priority

Purchase Order Script

*HEADINGS ARE NOT MEANT TO BE READ ALOUD.

BEFORE YOU BEGIN:

PREPARE AN INTRODUCTORY SLIDE AS FOLLOWS:

PURCHASE ORDERS CAN BE BASED ON A VARIETY OF OTHER PRIORITY DOCUMENTS, SUCH AS:

A SALES ORDER

A PURCHASE REQUISITION

A VENDOR PRICE QUOTATION

A BLANKET PURCHASE ORDER

PREPARE A SECOND SLIDE SHOWING HOW BUDGET ITEMS ARE TRACED THROUGH THE CHAIN OF PURCHASING TRANSACTIONS IN PRIORITY (I CREATED SUCH A SLIDE IN ENGLISH AND ATTACHED IT TO THE ORIGINAL ACTIVITY).

CREATE A VENDOR A WITH (1) SEVERAL VALID PRICE QUOTATIONS AND (2) A LIST OF 'OFFICE SUPPLIES' IN THE **VENDOR PARTS** FORM (USE PARTS WITH PRICES FROM THE VENDOR'S PRICE LIST) LIST INCLUDES PARTS C, X, Y.IN THE **VENDOR CONTACTS** SUB-LEVEL FORM (OF **VENDORS**), DEFINE A CONTACT PERSON AND FLAG HER/HIM AS THE **PURCHASE ORDER CONTACT** (IN THE **TYPE OF CONTACT** TAB)

SET UP A WAREHOUSE WITH AN ADDRESS TO USE FOR RECEIVING THE INVENTORY:B.

IN THE **TYPES OF PURCHASE ORDERS** FORM, DEFINE TYPES (E.G., *OFFICE SUPPLIES* OR ANY OTHER TYPE WHICH YOU CAN USE FOR DEMONSTRATION PURPOSES) AND ADD SET TEXT FOR AT LEAST ONE TYPE (E.G., "PLEASE NOTIFY ESHBEL OF ANY SHIPPING DELAYS. CONTACT: " THEN RECORD CONTACT DETAILS IN KEEPING WITH THE DATA IN THE CLIP, I.E. THE CURRENCY, WAREHOUSE ADDRESS ETC..).

CREATE INVENTORY IN WAREHOUSE B AND SEVERAL OTHER WAREHOUSES FOR ONE OF THE PARTS IN THE LIST OF PARTS ABOVE: C. CREATE A GOOD SELECTION OF PRICES FOR THE PART, BASED ON PRICES FROM A PRICE LIST, A PREVIOUS ORDER AND A BLANKET PURCHASE ORDER FOR COMPARISON. MAKE SURE THERE ARE OTHER OPEN SALES AND PURCHASE ORDERS FOR PART C, AS WELL AS VARIOUS CURRENT INVENTORY TRANSACTIONS THAT WILL SHOW UP IN THE PROJECTED INVENTORY SUB-LEVEL OF THE ITEMIZED ORDER.

DESIGN THE ORDER ITEMS SUB-LEVEL OF THE PURCHASE ORDERS FORM - HIDE MOST OF THE COLUMNS THAT WON'T BE USED…

PREPARE AN ITEMIZED, AUTHORIZED PURCHASE ORDER P1.

PREPARE A PURCHASE ORDER THAT HAS BEEN PARTIALLY FILLED BY A GOODS RECEIVING VOUCHER: P2.

OPEN A SALES ORDER WITH ONE OR TWO PARTS FROM THE VENDOR'S LIST OF PARTS, INCLUDING PART C.

Clip Link: http://www.priority-software.com/eshbel.com/Movie_Search/Purchase_Order_clip.htm
Note: Yellow highlights indicate action instructions.

Hi, I'm _____ from Priority Software. In this clip, I'll demonstrate various options for opening and updating a purchase order in ***Priority***.

Recording a Standard Purchase Order (0:10-3:06)

Let's open the **Purchase Orders** form and choose the desired vendor[CHOOSE THE VENDOR MY SUPPLY]. Once you leave the field[PRESS **ENTER**], the **Vendor Name**, **Date** and **Order No.** are filled in automatically[SHOW]. The **Contact**[SHOW] is filled in with the name of the person defined as the vendor's purchase order contact[CUT TO VENDORS FORM AND SHOW, THEN RETURN]. If necessary, it can be revised.

Click the **Price** tab. The **Currency** column is filled in automatically with the vendor's default currency, but may be revised. The price of the order will be displayed here once it has been itemized and all parts are priced. Right now, these columns are empty. As the vendor has offered a 10% discount for all ordered items, record an **Overall Discount(%)** of **10**. Now click the **Payment Info** tab. The **Tax Code** (in the dual-currency package) and **Payment Terms** will be filled in automatically [SHOW], if they were defined for this vendor, but can be modified.

In the current example, all parts are being ordered to a specific company warehouse, so click the **References** tab and select the receiving **Warehouse**[SELECT DEMO WAREHOUSE]. As a result, the **Shipping Address** sub-level is filled in automatically with the address of the warehouse[ENTER **SHIPPING ADDRESS** FORM AND SHOW], although this can be revised. This address will appear on the printed order instead of the main company address. Additionally, you can assign a **Type of Order** [SELECT A TYPE FROM THE CHOOSE LIST FOR WHICH SET TEXT IS DEFINED. CHANGE EXAMPLE AS NEEDED]that will be useful for future reports and analysis. Press **F6** twice to add types and to record set text for the order type. Press **Esc** to return to the **Purchase Orders** form.

Note that in this tab, you can link the purchase order to existing documents[HIGHLIGHT EACH OPTION IN ACCORDANCE WITH THE AUDIO]: a purchase demand, a vendor price quote, a blanket order, or a sales order, if the ordered goods are intended to fill a customer order. Press **F6** in the **Price Quote** column to access a Choose list of all price quotes for this vendor that are approved and in effect.

In the **Sales Order** column, press **F6** to access the **Sales Orders** form. From here, retrieve the desired sales order [RETRIEVE SO16000019]and then press **F8** to return to the **Purchase Orders** form while saving the retrieved order. To base the document on several sales orders, use the **Sales Orders for Order** form.

In this video we won't base the order on an existing document, so we'll delete the order number.

Now, let's open the parallel sub-level form, **Purchase Orders – Remarks** where you can record remarks that will appear on printouts sent to the vendor. Since we have assigned a type of order for which set text has been defined, the remarks have been recorded automatically[FOCUS ON TEXT FORM]. They can be revised as necessary.[ADD: Special delivery this week!] If you have recorded set text in the **Set Text for Purchase Orders** form, it will appear here. If you have based the purchase order on a different document in which text has been recorded, or for which set text has been defined, it will appear instead.

If you want to attach any files to the order, such as a price list file received from the vendor, you can do so by using the **Attachments** sub-level[POINT TO FORM TITLE].

We've seen how to record a new order, how to base it on an existing document and how to define the receiving warehouse. Now we'll see how to itemize it.

Itemizing the Order (3:07-5:04)

Let's enter the **Order Items** sub-level form. If the order had been based on a different document, the form would have been automatically filled in with the lines recorded in that document.

Because we are recording the order manually, the form is blank. Press **F6** in the **Part Number** column to display a Search list of parts. Since a vendor part list has been created, only parts recorded for this vendor appear. Select the ordered part.[OF27] Note that you can press **Ctrl+F6** if you want to view the entire list of parts in the system.

After recording the **Part Number**, indicate the desired **Due Date** and the **Quantity**. You can also choose the part in the **Vend/Manuf. Part No**. column if it was defined. The **Unit Price** is filled in automatically[SHOW] according to the system's pre-defined hierarchy, but can be revised. Read more about price hierarchy in the column Help by pressing **F1**. You can see where the price was taken from in the **Price Source** column. In this example, the part price was taken from the vendor price list.

The **Order Items** sub-level forms provide a wealth of useful information. Check inventory for the part using the **Part Availability** and **Inventory for Part** sub-level forms[SHOW A GOOD EXAMPLE OF THIS]. The **Part Availability** form[OPEN FORM TO SHOW DATA] makes it easy to calculate exactly how much inventory you need to order by displaying the available inventory[SHOW] as well as inventory on order[SHOW] and current sales orders[SHOW]. You can check prices by entering the **Latest Part Purchases from Vend sub-level**, where you can see the latest invoices from this vendor in which the part appears, which is useful for comparison of prices and quantities[SHOW EXAMPLE]. [[RETURN TO THE ORDER ITEMS FORM]

If you wish to record a remark that is pertinent to this particular part, you can use the **Order Items – Remarks** sub-level form.[POINT TO FORM TITLE]

Finally, you can assign a **Budget Item** [POINT TO COLUMN]to the part being purchased. This budget item will roll over into later purchase documents, when the part is received from the vendor, when it is billed and when it is paid for.

Authorizing the Order (5:05-7:49)

Let's return to the upper-level form and select the **Authorization & Follow-up** tab. You can define an authorizers list for purchase orders that conditions processing of the order on authorization given by specific users.

In this example, we'll use the default 00 authorizer list instead. This list appears automatically in the **Auth. List Code** column[SHOW]. Press F6 twice to move to the Authorizer **List for Purchase Order** form. Let's define authorization as follows[ENTER SUB-LEVEL FORM]: Barbara, the regional manager, needs to authorize purchase orders up to $10,000[DEFINE **Authorizer** = Barbara]. Purchases in excess of $10,000[RECORD **Starting From** = 10,001] require the authorization of Rose, Vice President[RECORD **Authorizer**= Rose. RETURN TO UPPER-LEVEL]. The definitions recorded for this authorizer list will be applied to all purchase orders with the 00 list code. Press **Esc** to return to the **Purchase Orders** form.

Now we'll change the **Status** of the order to a status that can be authorized[CHANGE STATUS TO Pending]. When an order receives this status, an automatic e-mail alert is sent to the first authorizer[IF POSSIBLE, SHOW SENT ITEM IN OUTLOOK]. After he/she authorizes the order in the **Order Authorization** sub-level form, an automatic e-mail alert is sent to the next authorizer, if necessary, and so on, until the order is fully approved. If the last authorizer, Rose, authorizes the quantities and prices initially, there is no need for the others to authorize the order as well. Once the order has been approved, its status will be changed in keeping with the BPM rules defined. I'll open the **BPM Flow Chart-Purchase Orders** program by Direct Activation[PRESS **CTRL+F5** AND HIGHLIGHT PROGRAM NAME IN LIST] to demonstrate**.** Each status in the BPM has unique properties that affect the way the document is handled. Right-click any of the statuses to view its properties. This status is flagged as **Status Once Authorized** which means the order can now be processed. It also allows **Receipt** to inventory. This means that you can base inventory documents on a purchase order with this status.

Alternatively, the entire authorization process can be defined via workflow management (BPM). For demonstration purposes, I'll open the rule that defines moving from the **Pending Authorization** status to the **Authorized** status. The rule determines that only Barbara can change the status to **Authorized** as long as the order is less than $10,000. I can also define a rule that allows Rose to change the status to **Authorized** in any case, or a rule that

that informs Barbara that there is an order **Pending Authorization**. For more information on business process management in ***Priority***, see the video tutorial on this subject.

Now that the order is approved, you can print it by running the **Print Purchase Order** program by Direct Activation and selecting the desired format. [SHOW DIALOG BOX FOR A COUPLE OF SECONDS, SELECT **Automatic Mail**, FLAG THE **Incl. Attachments** OPTION].

Revising an Approved Purchase Order (7:50-8:07)

Occasionally, after sending the order out, you might want to make certain revisions such as updating the expected due dates or quantities. To do so, open the **Revisions for Authorized Orders** form, retrieve the order and make the necessary changes. [CHANGE THE DUE DATE IN THE SUB-LEVEL FORM]

Follow-up & Closing a Purchase Order (8:08-8:50)

Once a purchase order has been authorized and sent to the vendor, you can continue to use the **Purchase Orders** form and its sub-levels to follow up on the order[OPEN THE **Purchase Orders** FORM AND RETRIEVE ORDER PO16000008, WHICH IS PARTIALLY FILLED]. A purchase order is automatically closed when the receipt of the ordered parts is recorded in a **Goods Receiving Voucher** or a **Vendor Invoice**. [MOVE TO **Order Items** SUB-LEVEL FORM]Consequently, the **Balance**[HIGHLIGHT COLUMN] of each order item is updated automatically and line items that have been delivered in their entirety are flagged as **Closed**[SHOW].

In the **Order Tracing** sub-level form, you can see all inventory transactions[HIGHLIGHT COLUMN] for the current part, as well as the number of the document[HIGHLIGHT COLUMN] associated with the transaction.

When all items in the purchase order have been delivered, it will be flagged as **Closed** in the **Authorization & Follow-up** tab.[RETURN TO UPPER-LEVEL **Purchase Orders** FORM; HIGHLIGHT **Closed** COLUMN]

Purchase Order Reports (8:51-9:46)

Additionally, a number of useful reports about purchase orders are available from the **Purchase Order Reports** menu[OPEN THE MENU]. For example, you can track the procurement of parts[HIGHLIGHT THE **Purchasing Overview of Parts** MENU ITEM] or check all the open orders to a particular vendor[HIGHLIGHT THE **Open Purchase Orders** MENU ITEM]. You can also run a report that lists all **Supply Delays**[HIGHLIGHT MENU ITEM] from a given vendor -- this report displays any open order item that is overdue for delivery, together with the balance of the part to be received and the number of days by which it is late.

The system also offers several tools for purchase order analysis[GO BACK ONE MENU AND OPEN Purchase Order Analysis MENU], including a report generator[HIGHLIGHT **Purchase Order Report Generator** MENU ITEM] for designing customized purchase order reports and a BI report[HIGHLIGHT **Purchase Order Analysis (BI)** MENU ITEM] that can be used to analyze purchase orders by quantity and price, in various cross-sections.

This concludes our demonstration of recording a purchase order in ***Priority***. For more information, run the **Purchase Order Wizard,** which opens from the **Purchase Order Wizards** menu[OPEN MENU, HIGHLIGHT WIZARD].

Related Documentation

- Purchase Order Wizard
- BPM clip
- Report Generators clip
- Business Intelligence clip