ORCHESTRATED

OCloud Purchasing Practice Lab

2020

Contents

Overview

This exercise will walk you through how to complete the three major steps of purchasing: purchase orders, goods receipt POs, and A/P invoices. We'll also go through a couple scenarios that you may come across. These exercises may fall into the responsibilities of more than one person; we recommend anyone involved in the process complete the lab. Remember, the more information you put into Orchestrated, the more you get out of Orchestrated.

> In our labs, names of editable fields will be <u>underlined</u> (example: "Click in <u>Item Description</u>"). Clickable items like modules or menus will be **Bolded** (example: "Click on **Modules**"). Key terms for Orchestrated will be *italicized.*

Exercise 1: Add a purchase order

In the setup lab, we added a new vendor and a new item. It's time to order some! Remember that this is an "in pencil" document that shows that we've ordered more materials, but doesn't affect our actual inventory.

1. Navigate to **Modules** > **Purchasing – A/P** > **Purchase order**, or click it from your *Common Functions* box, if you've added it already.

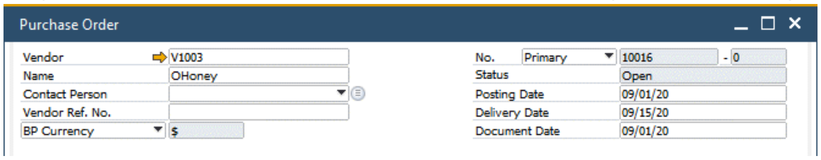
The purchase order will open. Note that all but one of the fields are white. This means that we are in *Add Mode*.

> ## Searching in add mode
>
> If you press >ENTER< in *Add Mode*, even if the field is yellow, you'll add the document you're editing. Searching is still possible in Add Mode, though! If your field has a little circle at the right end of it ( ), you can press >TAB< to open a menu of search results. Just like *Find Mode*, you can use a wildcard (*) to search for a part of the term.

2. <u>Name:</u> Type "*" and press >TAB< to bring up a list of vendors.

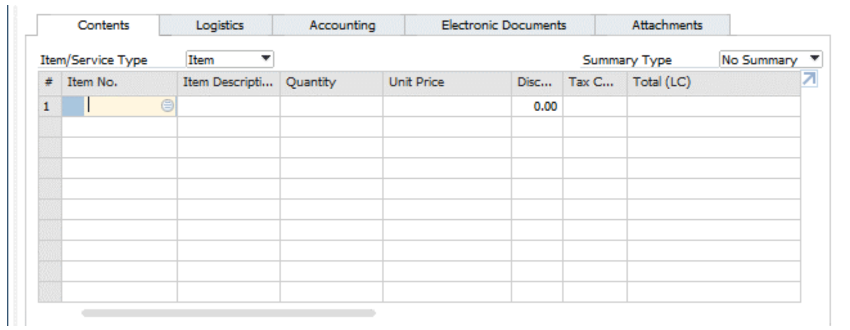
3. Choose a vendor - Vendor information will populate in the top left

4. Check your dates! You can backdate documents if you're running behind.



Change posting date to two weeks ago, and delivery date to one week ago.

5. In the contents tab, we'll add the new item.



Item/service type: choose 'item'

Item No: Type 'R' and press >Tab<

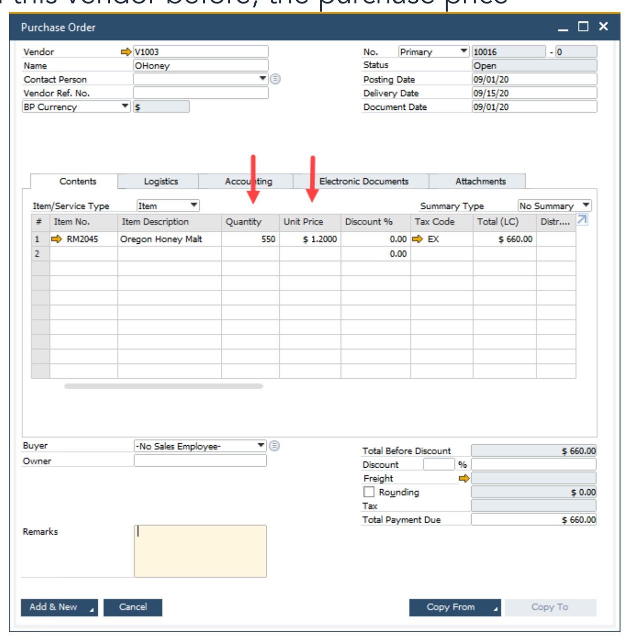
This brings up the search again, showing all items codes that start with R (all Raw Materials)

Select an item from the list.

What about item name?

If your purchase order isn't showing you an item's name/description, you can turn that field on using the form settings button.

The item and it's information populate into the chart. If you have purchased the item from this vendor before, the purchase price will auto-populate for you.



6. Verify the amount and purchase price. Today's order is:

Quantity: enter a qty

Unit Price: enter a unit price

Note that unit price in this case refers to the cost per pound, not total cost.

Your total payment is down at the bottom. Remember this is an estimate, and the purchase order won't affect financials.

8. Double check that all your info is correct.

9. If everything looks good, click <Add & New>

The box will clear and a green bar will appear along the bottom of the screen letting you know that your order was added. Success! Your purchase order has been created.

Exercise 2: Create a Goods Receipt PO

In Exercise 1, we created a purchase order. Now let's fast forward to the time when our goods arrive. To record their arrival, we'll need a Goods Receipt PO (GRPO). Remember that GRPO adds to our inventory but doesn't affect financials.

Before beginning this exercise, make sure to add Purchase Orders, Goods Receipt POs, and A/P Invoices to your Open Documents widget. Explanations on how to add to your widgets can be found in Setup Lab 1.

Create from the corresponding purchase order

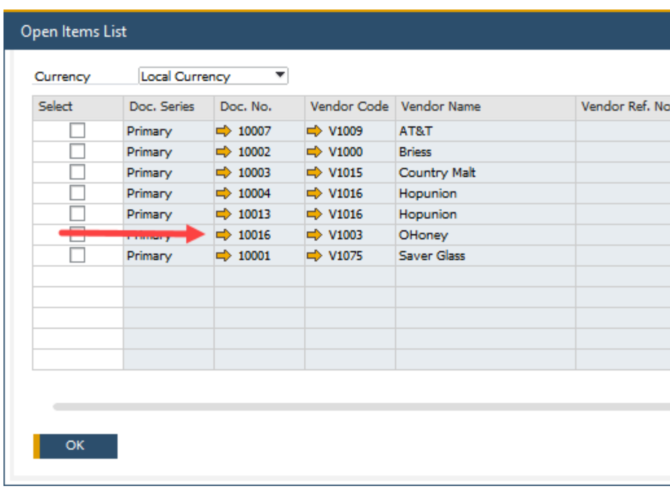
1. Purchasing Module > Purchasing Reports > Open Items List   OR   Use Look Up Menus to search "Open Items List"

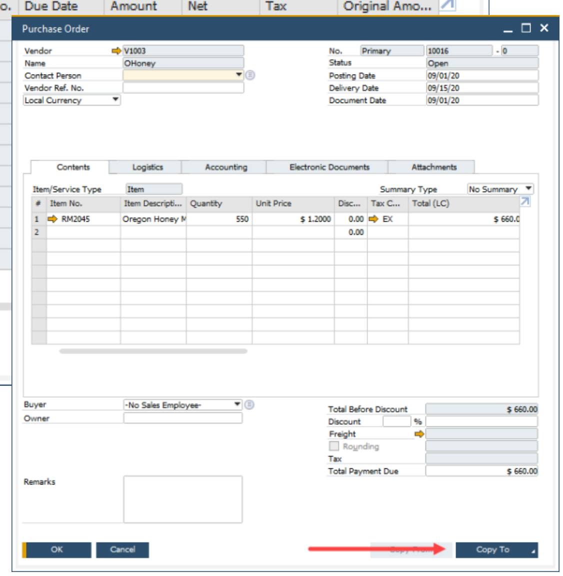
Toggle the dropdown in the upper right to "Purchase Orders"

You are now viewing a list of all open purchase orders.

2. Find the order you just created.

Under "Doc No.", click the gold *Drill-Down Arrow* to open the Purchase Order.





3. Check the Purchase Order to make sure this is the correct one.

   If so, click Copy To

4. Click G. Receipt PO.

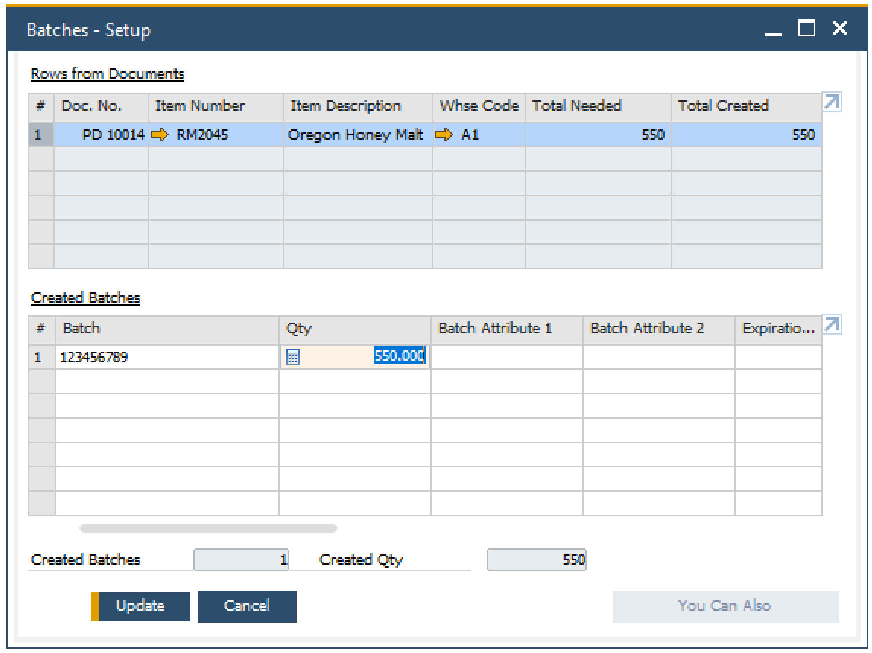
The goods receipt PO window opens. It looks almost exactly like the purchase order. All the information should have copied over. If anything is incorrect, you can update it now.

5. Check your dates! For this exercise change them to match the delivery date on your PO.

Batches

To track quality of your goods, any materials that go into a beverage must be assigned a batch number. Orchestrated will track this batch number throughout productions, so you can see exactly what materials went into every product you make.

If the manufacturer sent you a lot number, or if you have a batch numbering system, feel free to use those. If not, we suggest using the delivery date.



6. Check the quantities, and make sure they match the actual delivery. For this exercise, we'll say they do.

7. Click Add & New
8. Click Yes

The Batch Setup window appears.

9. Enter a batch number for your goods.
10. Press >Tab<. The full quantity will populate into the Qty field.

11. Click Update and click OK
12. Double check that everything is correct.
13. If it is, click Add & New

The window will clear and you'll see the green bar across the bottom. This Goods Receipt PO has been added.

14. Click Cancel or press >ESC< to close the window.

Exercise 3: Adding an A/P invoice

The final step in purchasing is also the most important: The *A/P Invoice*. This step can't be skipped, because it's where the actual financial changes are made. If there is not already a Goods Receipt PO on file, this will also make the changes to inventory.

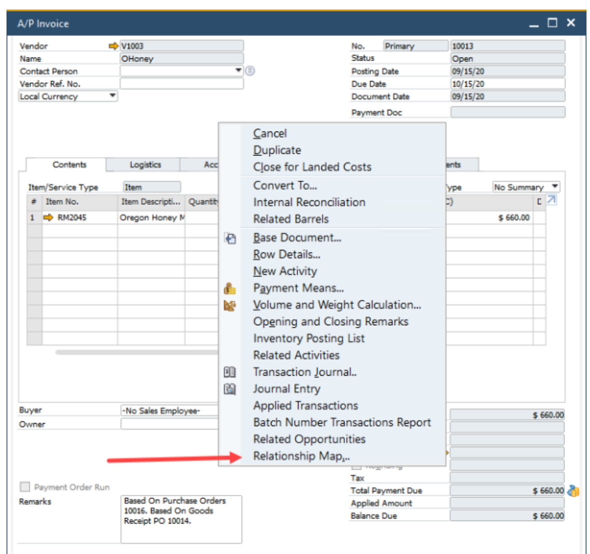
Create from the corresponding goods receipt PO

The process for creating an A/P Invoice is nearly identical to creating the GRPO.

1. Purchasing Module > Purchasing Reports > Open Items List OR Use Look Up Menus to search "Open Items List." Toggle the dropdown in the upper right to "Goods Receipt POs"
2. Open the GRPO for this order by clicking on the gold Drill-Down Arrow next to the Document Number.
3. Make sure this is the correct GRPO. If it is, click Copy To > A/P Invoice.
4. Check your dates in the upper right hand! Note that Due Date is automatically 30 days from the Posting Date, because our vendor's Payment Terms are set to "Net 30 Days."
5. Very carefully look over this invoice to make sure the information matches the invoice you received. You can edit any information that has changed before you submit this document. For this exercise, we'll say everything matches.
6. Click Add & New
7. Click Yes

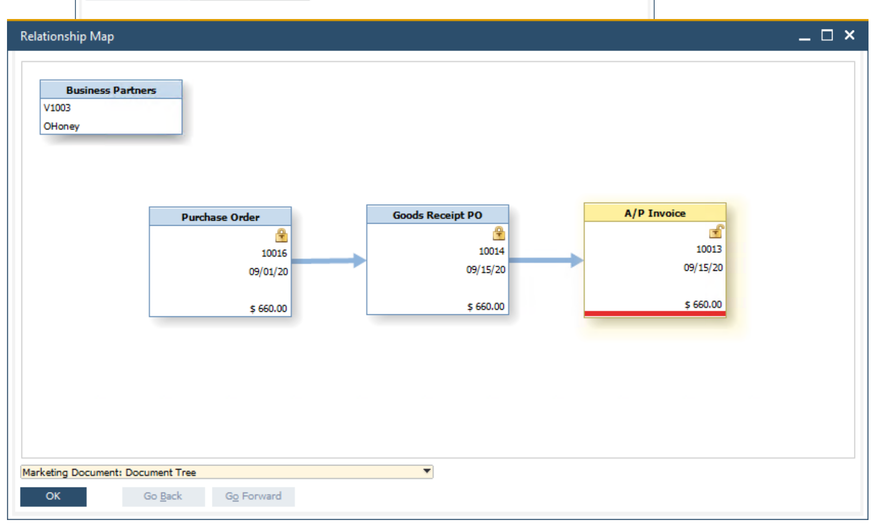
Relationship Map

1. With the A/P Invoice window still open, click the Last Document icon in the tool bar. The invoice we just completed appears.
2. Right click anywhere in the open area of this window.
3. Select Relationship Map



The Relationship Map window opens up.

This window will show you all the documents that are linked to this one. In this case, we have a simple flow of Purchase Order>GRPO > A/P Invoice. You can see the padlock in the upper right of the PO and GRPO are closed, showing us that those documents are closed.



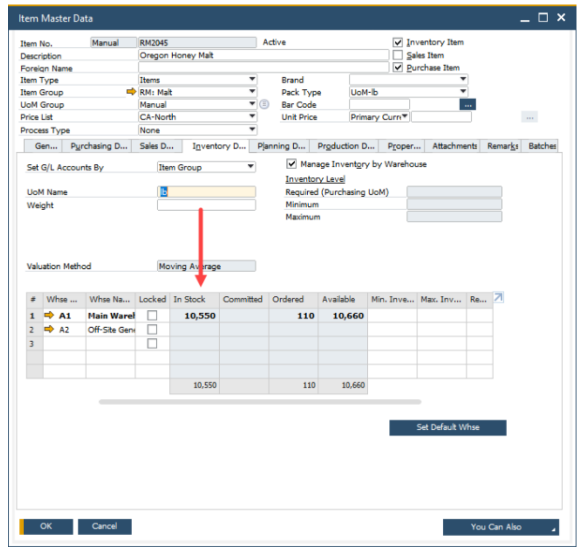
4. Click OK or press >ESC< to close the window.

Check That Inventory was Updated

1. With the AP Invoice still open, drill into the item to view its Item Master Data Record

2. Open the Inventory Data tab.

3. Look at the inventory table.



You can see here that our "In Stock" has been increased by the quantity you ordered.

IN STOCK VS AVAILABLE

"In Stock" refers to inventory in your warehouses.

"Available" is inventory in warehouse, plus what's on order, minus what's committed.

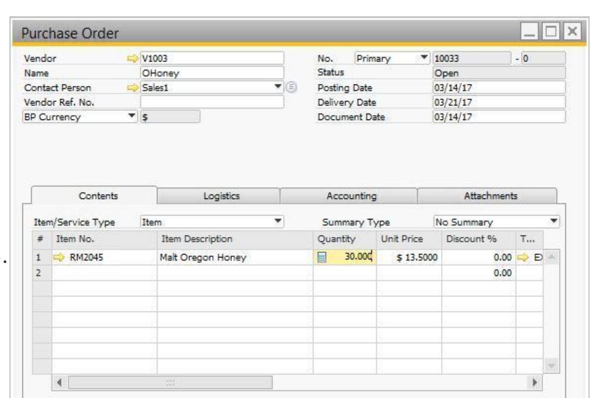
You've completed the basic flow of documentation for Purchasing. Well done! Grab a drink and come back, and we'll go over some additional scenarios you'll want to know.

Scenario: Partial Delivery

Of course in a perfect world your order would be delivered as a single delivery, but sometimes that doesn't happen. Fortunately, from one Purchase Order, you can record each delivery accurately as it comes in, even if it's not complete. This scenario will walk you through a partial delivery. It's nearly identical to the delivery you practiced above, so we won't go ad in depth with the steps that are the same.

Create a New Purchase Order

1. Create a Purchase Order identical to the one from Exercise 1.



2. Submit your purchase order.

3. Close the Purchase Order Function.

Receive the Partial Delivery

1. Go to your *Open Items List* and select Purchase Orders.

2. Find and open the order you just created.

3. Copy To a new Goods Receipt PO.

4. When the information copies in, submit this GRPO as normal but change the quantity of your item to less than what was ordered. This will tell Orchestrated that you have only received part of the order and are still waiting on the remaining amount

5. Click Add & New and complete batch selection as normal.

6. Click Add & New.

7. Close all open windows.

Check the Inventory Status

1. Once again, from the *Open Items List*, select Purchase Orders.

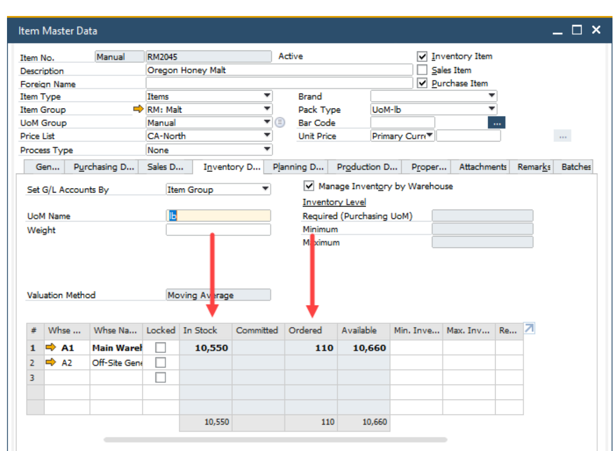
2. Find and open the purchase order you just created.

3. Drill into the item number by clicking the yellow arrow next to it. The item master data for our item will open.

4. Click the Inventory Data tab.

Notice that you have received some of your item but there is an outstanding quantity in the ordered column.

This is what remains undelivered from our Purchase Order.



Our "Ordered" and "In Stock" quantities combine to give us our Available qty.

Receive the Rest of the Order

Finally, the rest of your order has arrived! Bring it into inventory the same way you brought the first half in.

1. From the *Open Items List*, choose Purchase Orders.

2. Open your Purchase Order.

Notice that the order is still open and editable. If the order had been entirely received, it would be greyed out.

3. Copy To → G. Receipt PO.

A new GRPO will open, but notice that the quantity column populates with only what is outstanding. Copying to a new document like this will only copy the open amount. Received amounts will be excluded.

4. Process this GRPO as normal to bring everything into inventory.

5. Check your Item Master Data to confirm that all the items are now showing "In Stock."

Create One A/P Invoice for both GRPOs

Even if your order ends up split between two deliveries, you may still get one invoice. You can reflect multiple deliveries on one A/P Invoice.

> What if it never comes?
>
> If you know that the rest of your order isn't coming, and you want to close out the productoin order, open the PO, and in the open grey area, right-click and select close.

1. Open a new A/P Invoice by going to Modules > Purchasing – A/P > A/P Invoice

2. Choose the vendor you created the Goods Receipt POs for.

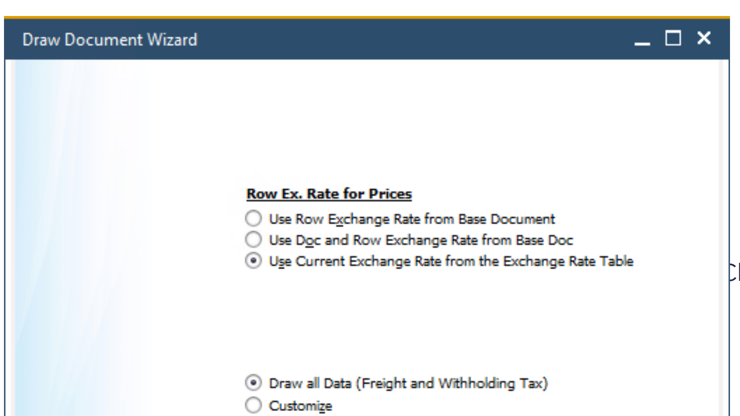
3. Check your dates!

4. In the bottom right, click **Copy From** and select Goods Receipt PO.

5. A window will appear with open GRPOs from this vendor. To select multiple lines, hold CTRL and click.

6. Click **Choose**

7. On the next window, make sure the selection matches this, and click **Finish**.

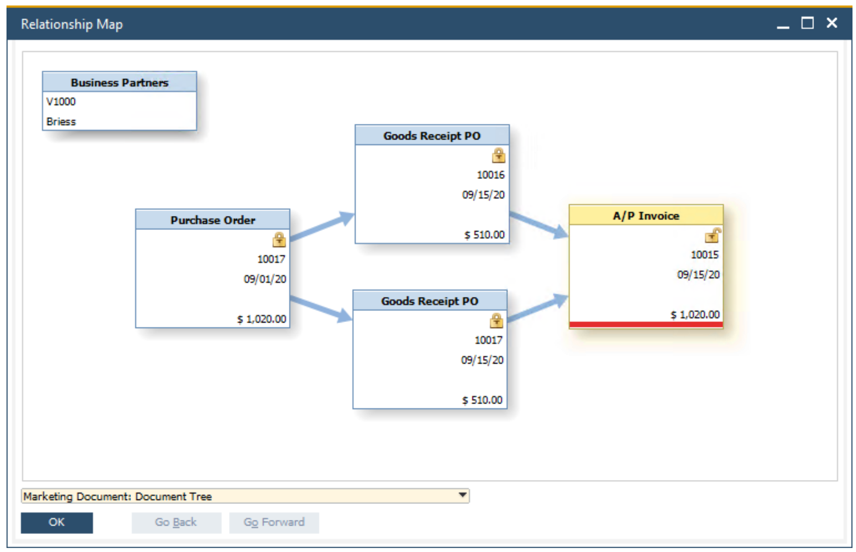


8. The information from the two Goods Receipt POs has populated into this invoice. We can make adjustments as with any other A/P Invoice.

9. When you are ready, Add this invoice.

10. When it is added, click the Last Document Arrow to reopen the A/P invoice.

11. Right click anywhere in the grey area and select Relationship Map.



12. The relationship map will show the one initial purchase order, the two goods receipt Pos, and the one invoice.