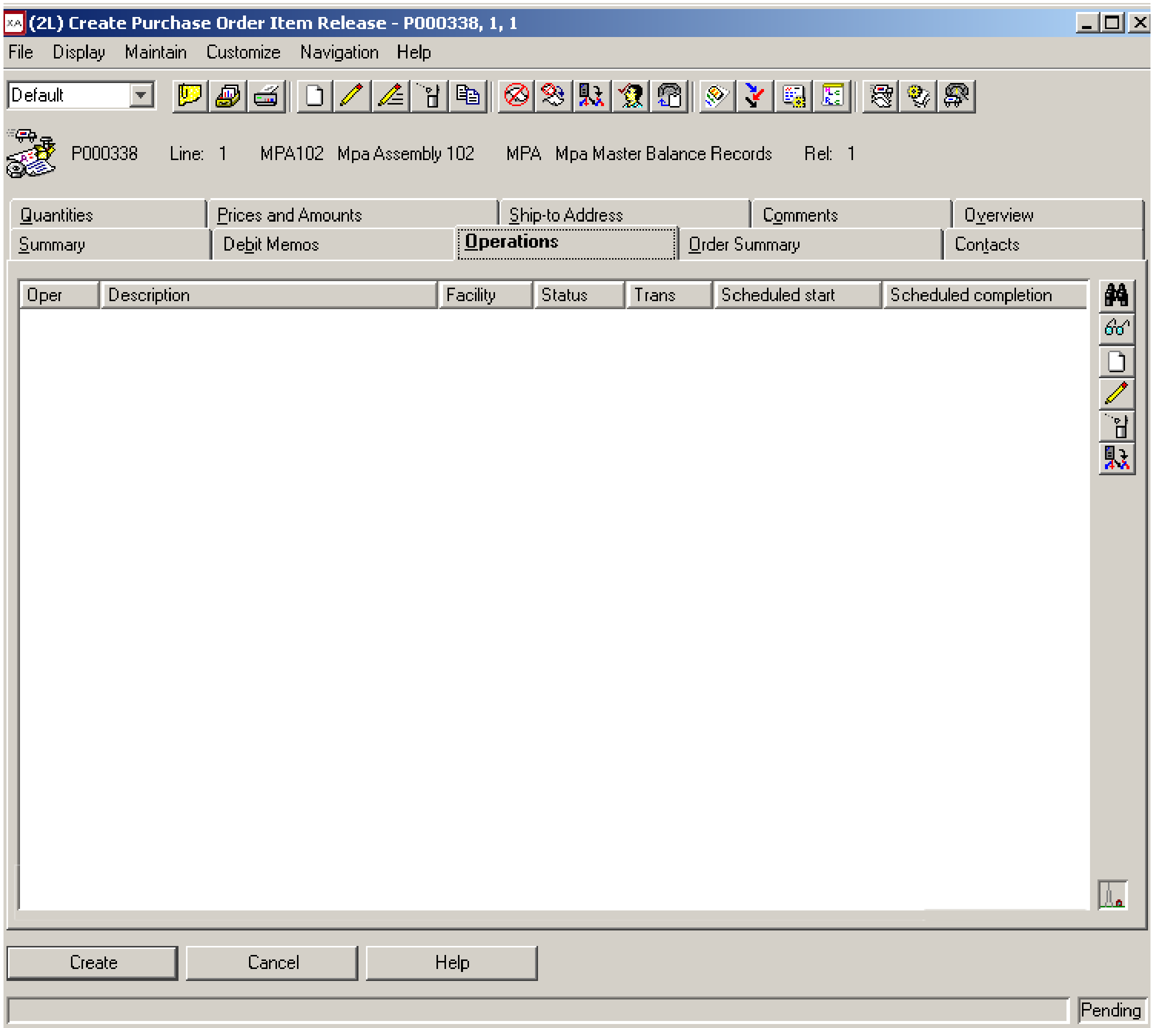


Figure 5-40. Create Purchase Order Item Release card file - Operations card

For both purchase order items and purchase order item releases, you can create receiving operations. You automatically generate receiving operations by:

- selecting Import Operations on the Maintain menu of Purchase Order Items and Purchase Order Item Releases and specifying a PDM routing ID. For more information about adding a routing, see “Importing a routing” on page 6-10.
- creating a purchase order item or purchase order item release and selecting the Include Item Receiving operations option on the Create dialog.
- using the Create button on the Operations card in the Purchase Order Item or Purchase Order Item Release card files.

Note: You cannot create a receiving operation for a blanket item. In Figure 5-19, "Create Purchase Order Item dialog," on page 20, the option to include a purchase order item receiving operation is not available because the dialog is for a blanket item.

To create a receiving operation for this purchase order item release, click the Create button to the right of the Operations card and the Create Purchase Order Item Release Receiving Operation dialog opens.

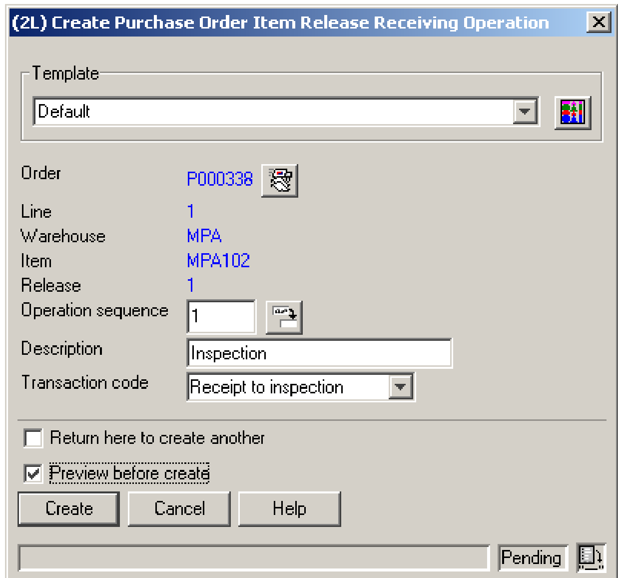


Figure 5-41. Create Purchase Order Item Release Receiving Operation dialog

Enter the appropriate details on the Create Purchase Order Item Release Receiving Operation dialog. To go to the Create Purchase Order Item Receiving Operation card file and add receiving operation information, select Preview before create before you click Create.

Click Create and the Create Purchase Order Item Release Receiving Operation card file opens.

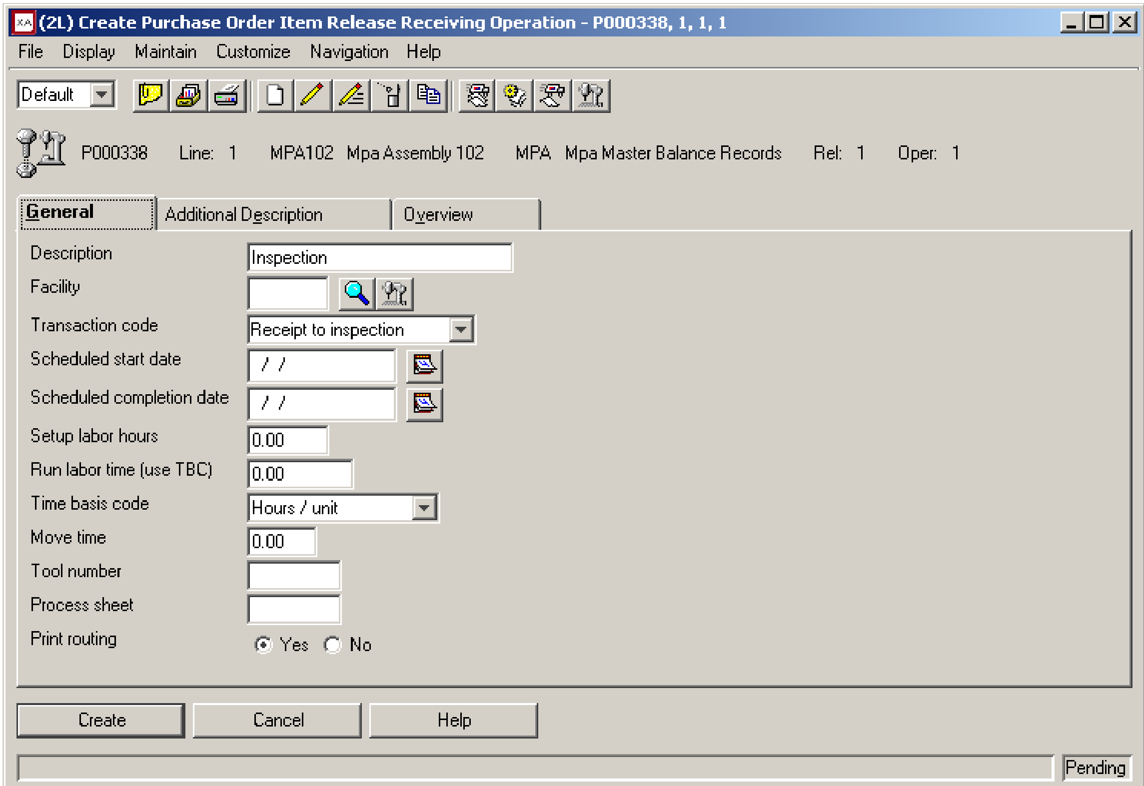


Figure 5-42. Create Purchase Order Item Release Receiving Operation card file

Enter the appropriate details in the Create Purchase Order Item Receiving Operation card file.

Click Create on the Create Purchase Order Item Receiving Operation card file to add the receiving operation to the purchase order item release.

Select the Order Summary card to review or change information about the purchase order for the purchase order item release.

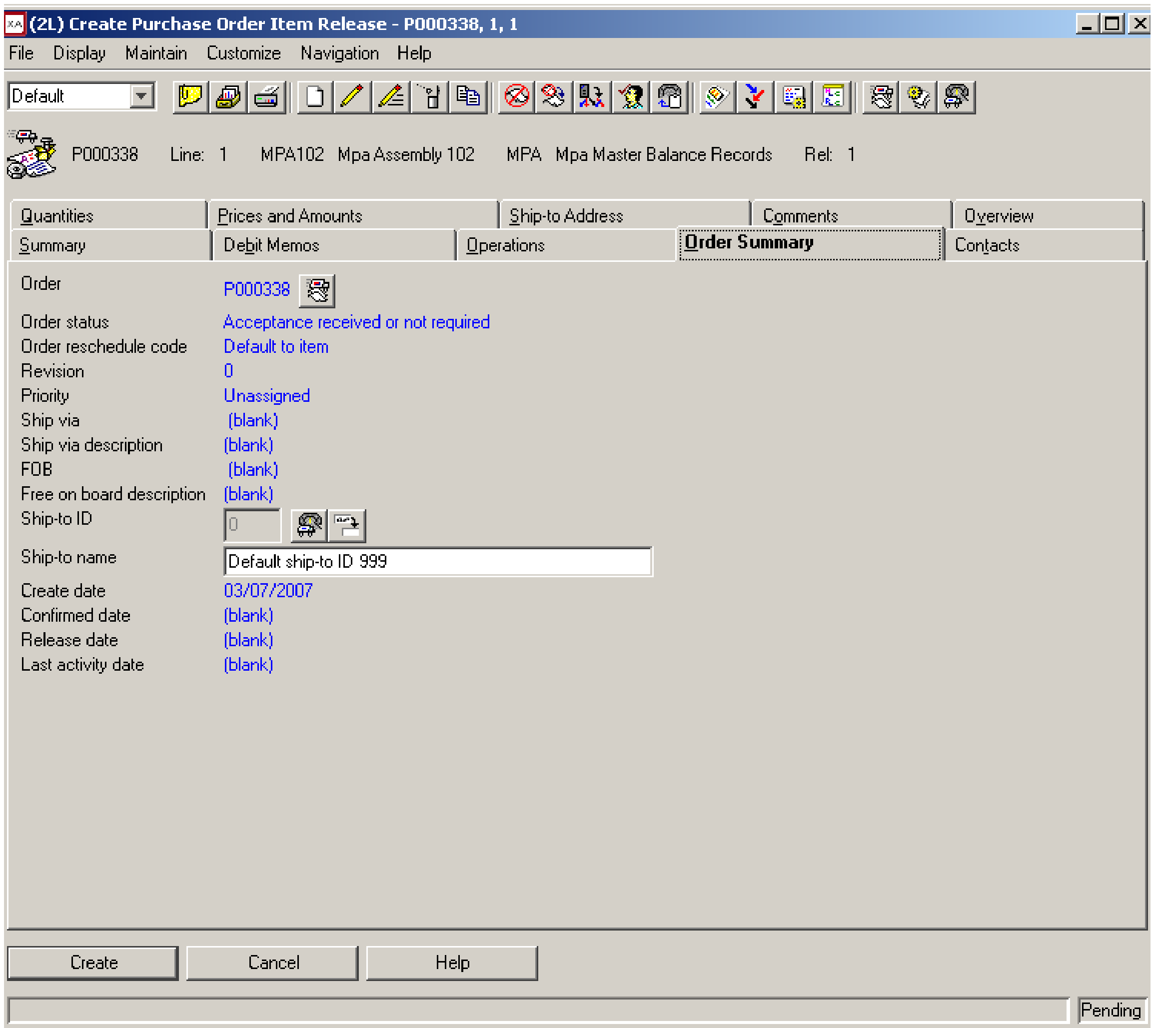


Figure 5-43. Create Purchase Order Item Release card file - Order Summary card

Select the Contacts card to review or change the contact information for the vendor, ship-to, buyer, and planner associated with the purchase order item release.

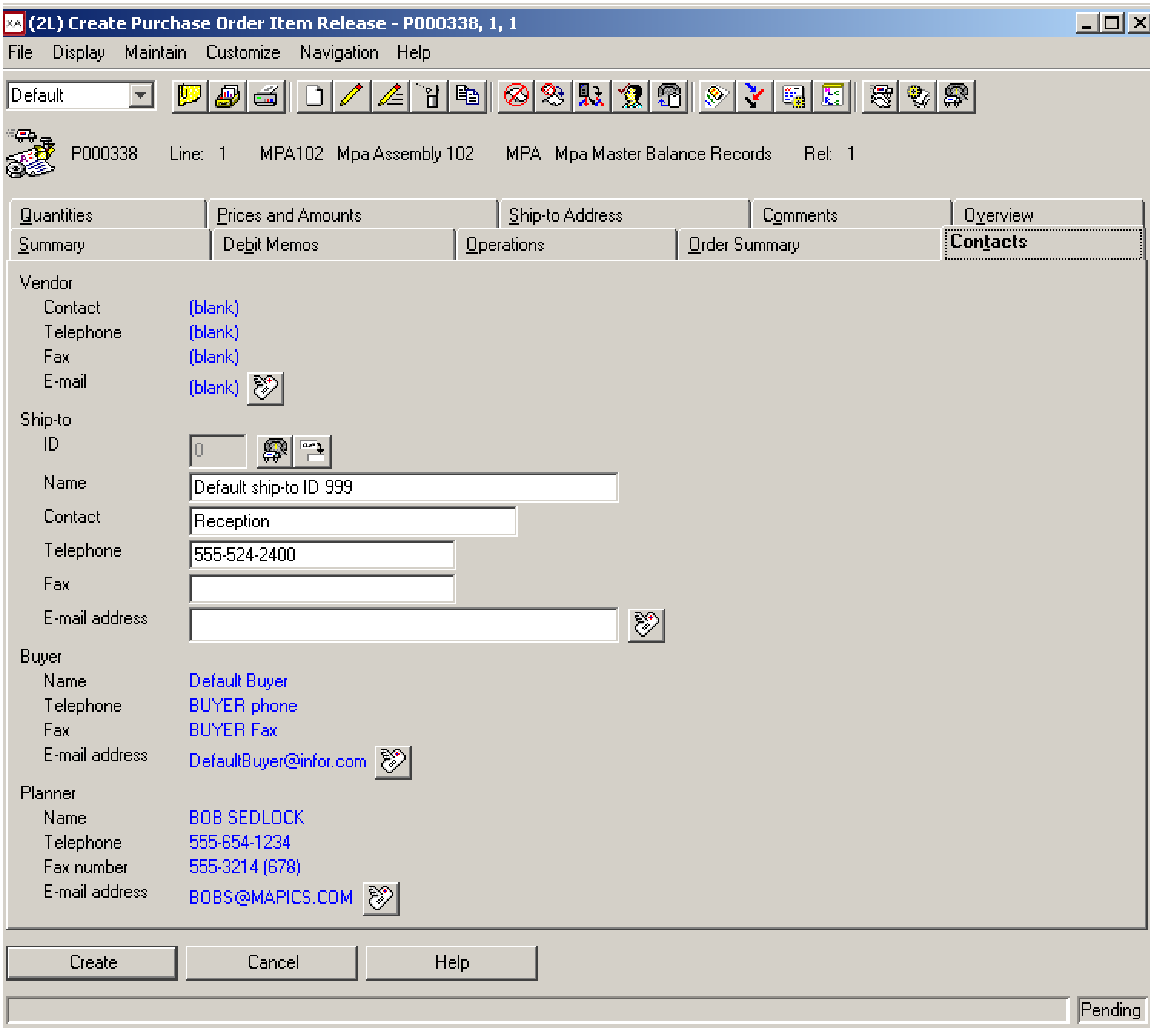


Figure 5-44. Create Purchase Order Item Release card file - Contacts card

Select the Quantities card to review or change information about quantities and attributes used to calculate quantities for the purchase order item release. You can see quantities as ordered, as stocked, and information from the Dates and Lead Times card.

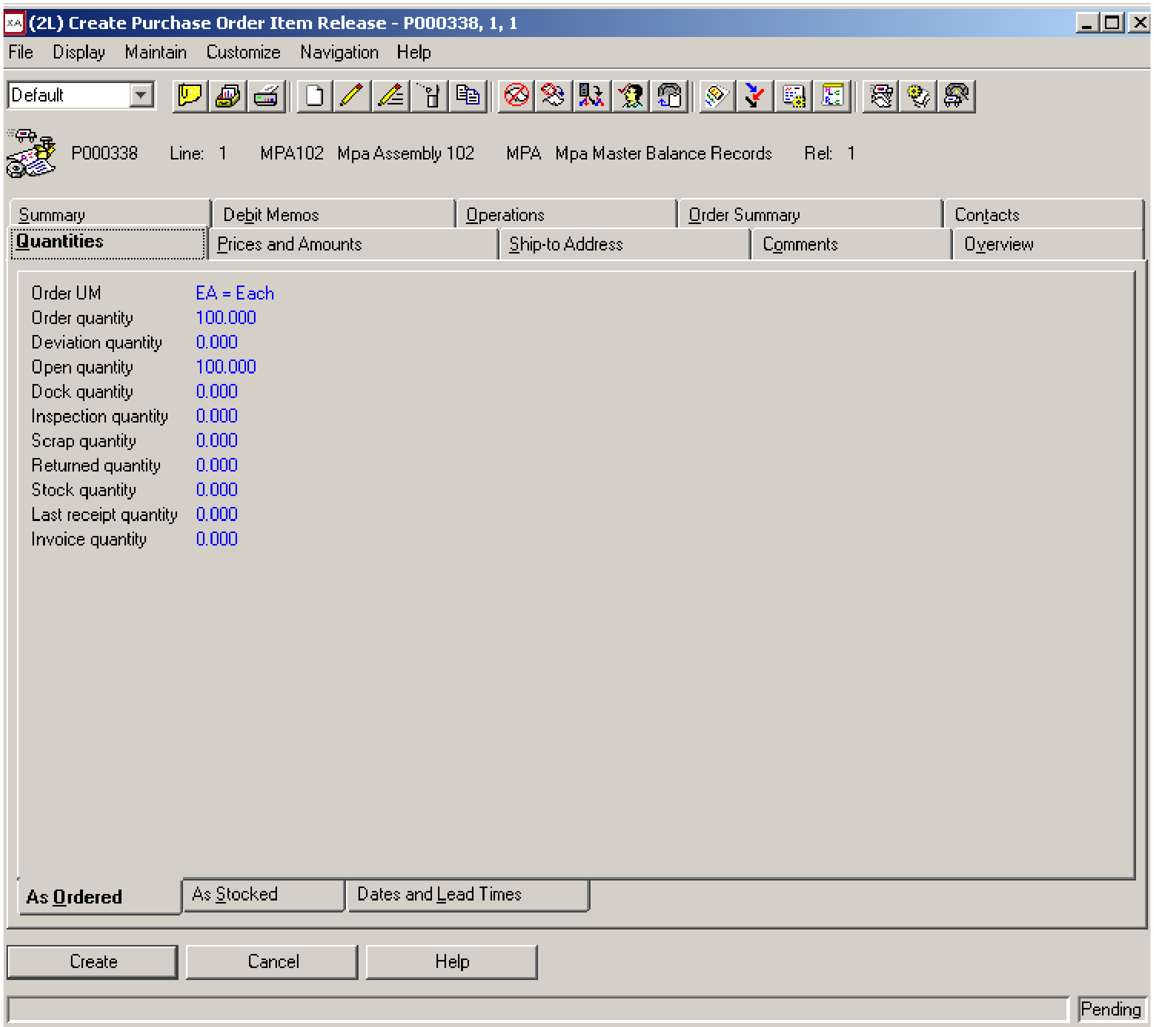


Figure 5-45. Create Purchase Order Item Release card file - Quantities card

Select the Prices and Amounts card to review or change prices and extended amounts that apply to the purchase order item release.

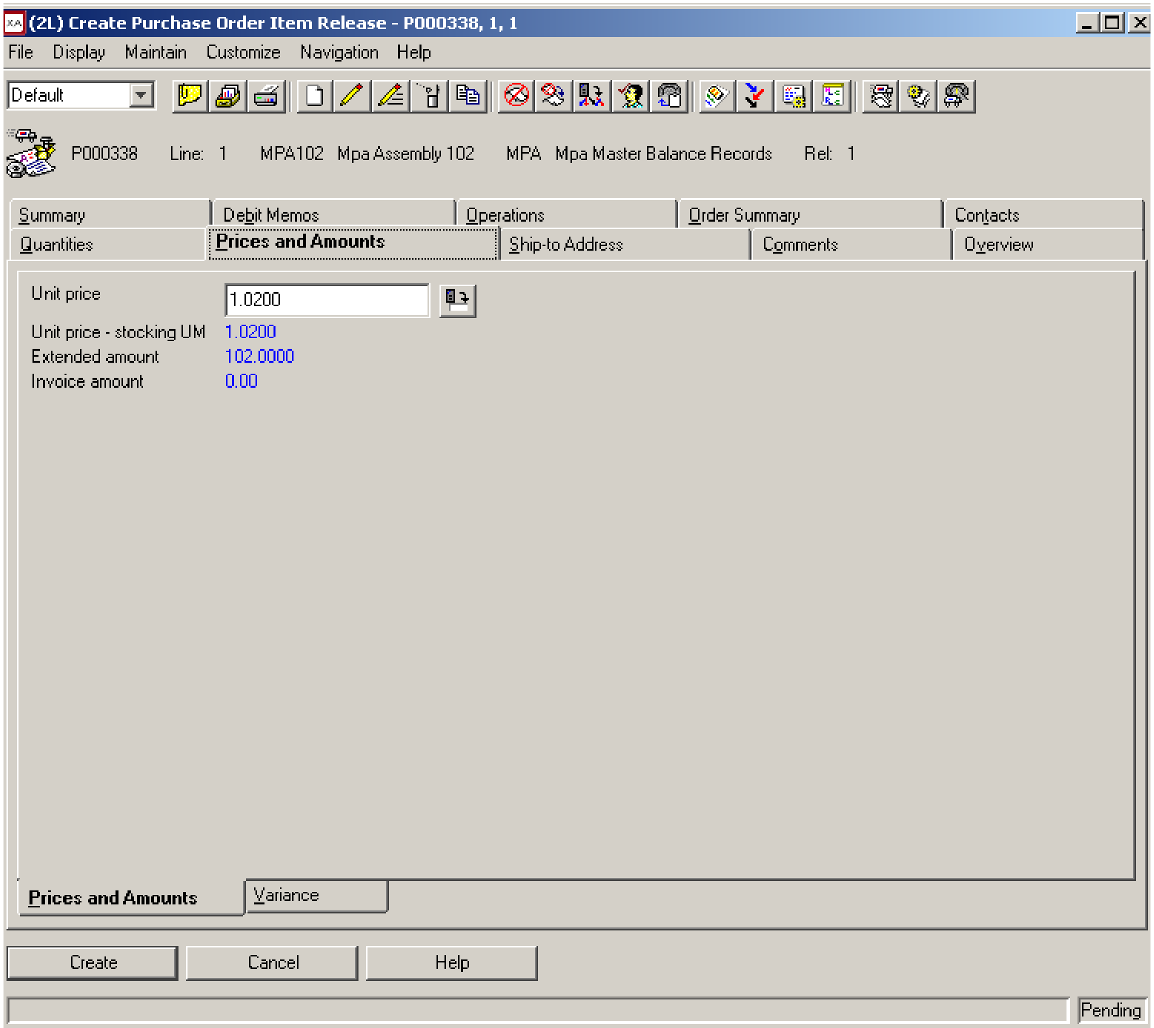


Figure 5-46. Create Purchase Order Item Release card file - Prices and Amounts card

The Variance tab displays variance data that applies to the purchase order item release. No information displays on this card because you are creating a new purchase order item release.

Select the Ship-to Address card to review or change information about the address where the vendor will send the purchase order item release.

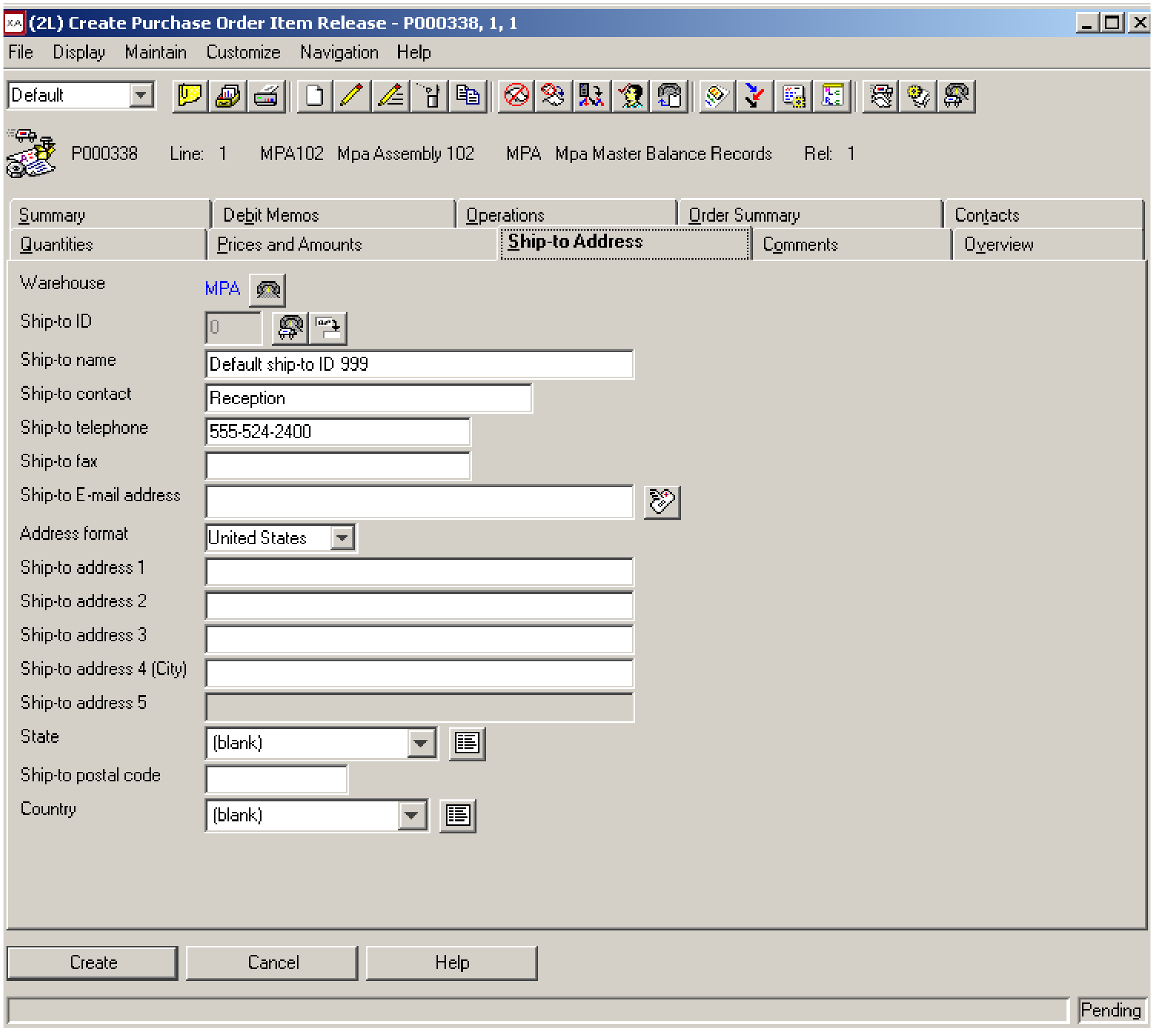


Figure 5-47. Create Purchase Order Item Release card file - Ship-to Address card

Select the Comments card to insert comments for the purchase order item release.

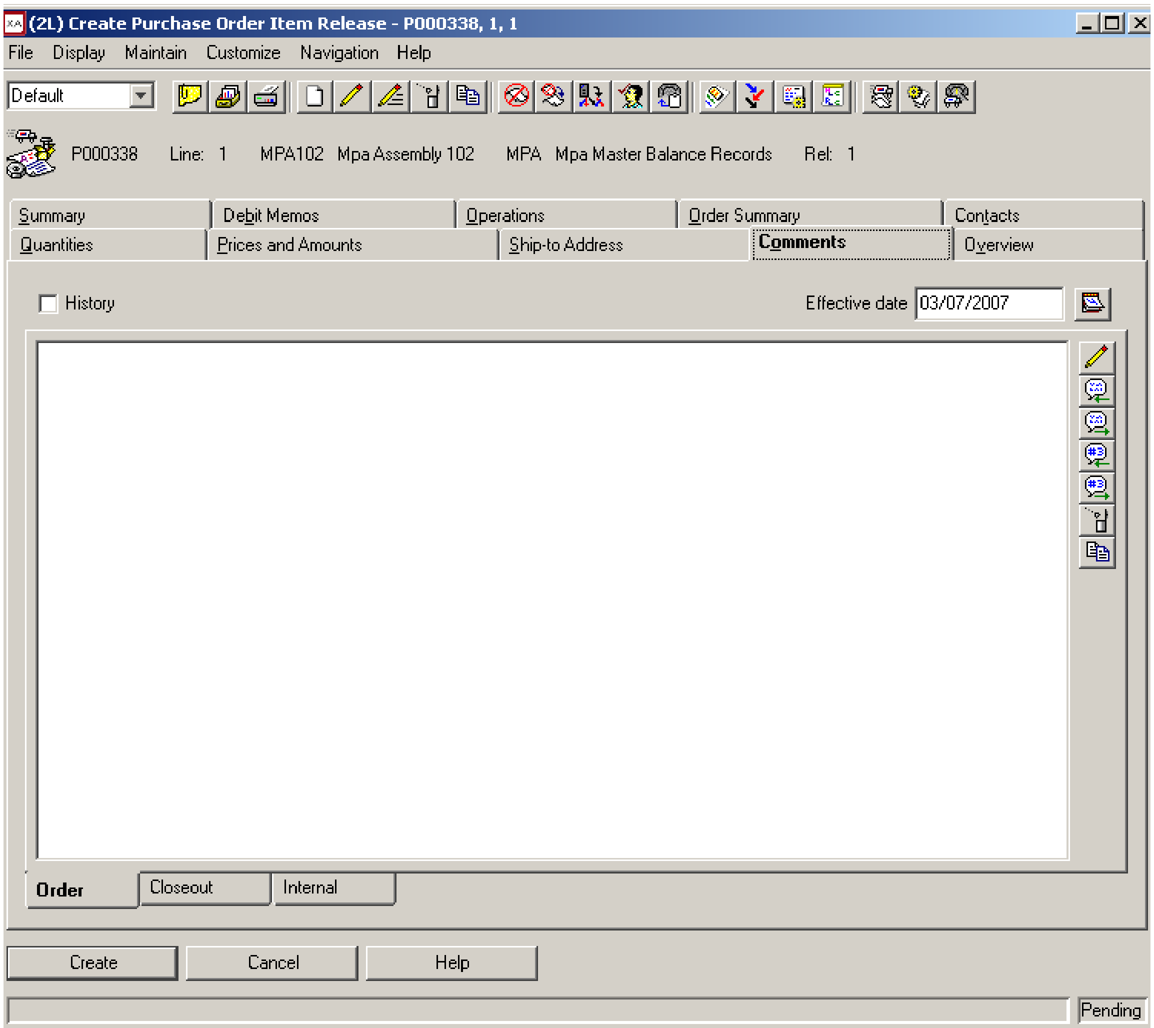


Figure 5-48. Create Purchase Order Item Release card file - Comments card

You can create comments and use standard messages on the Comments card of purchase order item releases. The three tabs at the bottom of the Comments card organize the comments into groups:

- Order comments appear on the purchase order.
- Closeout comments appear on the closeout purchase order, which PM prints when the order is closed.
- Internal comments do not print on any documents and are not stored in history files.

Select the Order, Closeout, or Internal tab on which you want to type a comment or add a standard message.

To type text before any comments on the Comments card, click the button, Insert manual before. To type text after any comments on the Comments card, click the button, Insert manual after.

When you insert a manual comment, the Create Purchase Order Item Release Comment window opens.

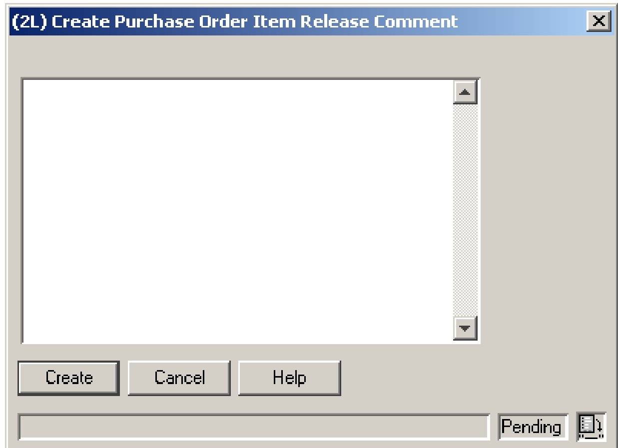


Figure 5-49. Create Purchase Order Item Release Comment window

Add text by positioning the cursor in the text area and typing the new text.

To add a standard message before any comments on the Comments card, click the buttons, Insert message before or Insert message after. When you insert a message, the Create Purchase Order Item Release Comment dialog opens.

Figure 5-50. Create Purchase Order Item Release Comment dialog

Click the button, Find Standard Message ... to open the Standard Messages list window.

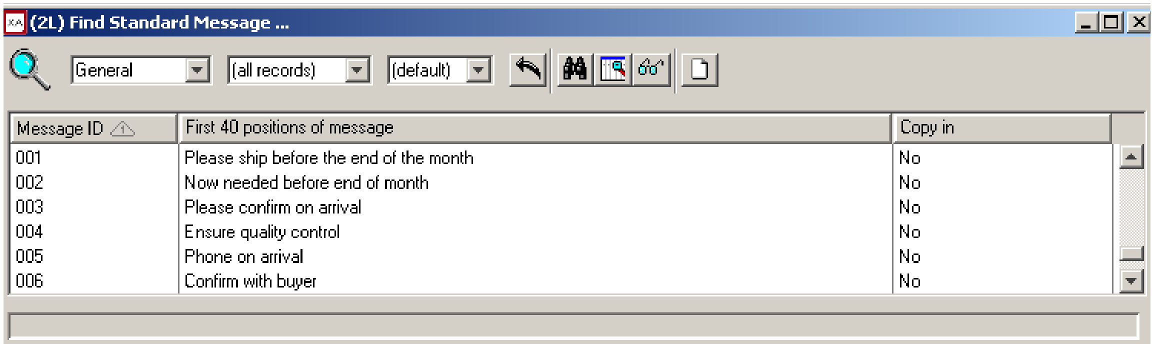


Figure 5-51. Find Standard Message ... list window

You can select a message to use and then click Create to insert the message.

If you need to create standard messages, use the Standard Messages object. For more information about creating standard messages, see “Creating standard messages” on page 5-64.

The Overview card allows you to see all the contents of a purchase order in an indented outline. The highest-level in the overview is the purchase order header, with other contents of the purchase order shown in lower-levels. For more information about the Overview card, see “Viewing a purchase order overview” on page 7-4.

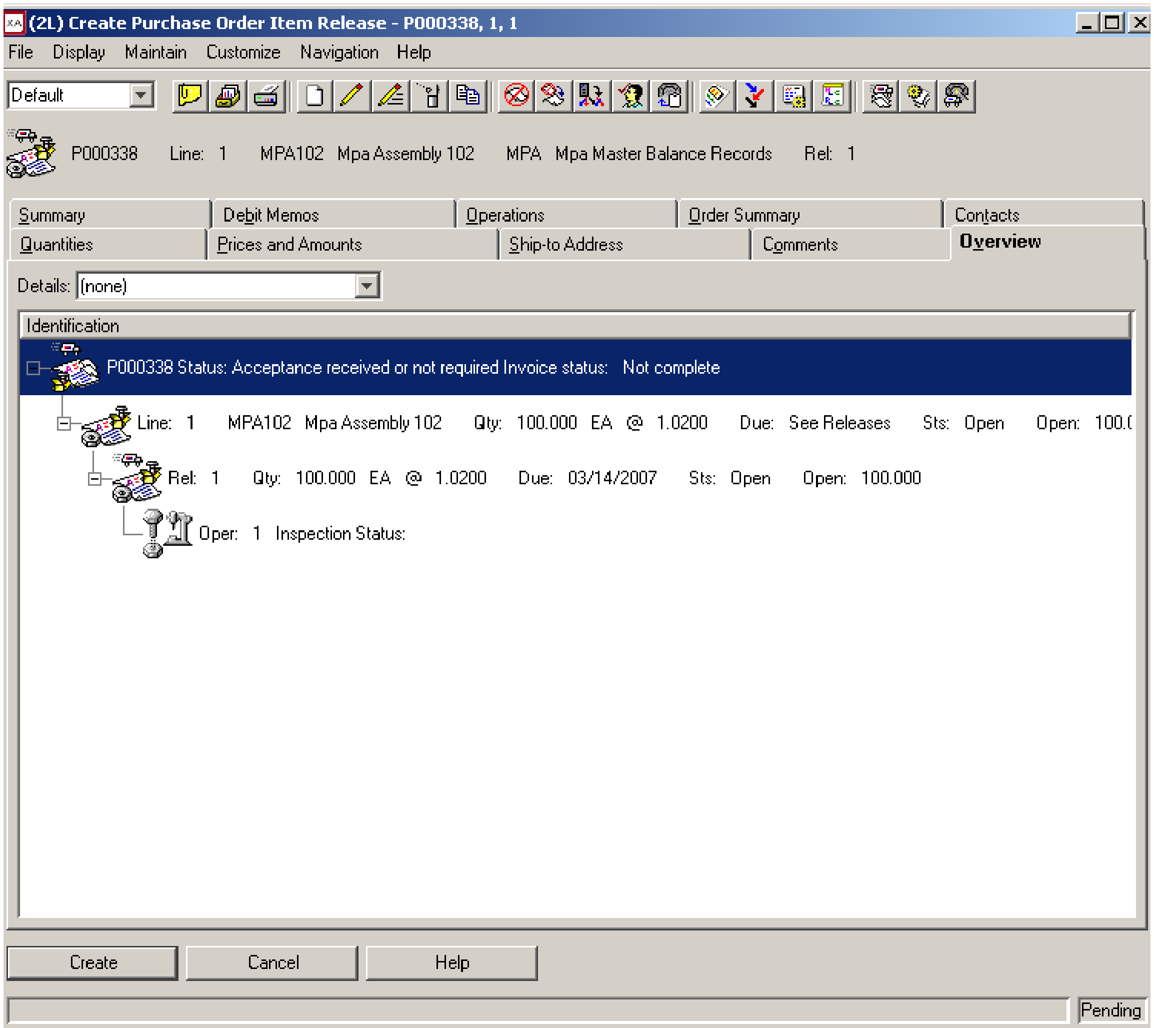


Figure 5-52. Create Purchase Order Item Release card file - Overview card

Click Create on the Create Purchase Order Item Release card file to add the new purchase order item release to the purchase order item.

Other methods for creating purchase orders

You can use information in PM to help you create purchase orders. You can copy the information on an existing purchase order for use on the purchase order you are creating. You can use requisition, quote, or contract information to create a purchase order.

Using an existing purchase order

Copying an open purchase order or purged purchase order to create another purchase order eliminates some data entry. However, you must enter some information and review the new purchase order when the copy is complete to update the purchase order with new dates, quantities, and prices if these values have changed.

You define the components of the order to copy, including:

- Order comments
- Items
- Item comments
- Releases
- Release comments
- Receiving routings.

If the source purchase order has attributes that you want to either not copy or replace with a new value, you use the Copy template in the Options section of the Copy Purchase Order dialog. Attributes that are on the Copy template override values from the source purchase order. Maintain the Copy template by selecting the attributes you want to replace and defining the new values. Maintainable attributes that are not on the Copy template, PM copies from the source purchase order to the target purchase order. Other attributes are defaulted based on the rules of purchase order creation.

You can use the Copy template if you want to replace an attribute value with blanks. For example, you might want to blank out the date attributes or you might want to break the relationship the source purchase order has with a contract. In this case, you make sure the attributes with the values you want to remove are on the copy template, but have a blank value in them.

When you copy a purchase order to create another order, PM does not copy debit memos because the debit memo is not applicable for a new purchase order. PM also does not copy links to requisitions used to create a purchase order item on the original purchase order.

You can copy both open purchase orders and purged purchase orders to create another purchase order. This example assumes you want to copy an open purchase order. From the Purchase Orders list window, select the purchase order you want to copy and then select Copy on the Maintain menu.

The Copy Purchase Order dialog opens.

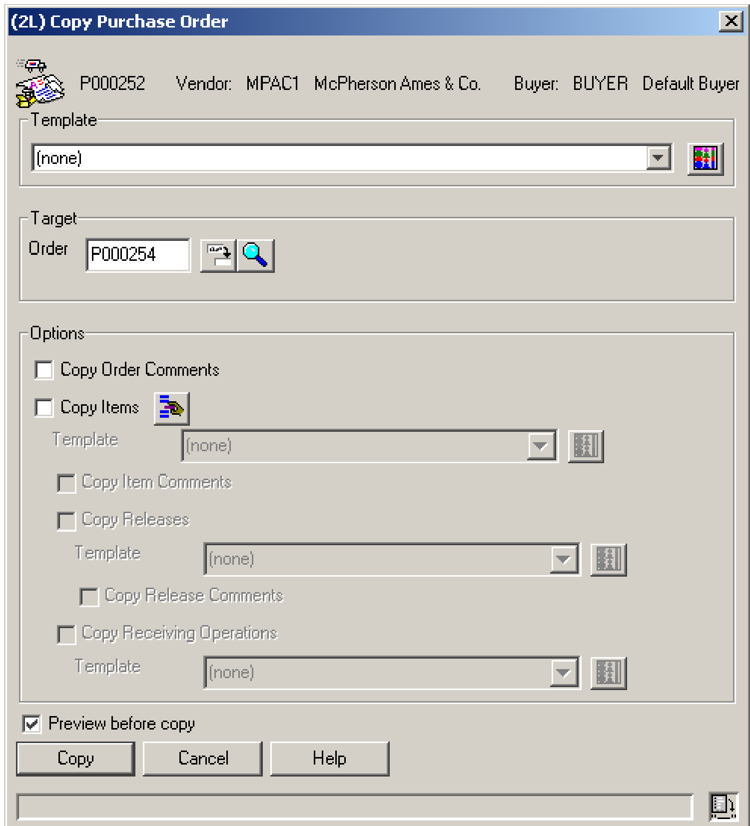


Figure 5-53. Copy Purchase Order dialog

Enter the appropriate details on the Copy Purchase Order dialog. If you are using system-generated purchase order numbers, PM assigns the next available purchase order number to the Order attribute.

The information you enter on the Copy Purchase Order dialog is enough to create the purchase order. If you want to go to the Default card file and add order information, select Preview before copy.

Click Copy and the Copy Purchase Order card file opens.

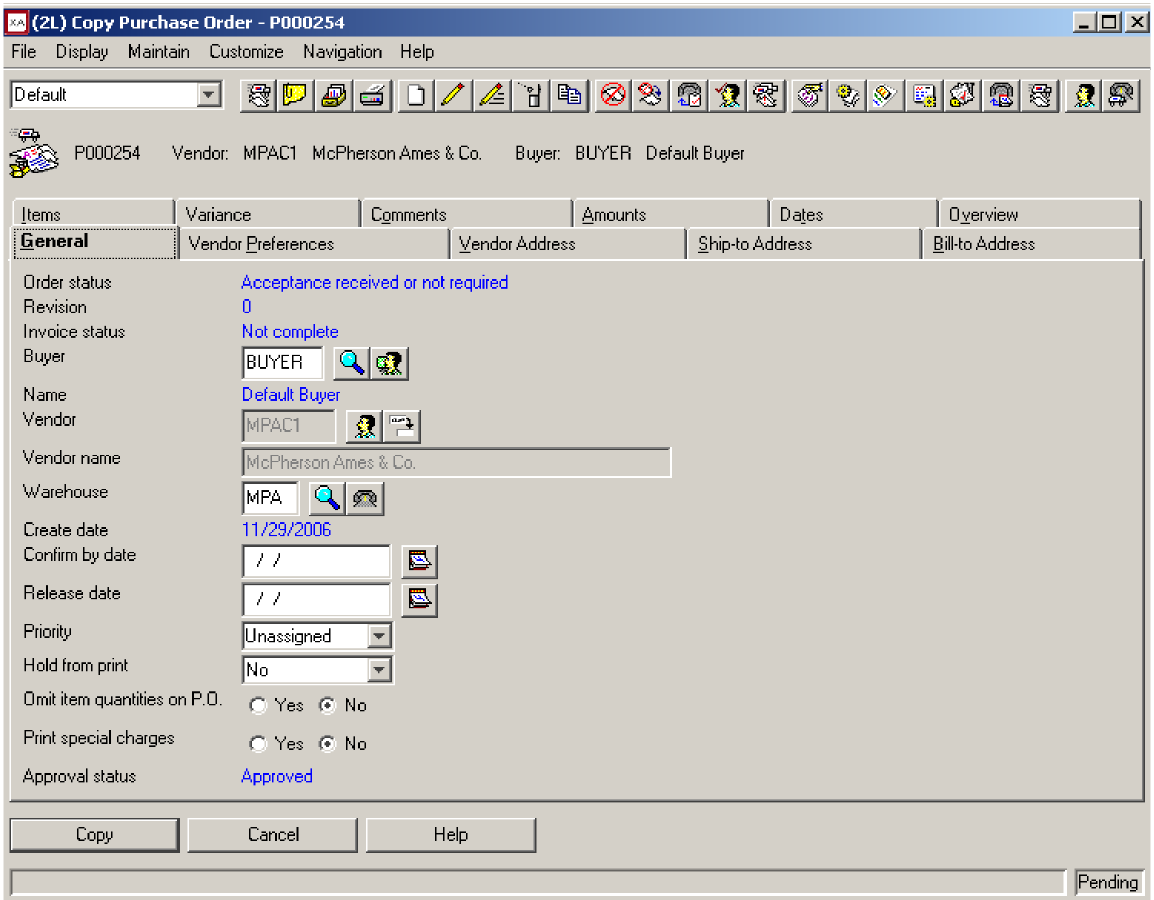


Figure 5-54. Copy Purchase Order card file

Enter the appropriate details on the Copy Purchase Order card file.

For more information about changing the Purchase Order Default card file, see “Creating purchase orders from the Default card file” on page 5-4.

After you add information, purchase order items, and purchase order item releases; click Copy instead of Create to create the purchase order. PM adds the purchase order to the Purchase Orders object.

Using a requisition

With PM, you can select one or more requisitions and convert them into a single purchase order. To select requisitions for a purchase order, you start from a list of requisitions for a particular buyer, vendor, or item. On the Requisitions list window, you apply the subset, Not assigned to P.O., so that the list contains only the requisitions that have not been fulfilled. Alternatively, you can create a subset of your own to limit the list to only the requisitions you want to include.

After you select the requisitions, select the Create Purchase Order option on the Maintain menu for Requisitions and the Create Purchase Order dialog opens.

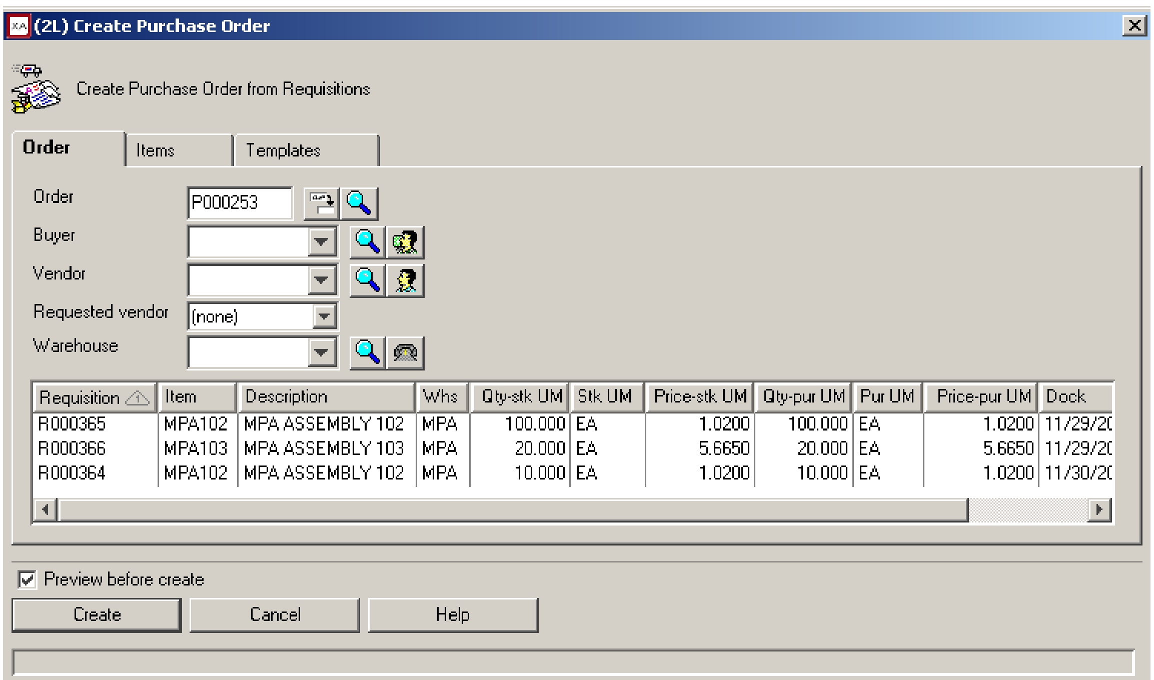


Figure 5-55. Create Purchase Order dialog - Order tab- from Requisitions

Use the Create Purchase Order dialog to see how PM creates the purchase order using application rules and defaults. Options on this dialog allow you to manipulate the order by adjusting the items and their releases, and the quantities, prices, and dates on the order. PM assumes the requisitions you are combining into one purchase order have the same buyer and primary vendor. If the requisitions have different buyers or vendors, PM displays a message, which says that the buyers and/or vendors are not the same.

The Create Purchase Order dialog (from Requisitions) consists of three tabs:

- The Order tab shows basic information about the purchase order you are creating and shows a list of the requisitions you selected to include on the order.
- The Items tab shows a preliminary list of items selected for the order by the rules and defaults in PM. PM automatically combines requisitions for inventory items that have the same item number and warehouse because you can have only one instance of an inventory item on an order.
- The Templates tab contains options for the templates you want to use to create the purchase order. You can choose templates for the purchase order header, purchase order items, purchase order item releases, and operations. The default templates assigned to these parts of the purchase order are the default values on this tab.

Select the Items tab to work with the line items and to set up the way you want PM to create the order.

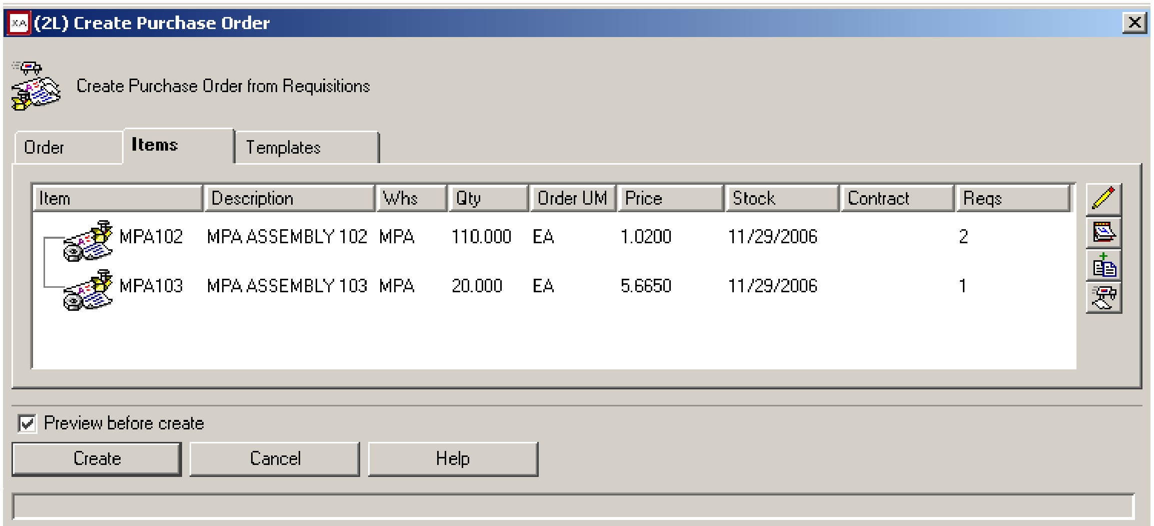


Figure 5-56. Create Purchase Order - Items tab - from Requisitions

The Items tab contains several options to help you work with the items.

Change. Click the Change button to change the quantity, price, or stock date for the selected item or release. The Change Purchase Order Item dialog opens.

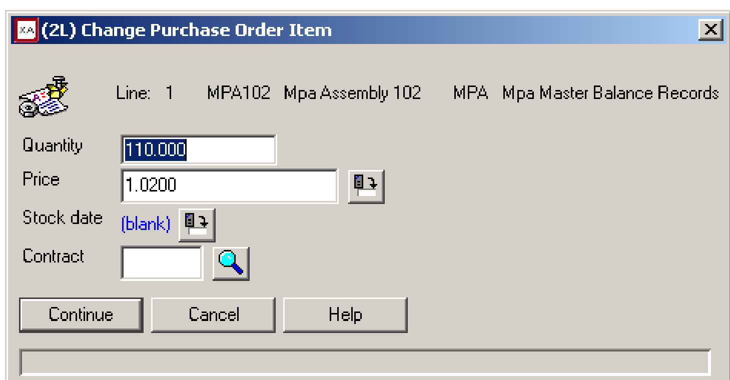


Figure 5-57. Change Purchase Order Item dialog - from Requisitions

Change the appropriate attributes. Click Continue and PM updates the Purchase Order Item with your changes.

Set Stock Date. Use this option to change the due date for multiple items instead of changing the due date individually for each item. For example, you have several items with due dates near one another, such as Tuesday 11/28/2006, Wednesday 11/29/2006, and Thursday 11/30/2006. If the vendor for these items normally makes deliveries on Mondays, you can change all the dates to Monday11/27/2006 if you can handle the earlier delivery. Select the items and click the Set Stock Date button.

The Set Stock Date dialog opens.

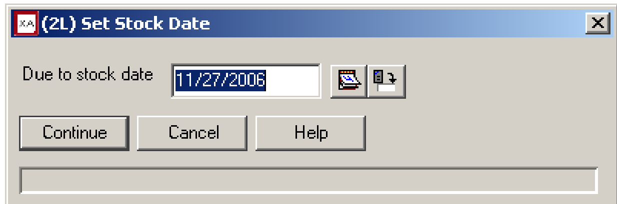


Figure 5-58. Set Stock Date dialog

Enter the new Due to stock date and click Continue to change the Due to stock date of the items you selected.

Combine. Click the Combine button to combine miscellaneous or service items into one line item on the purchase order. The combine function adds the quantities for the selected items or releases and uses the total quantity as the quantity for the combined item or release. The price and due date for the combined item or release come from the first item or release used to create the combined line item.

The combine function allows you to control how PM handles miscellaneous and service items on the purchase order. For example, if you notice several requisitions for the same miscellaneous or service item number, and the description shows they are the same item, you might want to show these items as a single purchase order item. Alternatively, for a blanket item, you might notice several releases have due dates that are one day apart. You might prefer to combine these releases into one release. In the following example, the first line item has been created as blanket release. The two releases have been selected in order to combine them.

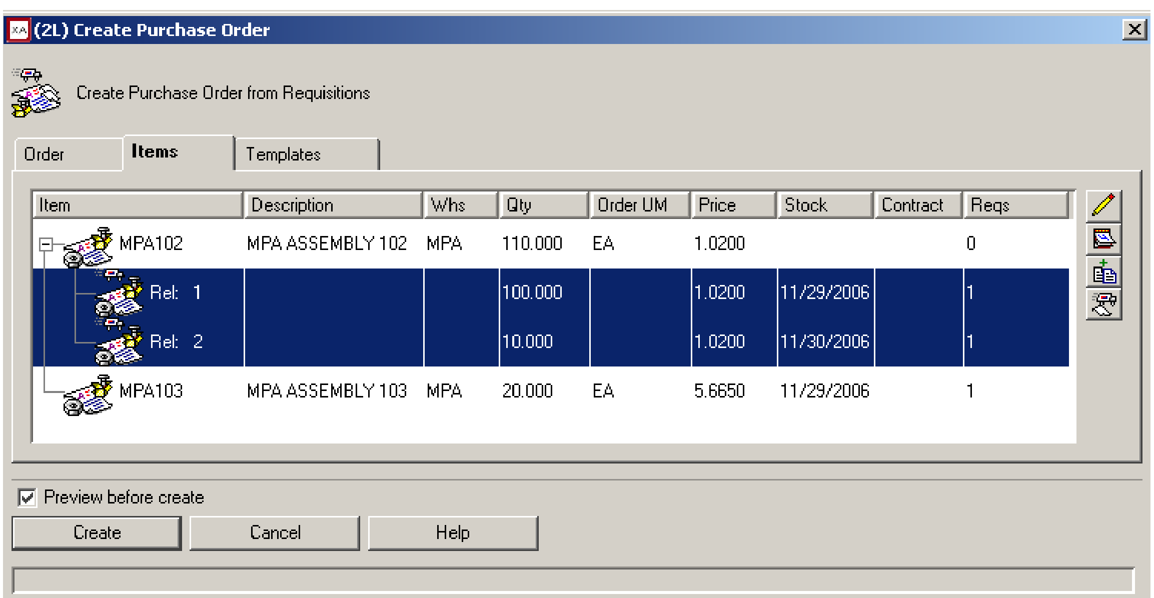


Figure 5-59. Create Purchase Order dialog - Items tab - selected releases - from Requisitions

Click Combine. These items appear as one line item release.

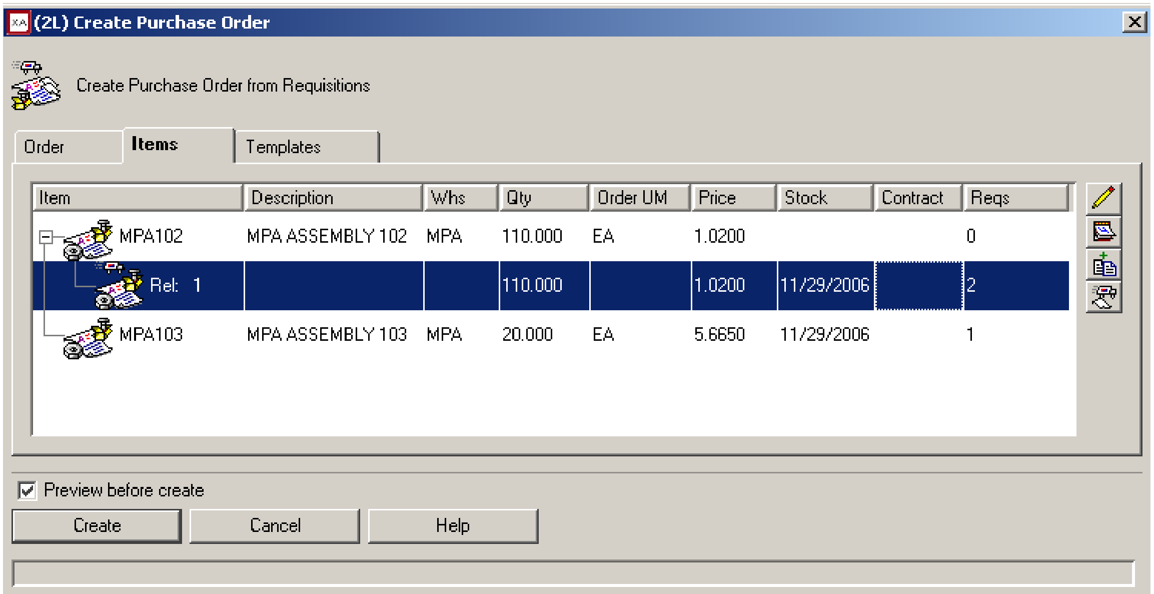


Figure 5-60. Create Purchase Order dialog - Items tab - combined releases - from Requisitions

Create Blanket. PM allows you to split a purchase order item that has one large delivery into several releases with smaller deliveries. For example, you might have combined several requisitions into one purchase order item with a quantity that is larger than you want to accept in one delivery. Alternatively, you might have combined multiple requisitions for miscellaneous or service items but want the vendor to deliver the combined item as blanket releases. In the following example, you need to change the requisitions for the MPA 103 item to a blanket release because you do not have enough room to store all 20 of the item. To create the blanket release, you select the item, and then click the Create Blanket button. The Blanket release options dialog opens.

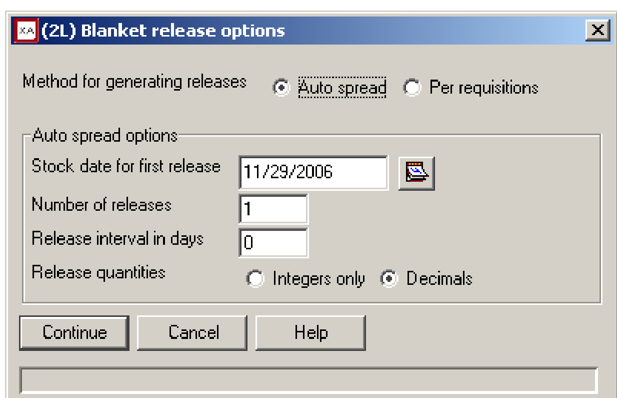


Figure 5-61. Blanket release options dialog - from Requisitions

On the Blanket release options dialog, you choose the method you want to use to create the releases. If you choose the Auto spread method, you specify the starting due date, the number of releases, and the days between the releases, and PM automatically creates the releases for you.

If PM created the selected item by combining requisitions, the Per requisitions option generates a separate release for each requisition.

PM creates the releases and includes them in the list window on the Items tab.

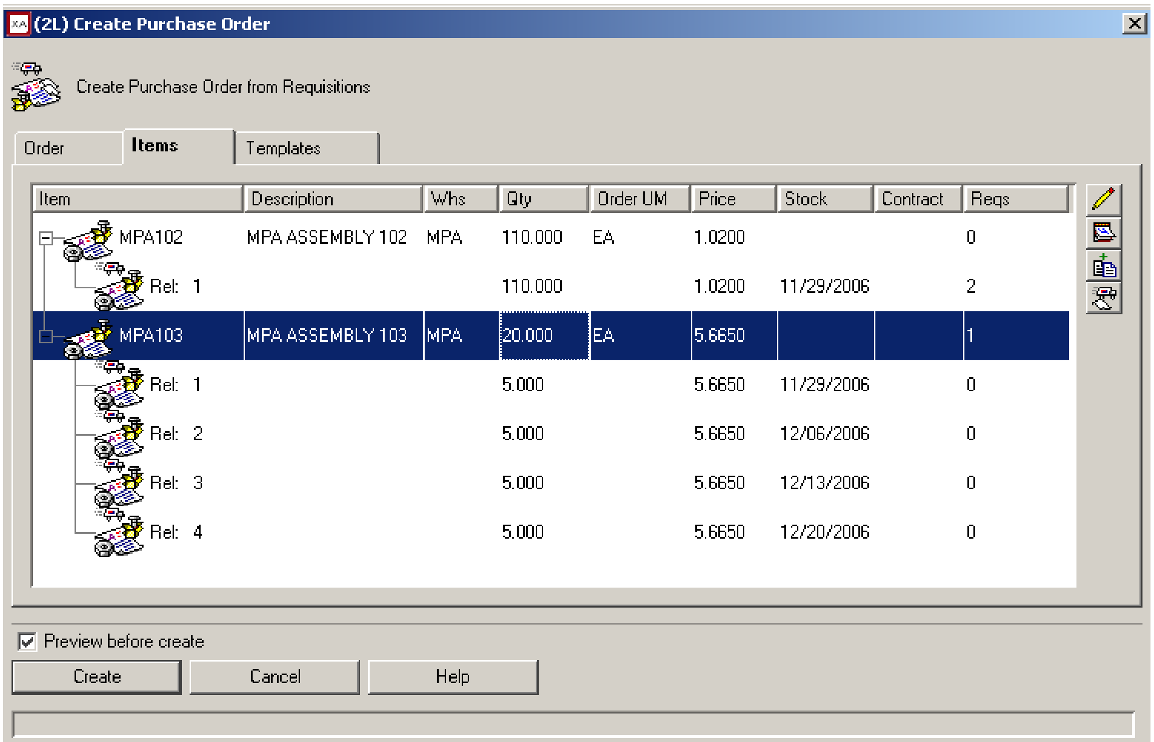


Figure 5-62. Create Purchase Order dialog - Items tab - Items releases - from Requisitions

In this example, PM distributed evenly the quantity for MPA103 in four releases over four weeks. If the Per requisitions method is used, PM creates a separate release for each requisition.

Before you create the purchase order from the requisitions, you can preview the order, items, and releases to verify the purchase order will contain the information you want. You can override quantities and dates during preview and add other information such as comments or receiving operations before creating the purchase order. For more information about changing the information in the Purchase Order card file, see “Creating purchase orders from the Default card file” on page 5-4.

If you want to go to the Create Purchase Order card file and add or view order information, select Preview before create. Click Create and the Create Purchase Order card file opens. Make your changes and click Create. A Please Confirm prompt opens.

If you do not want to Preview your purchase order, deselect the Preview before create box and click Create. A Please Confirm prompt opens.

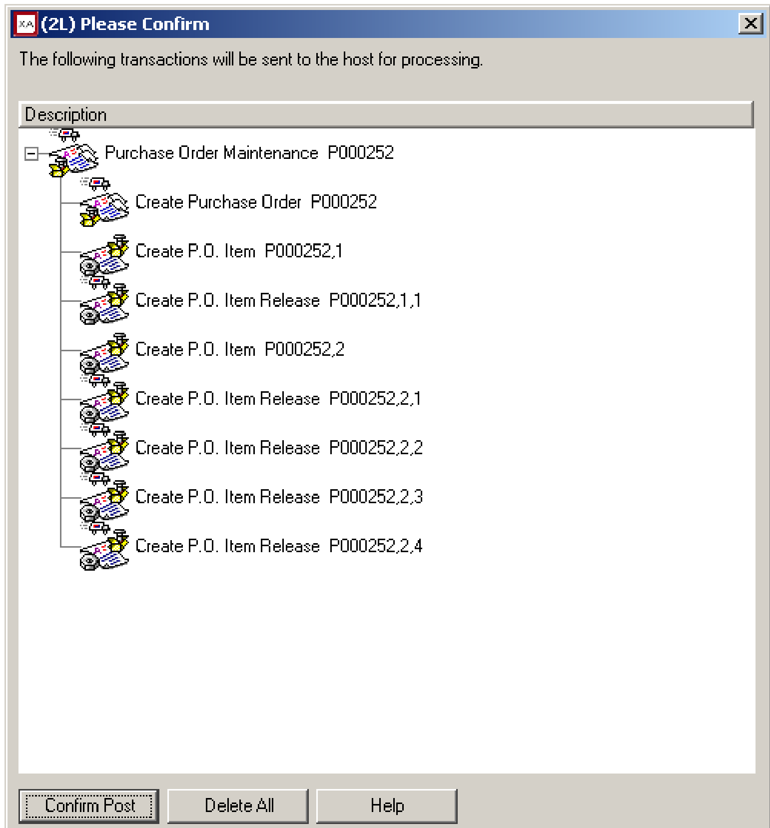


Figure 5-63. Please Confirm Create Purchase Order prompt - from Requisitions

Click Confirm Post to create the purchase order.

After you create the purchase order, PM establishes a link between the purchase order and all the requisitions you fulfilled on the order. By using the display options available in the Purchase Orders, Purchase Order Items, and Purchase Order Item Releases objects, you see the requisitions that were satisfied by a selected purchase order. For example, you can select the Purchase Order Requisitions option from the Display menu of Purchase Orders to view the requisitions used for a selected purchase order.

After you create the purchase order, the requisition changes in two ways:

- The requisition is no longer open and does not appear on Requisition Analysis reports.
- The purchase order number displays in the Order attribute in Requisitions and the line number of the purchase order item displays in the Line attribute.

Using a quote or contract

In PM, you can select a quote or a contract and convert it into a purchase order. This example assumes you want to create a purchase order from a contract. From the Quotes list window, select the quote that contains the contract you want to use, or from the Contracts list window, select the contract you want to use. Select the Create Purchase Order option on the Maintain menu and the Create Purchase Order Item dialog opens.

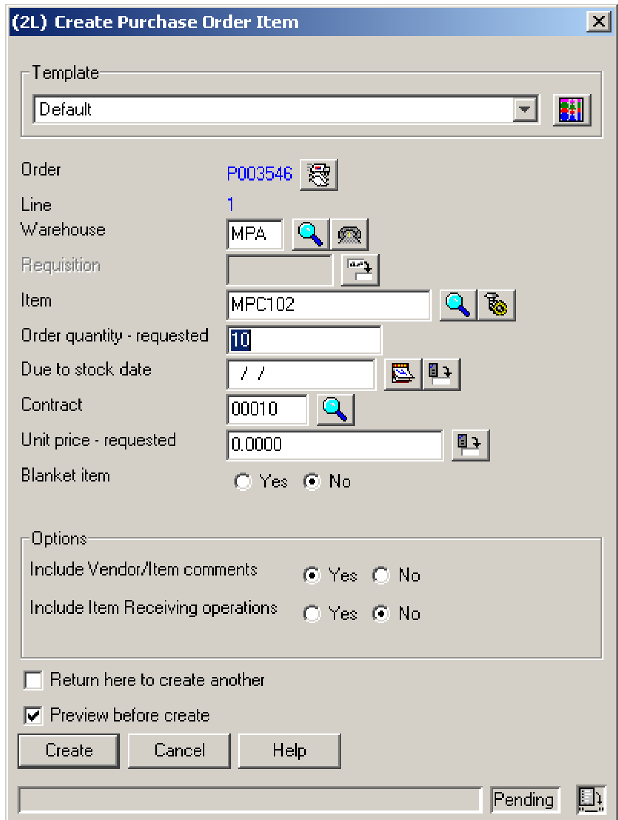


Figure 5-64. Create Purchase Order Item dialog

Enter the appropriate details on the Create Purchase Order Item dialog. If you are using system-assigned purchase order numbers, PM uses the next available purchase order number on the purchase order. If you do not use system-assigned purchase order numbers, you enter the number for the purchase order. The Warehouse, Item, and Contract attributes default from the contract you selected. If you selected a quote to create the purchase order and the quote has an associated contract, the Contract attribute is defaulted also.

The information you enter on the Create Purchase Order Item dialog is enough to create a purchase order and purchase order item. To go to the Create Purchase Order Item card file and add item detail information, select Preview before create before you click Create. The Create Purchase Order Item card file opens.

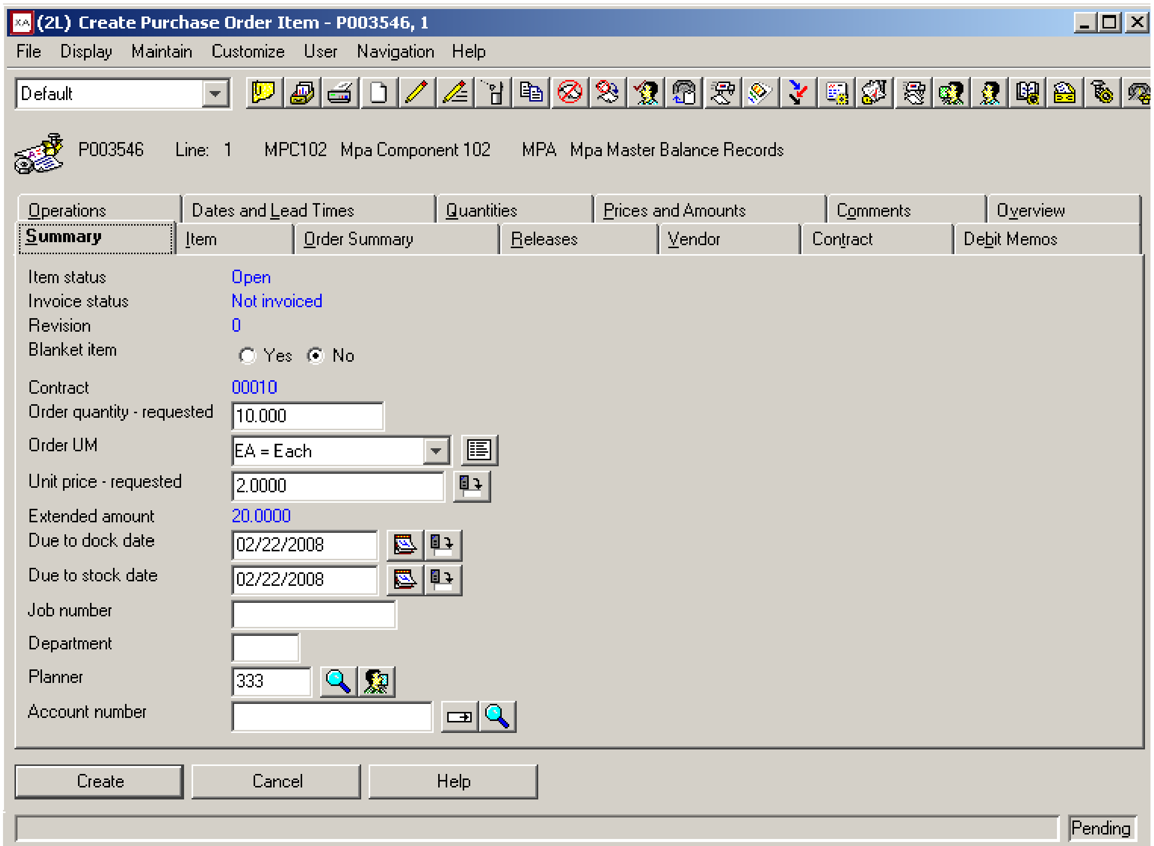


Figure 5-65. Create Purchase Order Item card file

Enter the appropriate details in the Create Purchase Order Item card file. For more information about creating purchase order items, see “Creating a purchase order item” on page 5-19.

Click Create to create the purchase order. A Please Confirm prompt opens.

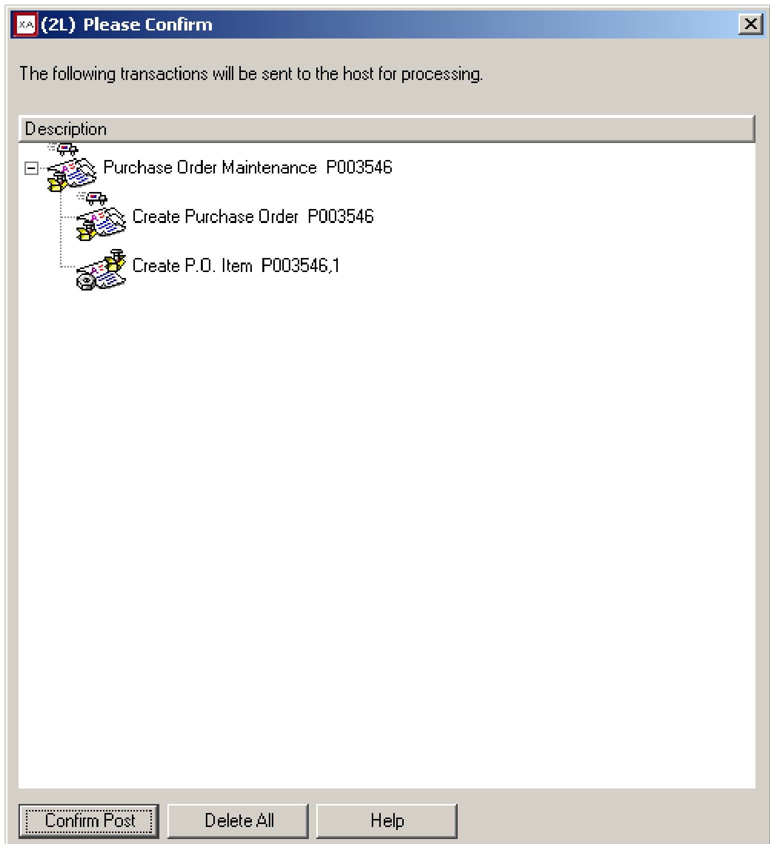


Figure 5-66. Please Confirm Create Purchase Order prompt

Click Confirm Post to create the purchase order.

Creating standard messages

You create and maintain standard messages in the Standard Messages object. You can use these messages for purchase orders, purchase order items, and purchase order item releases, as well as for:

- Quote header and footers
- Debit memos
- Contracts
- Requisitions
- Comments for vendor/item combinations.

Standard messages contain content that can apply to documents sent to multiple vendors, such as “Quoted terms valid 60 days from receipt” or “Overnight or expedited shipping required.” Effective dates associated with the message determine when and how long the message is available for use.

PM identifies standard messages by number and you can include them on purchasing documents by entering that number. For more information about how to insert a standard message onto a purchase order, see “Creating purchase orders from the Default card file” on page 5-4.

Two options on the PM Applications Settings object require special uses of standard messages. For more information see “Purchasing Order Processing tab” on page A-1

- The option, Activate advise price, allows you to indicate when you want the vendor to advise you of the price of an item, instead of using the price defined for the item in XA. You can specify a clip level to set an item price limit. When entering a purchase order, you specify at the item level whether it will be an advise price order. If it is, and the extended amount of the item exceeds the clip level, the standard message selected for advise price orders displays in the purchase order in place of the extended price
- The option, Activate omit quantities, allows you to choose to omit item quantities when you want to purchase a specific quantity of an item over time but do not want to show that planned quantity on the purchase order. In this case, you specify a standard message to use on the purchase order instead of the item quantity. You can then edit the purchase order to adjust the item quantities by creating blanket releases for the quantities you need. The blanket release quantities print on the purchase order, indicating to the vendor how much of the item to send.

To help you organize the standard messages in the Standard Messages object, use the views and subsets PM provides. The Print codes view shows the standard message print code for each object. The Where allowed view shows the objects from which PM can print each standard message. Use the Where allowed view to see messages you can use with which sections of purchase orders, debit memos, vendor items, requisitions, and quotes.

You can subset your list of standard messages to show only messages allowed for use with:

- purchase order header information
- purchase order items
- purchase order item releases
- requisitions
- vendor and item combinations (which have a defined relationship in the Vendor/Items object).

For example, you want to add a standard message to a purchase order header. Before you create a standard message, you want to make sure an appropriate message does not already exist. Use the P.O. Header subset to show you a list of standard messages for purchase orders. Using the P.O. Header subset reduces the number of standard messages you need to view and prevents you from picking an appropriate message that you cannot print on a purchase order header.

When you delete a standard message inserted by reference onto a quote, contract, requisition, or purchase order; PM also removes it from the message text of the document. When you delete a standard message copied onto a quote, contract, requisition, or purchase order, PM does not remove the text from the document.

You can use the Mass Change Message Text option to replace the existing text in all the messages in the Standard Messages list window. If you do not want to replace the text in all standard messages, apply a subset to restrict the list of messages to only messages that you want to change.

The Mass Change Message Text option differs from the Mass Change option by allowing you to change the text of all messages or of a subset of messages. This option does not affect the Copy in, Allowed, or Print code values for any messages. The Mass Change option allows you to specify the Copy in, Message ID, Allowed, or Print code attributes for which you want to change values in all messages or in a subset of messages.

Creating a standard message

From the Standard Messages list window, select the Create option on the Maintain menu.

Figure 5-67. Create Standard Message dialog

Enter the number you want to assign as the identifier for the new standard message.

To add the text of the message and to specify when and where PM can use the message, select Preview before create and then click Create. The Create Standard Message card file opens.

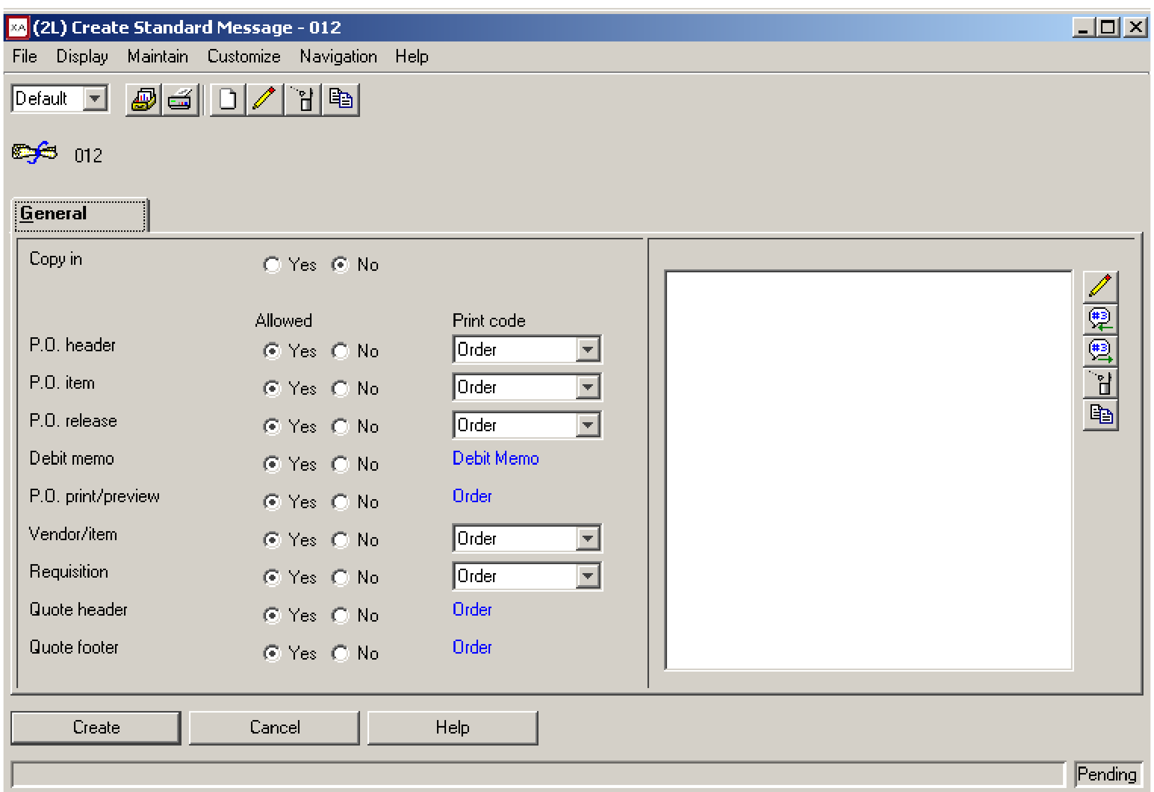


Figure 5-68. Create Standard Message card file

On the General card, you use the Copy in code to indicate how the message is included on the document. If the code is set to Yes, PM copies the message onto the document and you can change the text of the message. If you set the Copy in code to No, the message displays on the document by reference from the Standard Messages object and you cannot change it.

Note: the Copy in option determines how PM uses the standard message on purchasing documents, not whether you can copy the standard message.

The Allowed and Print code values indicate whether you can use the standard message and on which documents you can print the message.

Abbreviation	Print code	Use to
G	Default	Print the message on the purchase order and revisions, then send this comment to the Purchase Order History object when the order is closed and purged. You cannot delete a message that has a G print code because the order is to go to history. You can first change the print code and then delete it. G is the default code, which displays when you enter a comment/message. You can type in a different code.
P	Order	Print the message on the purchase order and any purchase order revisions. Save the message into Purchase Order History when the order is closed and purged.
C	Closeout	Print the message on the vendor closeout acknowledgement sent to the vendor when the order is closed and purged.
D	Debit memo	Print the message on the debit memo. PM uses this print code only for debit memos and it is the only code that prints on a debit memo.
I	Internal	Not print the message. It is for internal use only.
T	Traveler	Print the message on the Dock-to-Stock Traveler.

Table 5-2. Print codes for standard messages

If you do not select Preview before create, when you click Create, the Create Standard Message card file opens with a General card and a Messages card. The Messages card contains an error message warning you the message must have at least one text record. Click the General card to enter the text for the message.

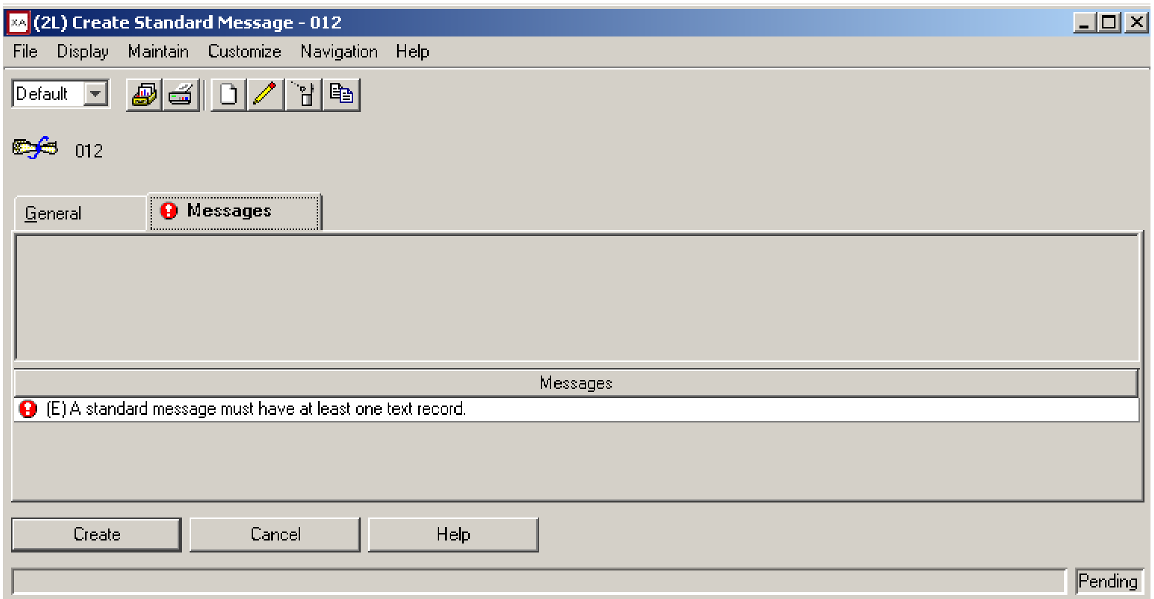


Figure 5-69. Create Standard Messages card file - Messages card

Enter the appropriate details on the General card of the Create Standard Message card file.

Click Create to create the standard message.

Chapter 6. Printing and Maintaining Purchase Orders

Overview

The fifth step in procurement is to print the purchase orders you have created and make any necessary changes. This chapter describes how to print and change purchase orders including adding information, entering accept promised date (VA) transactions, importing routings, and canceling or activating purchase orders.

Figure 6-1 illustrates the process of printing a purchase order and a purchase order item on the purchase order that requires acceptance from the vendor.

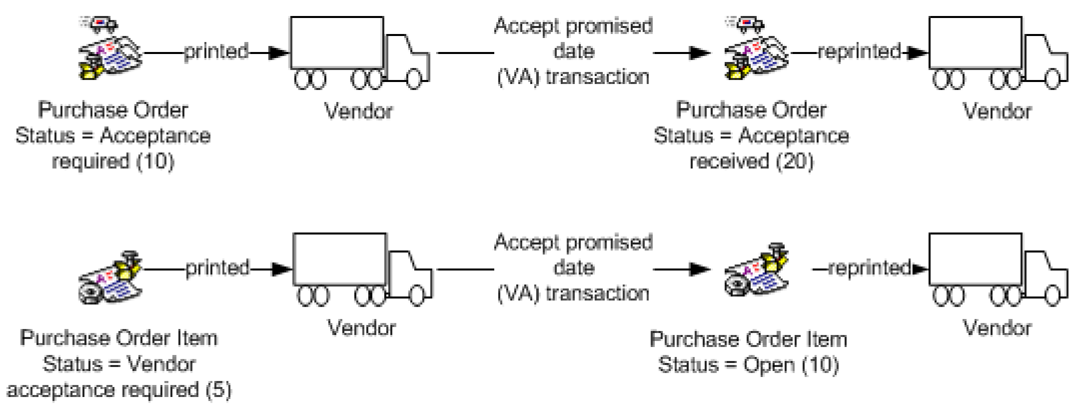


Figure 6-1. Overview of printing a purchase order and purchase order item - VA required

Printing a purchase order includes the process of sending the purchase order to the vendor. You print and send the purchase order using the Purchase Order host report.

Purchase Order host report. This report is available from the Host Print ... option on the File menu of Purchase Orders. You use the options on the Media Settings card in the Vendors object to send the purchase order as a printed, faxed, EDI, or XML document or override the vendor's media settings using the options available on the Media tab of the Purchase Order host report.

After you print the purchase order, the Order status attribute determines whether the vendor can supply the purchase order items and purchase order item releases, or if the vendor must first respond with acceptance of the purchase order terms and promise dates.

- When the purchase order has an Order status of 10 - Acceptance required, you need to enter an accept promised date (VA) transaction to confirm the vendor has accepted the purchase order.

- When the purchase order has an Order status of 20 - Acceptance received or not required, either a vendor acceptance has been entered or no confirmation from the vendor is required.

Accept promised date (VA) transaction. This transaction changes the Order status for a purchase order from 10 - Acceptance required to 20 - Acceptance received or not required. You can also use this transaction on a purchase order item or purchase order item release to change the Item status or Release status from 5 - Vendor acceptance required to 10 - Open. This status indicates the vendor has accepted the terms of the purchase order, item, or release and updates the promised date.

Before and after you print the purchase order, you might need to change or add information. You can add purchase order items and purchase order item releases to selected purchase orders using the Change option on the Maintain menu of Purchase Orders. For more information about adding purchase order items, see Chapter 5, “Creating a purchase order item” on page 5-19. For more information about adding purchase order item releases, see Chapter 5, “Creating a purchase order item release” on page 5-36.

Other common changes include changing information in the Purchase Order Default card file, adding requisitions to the purchase order, and importing a routing on purchase order items or purchase order item releases. You can also cancel a purchase order and if circumstances change, reactivate it again.

Printing purchase orders

After creating the purchase order and adding information to it, the next step is to print and send the purchase order to the vendor using the Purchase Order host report.

The Purchase Order host report prints purchase order documents for you to mail, or PM sends the purchase orders electronically using the options on the Media Settings card in Vendors:

- **Print:** PM prints the purchase order, and you mail it to the vendor.
- **EDI:** PM sends the purchase order using EDI transmission. This option is maintainable only when EDI is installed.
- **Fax:** PM faxes the purchase order to the vendor. This option is maintainable only when Fax is installed.
- **XML:** PM sends the purchase order as an XML document. System-Link must be installed to format and send the XML documents, and your system administrator must create a System-Link Destination to use to send the documents.

You can override these media options using the Media tab on the Purchase Order host report.

Since printing a purchase order includes options to send it automatically to the vendor, you might want to place the purchase order on hold until you are ready to send it. For example, suppose you intend to add another purchase order item to a purchase order. To place a purchase order on hold, change the option, Hold from print, to Yes on the General card of the purchase order. Then if you select the purchase order for printing, PM does not print or send it.

If the Order status is 10 - Acceptance required, then you must enter an accept promised date (VA) transaction before PM processes the purchase order. To ensure that PM reprints the purchase order automatically after entering this transaction, you can use the attribute, Reprint P.O. on vendor accept, on the Purchasing Settings card for the vendor. For more information about entering this type of transaction, see “Entering accept promised date (VA) transactions” on page 6-7.

Printing a purchase order

From the Purchase Orders list window, select the purchase orders you want to print. Select the Host Print ... option on the File menu. The Purchase Order Host Reports window opens. Select the Purchase Order tab. Then select the Print attribute.

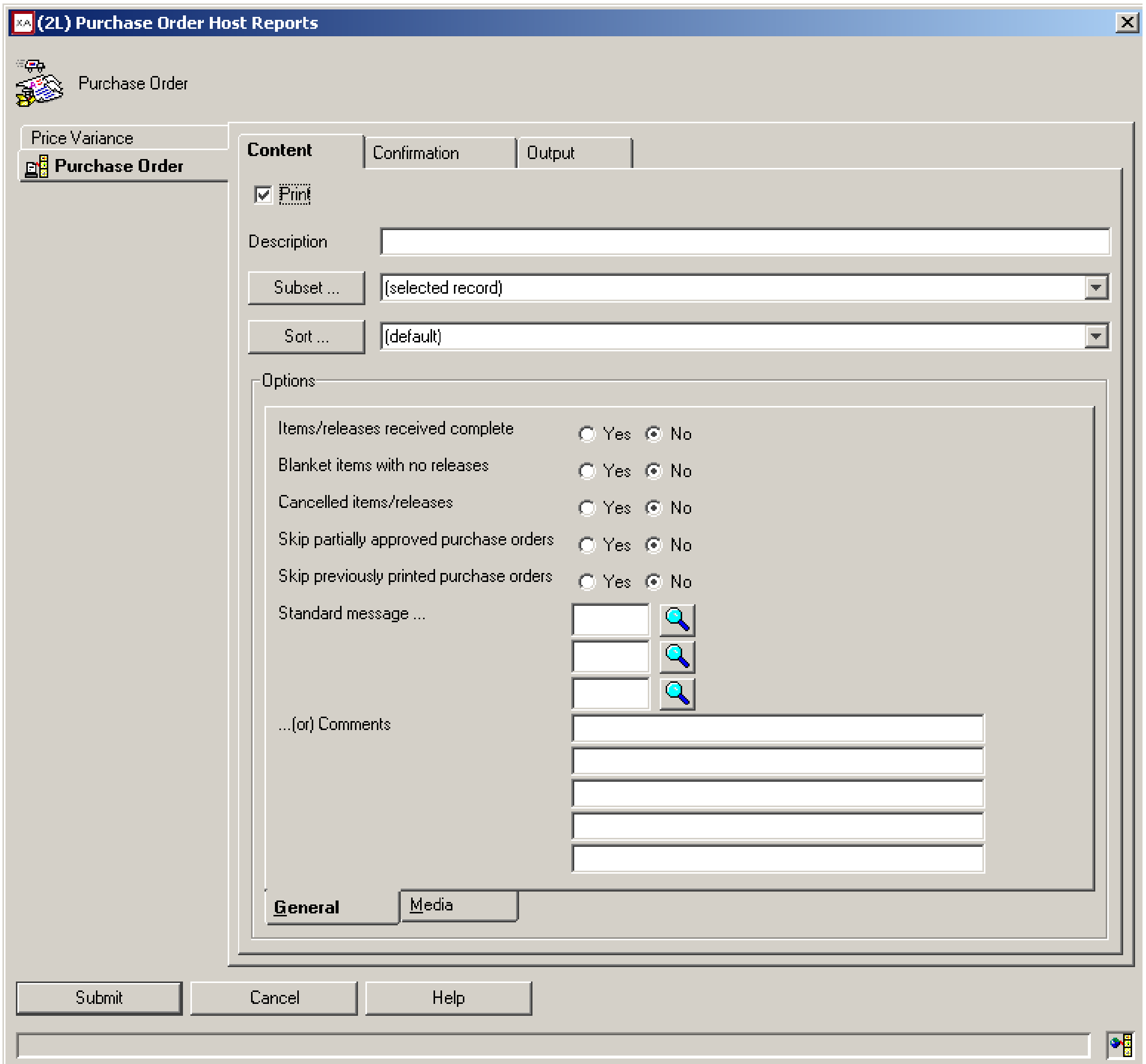


Figure 6-2. Purchase Order Host Reports - Purchase Order tab - Content tab - General tab

Enter the appropriate details on the Purchase Order tab. At the time of printing, some additional choices are available:

- Print purchase order items and purchase order item releases that are received complete. Normally, PM does not print received complete items and releases on a purchase order, but you can include them if you want.
- Print blanket items on the order, even if they have no releases. If you select Yes and a blanket item that has no releases is on the order, the order header and item detail records print with a message that the item has no open releases. If you select No, the order header still prints, but it does not contain the item detail record. If the purchase order has no valid items or blanket

releases, PM prints a message at the bottom of the order and on the error report, so that you know not to send the order to the vendor.

- Print canceled purchase order items and purchase order item releases on the order.

If you want to override the media preferences that are specified in the Vendors object on the Media Settings card, select the Media tab on the Options section of the Purchase Order Host Reports window.

The media tab for the Purchase Order host report displays.

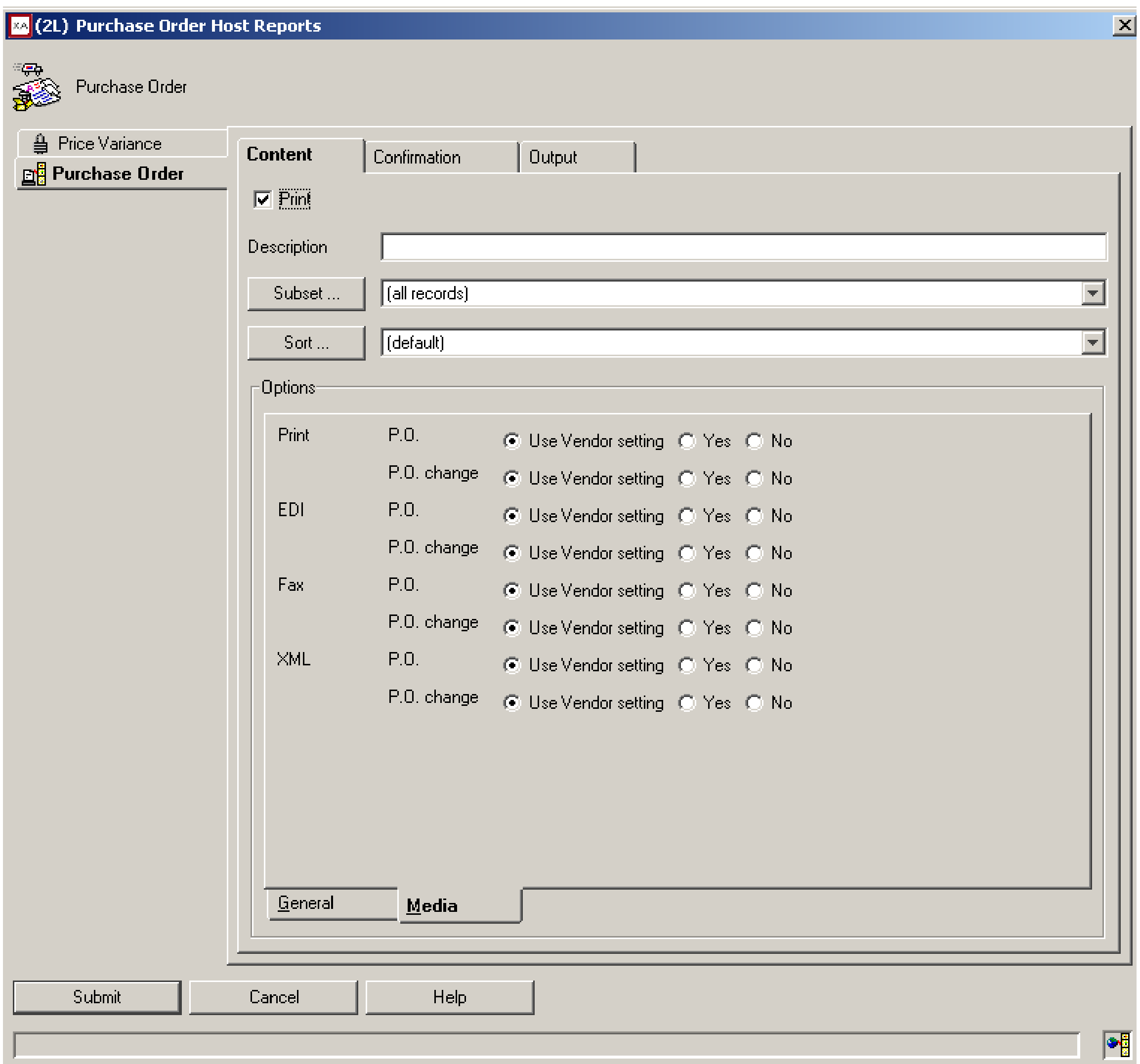


Figure 6-3. Purchase Order Host Reports - Purchase Order tab - Content tab - Media tab

For each media setting associated with printing a purchase order or changing one, you can specify whether you want the host report to use the vendor settings, or you can select Yes or No for each option just for this printing.

Click Submit. A Confirmation prompt opens.

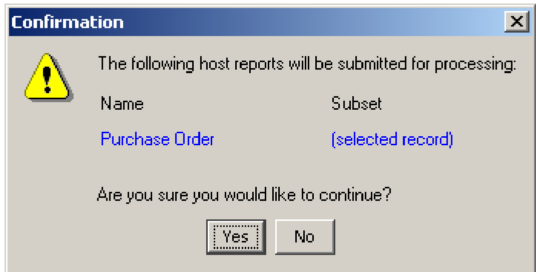


Figure 6-4. Confirmation Print Purchase Order prompt

Click Yes, and PM prints and sends the selected purchase orders to the vendor according the Media tab settings.

Maintaining purchase orders

After you create purchase orders but before you print or reprint them, you might need to make some of the following changes:

- enter an accept promised date (VA) transaction
- change information in the Purchase Order card file
- import a routing
- add a requisition
- cancel the purchase order
- activate the purchase order.

Entering accept promised date (VA) transactions

If the purchase order is at Order status 10 - Acceptance required, and if the vendor is set up to require an accept promised date (VA) transaction, the vendor used on the purchase order must accept the purchase order before PM processes it.

Entering this type of transaction indicates the vendor has received the purchase order, agrees to the associated terms and conditions, and promises to deliver all the items and releases on the promised date. This transaction updates the Promised date on the purchase order item and purchase order item release to the date the vendor has promised.

The Promised date is the delivery date, and must be a valid date on the Receiving calendar of the purchase order item or purchase order item release.

When you change the Promised date, PM updates the Due to dock and Due to stock dates on the purchase order item or purchase order item release. If the new Due to dock date is not valid, then PM updates the date to the next valid date on the Receiving calendar. If the new Due to stock date is not valid, then PM updates the date to the next valid date on the Production calendar.

You can enter accept promised date (VA) transactions for purchase orders, purchase order items, and purchase order item releases. You must enter the transaction for each purchase order item or purchase order item release with a different promised date.

If the vendor changes the promised date multiple times, you can enter the transaction multiple times, providing XA has yet to process a receipt transaction for the purchase order.

When you enter this transaction, you can choose to reprint the purchase order, or you can set up the vendor to always reprint purchase orders by selecting the option, Reprint P.O. on Vendor Accept, on the Purchasing Settings card in Vendors.

You can also enter multiple transactions by selecting a vendor and then selecting Vendor Purchase Orders on the Display menu. From the resulting list, select each purchase order and then select the option, Vendor Accept, on the Maintain menu. PM then automatically creates accept promised date (VA) transactions for all purchase order items and purchase order item releases on each purchase order.

Entering an accept promised date (VA) transaction

The following procedure assumes you want to create an accept promised date (VA) transaction for a purchase order item release. Select the purchase order item, for the purchase order item release, from the Purchase Order Items list window. Select Purchase Order Item Releases on the Display menu. Select the release for which you want to enter the transaction. Select Vendor Accept on the Maintain menu.

The Vendor Accept dialog opens.

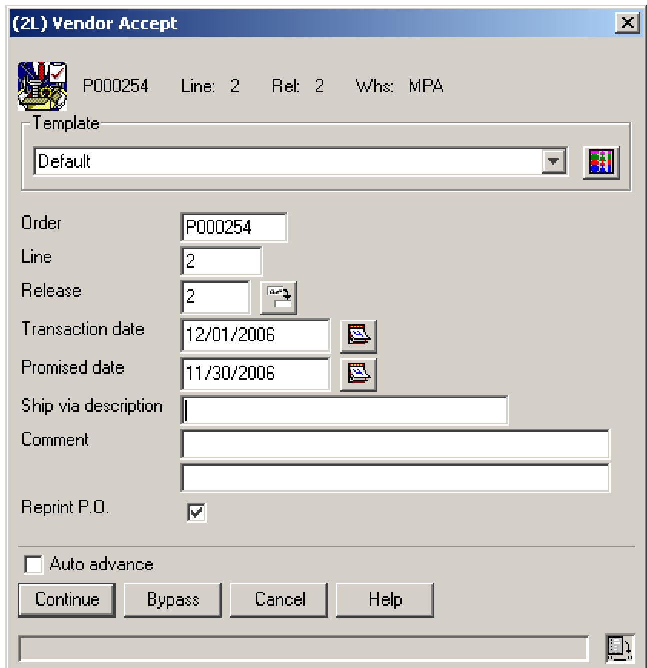


Figure 6-5. Vendor Accept prompt - from Purchase Order Item Releases

Enter the appropriate details on the Vendor Accept dialog.

Click Continue. If the Purchase Order Item Release status was 05 - Vendor accept required, PM updates the status to 10 - Open.

Changing information on a purchase order

Procurement Management provides six Purchase Order card files:

- Default
- Default (IFM)
- Default (MCS)
- Default (MCS and IFM)
- Overview
- Receiving.

The Default card files in the Purchase Orders object contain cards that group the order information by type, such as vendor preferences, items, and ship-to address. You can use these cards to review and change purchase order information including adding new purchase order items and purchase order item releases.

You can change the information on these cards during the creation of the purchase order or you can change the information on existing purchase orders using the Change option on the Maintain menu of the Purchase Orders list window.

When you maintain a purchase order, the order is locked and another user cannot maintain it in PM or Purchasing. When you finish your maintenance task and close the order window, the order is no longer locked and can be maintained by other users.

If you have either International Financials Management (IFM) or Multi-Currency Support (MCS) installed, you should set your user Preferences to match your installation.

The standard cards in the Purchase Order Default card file include:

Card	You can view or enter this information
General	Basic information about purchase orders, including buyer name, vendor name, and Invoice status.
Vendor Preferences	Vendor choices for shipping and currency, such as FOB, terms, and alternate currency.
Vendor Address	Vendor address, including a contact name, telephone and fax numbers, and e-mail address.
Ship-to Address	Location where the vendor ships items, including a contact name, telephone and fax numbers, and e-mail address.
Bill-to Address	Location where the vendor sends the invoice for the purchase order, including a contact name, telephone and fax numbers, and e-mail address.
Items	Items on the purchase order, including item numbers and order quantities. This card provides access to the Purchase Order Items object. The tabs at the bottom of the Items card show items that have been requested and approved. If your company uses purchase order approval, PM does not consider the quantity of an item on order until it is approved. Therefore, a zero quantity for an item on the Requested tab indicates the quantity has not been approved.
Variance	Variance between the standard, actual, and expected costs of purchase order items and purchase order item releases on the purchase order.
Comments	Comments associated with the purchase order. This card provides access to the Purchase Order Comments object.
Amounts	Estimated and actual amounts that apply to the entire purchase order, including special charges, freight, and tax.
Dates	Dates that apply to the entire purchase order, such as release and confirm dates.
Overview	Visual summary of the order. You can expand and collapse the categories to show or hide information. You can navigate to detailed information about the order by double-clicking lines.

Table 6-1. Purchase Order Default card file

Importing a routing

You can import operations from the PM routing associated with an item. Perform these operations when receiving the purchase order item or purchase order item release from dock to stock.

Note: you cannot create an operation for a blanket purchase order item.

This example assumes you want to create an operation for a purchase order item. From the Purchase Order Items list window, select the purchase order item for which you want to import an operation. Select the Import Operations option on the Maintain menu of the Purchase Order Items list window.

The Import Operations dialog opens.

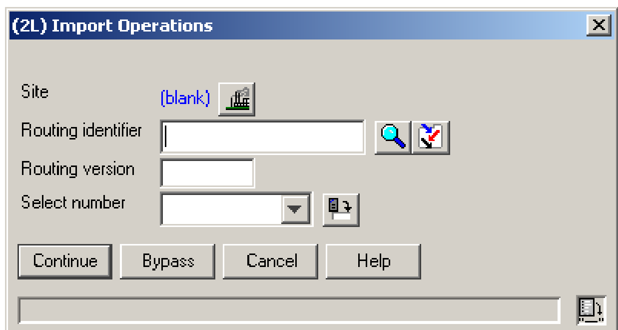


Figure 6-6. Import Operations dialog

Enter the appropriate details on the Import Operations dialog. Click Continue to import the selected operation. PM adds all the receiving operations from the routing to the selected purchase order item.

Adding a requisition to a purchase order

Another way to create purchase order items on a purchase order is to add existing requisitions to the purchase order. In contrast to creating a purchase order using an existing requisition, here you add a requisition to an existing purchase order. For example, on the Requisitions list window, select the requisition you want to add. Select the Add to Purchase Order option on the Maintain menu. You can add requisitions one at a time to the purchase order using this option. The Find Purchase Order prompt opens.

Figure 6-7. Find Purchase Order prompt

Enter the purchase order number to which you want to add the selected requisition. Click Continue. The Create Purchase Order Item dialog opens.

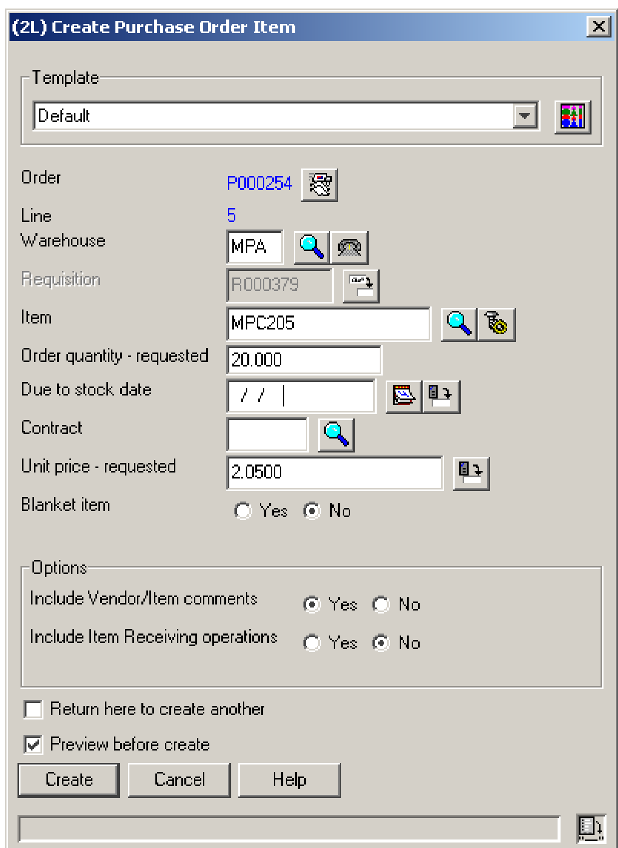


Figure 6-8. Create Purchase Order Item dialog

Enter the appropriate details on the Create Purchase Order Item dialog. The Warehouse, Item, and Order quantity attributes default from the requisition you selected.

To return immediately to the Create Purchase Order Item dialog to create another item, deselect the Preview before create box and select Return here to create another. Click Create. PM creates the purchase order item and another Create Purchase Order Item dialog opens.

The information you enter on the Create Purchase Order Item dialog is enough to create a purchase order and purchase order item. However, to go to the Purchase Order Item card file and add item detail information, select Preview before create. Click Create and the Create Purchase Order Item card file opens.

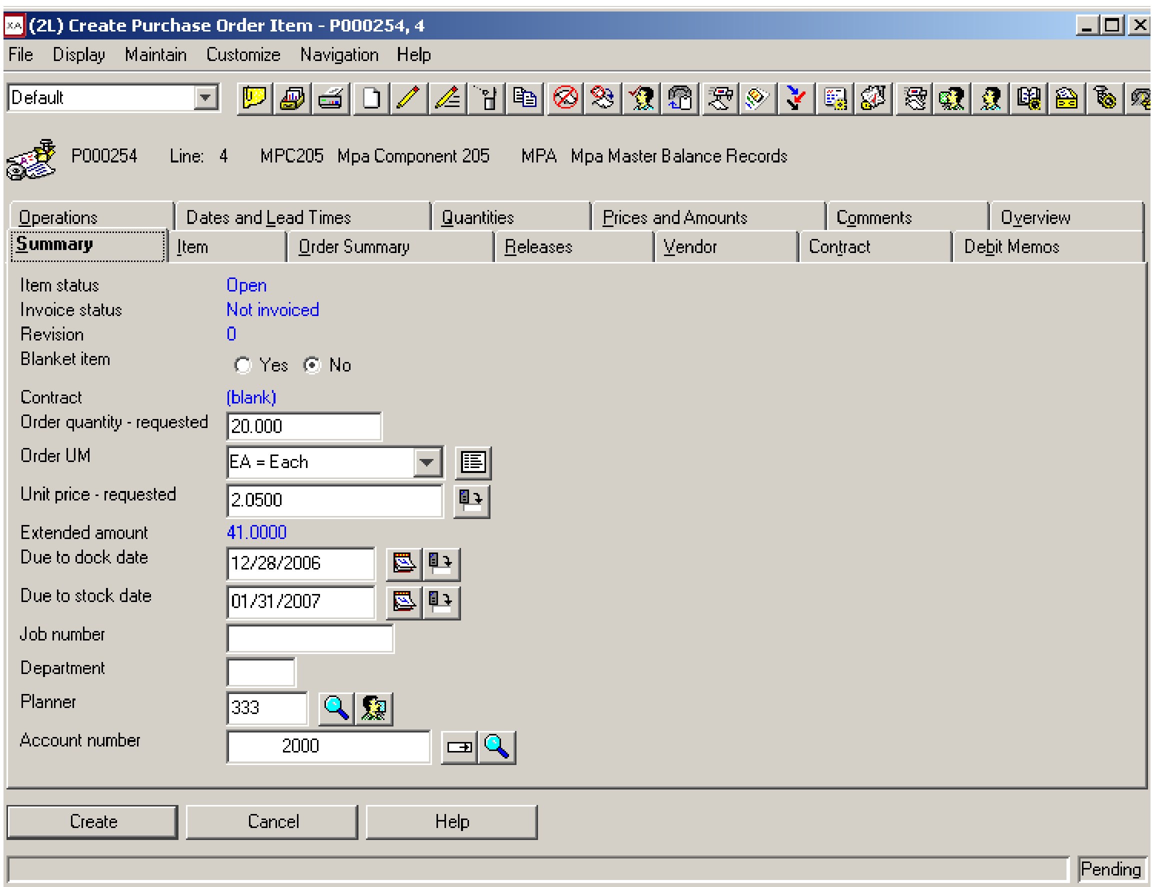


Figure 6-9. Create Purchase Order Item card file

Enter the appropriate details in the Create Purchase Order Item card file. For more information about adding purchase order items, see Chapter 5, “Creating a purchase order item” on page 5-19. For more information about adding purchase order item releases, see Chapter 5, “Creating a purchase order item release” on page 5-36.

Click Create to create the purchase order item and add the purchase order item to the purchase order.

Canceling and activating purchase orders

For circumstances where a purchase order, purchase order item, or purchase order item release are no longer required, you can use the Cancel option to change the Order, Item or Release status to 99 - Order cancelled. You cannot add new information or detailed records to a canceled purchase order. If circumstances change again, you can active the purchase order to allow more activity to occur against it.

You can cancel purchase orders only if no receiving activity has occurred for the purchase order. If the purchase order has a receipt or an invoice, you cannot cancel it. You can, however, cancel purchase order items or purchase order item releases when receiving activity has occurred. For example, use the Cancel option when you create a purchase order for an item that is required for a manufacturing order and later discover you used the wrong item number. You cancel the purchase order item you created and add a correct purchase order item to the purchase order.

Canceled purchase order items and purchase order item releases do not print on the purchase order unless you select Yes to the Cancelled items/releases option on the General tab of the Purchase Order host report.

A canceled purchase order remains in the Purchase Orders list window. PM writes it to history, if you use the history feature, when you purge the purchase order.

Canceling a purchase order

You can use the Cancel option from the Purchase Orders, Purchase Order Items, and Purchase Order Item Releases list windows. The following procedure assumes you want to cancel a purchase order item. Select the purchase order item you want to cancel from the Purchase Order Items list window. Select Cancel on the Maintain menu. A Confirm prompt opens.

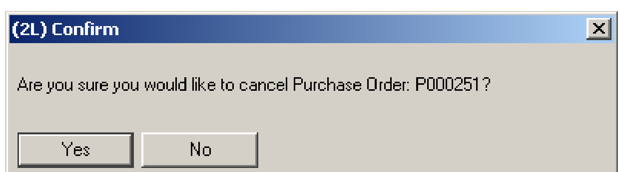


Figure 6-10. Confirm Cancel prompt

Click Yes, to change the status of the purchase order item to 99 - Order cancelled.

If you select two or more purchase orders, purchase order items, or purchase order item releases from their list windows, and then select Cancel on the Maintain menu, PM prompts you to confirm the cancel for each selection. If you click No (for any of the selected objects), PM returns you to the list window.

Activating a purchase order

The Activate option returns the status of the purchase order, purchase order item, or purchase order item release from 99 - Order cancelled to the status the object was before it was canceled.

You can use the Activate option from the Purchase Orders, Purchase Order Items, and Purchase Order Item Releases list windows. The following procedure assumes you want to activate a canceled purchase order item. Select the canceled purchase order item you want to activate from the Purchase Order Items list window. Select Activate on the Maintain menu. A Confirm prompt opens.

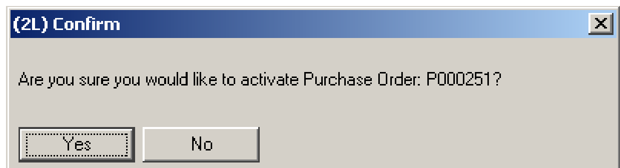


Figure 6-11. Confirm Activate prompt

Click Yes, to change the status of the purchase order item from 99 - Order cancelled to the status the purchase order item had before it was canceled. You can now add new information to the purchase order item.

If you select two or more purchase orders, purchase order items, or purchase order item releases from their list windows, and then select Activate on the Maintain menu, PM prompts you to confirm you want to activate the object for each selection. If you click No, for any of the selected objects PM returns you to the list window.

Chapter 7. Viewing Purchase Orders

Overview

Procurement Management provides various methods for viewing the information contained on or related to purchase orders, purchase order items, and purchase order item releases. The sixth step in procurement is to view the purchase orders you have created and expedite any purchase orders, as required. This chapter describes viewing various types of purchase order information and finding purchase orders that might need expediting.

PM provides various ways of viewing purchase order information to help you perform your buying tasks and access information to answer queries about purchase orders.

Figure 7-1 illustrates some of the ways you can view purchase order information.

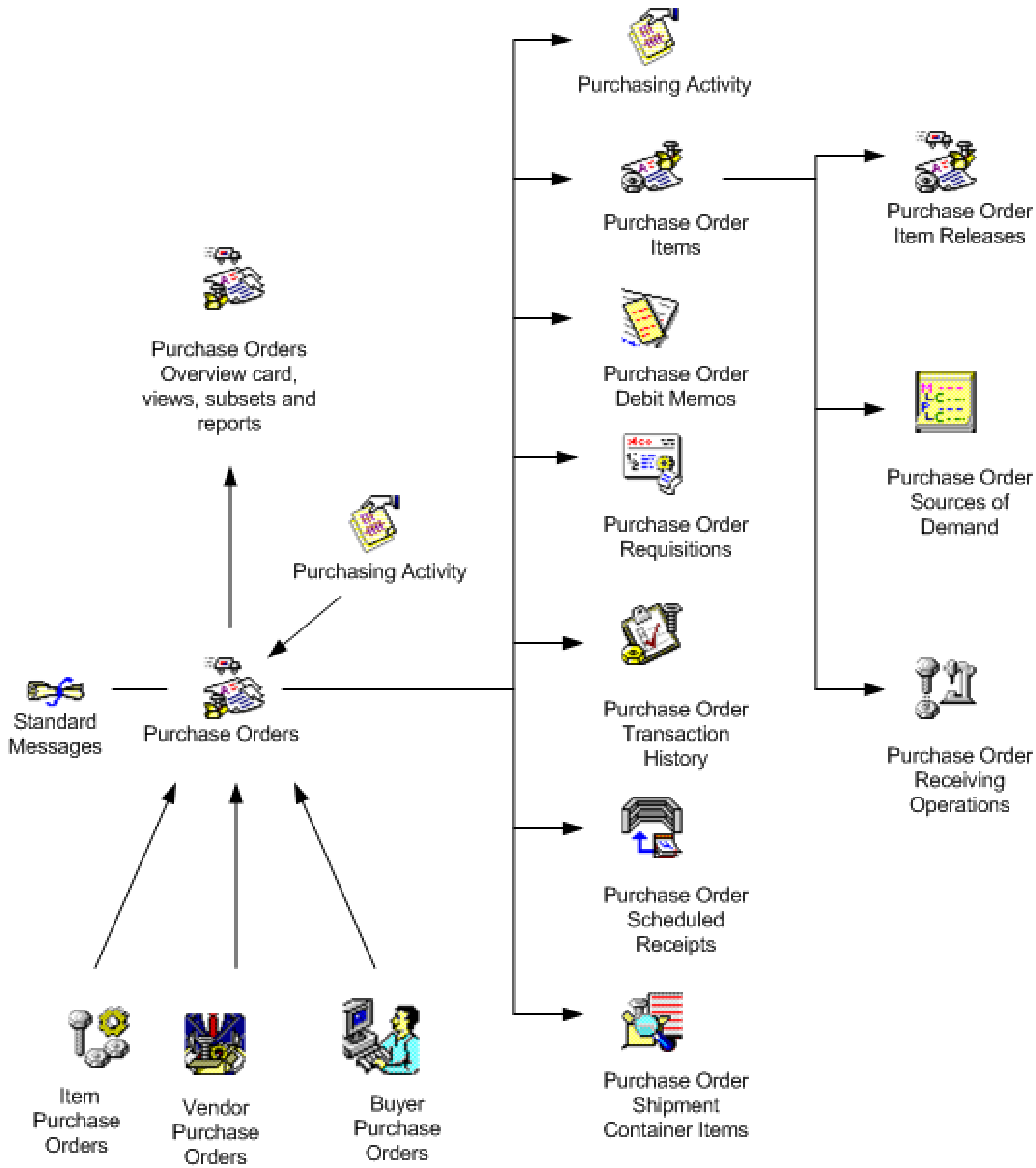


Figure 7-1. Overview of information you can view for purchase orders

Standard messages and comments. Use standard messages to add frequently used comments to quotes, contracts, debit memos, requisitions, and vendor/item relationships, as well as to purchase orders. Purchase order comments provide you with additional information about the purchase order. You can view these messages and comments to determine whether there are any special instructions or information about the purchase order for you or for the vendor.

Purchase Order Overview. The Purchase Order overview shows you its hierarchical structure. The highest-level is the purchase order header, with other contents of the purchase order shown in lower-levels. You access the overview from the Display menu of Purchase Orders or from the card files of Purchase Orders and its lower-level objects.

Purchase Order views. Use views in Purchase Orders to restrict the list of purchase orders to only the attributes you want to view in the Purchase Orders list window.

You can view purchase orders by Approval status or Invoice status. The Approval view shows the Approval status, P.O. amount - approved, and P.O. amount - requested. The Invoicing view shows the Invoice status, Last invoice received date, Invoice amount, and P.O. amount - approved. Use Purchase Order views to determine the purchase orders that have a particular Approval status or Invoice status. You do not have to view the card file of each purchase order to find its Approval status or Invoice status.

Purchase Order subsets. Use the subsets in Purchase Orders to restrict a list of purchase orders based on subset criteria, such as Received but not invoiced, or Not received.

You can use subsets to check purchase orders that have reached a specific point in the purchasing process to determine whether you need to take further action. For example, you can use the Not printed subset in the Purchase Orders object to view all purchase orders that XA users created but did not print, so that you can print them.

Price Variance report. You can print this report from Purchase Orders, Purchase Order Items, Purchase Order History, and Purchase Order History Items. The Price Variance report shows you the difference between the standard, actual, and expected costs for a purchase order or purchase order item.

Purchase Order Display options. You can view related object information for a selected purchase order by navigating to related objects using the options from the Display menu of Purchase Orders, Purchase Order Items, and Purchase Order Item Releases. Figure 7-1, "Overview of information you can view for purchase orders" on page 2 shows only some of the relationships that exist for purchase orders, purchase order items, and purchase order item releases. For a complete list of these objects, see Table 7-1, "Related objects" on page 7-7.

List windows for related objects. You can view purchase order information from related objects. Instead of selecting a purchase order and navigating to another object to see more information about it, you select a record in another object and then navigate to the Purchase Orders, Purchase Order Items, or Purchase Order Item Releases object to provide purchase order information for the record you selected. For example, from the Buyers object you can select a buyer and select the option, Buyer Purchase Orders, from the Display menu. PM displays a list of purchase orders in the Buyers Purchase Orders list window for the buyer you selected. For selected records in Buyers, Items, and Vendors, you can access information from Purchase Orders, Purchase Order Items, Purchase Order History, and Purchase Order History Items.

Purchasing Activity. This object provides information about the most important buying activity performed against purchase orders. Activity types include P.O. created, P.O. item created, and P.O. inventory transaction. You can view the buyer and date the buyer performed the activity and check purchase orders are progressing as expected.

Viewing purchase orders

The following sections illustrate some of the ways you can view purchase order information in PM.

Viewing a purchase order overview

The overview feature allows you to see all the contents of a purchase order in an indented outline. The highest-level in the overview is the purchase order header, with other contents of the purchase order shown in lower-levels. The overview feature can be useful when you want to work with the purchase order as a whole first, then drill down into each line of the overview to see more details.

You view a purchase order overview by selecting the purchase order from the Purchase Orders list window and then either selecting the option, Purchase Order Overview, from the Display menu, or selecting the Overview card from the Purchase Order Default card file. The same overview information is available from the Purchase Order Items and Purchase Order Item Releases objects for each item or release in the purchase order overview.

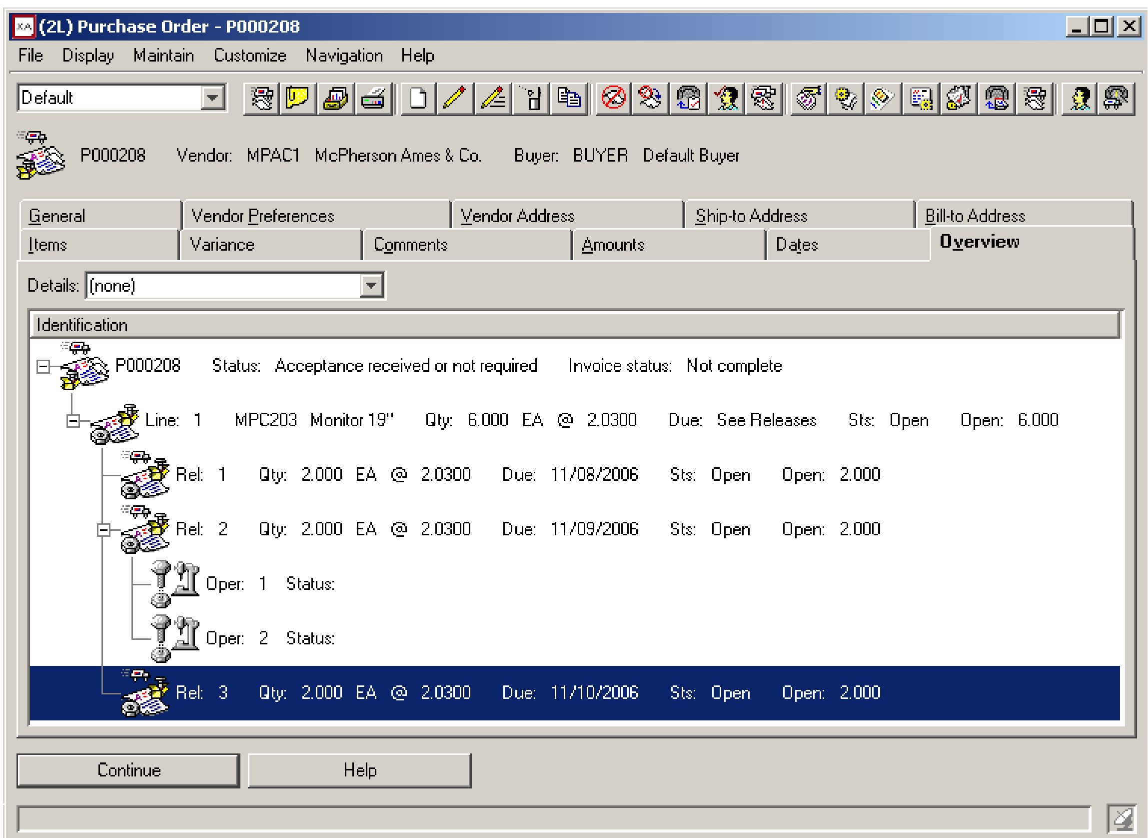


Figure 7-2. Purchase Order Overview card

You can see basic information about each component of the order and then double-click a line to see its details. In the example, you see a purchase order that is not yet received as the Order status is 20 - Acceptance received or not required. The Invoice status is Not complete.

The order has one item. On the line item, you see summary information about the item, such as the ordered quantity in the purchase unit of measure, the unit price, the stock due date, item status, and quantity open. Click the "+" to the left of the line to see details for the component.

The item has three purchase order item releases. The second release has two receiving operations. Click the release to see the operations. To change an item or to see related information, double-click a line to open the appropriate card file.

Printing a Price Variance report

Another way to view purchase order information is by printing the Price Variance report. This report shows you the variance between the standard, actual, and expected costs for a purchase order or purchase order item.

From the Purchase Orders, Purchase Order Items, Purchase Order History, and Purchase Order History Items objects, you can print a report for variances at any time. The report also runs when purchase orders are purged.

The following procedure assumes you want to create a Price Variance report from the Purchase Orders object. From the Purchase Orders list window, select Host Print ... from the File menu. The Purchase Order Host Reports window opens. Select the Price Variance tab. Select Print.

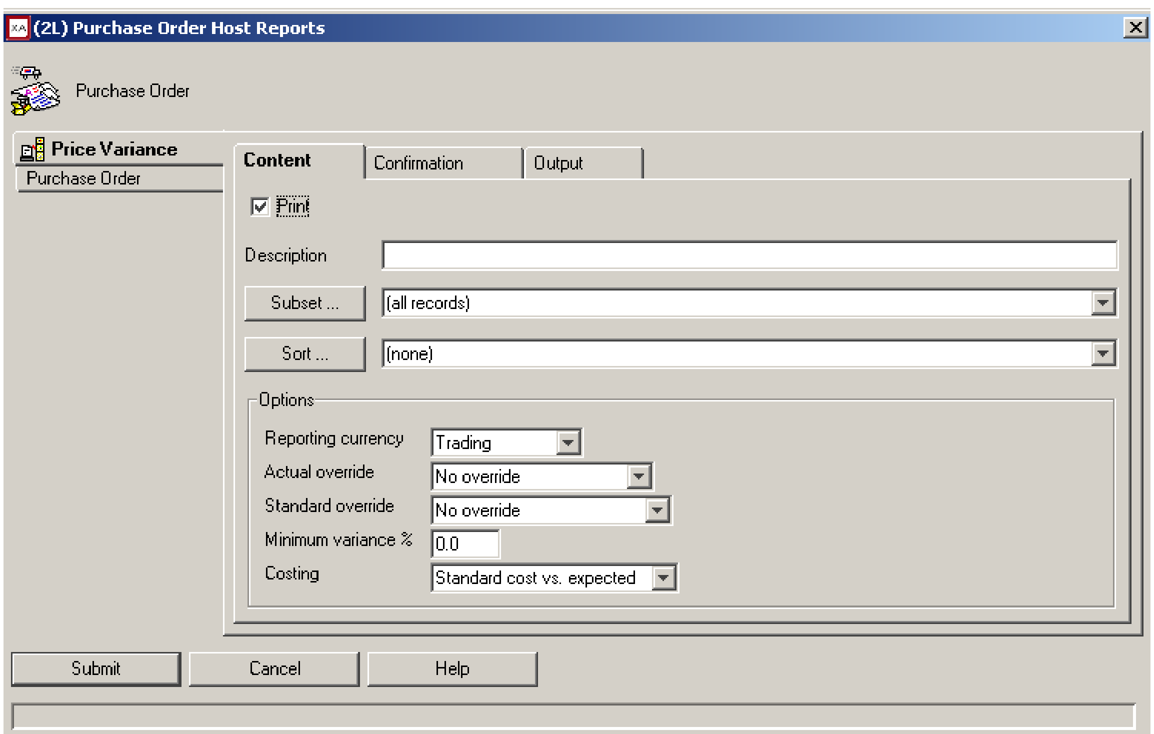


Figure 7-3. Purchase Order Host Reports - Price Variance tab

Enter the appropriate details on the Price Variance tab. Use the Subset attribute to limit the host print job to the purchase orders you want on the report.

Click Submit. A Confirmation prompt opens.

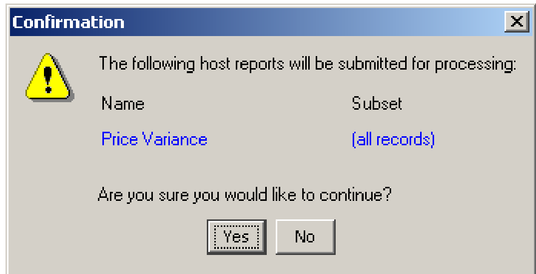


Figure 7-4. Confirmation Print Purchase Order prompt

Click Yes to print the report.

If you selected a subset that requires additional information to create the subset, PM prompts you to enter it. This example uses the Price Variance ... subset.

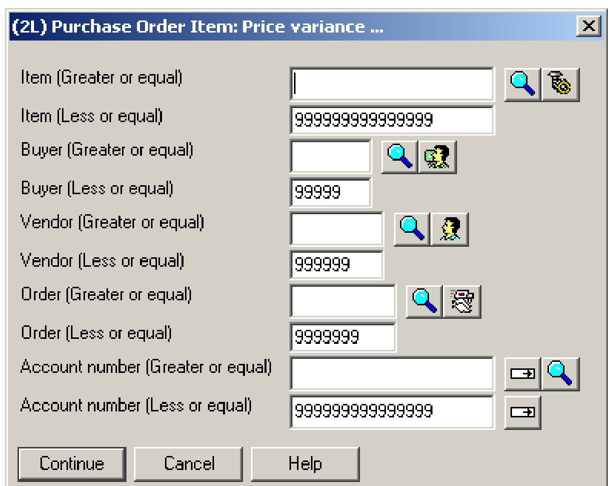


Figure 7-5. Purchase Order Item: Price Variance ... dialog

Click Continue to apply the subset to the host print job.

Viewing purchase orders display options

You can view objects related to purchase orders on various Display menus throughout PM. For example, from the Purchase Orders Display menu, you can see these related objects:

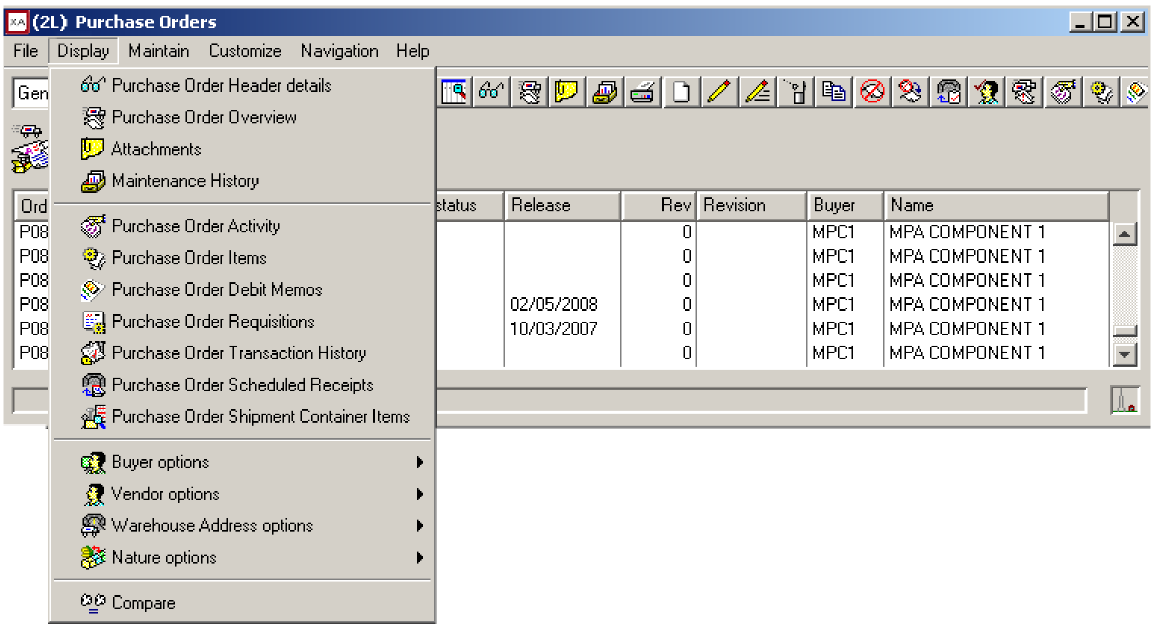


Figure 7-6. Purchase Orders Display menu

The following table lists related objects for purchase orders, purchase order items, and purchase order item releases:

Object	Purchase Orders	Purchase Order Items	Purchase Order Item Releases
Purchasing Activity	✓		
Purchase Order Items	✓		
Debit Memos	✓	✓	✓
Requisitions	✓	✓	✓
Transaction History	✓	✓	
Scheduled Receipts	✓	✓	✓
Shipment Container Items	✓	✓	✓
Vendor Invoice Purchase Orders	✓		
Purchase Order Item Releases		✓	
Receiving Operations		✓	✓
Sources of Demand		✓	✓

Table 7-1. Related objects

Purchasing Activity. Shows information, which tracks what has happened to purchase orders as explained in “Viewing purchasing activity information” on page 7-12.

Purchase Order Items. Shows the materials or supplies your company orders, as explained in Chapter 5, “Creating Purchase Orders” on page 5-1.

Debit Memos. Shows debit memos, which indicate a return purchased item (VR) transaction has been entered for the associated purchase order item or purchase order item release. Creating debit memos is part of entering transactions in the Inventory Management (IM) application, but you can view, change, or delete a debit memo in PM.

You can see a list of debit memos for purchase order items or purchase order item releases at the order level across all items and releases. For example, you can select a purchase order record from Purchase Orders and then select Purchase Order Debit Memos from the Display menu. From the Purchase Order Debit Memos list window you can view all the debit memos created for items and releases on the selected purchase order.

You can use the debit memo information to check the number of items and quantities your company has returned to the vendor and if your company requested the vendor to resupply the item.

Requisitions. Shows requests for goods or services that contain the item and quantity needed, the date the item is required, the person (or requisitioner) who needs the item, and the requisitioner’s department. From the Purchase Orders, Purchase Order Items, and Purchase Order Item Releases objects, you can view requisitions using the Requisition option on the Display menu for a selected record.

From Purchase Orders, you see all the requisitions on a purchase order across all items. PM presents the requisitions by item, so that you can see the requisitions for each item on the order. This information is useful when you need to know what requisitions were used on the selected purchase order. For example, you might want to know who requested the items on the purchase order because you know the delivery of the purchase order has been delayed. The Purchase Order Requisitions list window provides the Requisitioner ID for each item on the purchase order.

From Purchase Order Items, you see all the requisitions for a purchase order and purchase order item. This information is useful when you need to know what requisitions were used for the selected purchase order item. For example, you might want to know who requested an item on the purchase order because you know the delivery of the item has been delayed. The Purchase Order Item Requisitions list window provides the Requisitioner ID for the item only.

The Purchase Order Item Release Requisitions option shows you all requisitions on a purchase order, purchase order item, and purchase order item release. This information is useful when you need to know what requisitions were used for the selected purchase order item release.

For more information about Requisitions, see Chapter 2, “Creating purchase requests and requisitions” on page 2-3.

Inventory Transaction History. Allows you to view inventory transaction information for selected records from the Purchase Orders, Purchase Order Items, Purchase Order History, and Purchase Order History Items objects. Depending on what applications are installed, you see all the receiving transactions that have occurred for the purchase order or purchase order item.

Scheduled Receipts. Shows expected arrivals of purchased items to warehouses. They help a receiving person identify the items and purchase orders your company receives. You view scheduled receipt information for purchase orders, purchase order items, and purchase order item releases by selecting the Scheduled Receipts option from the Display menu of the object. For example, you can use the scheduled receipt information to check the expected arrival date, expected quantity, and if shipment details exist for the purchase order, item, or item release.

Shipment Container Items. Provide detailed information about the items in a shipment. Shipment container items show the quantity of an item on a purchase order, shipped in a container. You can view shipment container item information for purchase orders, purchase order items, and purchase order item releases by selecting the option, Shipment Container Items, from the Display menu of the object.

Shipment container item information is available only if a shipment notice exists for the purchase order, item, or item release you are viewing. You can use shipment container item information, for example, to check the expected arrival date, the quantity of the item the vendor is shipping, and information about the weight of the items.

Vendor Invoice Purchase Orders. Shows vendor invoicing information for all open payable invoices associated with a purchase order. You view vendor invoice information for purchase orders by selecting the option, Vendor Invoice Purchase Orders, from the Display menu of Purchase Orders. You can use information from the Vendor Invoice Purchase Orders list window for example, to check any special charges or review invoice details for the purchase order.

Purchase Order Item Releases. Contain information about the quantities and dates associated with multiple deliveries of an item on a purchase order as explained in Chapter 5, “Creating Purchase Orders” on page 5-1.

Receiving Operations. Provide a method for tracking the movement of purchased items through the dock-to-stock process. You use receiving operation records to prepare a receiving work list to help determine the relative scheduling priorities of purchased items on their way to inventory. You view receiving information for purchase order items and purchase order item releases. For information about receiving operations, see Chapter 5, “Creating Purchase Orders” on page 5-15.

Sources of demand. Shows sources of demand for a purchase order item, purchase order item release, purchase order history item, purchase order history item release, or requisition when the Material Requirements Planning (MRP) application is interfacing.

You use sources of demand information when, for example, a vendor informs you a delivery will be late or the shipment will be incomplete. You can find the source of the demand for the delayed items by selecting the Purchase Order Item Sources of Demand option from the Purchase Order Items Display menu. You then use the source of demand information to notify anyone waiting for the ordered items that the items will not be received when expected.

Viewing purchase orders from other objects

PM displays purchase order information from the Buyers, Items, and Vendors objects.

Displaying purchase order information from other objects makes it easy for you to work with a list of purchase orders, purchase order items, and purchase order item releases quickly. The Purchase Orders Default subsets are also available from these list windows. You can view purchase order information from the following objects:

Object	Display option
Buyers	Buyer Purchase Orders.
Buyers	Buyer Purchase Order History.
Buyers	Buyer Purchase Order Items.
Buyers	Buyer Purchase Order History Items.
Items	Item Purchase Orders.
Items	Item Purchase Order History.
Vendors	Vendor Purchase Orders.
Vendors	Vendor Purchase Order History.
Vendors	Vendor Purchase Order Items.
Vendors	Vendor Purchase Order History Items.

Table 7-2. Objects where you can view purchase orders

Buyer Purchase Orders. This option shows only the purchase orders for which a buyer is responsible. Buyer purchase order information is useful when you want to see all the purchase orders a buyer is processing.

Buyer Purchase Order Items. This option shows all purchase order items across all purchase orders for which a buyer is responsible. Use this option when you want to view all the items a buyer has purchased on purchase orders that are not purged.

Buyer Purchase Order History. This option shows all purged purchase orders for which a buyer is responsible. Buyer purchase order history information is useful when you want to see all the purchase orders a buyer processed that are now closed and purged.

Buyer Purchase Order History Items. This option shows all the items on purged purchase orders for which a buyer is responsible. Buyer Purchase Order History Items information is useful when you want to know more information about an item on a purged purchase order a buyer was responsible for processing.

Item Purchase Orders. This option shows all purchase orders that contain a selected item. Use this option when, for example, you know an urgently required item has been ordered on several purchase orders sent to several vendors. You need to know which item is due to arrive first. You can use the Item Purchase Orders list window to get a list of all the items and their purchase orders. You then compare Due to dock date to see which item is due to arrive first.

Item Purchase Order History. This option shows all purged purchase orders for a selected item. Use this option when you want to review the history of an item. Viewing the purchase orders your company used to purchase the item might show a pattern that is useful to you. For example, you could notice the vendor has increased the price of the item several times over the last several months. You might use this information to determine you should buy more of the item now in expectation that the price will continue to increase.

Vendor Purchase Orders. This option shows all purchase orders sent to a selected vendor. For example, use the Vendor Purchase Orders list window to see the purchase orders your company has sent a vendor and the Order status. If you have a query about a purchase order, the buyer's ID and name is also available from the Vendor Purchase Orders list window.

Vendor Purchase Order Items. This option shows all purchase order items for a vendor. For example, you know your company has ordered an urgently required item on several purchase orders to the same vendor. You need to know which item is due to arrive first. You can use the Vendor Purchase Orders list window to get a list of all the items and their purchase orders. You then compare the due to dock date to see which item is due to arrive first.

Vendor Purchase Order History. This option shows all purged purchase orders for a selected vendor. This option is useful information if, for example, you want to review the number and type of purchase orders a vendor has supplied in the past.

Vendor Purchase Order History Items. This option shows all purchase order items on a purged purchase order for a vendor. For example, you could use this option to view all the items a vendor has provided in the past to determine whether they ever supplied the item you need to purchase.

From the Buyers, Items, or Vendors list windows, select the object for which you want to view purchase orders. The following procedure assumes you want to view a purchase order from the Buyers object. Select Buyer Purchase Orders from the Display menu. From the other objects, you select either Item Purchase Orders or Vendor Purchase Orders.

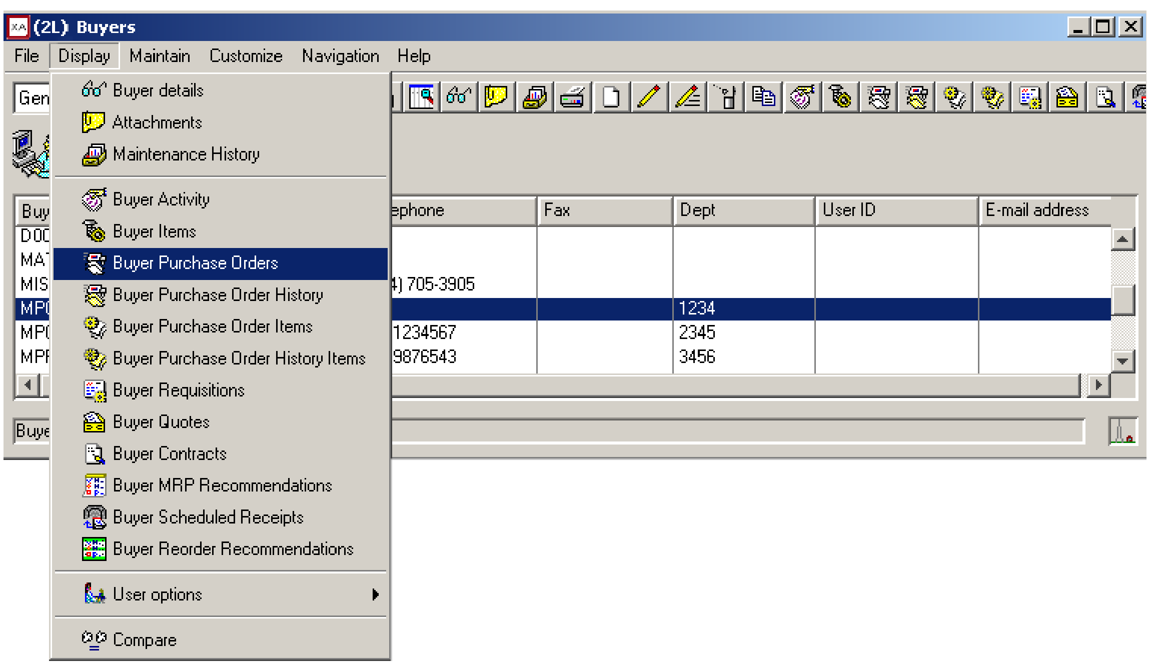


Figure 7-7. Buyers Display menu

The Buyer Purchase Orders list window opens.

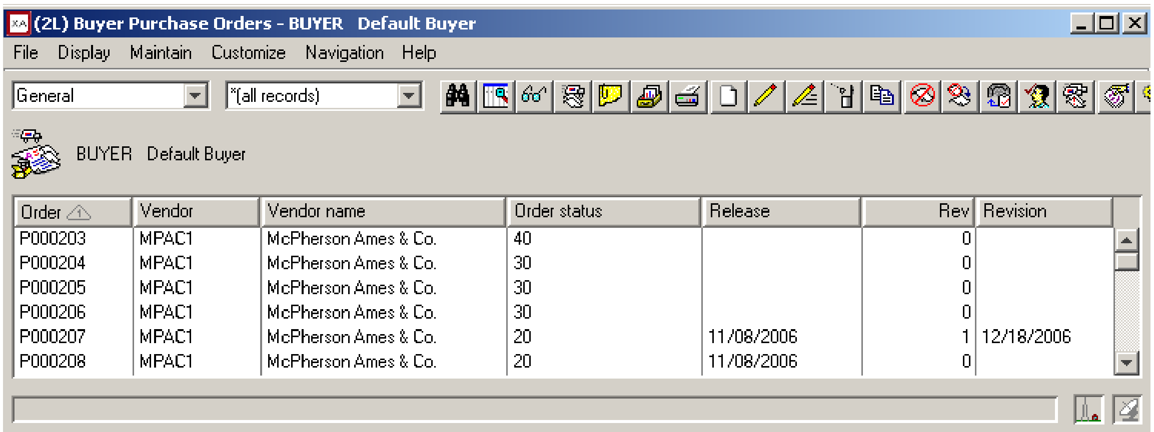


Figure 7-8. Buyer Purchase Orders list window

Viewing purchasing activity information

PM accumulates details of important purchasing activity and writes the transactions to the Purchasing Activity object.

You use the information contained in the Purchasing Activity object to track what has happened to a purchase order. For example, you might want to know whether any activity has occurred today for a purchase order. PM orders the Purchasing Activity Default list window by date, which helps you examine activity that has happened recently. Find the purchase order in the list window by looking at today's date or create a subset to search for the purchase order.

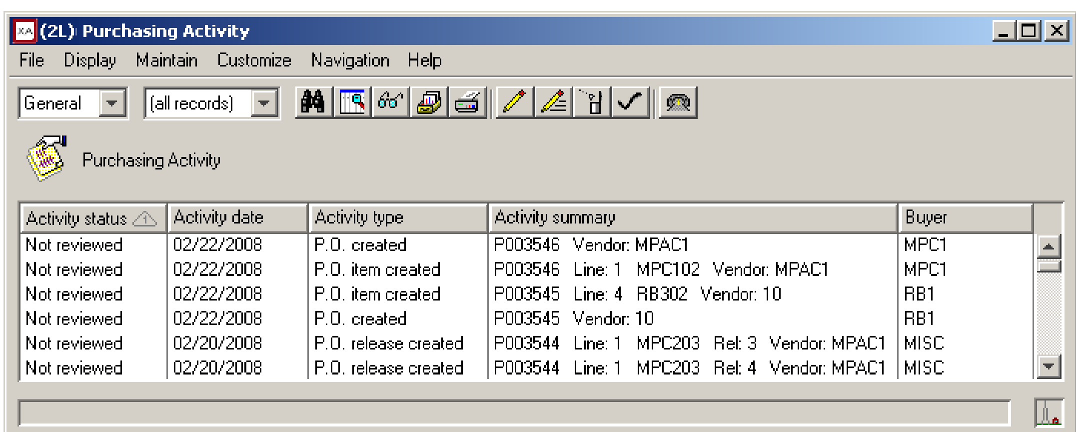


Figure 7-9. Purchasing Activity list window

To change the buyer associated with the purchasing activity, use the Change option on the Maintain menu on the Purchasing Activity list window. PM updates the buyer information on the Detail card of the Change Purchasing Activity card file.

You can delete individual purchasing activity records by selecting the record you want to delete and selecting the Delete option on the Maintain menu.

You can further restrict the activity types you want to see by defining new subsets. For example, you might want create a subset where you see purchasing activities for purchase orders only and exclude purchasing activities for requisitions. Alternatively, you might want to view purchasing activity records that have an Activity status - Reviewed by creating a subset that displays only reviewed records. Using subsets on the Purchasing Activity list window is useful if the Purchasing Activity list contains many records.

You can view purchasing activity from the Purchase Orders object by selecting Purchase Order Activity from the Display menu. If you want to view purchasing activity for requisitions instead of purchase orders, you select the requisition from the Requisitions list window and select Requisition Activity from the Display menu. The Requisition Activity list window opens with the purchasing activity for the selected requisition.

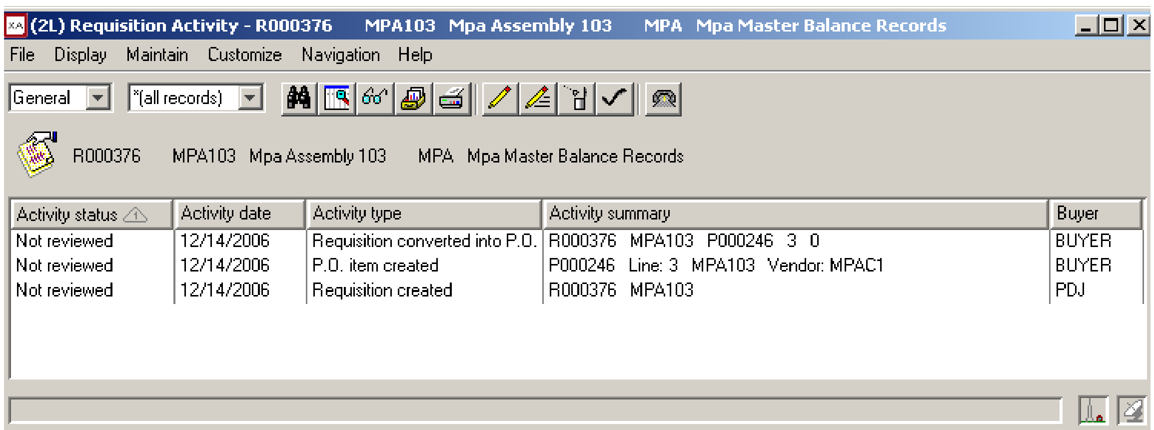


Figure 7-10. Requisition Activity list window

You can use the information in the Requisition Activity list window to ensure the assigned buyer is actioning the requisition you created. You can also view purchasing activity for a selected buyer from the Buyers object.

Use the option, Update Status, on either list window described above to change the Activity status from either Not Reviewed to Reviewed or from Reviewed to Not Reviewed. Updating the Activity status is useful to establish checks for buyer's activity and track the activity as reviewed or not reviewed.

When you select Update Status on the Maintain menu, a Confirm prompt opens.

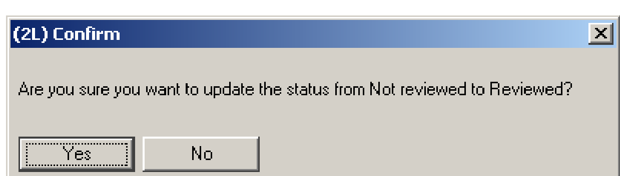


Figure 7-11. Confirm Update Status prompt

Click Yes, to change the Activity status attribute. PM list the purchasing activity records with an Activity status of Reviewed below the purchasing activity records with a status of Not Reviewed in the Default Purchasing Activity list window.

Chapter 8. Receiving Purchased Inventory

Overview

The seventh step in procurement is to receive the purchased inventory. This chapter describes receiving purchase orders, purchase order items, and purchase order item releases.

In Procurement Management (PM), you can receive complete purchase orders, and receive purchase order items and purchase order item releases. You can also use the Scheduled Receipts object in Materials Management (MM) to help you track purchased inventory before it is received and to receive purchased and transferred inventory.

If you use shipping notices, you can also use the Shipment Notices, Shipment Containers, and Shipment Container Items objects in MM to receive purchased inventory and transferred inventory. For more information about scheduled receipts and receiving inventory using MM, see the *Materials Management Concepts Guide* or the online help for Scheduled Receipts and Shipment Notices

When items arrive, you can receive the items using the Receive Complete option from the Purchase Orders object, or the Receive options from the Purchase Order Items and Purchase Order Item Releases objects.

Receive and Receive Complete options. Use these options to receive purchased inventory. Figure 8-1 shows your options for receiving purchased inventory from the Purchase Orders, Purchase Order Items, and Purchase Order Item Releases objects.

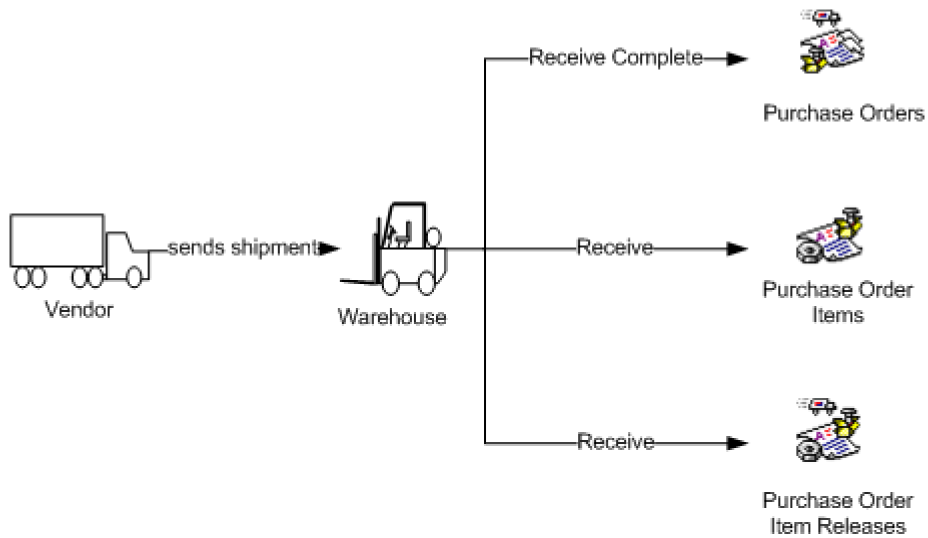


Figure 8-1. Overview of receiving inventory from PM

Use a Receive Complete option on the Purchase Orders object if no changes need to be made to the receiving information. Use a Receive option on the Purchase Order Items or Purchase Order Item Releases objects if you need to change any receiving information (including the receiving location or quantity received).

Receiving updates the shipment objects (if a shipment notice is involved), Scheduled Receipts, Inventory Transaction History, Item Warehouses, and Item Locations objects with the receiving information.

Use the following sections to understand how receiving objects are related, how receiving options update all affected receiving objects, and how PM keeps the receiving quantities in these objects in balance.

Understanding receiving objects

You can use the following objects to receive purchased inventory:

- In PM, use
    - Purchase Orders
    - Purchase Order Items
    - Purchase Order Item Releases.
- In MM, use
    - Scheduled Receipts.

A higher-level object is an object, which contains other objects. Purchase order headers can contain purchase order items, and purchase order items can contain purchase order item releases.

A lower-level object is an object, contained in another object. Purchase order items and purchase order item releases form part of purchase orders.

An object can be both a higher-level object and lower-level object. Purchase Order Items is a higher-level object for Purchase Order Item Releases and a lower-level object for Purchase Orders.

Figure 8-2 demonstrates how the receiving objects in MM and PM are related.

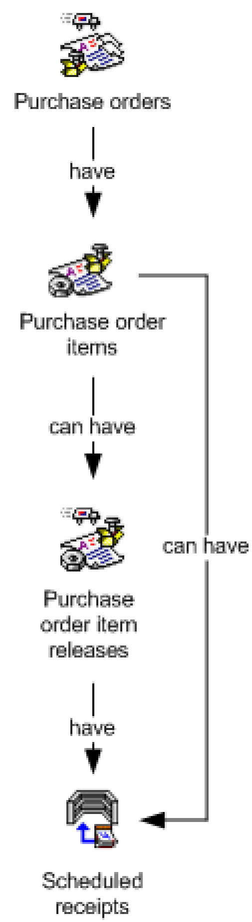


Figure 8-2. Overview of receiving objects

In PM, you create purchase orders with one or more purchase order items. Each purchase order item can have no releases, or one or more releases.

When you create or maintain the purchase order, XA automatically generates one scheduled receipt for each purchase order item release or purchase order item with no releases.

Scheduled receipts show the open quantity (quantity not yet received) and status of the associated purchase order item or purchase order item release.

Understanding receiving options

You receive purchased inventory using the Receive or Receive Complete option from one of the receiving objects. The Receive and Receive Complete options provide the dialogs for entering receiving information. From this, XA generates the transactions to perform the receiving actions you request.

Table 8-1 shows the receiving objects, the receiving options you can use, and the transactions that XA can generate.

Receiving Objects	**Receiving options / transactions**	
	Receive	**Receive Complete**
	(RD, RI, RP, VR)	(RD, RI, RP)
Purchase Orders		All the purchase order items and purchase order item releases on the purchase order.
Purchase Order Items	A purchase order item	
Purchase Order Item Releases	A purchase order item release	
Scheduled Receipts	A scheduled receipt	**Receive Shipment Notice Complete:** All the items on the shipment notice for the scheduled receipt.
		Receive Purchase Order Complete: All the items on the purchase order for the scheduled receipt.

Table 8-1. Receiving objects and options

The primary purpose of the Scheduled Receipts object is to help you receive purchased inventory. From Scheduled Receipts, you can receive schedule receipts as well as receive as Complete associated purchase orders and shipment notices.

Receive Complete option

The Receive Complete option provides a convenient way to a receive purchase order in one step.

You enter the Receive Complete option from the Purchase Orders object. From the Scheduled Receipts object, you can also enter the Receive Complete option for the purchase order that contains the scheduled receipt. The Receive Complete option receives all the open purchase order items and purchase order item releases on the purchase order.

XA creates as many of the following transactions as it takes to receive objects using default values:

- Receive purchased item to dock (RD)
- Receive purchased item to inspection (RI)
- Receive purchased item to stock (RP).

Figure 8-3 shows an example of a Receive Purchase Order Complete dialog that opens when you select the Receive Complete option from Purchase Orders.

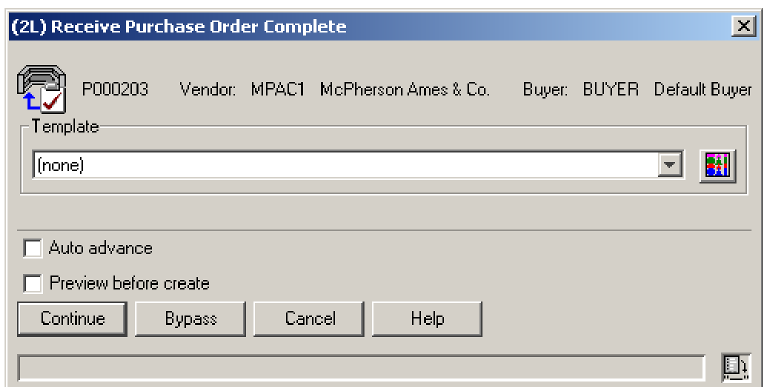


Figure 8-3. Receive Purchase Order Complete dialog

Templates control whether you use the default values for transaction attributes or whether you can override default values for receiving the selected purchase order. The (none) template is a way to quickly receive using the default values.

If you want to override values (for all the items on the purchase order), select the All receipts transactions template. This method of receiving is useful, for example, when you are receiving the entire purchase order, and want to enter a value and have it apply to all items on the purchase order.

For example, from the All receipts transactions template, you can change the Received to stock reason attribute for all the scheduled receipts on the purchase order. In the example shown in Figure 8-4, you could change the Received to stock reason from = Blank reason for receipt to RP = Receipt purchased item, which is a value created by your company in the Transaction Reasons object.

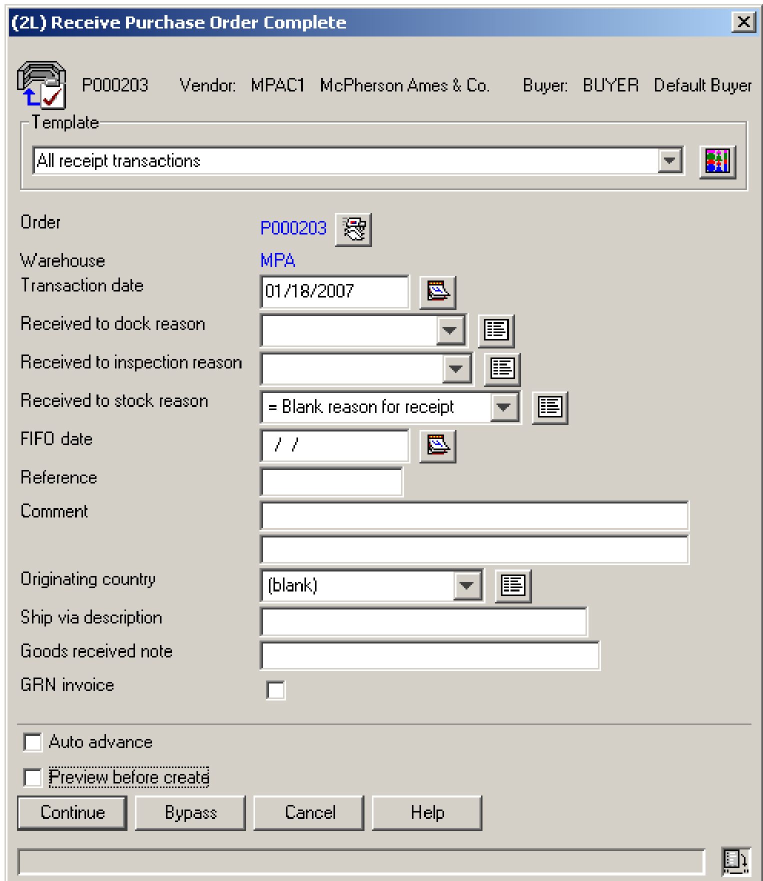


Figure 8-4. Receive Purchase Order Complete dialog - All receipts transactions template

You cannot use the Receive Complete option if you need to enter or change batch/lot information for some items on the purchase order. You must use the Receive option on these items to enter the batch/lot information.

Receive option

You use the Receive option from Purchase Order Items and Purchase Order Item Releases objects to receive these objects.

XA generates the following transactions, to action your instructions on the Receive dialog:

- Receive purchased item to dock (RD)
- Receive purchased item to inspection (RI)
- Receive purchased item to stock (RP)
- Return purchased item (VR).

Use the Receive option to receive a purchase order item or purchase order item release, or to change receiving information. From the Receive dialog, you can change the quantity received, batch/lot information, and receive all or part of the object to dock, inspection, or stock. You can enter return purchased item (VR) transactions for all or part of the object.

For example, the vendor sends you ten damaged items, which you decide to return to the vendor. Use a Receive option to make this change.

Depending on the options you select on the Receive dialog, XA generates receiving transactions to receive some or all the item to dock, inspection, stock, or to return the item to the vendor.

The Receive dialog has the following templates:

Template	Provides
(none)	• You do not make any changes using the Receive option. You can preview the default choices before creating the transaction.
All receipt transactions	• Receive purchased item to dock (RD). • Receive purchased item to inspection (RI). • Receive purchased item to stock (RP). • Return purchased item (VR).
Receive to dock	• Receive purchased item to dock (RD). • Return purchased item (VR).
Receive to stock	• Receive purchased item to stock (RP). • Return purchased item (VR).

Table 8-2. Receive templates on the Receive dialog

Figure 8-5 shows an example of a Receive Purchase Order Item dialog that opens when you select the Receive option from Purchase Order Items.

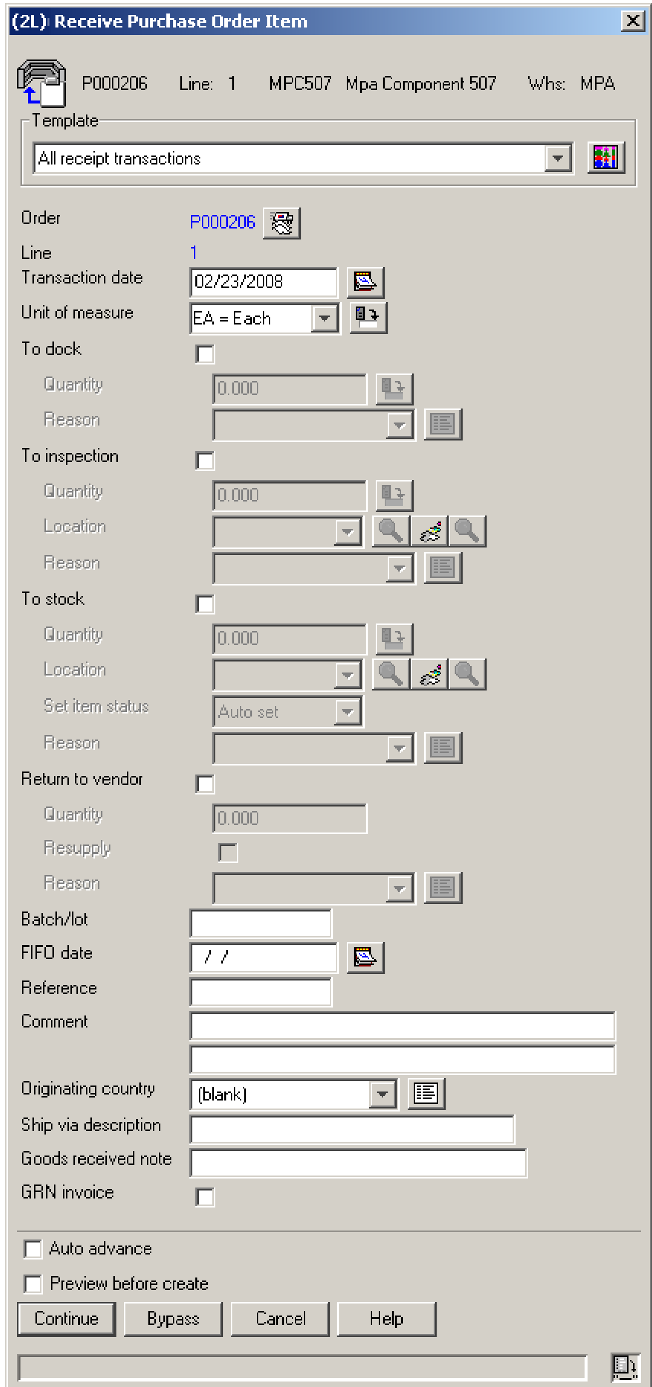


Figure 8-5. Receive Purchase Order Item dialog

Setting objects complete

As receiving actions update the purchase order items, purchase order item releases, and scheduled receipts, XA keeps the receiving quantities and status of these objects in balance. This principle is fundamental to receiving purchased inventory because when you receive completely or set to Complete an object, you can also receive completely any associated objects.

Set complete option

When you receive purchased inventory to stock, the object by default is set to Complete only when the quantity received equals or is greater than the quantity ordered. The quantity received is the total of the quantity:

- Received to stock
- Scrapped
- Returned to the vendor for credit.

When receiving to stock, you can set the status of the object to Complete or Partial regardless of the quantity received. From the Receive option in Purchase Order Items and Purchase Order Item Releases, use the Set item status to provide the following options:

- **Auto set (default):** Set the status to Complete if the quantity received is greater than or equal to the quantity expected.
- **Set complete:** Set the status to Complete regardless of the quantity, as you expect the vendor is not sending any more of the item.
- **Set partial:** Set the status to Partial stock regardless of the quantity, as you expect the vendor is sending more of the item.

Setting an Item or Release status to Complete

The Complete option in Purchase Order Items and Purchase Order Item Releases sets the Item or Release status of the purchase order item or purchase order item release to Complete, regardless of the quantities received. Figure 8-6 shows an example of a Complete dialog that opens when you select the Complete option from Purchase Order Items.

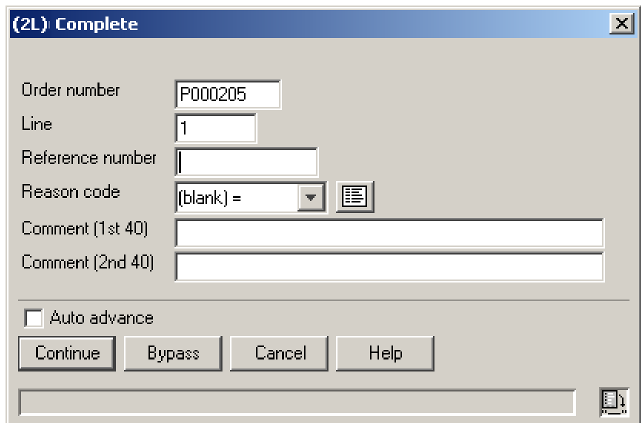


Figure 8-6. Complete dialog

When you click Continue, the Item status of the purchase order item changes to 50 - Complete. For an inspection on receipt item, XA generates a purchase item QC complete (PQ) transaction. If the item is not an inspection on receipt item, then XA generates a receive purchased item to stock (RP) transaction.

Setting an Item status or Release status to Received to stock

The Reopen option in Purchase Order Items and Purchase Order Item Releases sets the Item or Release status of the complete purchase order item or purchase order item release to Received to stock, so that further receiving activity can occur. Figure 8-7 shows an example of a Reopen dialog that opens when you select the Reopen option from Purchase Order Items.

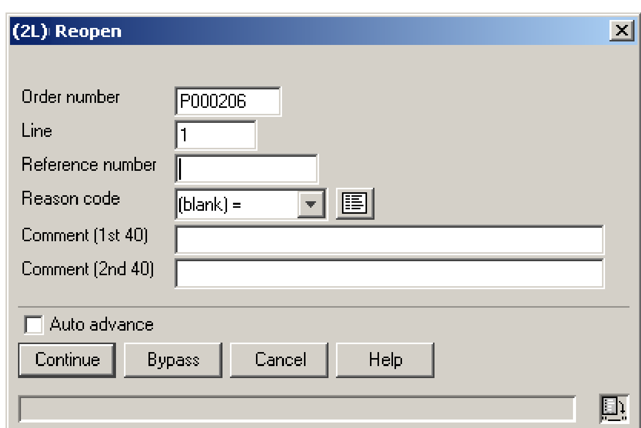


Figure 8-7. Reopen dialog

When you click Continue, the Item status of the purchase order item changes from 50 - Complete to 40 - Received to stock. For an inspection on receipt item, XA generates a purchase item QC complete (PQ) transaction. If the item is not an inspection on receipt item, then XA generates a receive purchased item to stock (RP) transaction.

Receiving completely a higher-level object

When you receive completely higher-level objects to stock or set them to Complete, XA receives completely all their lower-level objects.

For example, a purchase order has ten purchase order items, each of which has an associated scheduled receipt. You receive completely the purchase order. As each of the purchase order items is set to Complete, its associated scheduled receipt is set to Complete. XA generates the transactions for each purchase order item and scheduled receipt.

When you over-receive or set to Complete higher-level objects that have only one lower-level object, XA applies the entire over-received quantity to the lower-level object. The following procedure demonstrates how XA applies the received quantity when the higher-level object has two or more lower-level objects.

Multiple purchase order item releases: For example, you over-receive or you set the Item status to Set complete for a purchase order item that has multiple open purchase order item releases.

- XA applies the received quantity to the open purchase order item releases, up to their remaining open quantity, in dock date and release sequence, and sets them all complete.
- If the quantity you received is fewer than the total quantity of the purchase order item releases, and purchase order item releases remain that have no receiving quantity applied to them; XA closes them because the purchase order item is complete.
- If the quantity you received is more than the total quantity of the purchase order item releases, then XA applies the extra quantity to the last purchase order item release and sets them all complete.

Receiving completely a lower-level object

When you receive completely lower-level objects to stock or set them complete, XA sets each higher-level object, in turn, complete when the higher-level object also has all its lower-level objects complete.

For example, you have one scheduled receipt for a purchase order item on a purchase order that has no other purchase order items left to receive. Either only one purchase order item is on the purchase order, or you have already received completely the other purchase order items. You receive the entire scheduled receipt quantity. As the scheduled receipt is set to Complete, the purchase order item is set to Complete. As the purchase order item is set to Complete, the purchase order is set to Complete.

Receiving procedures

This section uses the information provided in the following sections to demonstrate the most appropriate receiving procedures for common receiving situations:

- "Understanding receiving objects" on page 8-3
- "Understanding receiving options" on page 8-5
- "Setting objects complete" on page 8-10.

Consider the following suggested procedures when receiving purchased inventory:

- Receiving according to how the shipment was unpacked
- Receiving on the highest-level object.

Receiving according to how the shipment was unpacked

The first consideration is your preferred method of receiving purchased inventory. Often, you determine the object and receive option you use according to how you unpacked the shipment. For example, if you require an item urgently, but you do not have time to unpack the entire purchase order, you can receive a single purchase order item from the Purchase Order Items object.

Receiving on the highest-level object

The second consideration is reducing the amount of data entry. In most cases, you use the Scheduled Receipts object in MM, as the primary purpose of this object is to help you receive purchased inventory. However, when you receive purchase orders completely, you can reduce the amount of receiving information you enter.

Your purchased inventory is complete and correct when you have no changes to make to receiving locations, batch/lots, or quantities. If the purchased inventory you receive is complete and correct, using the Purchase Orders object to receive the purchase order items or purchase order item releases requires the least data entry.

If your purchased inventory is not complete and correct, but only has minor changes that you need to enter, then you enter these changes using a Receive option. When you have entered the changes, you then choose the object that most efficiently receives the rest of the purchased inventory.

For example, a shipment contains all the items for one purchase order. The most efficient method is to receive the whole shipment using the Receive Complete option in Purchase Orders or the Receive Purchase Order Complete option in Scheduled Receipts. If you use the Receive option from any of the lower-level objects, you could potentially enter many Receive options.

You must be careful when receiving higher-level objects complete. As described in "Setting objects complete" on page 8-10, when you receive completely a higher-level object, XA also receives complete all the lower-level objects. If the lower-level object on which you first use the Receive option must have an open quantity remaining, you cannot use a Receive Complete option on its higher-level object. For example, you cannot use Receive Complete if you entered vendor returns that require resupply and you have not yet received the resupply inventory.

Procedure for reducing data entry. Figure 8-8, "The most efficient procedure for receiving the shipment" on page 8-14, describes receiving a purchase order after first using the Receive option to enter changes. When you receive all the purchase order items and purchase order item releases that require changes, you can use the Receive Complete option from Purchase Orders to receive the rest of the purchase order. This example also describes receiving when not all the purchase order is in the shipment.

In this example, three purchase orders, which have no batch/lots requiring additional information, arrive in a shipment. The second purchase order has a purchase order item release for which you want to make a change. The third purchase order has a purchase order item release that is not part of the shipment.

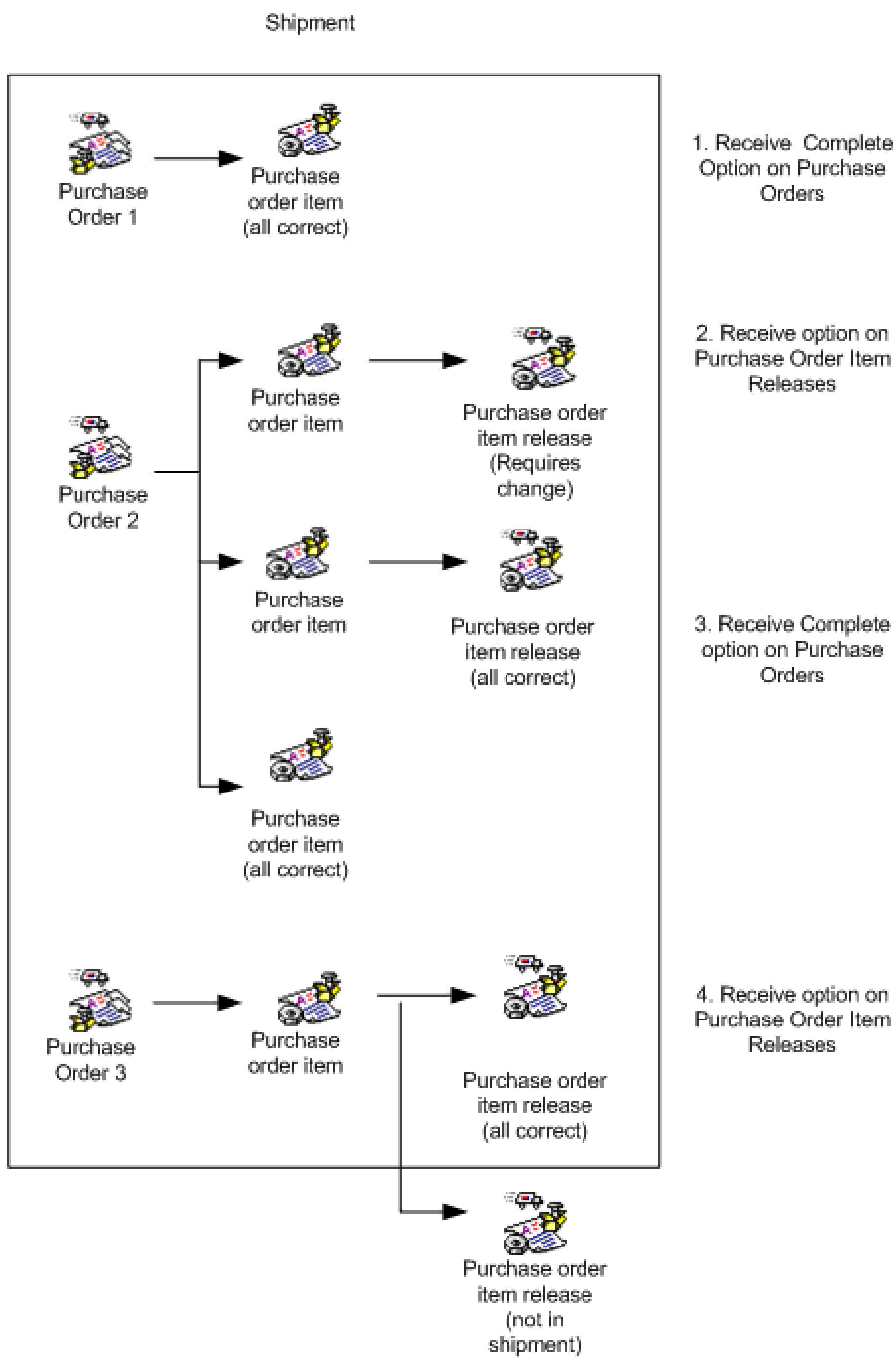


Figure 8-8. The most efficient procedure for receiving the shipment

The most efficient procedure for receiving the shipment is to use:

1. The Receive Complete option to receive Purchase Order 1, as the purchase order item on the purchase order does not require changes.
2. The Receive option to receive the first purchase order item release on Purchase Order 2, as it does require changes.
3. The Receive Complete option to receive the rest of Purchase Order 2.
4. The Receive option to receive the first purchase order item release on Purchase Order 3. You do not want to receive the purchase order or purchase order item completely until all the purchase order item releases have arrived.

Chapter 9. Closing and Purging Purchase Orders

Overview

The last step in procurement is to close and purge purchase orders for which you do not expect any more activity. This chapter describes closing and purging purchase orders and viewing purged purchase order information.

After a purchase order is complete, you no longer need it in the list of open purchase orders. You can use Procurement Management (PM) to close and purge your fulfilled purchase orders, including canceled orders.

The following table shows the meaning of each Order status code:

Status code	Description
10	Acceptance required. Vendor acceptance and confirmation of the order is required before processing.
20	Acceptance received or not required. The vendor has accepted the terms of the purchase order or no confirmation is required.
30	Activity reported. A Receiving transaction has been reported for the order.
35	Invoice complete. The order has been completely invoiced, but not yet completely received.
40	Received complete. The order has been received completely to stock, but not invoiced completely.
50	Order complete. The order has been received and invoiced completely.
60	Order closed. The order has been selected for close through the purchase order close process.
99	Order cancelled. The order has been canceled through the purchase order cancel process.

Table 9-1. Purchase order status codes

Figure 9-1 illustrates the changes that occur to the Order status when purchase orders are closed.

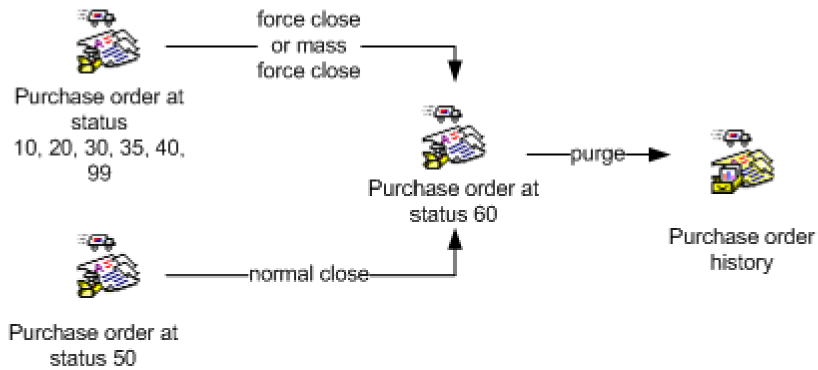


Figure 9-1. Overview of closing and purging a purchase order

Normal Close option. This option is available on the Maintain menu of Purchase Orders. Use this option to close a single order that has an Order status of 50 - Order complete (or 40 - Received complete if you selected not to process invoices in Procurement Management - Application Settings).

Force Close option. This option is available on the Maintain menu of Purchase Orders. Use this option to close a single order that has an Order status of 10, 20, 30, 35, 40, or 99.

Mass Force Close option. This option is available on the Maintain menu of Purchase Orders. Use this option to force close multiple purchase orders that have an Order status of 10, 20, 30, 35, 40, or 99. Select these records in the Purchase Orders list window or use a subset.

Purge host job. After a purchase order is closed, its Order status changes to 60 - Order closed and you can still view it in the Purchase Orders list window. The Purge host job removes all selected closed purchase orders and writes the order information to the Purchase Order History object.

Purchase Order History. This object contains information about closed purchase orders including header information, data for all purchase order items and purchase order item releases, comments, debit memos, and source of demand information. You view purged purchase orders in the Purchase Order History object just as you view open purchase orders in the Purchase Orders object. You cannot maintain purchase orders that are purged, but you can copy a purged purchase order to create a purchase order.

Purchase Order History Items. This object contains the detailed information about materials and supplies that your company ordered on the selected purchase order history record. A purchase order history item retains relationships to other objects. Its record holds information about releases related to the item, comments entered for the item, debit memos received against the item, and sources of demand that initiated the purchase of the item. Like purchase order history information, you can only view and not maintain purchase order history item information.

Purchase Order History Item Releases. This object contains information about the quantities associated with multiple deliveries of an item on a purchase order. Its record holds information about the purchase order item to which it is related, any comments entered for the item release, debit memos received against the release, the sources of demand related to the item release, and any override of the ship-to address. Like purchase order history information, you can only view and not maintain purchase order history item release information.

Purchase Order Performance. Use this object to view performance information for purged purchase orders. You can view performance information for purchase orders and for the vendor or vendor item associated with the purchase order. For more information about viewing purchase order performance, see Chapter 3, “Evaluating vendors” on page 3-41.

Closing purchase orders

Use PM to close purchase orders for which no further activity will occur. Closed purchase orders are then eligible to be purged.

There are three ways to close a purchase order:

- Normal close
- Force close
- Mass force close.

Normal close. You use this option for an order that has all required activity posted to it. All required activity means that you have received completely all purchase order items and purchase order item releases, if applicable, and the purchase order has been completely invoiced. The purchase order has an Order status of 50 - Order complete.

Generally, you can only close normally purchase orders with an Order status of 50 - Order complete. All other purchase orders must be force closed, including canceled purchase orders. The one circumstance where you can use a normal close on a purchase order that is at an Order status of 40, is when you selected not to process invoices in Procurement Management - Application Settings. In this case, the Order status is Complete at 40 - Received complete and you can process a normal close. After you close the purchase order, the Order status changes to 60 - Order closed and the purchase order can be purged.

Note: The Accounts Payable (AP) application does not need to be installed and interfacing to perform the invoice matching procedure that updates the purchase order to Order status 50 - Order complete, but if purchasing invoicing procedures are not run, you must force close the purchase orders you want closed.

Force close. You use this option when the purchase order still has items that you have not received to stock. For example, a purchase order with multiple purchase order items is complete except for one purchase order item that is out of stock at the vendor. Though the order is not complete, you delete it and open a new purchase order for the remaining item. You must force close a purchase order with Order status of 10, 20, 30, 35, 40, or 99 if you selected to process invoices in PM. If you selected not to process invoices in PM, you can use a normal close for a purchase order that has an Order status of 40 - Received complete.

If forced closed purchase orders are the exception for your company and you do not want to include them in the vendor performance calculations, answer N to the Install/Tailor question, "Do you want to include forced closed orders for the performance analysis?" In any case, PM does not consider any order more than 50 percent over or under the average order quantity for the item for any vendor performance analysis.

Mass force close. You close multiple purchase orders using the Mass Force Close option in Purchase Orders, regardless of their Order status.

Note: When using the Mass Force Close option, be careful to use the appropriate subset to ensure you do not mass close all purchase orders. If you select purchase orders from the Purchase Orders list window, ensure you select the (selected records) subset, not the (all records) subset, to force close just the purchase orders you selected.

Closing using the Normal Close option

The following procedure assumes you want to close a purchase order normally. The purchase order must be at Order status 50 - Order complete (or 40 - Received complete if you chose not to process invoices). From the Purchase Orders list window, select the order you want to close. On the Maintain menu, select Normal Close.

A Confirm prompt opens.

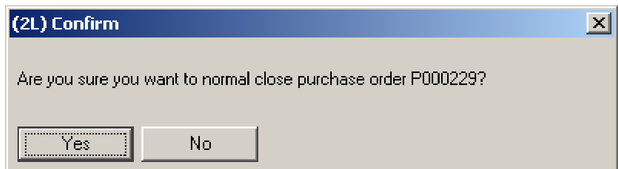


Figure 9-2. Confirm Normal Close prompt

Click Yes to normal close the selected purchase order. PM updates the Order status for the record you selected to 60 - Order closed.

Closing using the Force Close option

The following procedure assumes you want to force close a purchase order. From the Purchase Orders list window, select the order you want to close. The purchase order must be at Order status 10, 20, 30, 35, 40, or 99. On the Maintain menu, select Force Close. A Confirm prompt opens.

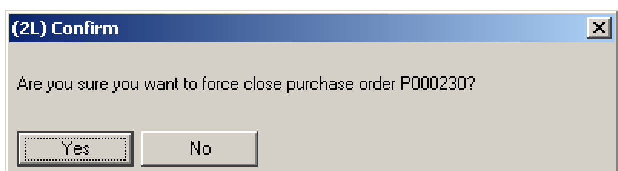


Figure 9-3. Confirm Force Close prompt

Click Yes to force close the selected purchase order. PM updates the Order status for the record you selected to 60 - Order closed.

Closing using the Mass Force Close option

The following procedure assumes you want to Mass Force Close several purchase orders. From the Purchase Orders list window, select the orders you want to mass force close. The purchase orders must be at Order status 10, 20, 30, 35, 40, or 99.

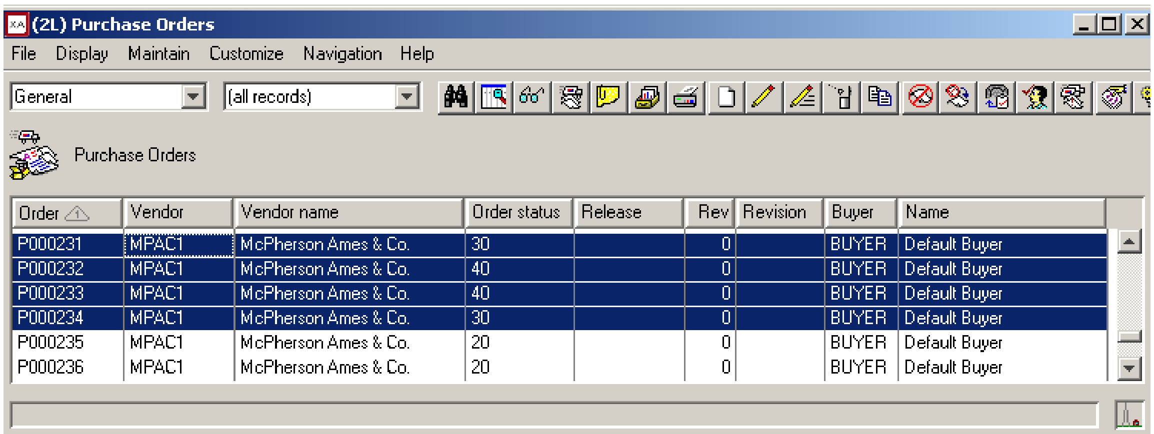


Figure 9-4. Purchase Orders list window - selected purchase orders

On the Maintain menu, select Mass Force Close.

The P.O. Mass Force Close dialog opens.

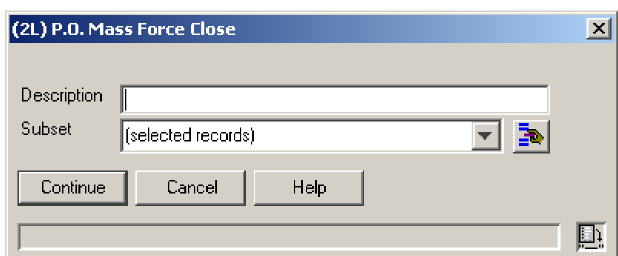


Figure 9-5. P.O. Mass Force Close dialog

Enter the description and select the subset you want to use.

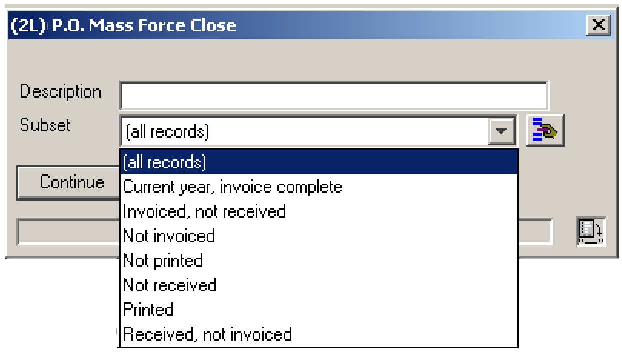


Figure 9-6. P.O. Mass Force Close dialog - subsets

If you selected one or more records from the list window, you can choose the (selected records) subset to close just the selected records. To close just one selected record, you select the record in the list window and then you use the (selected record) subset.

Note: When using the Mass Force Close option, be careful to use the appropriate subset to ensure you do not mass close all purchase orders. If you select purchase orders from the Purchase Orders list window, ensure you select the (selected records) subset, to force close just the purchase orders you selected. Selecting the (all records) subset closes all the records in the Purchase Orders list window.

Click Continue. A Confirm prompt opens asking if you are sure you want to update every selected purchase order that you selected from the list window or used a subset to select.

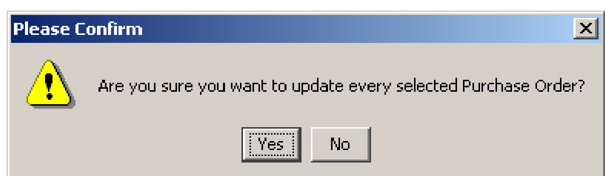


Figure 9-7. Please Confirm Mass Force Close prompt - selected records

Click Yes to force close the selected purchase orders. PM updates the Order status for each record you selected to 60 - Order closed.

Purging purchase orders

After you close your purchase orders, the next step is to purge them from the Purchase Orders list window and save them to the Purchase Order History object.

PM calculates vendor performance during purge if you chose the PM application setting, Send to P.O. history: Vendor Performance. For more information, see Appendix A, “Purchasing Order Processing tab” on page A-1.

A number of file updates occur when you purge purchase orders:

- PM updates vendor and buyer statistics using the weighting factors defined in Procurement Management - Application Settings. These weighting factors determine how much emphasis is placed on the latest order for lead time, quantity delivered, price difference (expected compared to actual), and quality (rejects and returns).

  You can view the vendor composite ratings and statistics using Vendor Performance Inquiry in Purchasing (PUR). Although PM does not show composite buyer performance rating information on reports, PM keeps the information in the Buyer Master file for your use. You view buyer performance information through Buyer Performance Inquiry in PUR. During the purge, PM deletes and recalculates the actual vendor performance data that it created previously for completed purchase order items and purchase order item releases. The recalculation is to ensure the actuals reflect the latest status of the closed order
- When orders are closed and purged, PM loads the Purchase Order History file with purchase order information. A mirror image of the open purchase order is sent to the history file, including the following types of information: order summary, line item detail, blanket and drop ship information, order and line item comments, and any revisions made to prices, dates, or quantities after the purchase order was originally printed. Application Setting questions allow you to choose the amount of detail written to history.
- PM deletes the purchase order records.
- PM copies the purge date to the Inventory Transaction History object for every record associated with the purged purchase order.

Purging closed purchase orders

The following procedure assumes you want to purge a subset of closed purchase orders. From the Purchase Orders list window, select Host Jobs ... from the File menu.

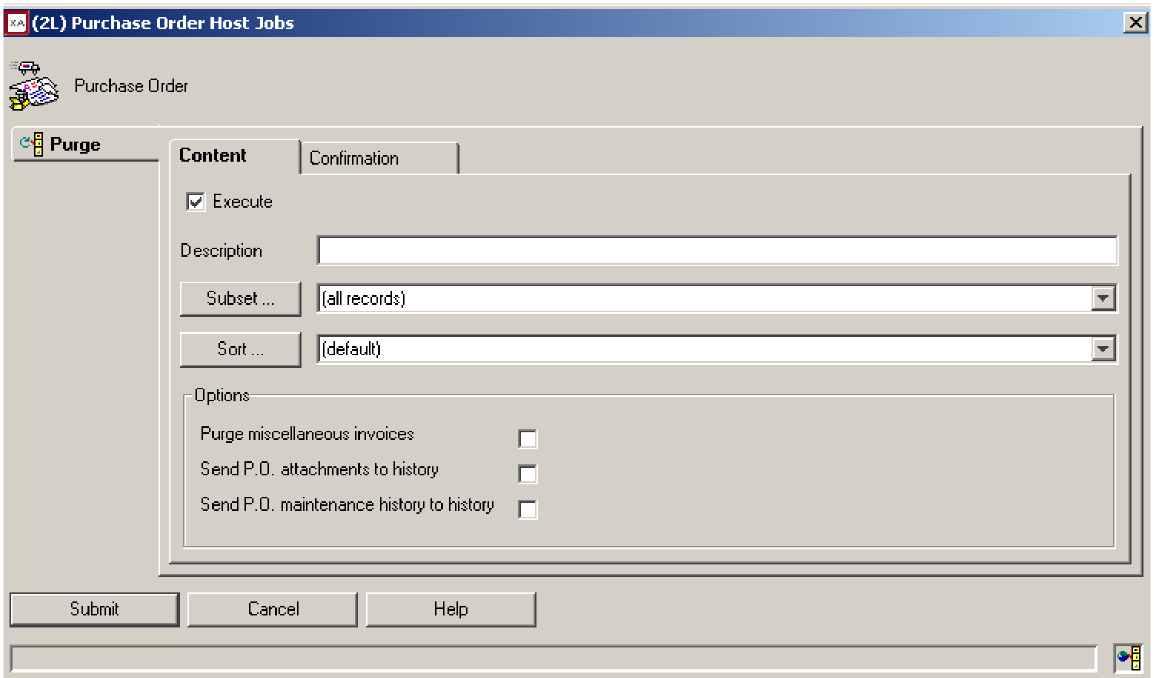


Figure 9-8. Purchase Order Host Jobs - Purge tab

Select the Purge tab and choose from the available reporting options including the subset to select the purchase orders you want to purge.

Click Submit. A Confirmation prompt opens.

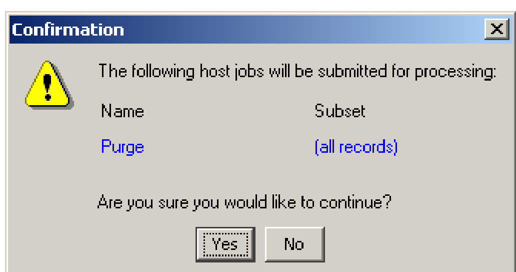


Figure 9-9. Confirmation Purge prompt

Click Yes to confirm purging the selected purchase orders. PM removes all the selected purchase orders with an Order status code of 60 - Order closed from the Purchase Orders object and adds them to the Purchase Order History object.

Viewing purged purchase orders

Use the Purchase Order History, Purchase Order History Items, and Purchase Order History Item Releases objects to view purchase orders that are purged.

From the Display menu in Purchase Order History, you can view the following information for a selected purged purchase order:

- **Items:** All the items that were on the purchase order.
- **Debit memos:** Any debit memos that PM created for the purchase order if you returned items to the vendor.
- **Transaction history:** A listing of the transactions that occurred for the purchase order.

You cannot maintain purchase orders that are in Purchase Order History. You can, however, navigate to the Buyers and Vendors objects from Purchase Order History and maintain buyer and vendor records. For example, while viewing a purchase order in Purchase Order History, you want to know whether the vendor associated with the purchase order has any open purchase orders. You might want to buy more items as ordered previously on the now purged order and add them to an existing order.

You select the purchase order from Purchase Order History and then select Vendor options from the Display menu. Vendor options provides access to more information about the vendor who is associated with the purged purchase order. Select the Vendor Purchase Orders option.

The Vendor Purchase Orders list window opens.

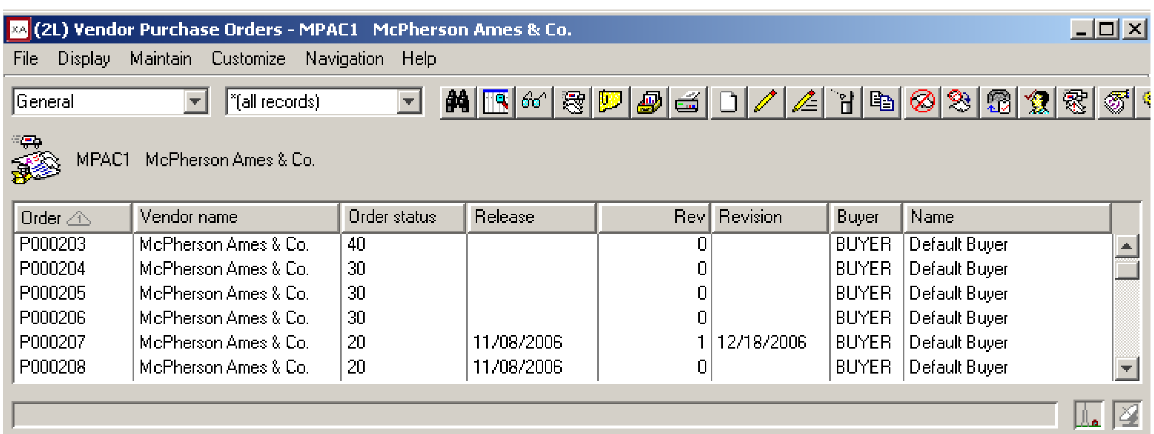


Figure 9-10. Vendor Purchase Orders list window

Select a suitable purchase order. Use the Change option and select the Items card in the Change Purchase Order card file to create purchase order items for the purchase order.

From the Display menu in Purchase Order History Items, you can view the following information for a selected item on a purged purchase order:

- **Releases:** All the releases for the item on the purchase order.
- **Debit memos:** Any debit memos PM created for the item on the purchase order if you returned the item to the vendor.
- **Sources of demand:** The requirements that generated the request for the item.
- **Transaction history:** A listing of the transactions that occurred for the item.

From the Display menu in Purchase Order History Item Releases, you can view the following information for a selected release on a purged purchase order:

- **Debit memos:** Any debit memos PM created for the release of an item on the purchase order when you returned the purchase order item release to the vendor.
- **Sources of demand:** The requirements that generated the request for the release.

PM also displays purchase order history information from other PM objects. You can view purged purchase orders for the following objects:

Object	Display option
Buyers	Buyer Purchase Order History.
Buyers	Buyer Purchase Order History Items.
Items	Item Purchase Order History.
Contracts	Contract Purchase Order History.
Quotes	Contract Purchase Order History.
Vendors	Vendor Purchase Order History.
Vendors	Vendor Purchase Order History Items.

Table 9-2. Objects where you can view purchase order history information

Buyer Purchase Order History. This option shows only the purged purchase orders for which a buyer is responsible. This option is useful when you want to see past purchase orders a buyer is responsible for processing.

Buyer Purchase Order History Items. This option shows all the items on a purged purchase orders for which a buyer is responsible. Use this option when you are interested in an item on a purged purchase order that you know a buyer was responsible for processing.

Item Purchase Order History. This option shows all purged purchase orders for a selected item. Use this option when you want to review the history of an item. Viewing the purchase orders your company has used to purchase an item might show a pattern that is useful to you. For example, you could notice the vendor has increased the price of the item several times over the last several months. You could use this information to determine you should buy more of the item now in expectation the price will continue to increase.

Contract Purchase Order History. This option shows all purged purchase orders for a selected contract. You can use this option to evaluate the contract, by looking at the purchase orders that were covered under the terms of the contract.

Vendor Purchase Order History. This option shows all purged purchase orders for the selected vendor. This option is useful if, for example, you want to review the number and type of purchase orders a vendor has supplied in the past.

Vendor Purchase Order History Items. This option shows all items on purged purchase orders for the selected vendor. For example, you could use this information to view all the items a vendor has provided in the past to determine whether they ever supplied the item you need to purchase.

Appendix A. Application Settings

Procurement Management (PM) Application Settings provide access to options in the PM control file, as well as many of the questions in the PM application tailoring questionnaire. These values can be changed at any time without a dedicated system. Values changed in application settings update the control file or tailoring questionnaire, and vice versa. The PM Applications Settings window contains four tabs that allow you to customize the configuration settings for procurement activities in PM.

Purchasing Order Processing tab

The following attributes are available on the Purchasing Order Processing tab:

Setting	Options
Default buyer	Select the buyer you want to use as the default for Purchasing documents, if a buyer is not specified. From PM Control file.
Purchase price detail code	This attribute is a required entry. Select one of the following options to indicate the pricing default that you want to use: No purchase price default. The standard default hierarchy is used. - Current material this level from the Item Master B record. - Purchase price from the Item Master C record. - Standard unit cost from the Item Balance file. - Unit cost default from the Item Master A record. PM uses the value you choose as the default for unit price in: - Requisition Entry/Edit - Purchase Order Entry/Edit - Buyer Worksheet. From PM Control file.
Country of origin	Select the country of origin you want to use as the default for items appearing on purchase orders. From PM Control file.
Default tax transaction type	Select the type of tax transaction you want to use as the default on the purchase order. The tax transaction type is the taxing authority's classification of the transaction for tax purposes. Used when International Financials Management (IFM) is installed.
Purchase order form type	This attribute is required. Select the type of format to use for purchase orders: - 9 x 11, 10 characters per inch; purchase order number on left - 9 x 11, 10 characters per inch; purchase order number on right - 8.5 x 11, 12 characters per inch; purchase order number on left - 8.5 x 11, 12 characters per inch; purchase order number on right From PM Control file.
Print using P.O. item as-entered sequence	Select this attribute to print all items in the order in which you entered them on reports, displays, and printed purchase orders. Clear this attribute to print all items in item-number sequence on reports, displays, and printed purchase orders. From Application Tailoring Questionnaire #613.

Setting	Options
Print unit of measure on P.O.s and debit memos	Select this attribute to print the unit of measure entered during PO entry/ edit on purchase orders and debit memos. Clear this attribute to print the purchasing unit of measure associated with each purchase order or debit memo. From Application Tailoring Questionnaire #611.
Include GL account on P.O.	Select this attribute if you want to include your company's GL account number on purchase orders. If IFM is interfacing, this controls whether units and natures appear on purchase orders. From PM Control file.
Include only revised lines on P.O. revisions	Select this attribute if you want to include only the most recent revised lines on purchase order revisions. Clear this attribute if you want the entire purchase order to print. From PM Control file.
Require vendor accept of P.O. revisions	Select this attribute to require vendor acceptance of any changes to a purchase order. When selected, any changes to the purchase order, new purchase order items, or changed purchase order items the vendor must accept before receiving can occur.
P.O. errors: Non-calendar dock date	Choose whether a warning message or an error message displays when the Due to dock date of a purchase order item or purchase order item release is a non-work day in the calendar.
P.O. errors: Non-calendar stock date	Choose whether a warning message or an error message displays when the Due to stock date of a purchase order item or purchase order item release is a non-work day in the calendar.
P.O. errors: Prior date due at dock	Choose whether a warning message or an error message displays when the Due to dock date of a purchase order item or purchase order item release is an earlier date than the current date.
P.O. errors: Prior date due in stock	Choose whether a warning message or an error message displays when the Due to stock date of a purchase order item or purchase order item release is an earlier date than the current date.
P.O. errors: Prior follow-up date	Choose whether a warning message or an error message displays when the Follow-up date of a purchase order item or purchase order item release is an earlier date than the current date.
Generate comment when... P.O. quantity changes	Select this attribute if you want PM to generate a 'G' type comment for your purchase orders when you change an order quantity. This comment prints on purchase orders. You can save the comment to history by selecting the Change Comments attribute on this tab. Clear this attribute if you do not want PM to generate a 'G' type comment for your purchase orders when you change an order quantity. From Application Tailoring Questionnaire #603.
Generate comment when... P.O. price changes	Select this attribute if you want PM to generate a comment for your purchase orders when you change an order price. This comment prints on purchase orders. You can save the comment to history by selecting the Change Comments attribute on this tab. Clear this attribute if you do not want PM to generate a 'G' type comment for your purchase orders when you change an order price. From Application Tailoring Questionnaire #604.
Generate comment when... P.O. dock date changes	Select this attribute if you want PM to generate a comment for your purchase orders when the dock date changes. This comment prints on purchase orders. You can save the comment to history by selecting the Change Comments attribute on this tab. Clear this attribute if you do not want PM to generate a 'G' type comment for your purchase orders when the dock date changes. From Application Tailoring Questionnaire #605.

Setting	Options
Activate advise price	This attribute is required. Use the Activate advise price attribute to control the activation of advise price purchase orders. Clear the Activate advise price attribute to indicate item prices are to appear on purchase orders (this is the default). Select this attribute to indicate item prices do not appear on purchase orders, and a standard message is to appear instead of the item detail price. If this attribute is selected, you must enter a valid message number in the following attribute. From PM Control file.
Message	If you selected Activate Advise Price, you must enter a valid standard message number in this attribute. From PM Control file.
Clip level	Type the acceptable limit on the extended price for purchase of this item when an advise price purchase order is entered. PM issues an error message in PO Entry/Edit if the extended item price exceeds this clip level. Order values greater than the clip level should probably already have an agreed price. You must enter this option in local currency. From PM Control file.
Activate omit quantities	This attribute is required. Use the Activate omit quantities attribute to control the activation of omitting quantities on purchase orders. Clear the Activate omit quantities attribute to indicate item quantities are to appear on purchase orders (this is the default). Select this attribute to indicate item quantities do not appear on purchase orders, and a standard message is to appear instead of the quantity. If this attribute is selected, you must enter a valid message number in the following attribute. When item quantities are omitted, release quantities are still printed. From PM Control file.
Message	If you selected the Activate Omit Quantity attribute, you must enter a valid standard message number in this attribute. From PM Control file.
Send to P.O. history: Change comments	Select this attribute to send all ‘G’ type comments generated during purchase order processing to the online Purchase History file (POHIST) during order purge. Clear this attribute if you do not want to send ‘G’ type comments to the history file. From Application Tailoring Questionnaire #606.
Send to P.O. history: Transaction comments	Select this attribute to send all ‘T’ type comments generated during transaction processing to the online Purchase History file (POHIST) during order purge. Clear this attribute if you do not want to send ‘T’ type comments to the history file. From Application Tailoring Questionnaire #607.
Send to P.O. history: Debit memos	Select this attribute to send all debit memos generated during transaction processing to the online Purchase History file (POHIST) during order purge. Clear this attribute if you do not want to send debit memos to the history file. From Application Tailoring Questionnaire #609.
Send to P.O. history: P.O. misc/service items	Select this attribute to send all miscellaneous and service items with Receipt Required = Yes that appear on purchase orders to the online Purchase History file (POHIST). PM calculates vendor performance for them. Clear this attribute to send only inventory items to the Purchase History file (POHIST). PM calculates vendor performance for them. From Application Tailoring Questionnaire #608.

Setting	Options
Send to P.O. history: Vendor performance	Select this attribute to calculate and send a vendor/item performance history record to history for every inventory item on every order. If you selected the Transaction comments attribute on this tab, PM creates an identical record for every miscellaneous item with a receipt required on every order. You must select this attribute to get interim performance on an order. Clear this attribute to ensure PM does not send the vendor/item history record to history; however, PM still calculates vendor/item performance and accumulates it in the Vendor/Item and Vendor files. From Application Tailoring Questionnaire #633.
Send to P.O. history: Attachments	Select this attribute to transfer the attachments for the purchase order to the Purchase Order History that is produced when a purchase order is purged. You can override the default before processing the purge. Clear this attribute if you do not want to transfer attachment information.
Send to P.O. history: Maintenance history	Select this attribute to transfer the maintenance history for the purchase order to the Purchase Order History that is produced when a purchase order is purged. You can override the default before processing the purge. Clear this attribute if you do not want to transfer maintenance history information.

Invoicing tab

The following attributes are available on the Invoicing tab:

Setting	Options
Process invoices in purchasing	Select this attribute to capture actual cost against the order. You must receive and invoice all purchase orders before you can close and purge them from Purchasing. You may enter your payable invoices in Purchasing or Accounts Payable (AP). Clear this attribute if you do not want to capture actual cost against the order. You must receive but not invoice all purchase orders before you can close and purge them from Purchasing. You may enter your payable invoices only in AP. From Application Tailoring Questionnaire #602.
Use voucher number as system control medium	If your company uses vouchers or wants to introduce them for payables control and reference, this attribute lets you use a numbering scheme of your own. Select this attribute to use a voucher number system of your own as part of invoice entry. The highest sequence number is 99999 (five digits), and each invoice must be assigned a unique voucher number per vendor. Clear this attribute to let the Purchasing application assign voucher numbers as you enter invoices. The sequence begins with the first open payables data you enter when your Purchasing application is operational. From Application Tailoring Questionnaire #642.
Use item number as GL information	Select this attribute to pass the item number to General Ledger from the invoice detail lines that contain an item number. If the item number is not present, the invoice detail line is passed to General Ledger. If neither the item number nor the invoice detail description is present, the invoice header description is passed to General Ledger. Clear this attribute if you do not want item number to pass to the General Ledger. If the item description is present, it is passed to General Ledger; otherwise, the invoice description is passed. From Application Tailoring Questionnaire #646.
Variance limit percentages: Material over-invoice	Enter the percentage variance you allow PM to process without issuing a halt code when it processes an invoice for a quantity greater than the amount ordered or received. From Application Tailoring Questionnaire #636.
Variance limit percentages: Material under-invoice	Enter the percentage variance you allow PM to process without issuing a halt code when it processes an invoice for a quantity fewer than the quantity ordered or received. From Application Tailoring Questionnaire #637.
Variance limit percentages: Unit price overcharge	Enter the over-charge tolerance of the invoice unit price compared to what you expected. From Application Tailoring Questionnaire #638.
Variance limit percentages: Unit price undercharge	Enter the under-charge tolerance of the invoice unit price compared to what you expected. From Application Tailoring Questionnaire #639.

Setting	Options
Variance limit percentages: Extended amount overcharge	Enter the percentage variance you allow PM to process without issuing a halt code when it processes an invoice for an amount greater than the purchase order amount. From Application Tailoring Questionnaire #640.
Variance limit percentages: Extended amount undercharge	Enter the percentage variance you allow PM to process without issuing a halt code when it processes an invoice for an amount fewer than the purchase order amount. From Application Tailoring Questionnaire #641.

Vendor Performance tab

The following attributes are available on the Vendor Performance tab:

Setting	Options
Activate vendor performance tracking	Select this attribute to calculate interim performance for an order whenever a purchase order item or purchase order item release is completed. Only actuals are saved until the order is closed and purged. Select this attribute to calculate the following at order closeout and purge: - Performance for each vendor - Performance for each item purchased from each vendor - Performance for each order for each item purchased from each vendor - Performance for each buyer Clear this attribute if you do not want to calculate vendor and buyer performance. From Application Tailoring Questionnaire #618.
Send vendor performance to P.O. history	Select this attribute to calculate and send a vendor/item performance history record to history for every inventory item on every order. If you selected the Transaction Comments attribute on the P.O. Processing tab, PM creates an identical record for every miscellaneous item with a receipt required on every order. You must select this attribute to get interim performance on an order. Clear this attribute if you do not want to send the vendor/item history record to history; however, PM still calculates vendor/item performance and accumulates it in the Vendor/Item and Vendor files. From Application Tailoring Questionnaire #633.
Weighting factor percentages: Lead time	Enter the weighting factor you want to apply to deviations to lead time. From Application Tailoring Questionnaire #621.
Weighting factor percentages: Quantity delivered	Enter the weighting factor you want to apply to differences between the quantity ordered and quantity delivered. From Application Tailoring Questionnaire #622
Weighting factor percentages: Quality	Enter the weighting factor you want to apply to deviations in quality standards. From Application Tailoring Questionnaire #623.
Weighting factor percentages: Price	Enter the weighting factor you want to apply to deviations between standard and actual price. See the *Purchasing User's Guide* for more information about weighting factors. From Application Tailoring Questionnaire #624.
Weighting factor percentages: Days early	Enter the weighting factor you want to assign in case of early delivery to your dock. From Application Tailoring Questionnaire #625.
Weighting factor percentages: Days late	Enter the weighting factor you want to assign in case of late delivery to your dock. From Application Tailoring Questionnaire #626.
Weighting factor percentages: Low quantity delivered	Enter the weighting factor you want to assign in case the quantity delivered to your dock is fewer than you expected. From Application Tailoring Questionnaire #627.
Weighting factor percentages: High quantity delivered	Enter the weighting factor you want to assign in case the quantity delivered to your dock is more than you expected. From Application Tailoring Questionnaire #628.

Setting	**Options**
Performance analysis: Vendor performance alpha factor	The vendor rating on each order averages an overall rating for a vendor. The factor is the ratio of the weight of each of the new values divided by the corresponding old values. See “Alpha factor/averaging calculations” in the *Inventory Management User’s Guide* for more information. From Application Tailoring Questionnaire #629.
Performance analysis: Include force closed purchase orders	Select this attribute to include orders that are force closed for vendor analysis. Clear this attribute if you do not want to include force closed orders. From Application Tailoring Questionnaire #630.
Performance analysis: Use first date received as date received	Select this attribute to use the first date received for days early or late measurement. Clear this attribute to use the last date received for this comparison. From Application Tailoring Questionnaire #631.
Performance analysis: Base standard cost code	Select one of the following costs to calculate the overall vendor performance rating for each order/item/release: - Standard Unit Cost or (ITEMBL) or Unit Cost Default (ITEMASA) - Standard Material content this level (ITEMASB) - Current Material content this level (ITEMASB) - Average Cost (ITEMBL) - Last Cost (ITEMBL) From Application Tailoring Questionnaire #632.

Miscellaneous tab

The following attributes are available on the Miscellaneous tab:

Setting	Options
Use quantity received to stock as quantity received	Select this attribute to use the quantity received to stock (receive purchased item to stock (RP) transaction) as the quantity received on inquiries and reports. Clear this attribute to use the quantity (receive purchased item to dock (RD) transaction) as the quantity received. If you clear this attribute, be sure to enter a receive purchased item to dock (RD) transaction for items received. Otherwise, PM does not update the Quantity received attribute and it generates invalid data on inquiries and reports. From Application Tailoring Questionnaire #612.
Update vendor's drawing number during item maintenance	Select this attribute to update the vendor's drawing number during item maintenance. From Application Tailoring Questionnaire #614.
Use multiple currency support in AP and Purchasing	Select this attribute to enter amounts in trading currency. PM converts the amounts to local currency. Reports and displays show both trading and local amounts where applicable. PM posts to General Ledger in local currency only. If you accept the default, trading and local currency amounts are the same, and PM assumes you use local currency. From Application Tailoring Questionnaire #616.
Use entity ID as assignee vendor ID	Select this attribute to use the Entity ID as the assignee vendor ID. If this attribute is set to Yes, when you create a vendor the Entity ID must be blank or the same as the vendor number for the assignee. Clear this attribute if you do not want to use the Entity ID as the assignee vendor ID.
Use assignee address for buy-from address	Select this attribute to use the assignee address for the buy-from vendor address. The buy-from vendor address is copied and updated from the assignee address, and cannot be maintained. This attribute defaults to Yes and only applies to buy-from vendors. For assignee vendors, PM always sets this attribute to No. Clear this attribute if you do not want PM to synchronize the buy-from vendor's address with the assignee vendor's address.

Appendix B. Vendor Security

This appendix describes authorization to view and maintain vendor attributes.

You can use Cross Application Support (CAS) to specify field-level security in the Vendors object. For information about setting up security, see the *Cross Application Support User's Guide* or the *Browser Concepts Guide*. Users can be authorized to create or change assignee vendors, to create or change buy-from vendors, or to change attributes for both types of vendors.

For more information about these two types of vendors, see Chapter 3, "Creating and maintaining vendors" on page 3-4.

Additional field-level security can be defined for vendors. For example, users can be prevented from viewing some attributes, authorized to view but not maintain other attributes, or authorized to view and maintain still other attributes, depending on the security settings for which they have been authorized.

Assignee vendor

Field-level security has been defined for attributes that can be maintained when a user is authorized to create or change assignee vendors that allow payments. These attributes will be display-only for users who do not have maintenance authority:

- Allow payments
- Assignee
- DFI identification number
- DFI number qualifier
- EFT account number
- EFT account number qualifier
- Entity
- Payment method
- Remittance advice EDI flag
- Remittance advice fax flag
- Remittance advice print flag
- Sales tax ID 1
- Sales tax ID 2
- Tax suffix
- Terms.

Payables field security is defined in the PAYMENT task. PAYMENT field-level security only applies when PM is installed.

Buy-from vendor

Field-level security has been defined for attributes that will be available for maintenance when a user is authorized to create or change vendors that allow purchase orders. These attributes will be display-only for users who do not have maintenance authority:

- Allow blanket orders
- Allow multiple items on a P.O.
- Allow multiple ship-to's on a P.O.
- Allow purchase orders
- Alternate currency
- Average days early
- Average days late
- Average order size
- Average overship percent
- Average rework percent
- Average undership percent
- Average vendor rating
- Currency
- EU country
- EU delivery terms
- EU port of entry
- EU state
- EU transaction code
- EU transport code
- FOB
- Last vendor rating
- Our customer number
- Planning schedule EDI flag
- Planning schedule fax flag
- Planning schedule print flag
- Planning schedule profile
- P.O. change EDI flag
- P.O. change fax flag
- P.O. change print flag
- P.O. change XML flag
- P.O. EDI flag
- P.O. fax flag
- P.O. print flag
- P.O. XML flag
- Print engineering drawing number on P.O.
- Print vendor catalog number on P.O.
- Quote EDI flag
- Quote fax flag
- Quote print flag
- Receiving advice EDI flag
- Receiving advice XML flag
  Reprint P.O. on vendor accept
- Require P.O. accept
- Send closeout acknowledgement
- Ship via
- Shipping schedule EDI flag
- Shipping schedule fax flag
- Shipping schedule print flag
- Shipping schedule profile
- Use assignee address.

Purchasing field security is defined in the VNDPUR task. VNDPUR field-level security only applies when PM is installed.

Both types of vendors

Field-level security has been defined for attributes that you can maintain when creating or changing both types of vendors:

- Abbreviation
- Address format
- Address 1
- Address 2
- Address 3
- Address 4 (City)
- Address 5
- Contact
- Country
- E-mail
- Fax
- Mobile
- Name
- Postal code
- State
- Telephone
- Web address.

Authorization to these attributes is controlled by edits on the server. For example, you can enter data in address attributes, but PM validates you are authorized to add or change the data based on the type of vendor you are maintaining.

Displaying and maintaining vendor attributes

Additional field-level security has been defined for attributes that you can either view or maintain. If you are authorized to VNDAMTDSP, you can view the following attributes and if you are authorized to VNDAMTDSP and VNDAMTMNT, you can maintain them:

- Amount last year
- Amount last year (local currency)
- Amount to date
- Amount to date (local currency)
- Amount year to date
- Amount year to date (local currency)
- Discount lost last year
- Discount lost last year (local currency)
- Discount lost year to date
- Discount lost year to date (local currency)
- Discount taken last year
- Discount taken last year (local currency)
- Discount taken year to date
- Discount taken year to date (local currency)
- NEC amount last year
- NEC amount last year (local currency)
- NEC amount year to date
- NEC amount year to date (local currency).

If you are authorized to VNDAMTDSP, you can also view the following attributes:

- Amount last year (alternate currency)
- Amount to date (alternate currency)
- Amount year to date (alternate currency)
- Discount lost last year (alternate currency)
- Discount lost year to date (alternate currency)
- Discount taken last year (alternate currency)
- Discount taken year to date (alternate currency)
- NEC amount last year (alternate currency)
- NEC amount year to date (alternate currency).

If you are authorized to VNDPRVDSP, you can view the following attributes and if you are authorized to VNDPRVDSP and VNDPRVMNT, you can maintain them:

- Bank account 1
- Bank account 2
- Federal tax payer ID.

Glossary

This glossary defines terms that are important for this application. It does not include all XA terms nor all terms established for your system. If you do not find the term you are looking for, refer to the Index in this book or to glossaries in other XA publications.

advance ship notice. An electronic notification, from the vendor or to the customer, regarding a shipment.

assignee vendor. A vendor that receives payment for the goods and services your company purchases. You use assignee vendors to process payments only. You cannot use assignee vendors to process purchasing information, unless the assignee vendor is also a buy-from vendor.

batch/lot control code. The code indicating <Y/N> that an item requires batch/lot control.

blanket release. A purchase order that contains multiple shipments of an item on different due dates.

buy-from vendor. A vendor that sells goods and services to your company. You cannot use a buy-from vendor to process payments.

buy-from assignee vendor. A vendor that processes both payment and purchasing information. If the vendor is not also its assignee, the Assignee attribute points you to the assignee that contains the payment information for the vendor. If the assignee vendor is also its assignee, then the Assignee attribute contains its assignee vendor number.

button. Rectangular shape containing text or a symbol that identifies an action that can be taken a window.

card. A grouping in a set of related information about an object, called a card file.

card file. A set of related information about an object. Each set contains groupings of related information, shown as a stack of tabbed index cards. Each group is a card.

check box. Type of selection attribute that allows you to turn an attribute value on and off.

control file. A file with options chosen at installation that controls the way XA applications relate to each other.

controlled warehouse. A controlled warehouse is one in which an item can be stocked in more than one location and can be tracked by batch/lot numbers and FIFO dates.

default container. Each shipment notice has a default container with a blank container ID. Displays any items specified in an ASN as not being in a container.

EDI. See electronic data interchange.

electronic data interchange. A paperless electronic exchange of business documents.

entity. An entity stores information about the trading partners with which your company does business. An entity can be used in multiple administrative divisions, but each entity has a single administrative division, which controls how the entity can be used and maintained.

FIFO. See first in first out.

FIFO date. The date the item was received in stock, whether at approved or unapproved status. This attribute is maintainable only if FIFO control is active. On Transaction Processing audit trails, the FIFO date attribute defaults to the transaction date if FIFO control is not active.

first in first out. A method of valuing inventory which assumes that items are consumed in the same sequence in which they are received.

GRN. Goods received note number.

higher-level object. An object that contains other objects.

inspect on receipt code. The code indicating if an item requires inspection on receipt to confirm that it meets design or shelf life standards.

inspection. The examining of completed production or purchased items to see that parts meet tolerances and that work has been properly completed. It may or may not be a separate operation.

inventoried item. An item used on the shop floor as part of a manufactured item and which is tracked in inventory.

item. Any raw material, manufactured or purchased part, subassembly, assembly, or end item.

line item. A line of information appearing on a customer or purchase order that identifies the item wanted.

list windows. A window that contains a list of objects, such as a list of items or a list of warehouses, with multiple columns of information per object.

lower-level object. An object that is contained in another object.

manifest. An invoice or list of items in a shipment.

manufacturing order. An order issued to the factory to produce a component or assembly.

miscellaneous item. An expense type of commodity, such as office supplies.

offline. Pertaining to equipment or devices not under control of the processing unit.

on hand. (1) Pertaining to stock that is immediately available for shipment. (2) Pertaining to items available in the stockroom and within shelf life. Stock now on the receiving dock, in QC, or issued to the shop floor is not considered on hand stock.

on-order. Pertaining to stock that has been requested on manufacturing or purchase orders but has not been received.

over-shipment. When the vendor sends more of the purchase order item or purchase order item release than ordered.

parent container. A shipment container that has another container directly inside it.

payment attributes. Attributes that have field security defined in the PAYMENT task. PAYMENT field-level security only applies when PM is installed.

payment processing terms. Information needed on buy-from vendors to tell which vendor handles the payments, that is, which vendor is its assignee. Payment processing information is also needed on assignee vendors to tell how to handle the payments to be made for purchases, or when IFM is installed, to tell which entity handles the payments.

pay-to vendor. See assignee vendor.

PO blanket item. A purchase order allowing multiple orders or releases of an item.

preferences. Identifies the choices you can make for which view, subset, sort, card file, or template you want to use with the current object: the last one you used, the default, or one you select from a drop-down list.

price break. A discount given for some reason, such as paying early or buying in bulk.

production calendar. A calendar used in inventory and production planning functions that uses the actual workdays your company is open for manufacturing.

purchase order. A document used to order specific materials for delivery on a required date. Purchase order processing is the heart of both Purchasing and Procurement. It is here that requests are communicated to the vendor and tracked.

purchasing attributes. Attributes that have field security defined in the VNDPUR task. VNDPUR field-level security only applies when PM is installed.

purge. The process that deletes records in the Master and Data files and copies the files to a History file.

quotation request. A request you send to the vendor asking for a quote for goods and services your company intends to purchase.

receipt location. The location to use when receiving an item.

receipts. Merchandise or stock that is received in inventory.

receive complete option. The Receive Complete option provides a convenient way to receive completely purchase orders, shipment notices, or shipment containers.

receive option. The Receive option provides a convenient way to receive scheduled receipts, shipment container items, purchase order items, or purchase order item releases.

receive purchased item to dock (RD). Items that are received first to dock and then subsequently are received to stock.

receive purchased item to inspection (RI). Items that are received into inspection first instead of going directly to stock.

receive purchased item to stock (RP). Items that are received to stock straight away or received to dock and to stock in a single process.

receiving calendar. A calendar used in inventory and production planning functions that uses the actual workdays your company is open for receiving.

release. (1) To authorize an order commitment by changing a planned order into a purchase order or shop order. (2) To specify a date and quantity to be shipped under a blanket order. (3) To ship goods to a customer.

released order. An order that has been issued to the shop floor or a vendor. Once released, it is a commitment that can only be canceled or rescheduled.

requisition. A request for goods or services sent to the Purchasing Department from another internal department. It contains the item and quantity, the date the item is needed and the person and department creating the request for the item.

routing. A sequence of operations required to make a manufactured item.

scheduled receipt. An individual list item found on the Scheduled Receipts list window. See also receipts.

scheduled receipt (shipment notice). A scheduled receipt that has an associated shipment notice.

scheduled receipt (no shipment notice). XA creates this scheduled receipt to track items that are ordered but are not notified on the shipment notice that they will be shipped.

scheduled receipts object. A collection of purchase order items and purchase order item releases that are not completely received.

separation of duties. One person's work serves as a complimentary check on the work of another. Implied in this definition is the concept that no one person should have complete control over any business process from initialization to completion.

service item. Non-product expense, such as recurring utility charge.

shipment notice. Describes incoming vendor shipments against purchase orders, including the item and quantities shipped, and the expected arrival date and time at the warehouse.

shipment objects. The Shipment Notices, Shipment Containers, and Shipment Container Items objects.

sort. A method of identifying the order in which the information about objects will appear in the list window. Sorts can be ascending or descending. A sort has its own unique name and can be public or private.

subordinate object. You access subordinate objects through the higher-level object to which the subordinate object belongs. Subordinate objects provide additional information that relates to the higher-level object. See also lower-level object.

subset. A method of narrowing a list of objects to a smaller list in the list window. A subset has its own unique name and can be public or private.

system-link. System-Link provides an XML-based interface to the XA applications.

templates. A template is used to create a new object with a set of defaults. A template has its own unique name and can be public or private. When you preview a template, it looks like a card file.

top level container. A shipment container that is not in another container but has containers inside it.

transaction code. A two-character code that identifies inventory activities such as issues, receipts, scrap, inspect, etc.

transaction date. The date a particular transaction was entered against an item.

transaction history. A sequential record of all transactions related to a major accounting activity. For example, an inventory transaction history includes all transactions related to or affecting inventory balances and costs.

unapproved item. Items whose QC type is QC due, Reject, or Waiting.

under-shipment. When the vendor sends fewer of the purchase order item or purchase order item release than ordered.

unit of measure. A code indicating the measurement basis for inventory such as each, pound, tons, gallons, or feet.

variance. The difference between standard and actual performance. Variance analysis can be applied to costs, labor or machine hours, counts and balances, etc.

vendor. A supplier of components, materials, supplies, equipment, or any other type of goods or services purchased by your company. See also assignee vendor and buy-from vendor.

vendor performance. Vendor's effectiveness for supplying a purchased item.

view. A particular set of columns in a list window. A view has its own unique name and can be public or private.

weighting factors. Factors defined in Procurement Management - Application Settings that determine how much emphasis is placed on the latest purchase order for lead time, quantity delivered, price difference (expected compared to actual), and quality (rejects and returns).

XML document. Are used by System-Link to exchange information between XA and other applications.

Index

A

B

C

D

E

F

G

H

I

L

M

O

P

Q

R

W

X