Product Training
Sales Orders

Where "Lean" principles are considered common sense and are implemented with a passion!

winman
ADVANCED ERP SYSTEMS

Sales

Quote → **Sales Order** → Shipment → Sales Invoice

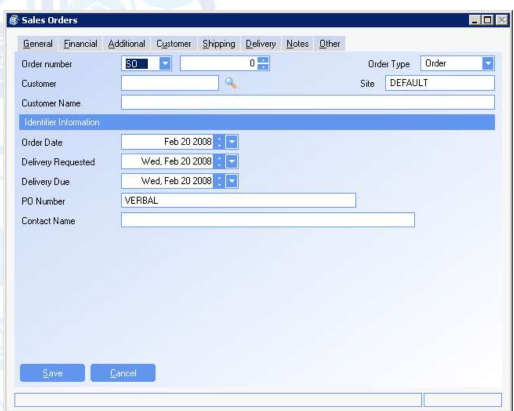
Sales Orders and Quotations

A sales order or quotation can only be created for a customer set up in the customer master. Quotations can be converted to sales orders but only firm sales orders can be shipped.

Sales orders and quotations consist of one sales order header and at least 1 line item. The sales order header contains information for the entire order such as the sales order number or purchase order number. The lines contain information for each item on the sales order such as the item and quantity.

Sales Order Header

General Tab



- **Order Number –** Select the prefix for the order. The next number will automatically come up. The order type (Order or Quote) will be defaulted from the prefix.

  Note: *It is a good idea to have at least one prefix for sales orders and one prefix for quotes. Quote prefixes tend to start with a "Q" while sales order prefixes can be anything else*

- **Order Type –** An order type can be Order or Quote. A quote is a placeholder for a sales order and is not demand for MRP. An order is considered demand and MRP will plan for it

- **Customer –** The customer that the sales order is for. When entering a customer, the name or customer number can be entered. If an exact match is not found, a listing of all customers meeting the criteria will come up and can be selected from. Only active customers can be selected. When using multi-site, only customers for the site that the order is being placed for can be selected.

- **Site –** If using multi-site the site will be the site that the user is logged into. If the user is logged into "All Sites", the user can select which site the order is assigned to.

SYSTEM SETTING:
The default length of the sales order number is 10 characters. The length of the sales order number can be changed using the Sales Orders system **option Sales order identifier length**. Enable the profile and set the value to the number of characters required for the sales order number. Maximum number of characters allowed is 15.

Sales Order Header

General Tab

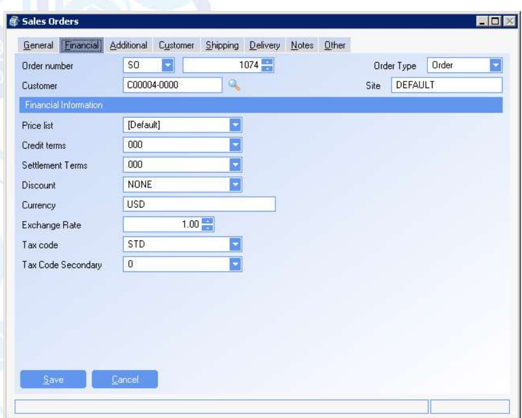
- **Order Date –** The date that the order is taken. Defaults to the date the order header is created on.
- **Delivery Requested –** The date that the customer has requested the order. This defaults to the day the order is created but can be amended.
- **Due Date –** The date the order will be ready to be shipped. This defaults to the day the order is created but can be amended.
- **PO Number –** The PO number from the customer. Typically not entered for quotes.
- **Contact Name –** The contact name from the customer master. This can be amended and is found on the default sales prints.

SYSTEM SETTING:
The default PO number is **VERBAL**. The default PO number can be changed using the Sales Orders system option The default customer order to apply to new sales orders. Enable the option and set the value to the new default PO number.

SYSTEM SETTING:
By default, a customer can have multiple sales orders with the PO number. An option can be set up to check for duplicate PO numbers and warn the user about the duplicate. Use the Sales Orders system option **Check customer order number.** Enable the option and set the value to Y to check for duplicate customer PO numbers.

Sales Order Header

Financial Tab



- **Price List –** The price list used for the sales order to determine product pricing. This is defaulted from the customer master but can be amended for the sales order.
- **Credit Terms –** The credit terms used for the sales invoice generated for the sales order. The credit terms calculate the due date for the Invoice. This is defaulted from the customer master but can be amended for the sales order.
- **Settlement terms –** The settlement terms used for the sales invoice generated for the sales order. The settlement terms determine if an early pay discount is to be given for early payment. This is defaulted from the customer master but can be amended for the sales order.
- **Discount –** The default discount structure that is to be used for the order. This is defaulted from the customer master but can be amended for the sales order.

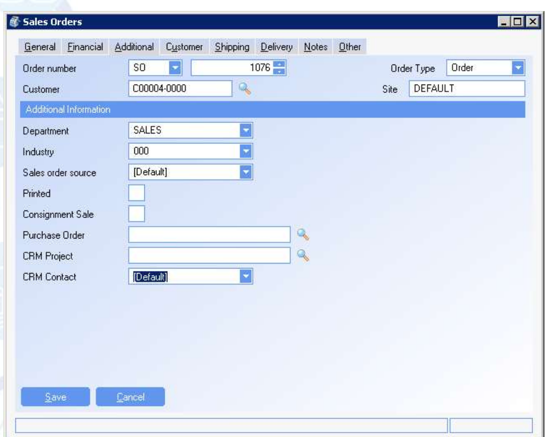
Sales Order Header

Financial Tab

- **Currency –** The currency of the customer selected. This can not be changed at any time.
- **Exchange rate –** If the customer is in a foreign currency, the rate of conversion for the sales order. This rate will also be used for the sales invoice when it is created. The default exchange rate is the standard rate as found in the currencies module.
- **Tax code –** The tax code for the sales order used to calculate the tax value and determine the taxing authority. This is defaulted from the customer master but can be amended for the sales order.
- **Tax code secondary –** The secondary tax code for the sales order used to calculate the tax value and determine the taxing authority. Used when a second taxing authority requires tax to be collected. This is defaulted from the customer master but can be amended for the sales order.

Sales Order Header

Additional Tab



- **Department –** The department used for the sales order. This is defaulted from the customer master but can be amended for the sales order.
- **Industry –** The industry used for the sales order. This is defaulted from the customer master but can be amended for the sales order.

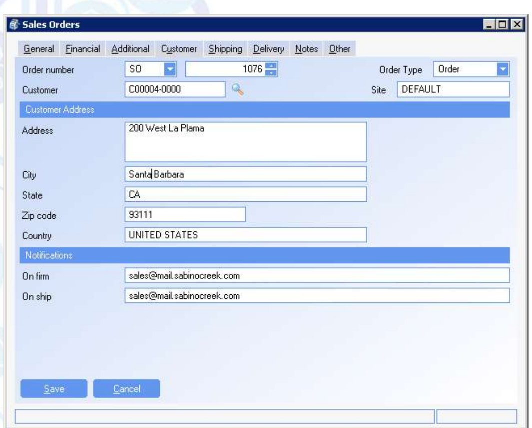
Sales Order Header

Additional Tab

- ❑ **Sales Order Source –** Where the order came from. This can be used to track where a sales order came from, such as a trade show, or marketing campaign.
- ❑ **Printed –** If the order has been printed. This is automatically checked once a the sales order print has been printed to a printer.
- ❑ **Consignment Sale –** This is defaulted from the sales order prefix. When a sale is marked as consignment, it will not be included in the automatic invoicing routines. It must be invoiced manually, usually when the customer (or rep) has consumed it.
- ❑ **Purchase Order –** A purchase order can be related to the sales order.
- ❑ **CRM Project –** The CRM project that is related to the order.
- ❑ **CRM Contact –** The CRM contact that is related to the order.

Sales Order Header

Customer Tab

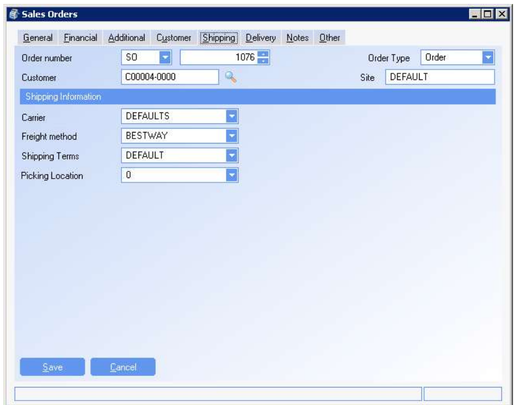


The customer address and information is for reference only. If any information needs to be changed, it must be done in the customer master.

- ❑ **On Firm –** An email notification can be sent out when the sales order is firmed.
- ❑ **On Ship –** An email notification can be sent out when the sales order is shipped.

Sales Order Header

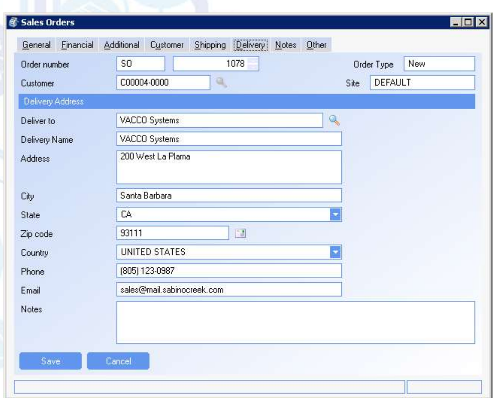
Shipping Tab



- **Carrier –** The carrier for the sales order. If a default carrier is set up in the customer master, it will default as the carrier for the sales order but can be amended.
- **Freight Method –** The freight method for the sales order. If a default freight method is set up in the customer master, it will default as the freight method for the sales order but can be amended.
- **Shipping Terms –** The shipping terms for the sales order. If a default shipping term is set up in the customer master, it will default as the shipping term for the sales order but can be amended.
- **Picking Location –** A default picking location for the sales order that is defaulted from the customer master. This is the default picking location for line items.

Sales Order Header

Delivery Tab



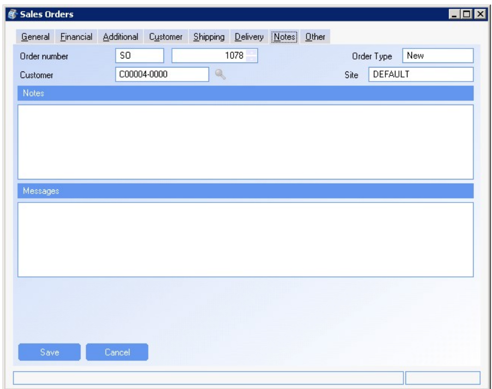
SYSTEM SETTING:
The delivery address can also be used on line items. Use the Sales Orders system option **Delivery Addresses on Sales Order Lines.** Enable the option and set the value to Y to have delivery addresses per line.

NOTE: Adding delivery addresses to lines adds much complexity and is not recommended.

The default delivery address from the customer. The delivery address can be changed for drop ship addresses.

Sales Order Header

Notes Tab



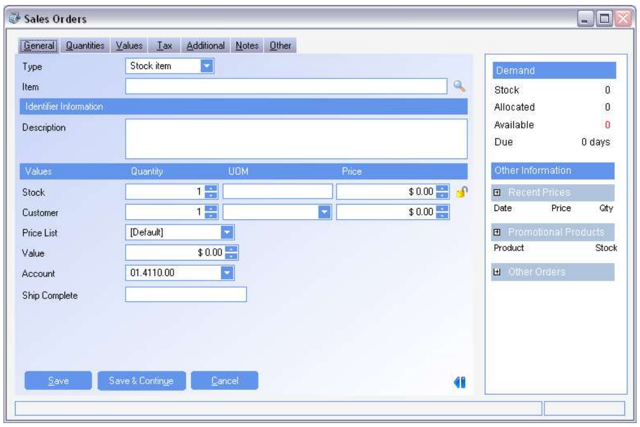
Add notes for internal reference and messages for information on prints.

Sales Order Items

Multiple sales order items can be added to a single sales order. Sales order items are added to a sales order by selecting the action **"Add Item"**.

Sales Order Items

General Tab



- ❑ **Item types to add to sales order include;**
  - ➢**Stock Item** – From products
  - ➢**Free Text** – Manually keyed in
  - ➢**Sundry** – From Sundries
  - ➢**Freight** – From Freight methods
- ❑ **Item** – The item to be added to the sales order. When using a stock item, sundry item or freight item the item must exist in the related table to be added. When using a free text item, what is keyed by the user will be the item.

SYSTEM SETTING:
A system setting can be used to prevent modification of the description. Use the Sales Orders system option **Allow modification of sales order item descriptions.** Enable the profile and set the value to **N** to prevent modifications to the description field.

Sales Order Item

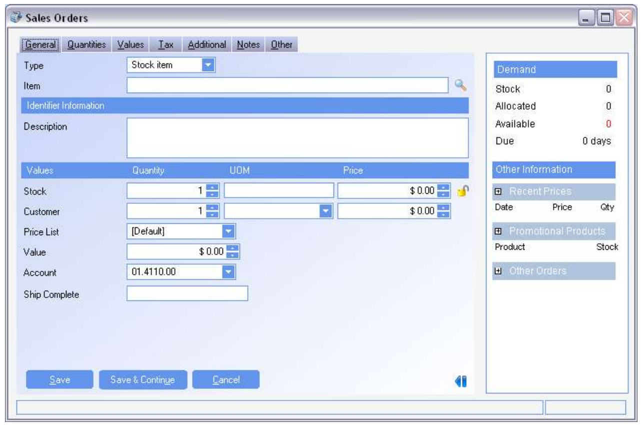
General Tab

- ❑ **Description** – When using a stock item, sundry, or freight item, the description from the item will default. The description can then be amended. For free text items, the user will need to key in a description.
- ❑ **Stock quantity** – The order quantity in the unit of measure of the item. When the customer unit of measure is different than the stocking unit of measure the stock quantity is the customer quantity multiplied by the unit of measure conversion factor.
- ❑ **Stock UOM** – The unit of measure for the item as found in the product or sundry master. This can not be amended.
- ❑ Stock Price
  - **a)** **Sundries** – The standard price per item of the default unit of measure for the sundry in the sundry master.
  - **b)** **Freight Items** – The standard price for the freight method in the freight method master.
  - **c)** **Free Text items** – Must be keyed by the user.
  - **d)** **Products** – If a price list for the part entered exists and the quantity on the sales order is greater than the quantity on the prices record and the date the item is entered is within the starting and ending dates, the price list will be used. If multiple prices are found, the price with the shortest number of days will be used. If no prices records are found, then the standard price from products will be used.

Sales Order Items

General Tab

- ❑ **Customer Quantity –** The quantity of the item in the customer's unit of measure. The customer quantity is the stock quantity divided by the unit of measure factor for the customer unit of measure.
- ❑ **Customer Unit of Measure –** The unit of measure that the customer is buying the good in. The default is the stocking unit of measure but can be changed to any of the unit of measure factors that have been set up for the stocking unit of measure.
- ❑ **Price List –** The price list from the sales order header. Can be changed for the line item.



Sales Order Item

General Tab

- ❑ **Value –** The value of the line. This is a calculated field that is calculated by;
  - ➢ **Price X Quantity + sur-charge + warranty charge – discount**
- ❑ **Account –** The revenue account which is determined by the item type.
- ❑ **Free Text Item –** The default free text account from the customer master is the default account but can be changed by the user.
- ❑ **Sundry –** The revenue account from the sundry master but can be changed by the user.
- ❑ **Freight item –** The revenue account from the freight methods master but can be changed by the user.
- ❑ **Product –** The revenue account from the price list, or when no price list exists, the revenue account from the product master. This field can not be changed by the user.

SYSTEM SETTING:
If the standard price for a product is set to £0 an option can be used to set the price to the average cost from products. Use the Sales Orders system option **When enabled it uses the products average cost when the standard price is 0**. Enable the option and set the value to Y to use average cost when standard price is £0.

Sales Order Items

SYSTEM SETTING:
The GL accounts for free text, sundry and freight items have default accounts. The default accounts can provide extra filters for any or all of these types of items. Use the Sales Orders system option **Set the sales item types you wish to filter the accounts for (N=free text, F=freight, S=Sundry).** Enable the option and enter the letters representing the items to be filtered into the value field. ***Note:*** *It most cases this should be set to FS for freight and sundry items. Use the Purchase Orders system option* ***Filter sales item account based on N = nothing, T = type, D = division & type*** *to determine how the filter will be applied. Enable the option and in the value field use N, T or D based on the options described in the description.* ***Note:*** *In most cases this should be set to T.*

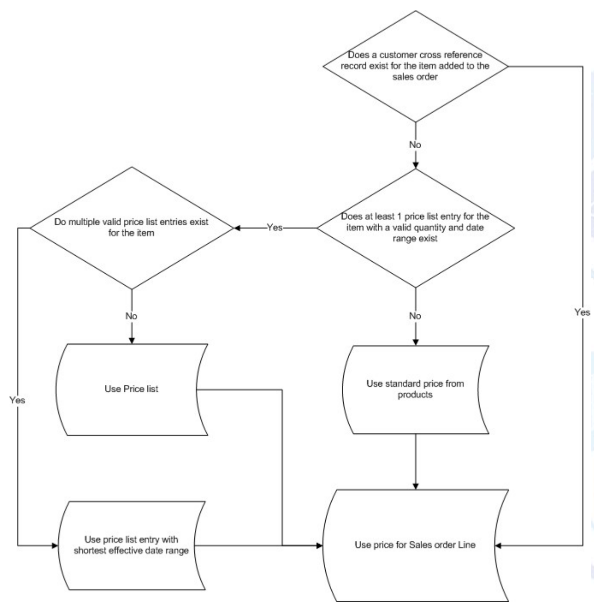
SYSTEM SETTING:
The dashboard to the right of the item entry by default does not include sales order with a status of New in the allocated calculation. Use the Sales Orders system option **Include new orders in allocated stock calculation to include New orders** in the calculation. Enable the option and set the value to Y to include New orders.

SYSTEM SETTING:
The dashboard to the right of the item entry can be removed. Use the Sales Orders system option **Hide the item report on sales order items entry** to remove the dashboard. Enable the option and set the value to Y.

SYSTEM SETTING:
The customer price field is used to enter the price in the UOM price it is being sold to the customer. This field can be set to read-only and not used if required. Use the Sales Orders system option **makes customer price field on sales order item read-only**. Enable the option and set the value to Y to prevent users from using this field.

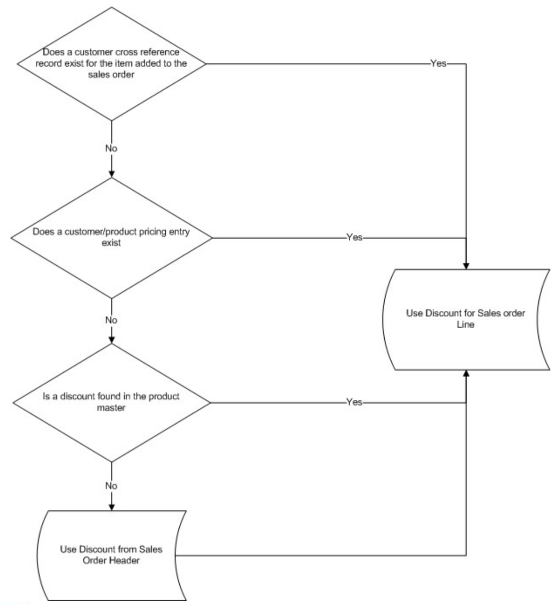
Sales Order Items

Price Calculation Logic



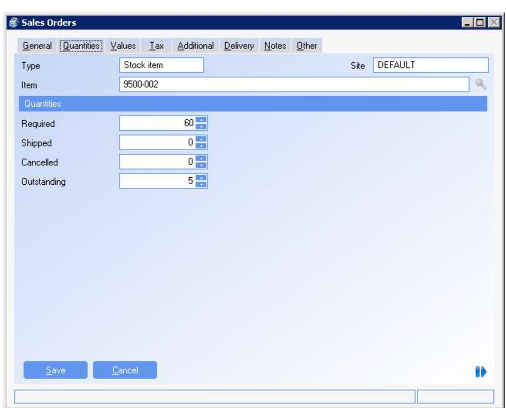
Sales Order Items

Discount Calculation Logic



Sales Order Items

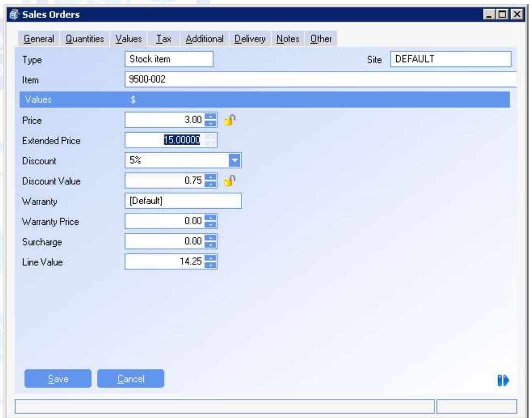
Quantities Tab



- ❑ **Required –** The order quantity.
- ❑ **Shipped –** The quantity that has been shipped on a shipment.
- ❑ **Cancelled –** The cancelled quantity.
- ❑ **Outstanding –** A calculated value.
- ❑ **Quantity Required –** Quantity shipped – Quantity Cancelled = Quantity Outstanding

Sales Order Items

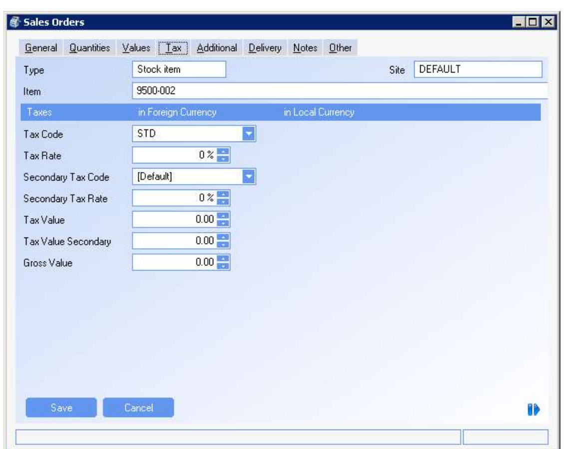
Value Tab



- ❑ **Price –** The price of the item.
- ❑ **Extended Price –** The price of the item multiplied by the quantity.
- ❑ **Discount –** The discount for the item. If a discount is found in the customer cross reference is found it will be used. If none is found, the customer/product pricing classifications are checked and used. If none is found, the discount from products is used. If none of the above discounts is found, then the discount from the sales order is used.
- ❑ **Discount Value –** The discount value as determined from the discount.
- ❑ **Warranty –** The warranty for the line. The default warranty from products is the default warranty and all warranties related to the product may be selected.
- ❑ **Warranty Price –** The price of the warranty. The default price is from the warranty in products that is selected.
- ❑ **Surcharge –** The surcharge from products.
- ❑ **Line Value –** The extended price + Surcharge + Warranty – Discount Value

Sales Order Items

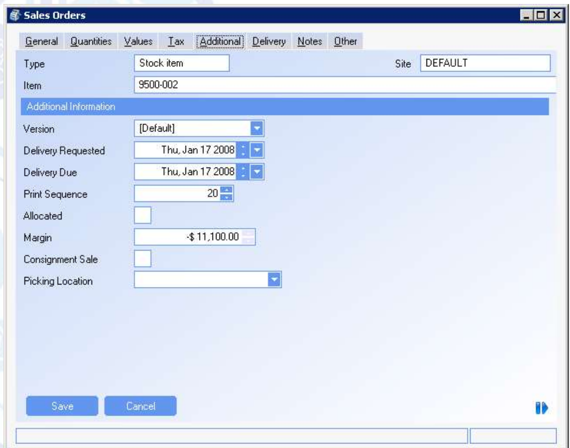
Tax Tab



- ❑ **Tax Code –** The primary taxing authority. This is defaulted from the sales order header and can be amended by the user.
- ❑ **Tax Rate –** The tax rate of the tax code. This may not be amended by the user.
- ❑ **Secondary Tax Code –** The secondary taxing authority. This is defaulted from the sales order header and can be amended by the user.
- ❑ **Secondary Tax Rate –** The tax rate of the tax code. This may not be amended by the user.
- ❑ **Tax Value –** The tax value of the line.
- ❑ **Tax Value Secondary –** The secondary tax value of the line.
- ❑ **Gross Value –** The total tax value of the line.

Sales Order Items

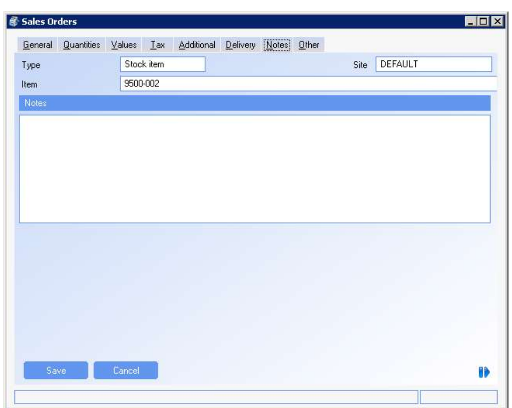
Additional Tab



- ❑ **Version –** The version of the product. This will be the current version of the product but can be changed to a previous version.
- ❑ **Delivery Requested –** The date the customer is requesting the item. Defaulted from the sales order header.
- ❑ **Delivery Due –** The due date of the item or when the item is expected to ship. Defaulted from the sales order header.
- ❑ **Print Sequence –** A reference field that can be used for sequencing line items on prints. Each line item is added as a factor of 10. i.e. line item 1 is 10, line item 2 is 20.
- ❑ **Allocated –** A reference field that has no system action.
- ❑ **Margin –** The projected margin. The value of the line minus the standard cost of the product.
- ❑ **Consignment Sale –** If the line item is a consignment sale, where a manual invoice is required. This is defaulted from the header.
- ❑ **Picking Location –** The location that items must be picked from. The shipment will not pick inventory from any other location.

Sales Order Items

Notes Tab



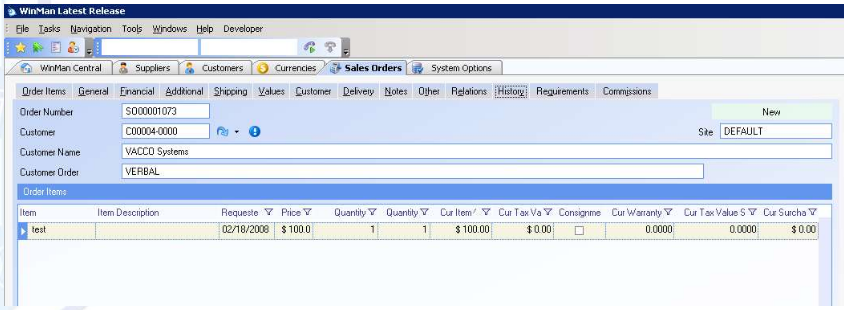
Any internal notes for the sales order line.

SYSTEM SETTING:
Superseded items on a sales order will automatically add a note about what part it superseded. The note will read Supersedes - 1007-125 where 1007-125 would be the original part number. This note can be altered using the Sales Orders system option **Default text notes field when product has been superseded**. Enable the option and set the value to the text to be written to the notes field.

Note: *Use {0} to represent the original part number in the note if required.*

Sales Order Items

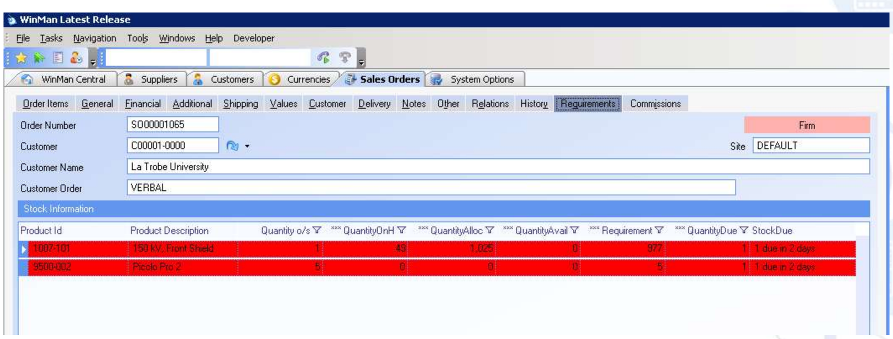
History Tab



History tab will show all modifications to sales order line items

Sales Order Items

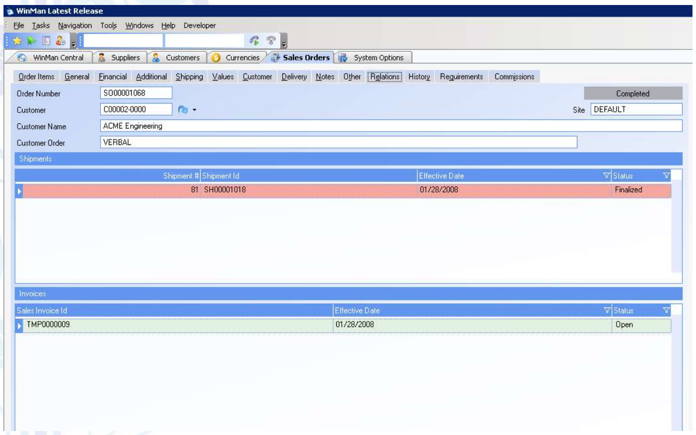
Requirement Tab



Requirements tab will show all requirements for line items on a sales order

Sales Order Items

Relations Tab



- ❑ The relations tab displays shipments and sales invoices that have been created for a sales order.
- ❑ Right click on line item to drill down to related transaction.

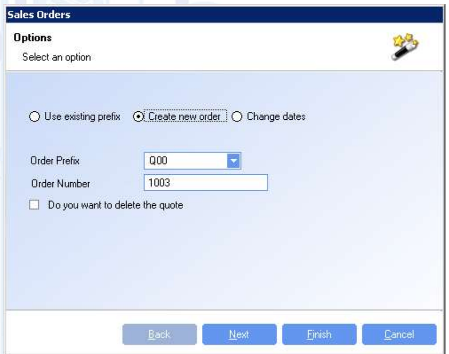
Sales Order Actions

FIRM

Firming a sales order sets the order to be processes. A sales order must be firmed before it can be shipped and must be firmed before MRP will see it as demand.

Sales Order Actions

Convert Quote



The convert quote action will bring up the convert a quote wizard to convert the quote into a sales order.

If the sales order and quote are to have the same sales order number use the default option "Use existing prefix".

When a quote prefix is used to identify quotes and a sales order prefix is required select the option to Create a new order. Select the order prefix that the order will receive. The order number will default to the next number in sequence for the prefix. When creating the new order, the old quote can automatically be deleted.

Sales Order Actions

Convert Quote

Enter the due date and the effective date for the sales order header. This will default from the quote.

Update order lines will also update the order lines with the due date and effective date. If the dates should remain the same as on the quote Update order lines should be set to No.

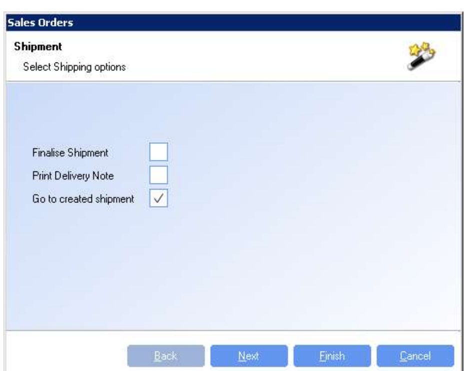
Sales Order Actions

Convert Quote

Enter the PO from the customer for the sales order

Sales Order Actions

Ship



The ship action from sales order is an express way to ship. It can only be used when no shipping integration is required, build to ship is not used, and specific batches are not required to be picked. It was designed for customers that come in to pick up their orders and automated the standard process of shipping.

Finalise Shipment will create the shipment as finalised. No changes can be made to the shipment.

Print Delivery note will print the packing slip for the shipment if the shipment was created as finalised.

Go to created shipment will open the shipments module on the shipment created.

Sales Order Actions

Ship

Invoice options are only available if a finalised shipment is created.

Create Invoice will create the invoice for the shipment.

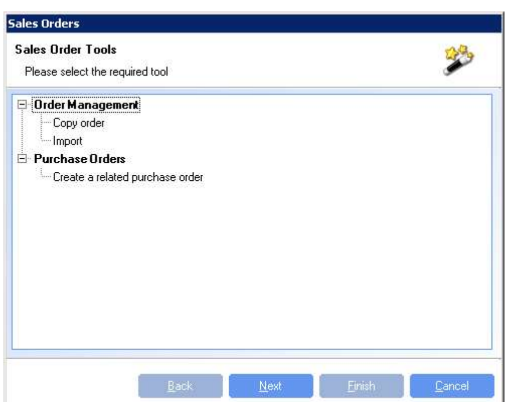
Finalise Invoice will finalize the invoice where no amendments can be done.

Print Invoice will print the invoice only if the invoice has been finalised.

Go to created invoice will open the Sales Invoices module on the sales invoice created.

Sales Order Actions

Tools



Copy order will make a copy of the current order. The user will be prompted for a sales order prefix, customer PO and due date. All other order details will be copied.

Orders can be imported from an Excel spreadsheet. New orders can be created and existing orders can be added to.

Create a related purchase order will create a purchase order header that is related to the sales order. The user must enter the supplier, the due date and a prefix for the order. Line items must be added manually.

Note: *To drill down to the purchase order, use the drill function for the purchase order found on the additional tab of the sales order.*

Sales Order Actions

Add Message

Add message allows multiple standard messages to be added to the sales order. Standard messages will appear on sales order prints.