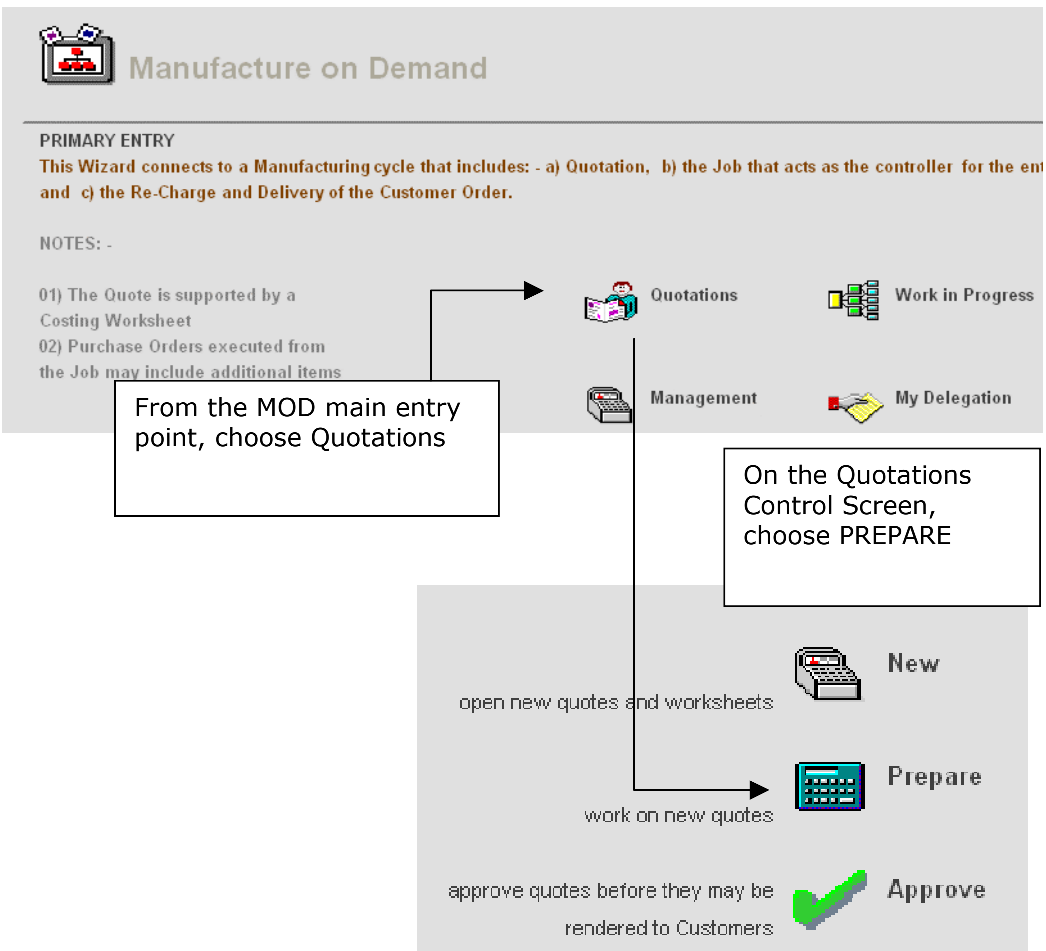
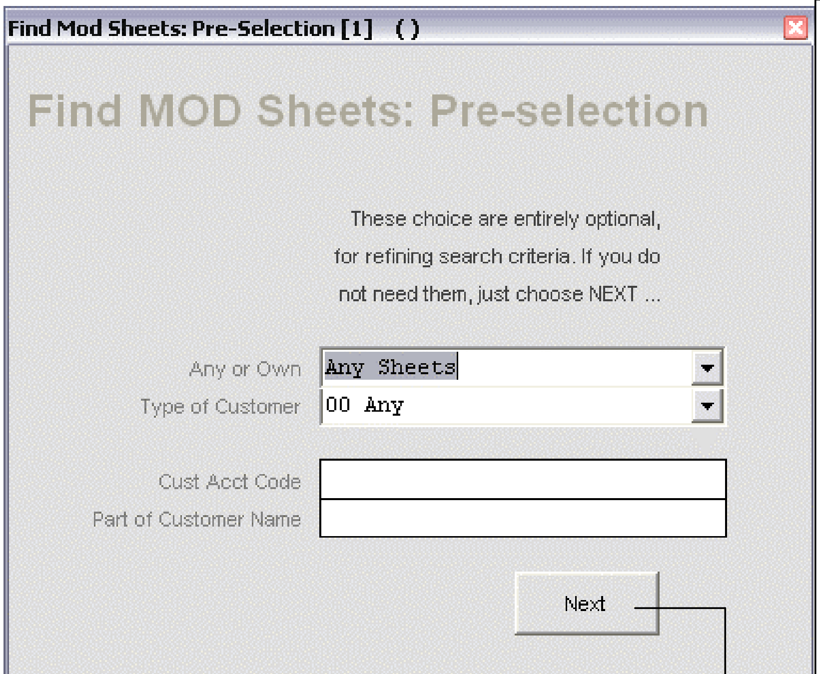
MOD: PREPARING THE SHEET

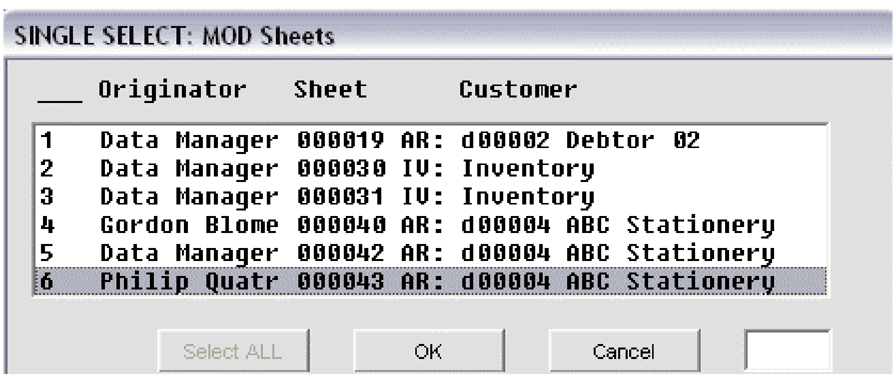
How to prepare the Sheet

If you are the Originator of the Sheet, then you are automatically the person who must do the 'Prepare' step, and you will find the Sheet waiting for you when you choose the 'Prepare' step. You enter from the Quotations Control Screen, into the step: Prepare



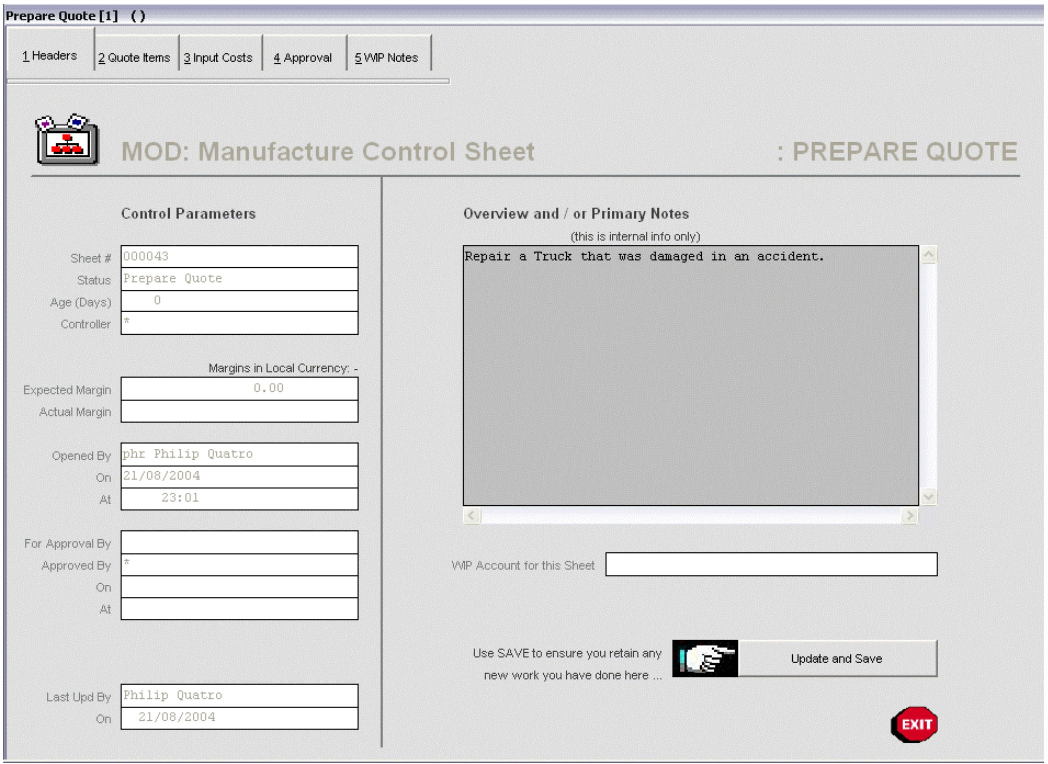


When you choose PREPARE, the system automatically enters the Sheet Retrieval mechanism. Your Queue may never be that long (full of Sheets) that you need to do anything else than simply choose NEXT, but you may note that you can ask the system to search only for certain types of Customers among your Sheets, and you may even specify a Customer Name or Account to narrow the search, if necessary …



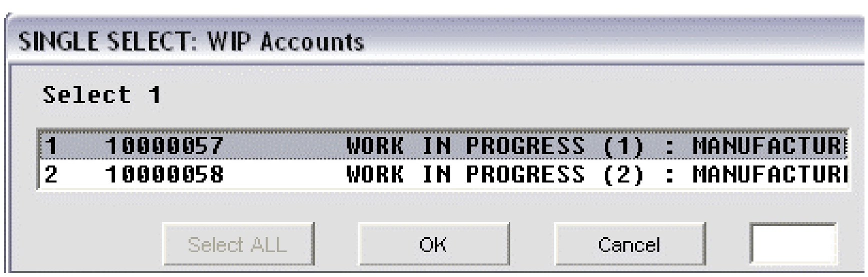
The available list of Sheets offered for you to select from may include only your own Sheets, or, if your privileges include access to other User's Sheets, may also include some others.

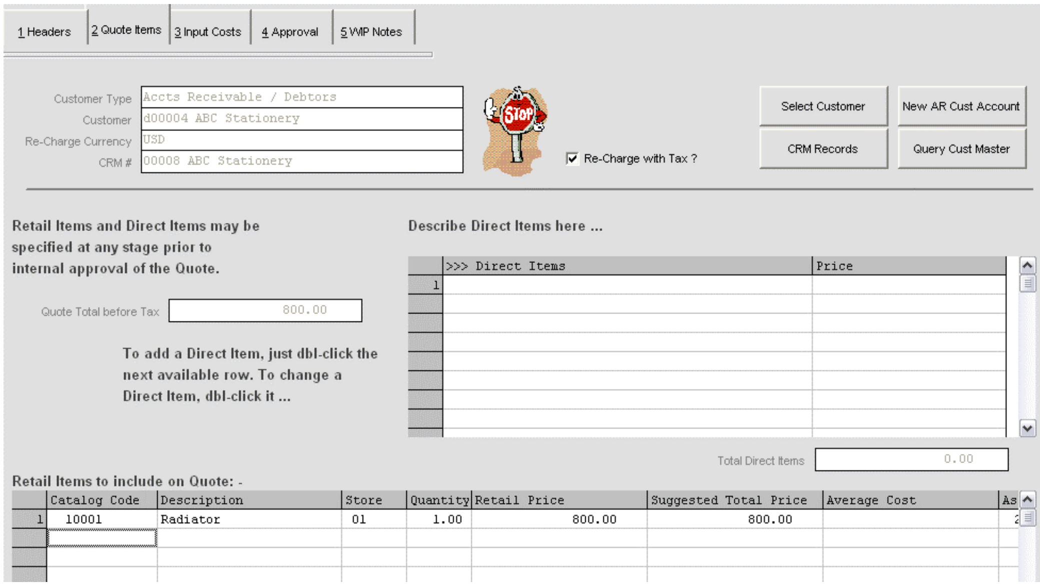
Number 6 (in the picture above), is the Sheet we created immediately prior to entering the 'Prepare' step, and the one we select in this example. This will lead us into the Sheet itself, which includes anything we have already specified during the 'Create' step, but as will be clear immediately, the Sheet is now expanded, and includes many more options for us to work with.



At the top of the Screen shown above, we now note more tabs: Headers, Quote Items, Input Costs, Approval and WIP Notes. We will work through all of these while preparing the Quotation, but 1st we note on the Headers page that there is now a new element that was not present when we created the Sheet: The WIP Account to use.

What is the WIP Account? The Work in Progress Account is an Account in the General Ledger, and that will 'track' all Transactions posted to this Sheet. A WIP Account, of course, is applied for many Sheets at a time, and not just the current Sheet. Your system may be set up with multiple WIP Accounts, or with only 1. If only 1 WIP Account is indicated on the MOD Control Parameters, then it will not be necessary to indicate the WIP Account on the Screen shown above, because the system will fill it in automatically. However, if multiple options are set up, then you have to use the lookup on the WIP Account field and select the WIP Account to use with this Sheet (you may have a WIP Account, for example, for each of the Manufacture Project types that you undertake).





On the tab for 'Quote Items', we note some function buttons, and a list of Retail Items to include on the Quote, and a list of Direct Items to include on the Quote.

The function buttons include 'Select Customer' (in case we need to re-select the Customer, i.e. a different one), 'CRM Records' (which lets us drill into the prior records and Sheets for this Customer), 'New AR Cust Account' (in case it is necessary to open a new Account) and 'Query Cust Master' (a direct drill into the Account for this Customer).

On the Retail grid, we note the following:-

	Catalog Code	Description	Store	Quantity	Retail Price	Suggested Total Price
1	10001	Radiator	01	1.00	800.00	800.00

Actually, the grid shown above extends further to the right, indicating also the Average Cost, and the Date and Time when the indicated Average Cost was measured (it can change all the time in some cases), but we 'clipped' it in order for the parts shown above to be clearer.

On this grid, you may list any Retail Items from the Retail Catalog, and that should be included on the Quotation. (You may have either Retail Items or Direct Items, or a combination of both, but a minimum of 1 Item must be included on the Quotation!).

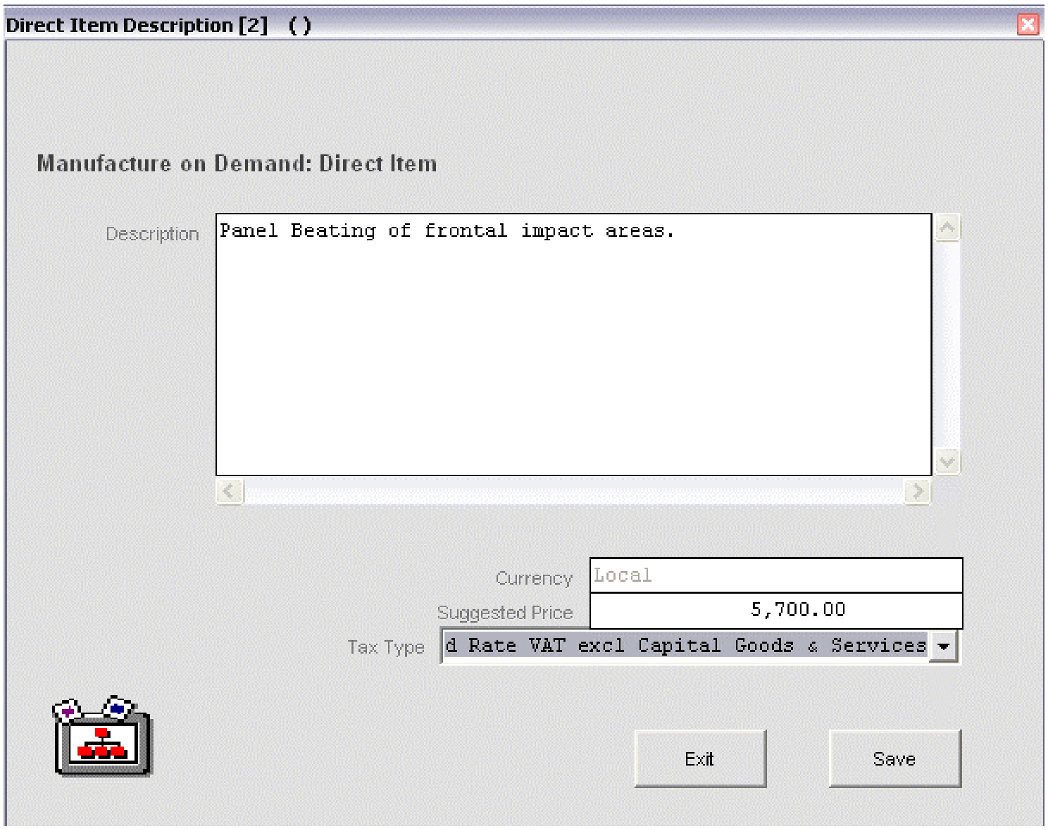
It is important to note how the system calculates the Suggested price for each Item, because you cannot change it. If, for any reason, you need to use a different price, then the Item should be described as a Direct Item, while the Input Cost Elements (which we will still get to) will then include the Retail or Stock Item as an input cost.

Bearing in mind that some Retail Catalog Items are also Stock Items, and others not (typically Service Items), the system will suggest pricing as follows: -

For Commercial Customers: Always use the Retail Catalog Price.

For Internal Customers: Use the Retail Catalog Price if the Item is not a Stock Item, and uses the Inventory Price if the Item is a Stock Item.

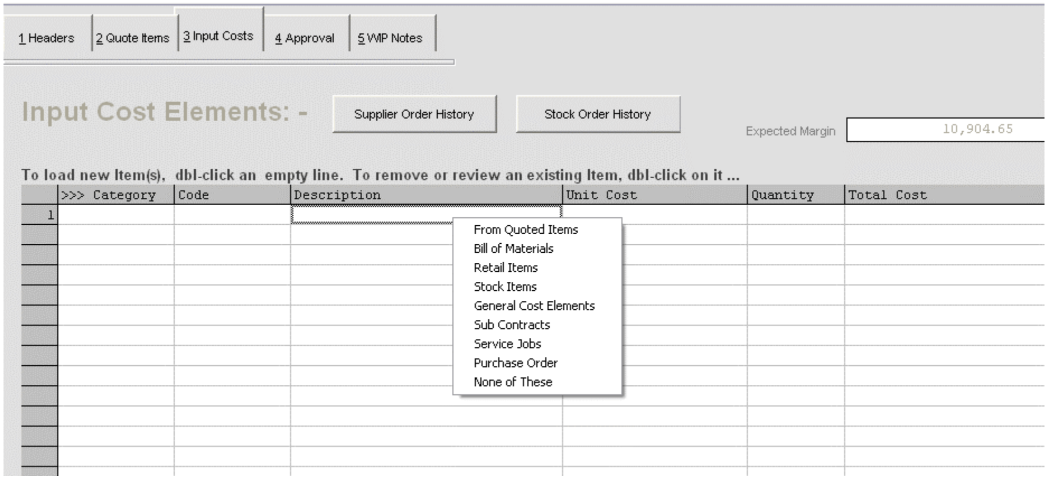
Direct Items are specified as follows: -



You always describe the Item, whereas the system will indicate the Currency, which you cannot change and is indicated in accordance with the linked Customer Account. You indicate the Suggested price, and you select the Tax type to apply, and then choose SAVE.

Of course you can include as many Direct and / or Retail Catalog Items as must be quoted to the Customer, and you can move back and forth between Quote Items, Input Costs, etc. The Items (Retail and Direct) listed on the 'Quote Items' page are the only Items that will be shown on the Customer Quotation.

We will now have a look at the Input Costs, which define what we need or will use in order to fulfil the Manufacture Task, and the difference between the Total for the Quote Items, and the Total for the Input Costs are none other than the Budgeted Margin, i.e. the Profit or Loss we expect to make on this Sheet.



The Input Cost grid will accommodate Quoted Items (not a commonly used method), Bill of Materials, Retail Items, Stock Items, General Cost Elements, Sub Contracts, Service Jobs and Purchase Orders.

To load any of these, just dbl-click an empty row to get the options. Once Items are loaded, you can change Costs and Quantities by dbl-clicking the Item you want to change.

Quoted Items: Are sometimes loaded only as 'working data', i.e. to populate the list for the Planner to work through and load the Items that would be necessary to cater for the requirement to produce the Quoted Item, which is then subsequently removed form the Input Cost list.

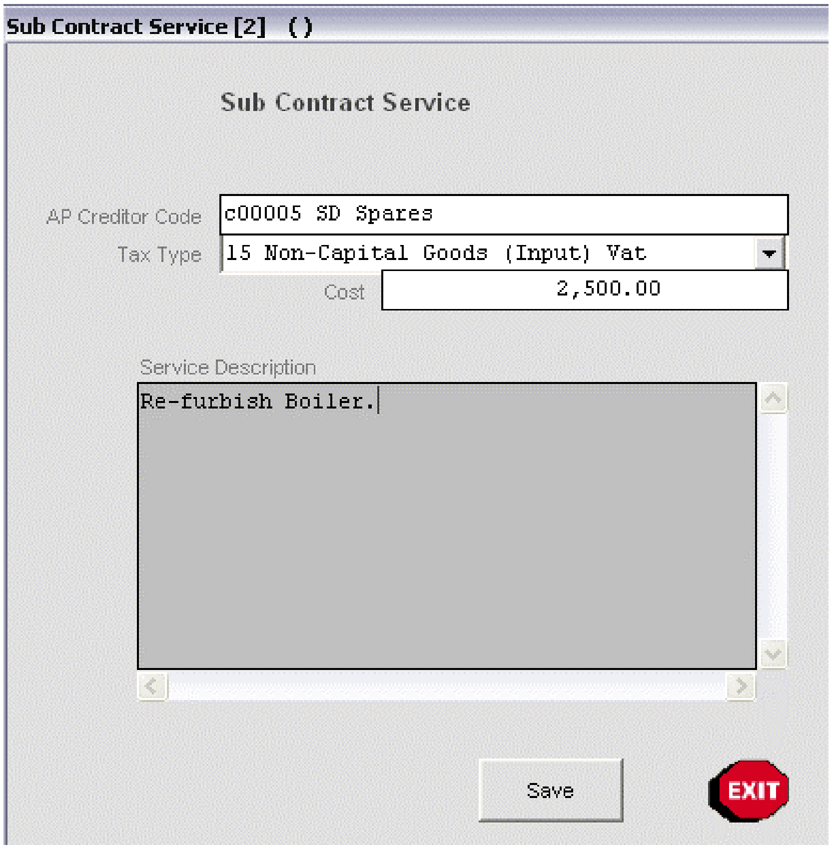
Bill of Materials: The system will assist you in selecting the required BOM, and then load the constituent Items into the grid, where after any of the individual Items may then be amended, if required.

Retail and Stock Items: Select and load any Items required for production of the Task.

General Cost Elements: These are standard pre-defined Items that you may select from the list, and are more often than not internal Re-charge Items, like Telephone Charges or other. (This should not be confused with Landed Cost Elements that may be loaded onto Purchase Orders from the same General Cost Elements list.) Re-charge Elements loaded in this fashion are pre-programmed as to how they re-charge through the Ledger, and may also be pre-programmed to allocate to multiple Charge Centres on a ratio basis.

Service Jobs: Are used where other services in the enterprise are employed to perform part of the Manufacture task.

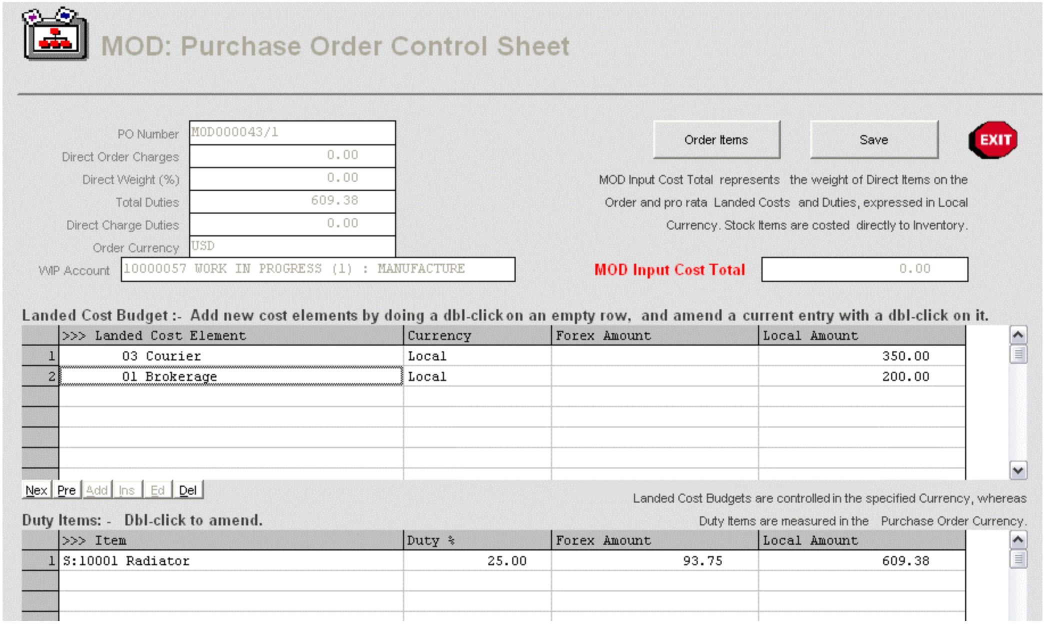
Sub Contracts: Are used where part of the job is sub-contracted to an external party. We show a brief example of specifying a Sub Contract –



A Sub Contract is always linked to a Supplier Account. You must indicate the Tax type to apply, the Price and a Description of the Contract. Note that Sub Contracts are always in Local Currency. If there is any need to process a Sub Contract in a Foreign Currency, then you need to use a Purchase Order for that purpose.

Purchase Orders: Are used to order items required for the Manufacture task, but may also include additional Items that may be cost effective or expedient to order at the same time as having to order for the task at hand. When the Customer is Inventory, rather than Commercial, Ledger CC or Jobs, then the Manufacture Task by implication is that of Stock Replenishment, i.e. the Sheet will consist primarily of Purchase Orders that include Stock Items ordered on behalf on Inventory.

When a Purchase Order (or, in fact, at this stage it is really still a Purchase Requisition) is loaded (and there is no limit as to the number of PO's that may be loaded onto a Sheet), then the system automatically generates a PO Control Sheet, which is quite similar to the MOD Control Sheet in many respects. It also has an Input Cost Budget (Landed Costs and Import Duties), and the Requisition (which becomes a Purchase Order once it is approved) may include Stock Items and / or Direct Items. Any mix of different Currencies is allowed on different Purchase Orders loaded onto the MOD Sheet, and the Currencies are determined directly by the Suppliers ordered from, and the linked Currencies on those Accounts in the Payables / Creditors Ledger.

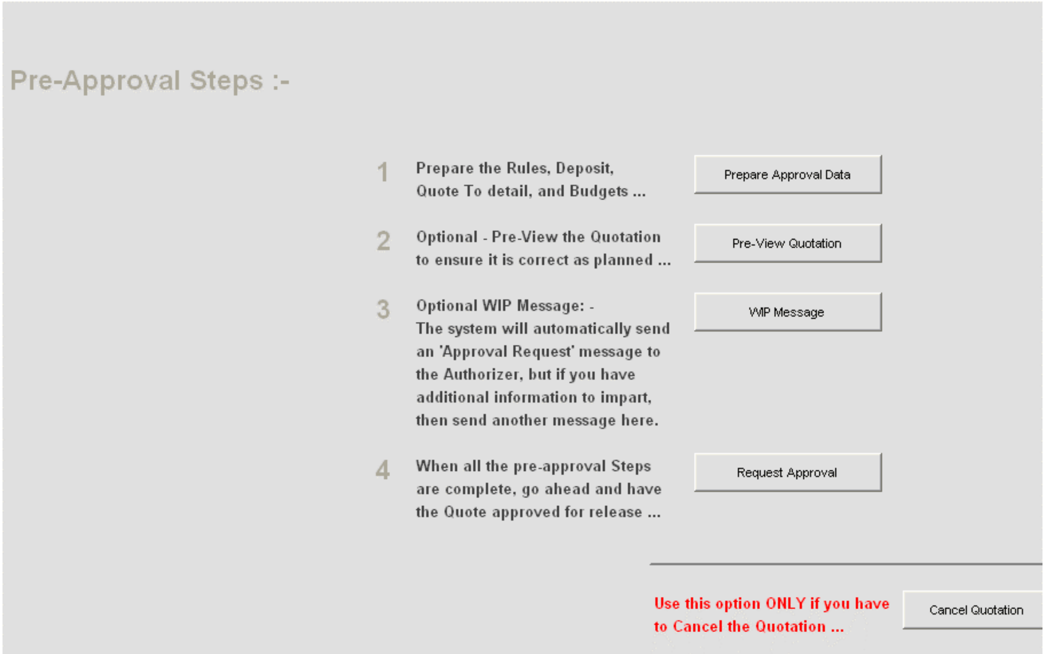


The system automatically allocates the Purchase Order number. You may load Cost Elements onto the Landed Cost Budget, while the system will automatically include Order Items in the Duty List, discerning Items that normally attract Import Duties (from the settings for those Items in Inventory, and in the case of Direct Items, assumes that it will attract Duty). The Duty parameters may be changed as and when required, but will in most cases already be correct. The system now also automatically calculates the weights and ratios to determine what the impact is on the MOD Sheet in terms of Input Costs. Stock Items are always charged through to Inventory directly, when received, and as such does not impact on the MOD Sheet's input costs, but the Landed Costs may, as do the Direct Items and duties thereon. The MOD Input Cost Total is clearly shown.

Hint: If a Stock Item is ordered specifically for the MOD Sheet, it is still charged to Inventory. However, a Stock Item equivalent is then included on the Input Cost list of the MOD Sheet (rather than accounting for it's cost on the PO), and that represents the Input Cost to the MOD Sheet. In other words, once the Item is received on the Order, and charged through to Inventory, it is then issued to the MOD Job, which is then charged for it based on Inventory pricing.

The picture above is not the Purchase Order, but it's control sheet. To enter the PO Requisition, choose the ORDER ITEMS button. The Purchase Requisition itself is processed just like any other, and is not shown here (see the Purchasing User Manuals, if necessary). The Landed Costs and Duties indicated in the PO Control Sheet, together with the order prices for the Items on the PO itself, form the Budget for the Purchase Order when approved, and are strictly controlled by the system.

When the Quoted Items and the Input Cost Items have been duly listed and specified, we move to the Approval page of the Sheet being prepared.



We note the following function buttons here: -

Prepare Approval Data – we will look at that in detail immediately below.

Pre-View Quotation – provides you with the Quotation Print View.

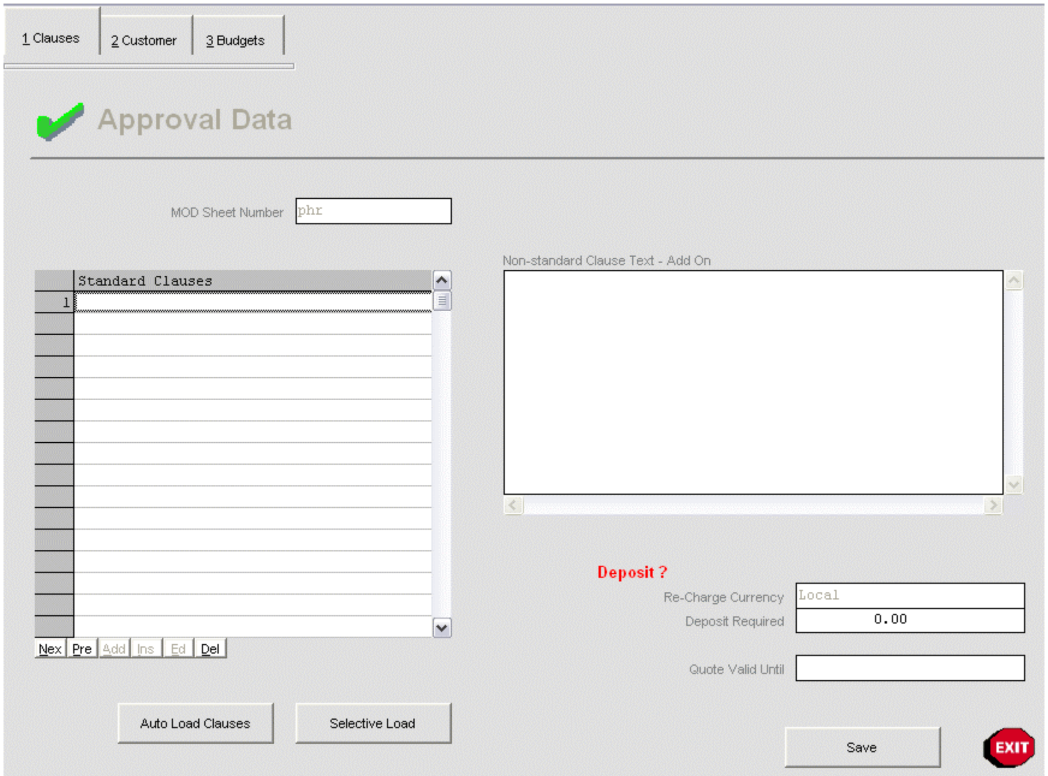
WIP Message – option to send a WIP Message to the Authorizer with any specific notes or remarks that you may deem necessary. The Authorizer anyway gets an automatic WIP message when you request Approval, and this option is simply for an additional message in cases where such is necessary.

Request Approval – This is the final step of Preparation of the Sheet. In other words, when all the prep work has been completed, you request that the selected Authorizer (you will be prompted, unless there is only 1 Authorizer in the system in which case he / she is automatically assigned) approve and release the Quotation for presentation to the Customer.

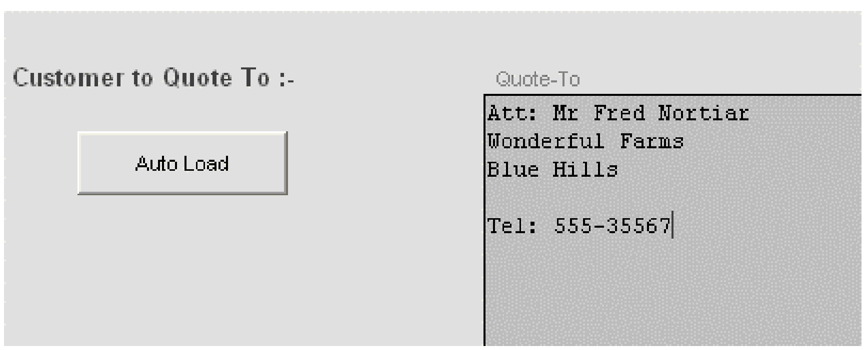
Cancel Quotation – Use this option to Cancel the Quotation in it's entirety. It will then be a cancelled Quotation, and can still be queried but never used in any other way again.

Now for a look at 'Prepare Approval Data' –

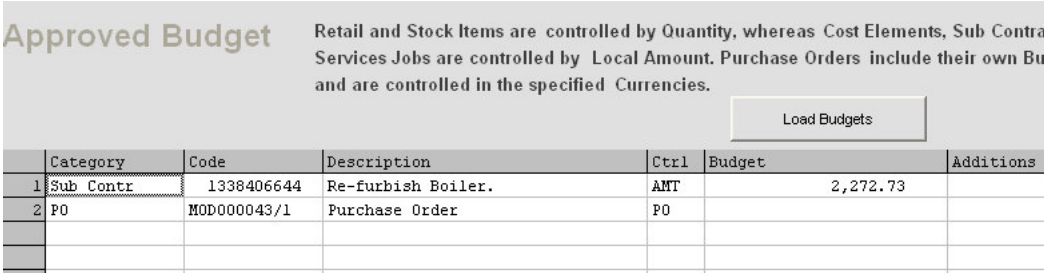
This step includes specification of any required Deposit for the Job (only for Commercial Customers), Validity Date for the Quotation, ensuring that the Customer Address header is loaded, and ensuring that the Cost Budgets are loaded according to the specified Input Costs (as previously shown).



Here you can automatically load standard Clauses (conditions to the Quotation), and specify once-off Clause Text, if necessary. If the Quotation is subject to a Deposit being paid, it is specified here, and you need to choose the Date until which the Quotation is valid. On the next page of the Approval Data you can simply use the 'Auto Load' function to retrieve Customer Details and load it onto the Sheet, but you can also amend as necessary.

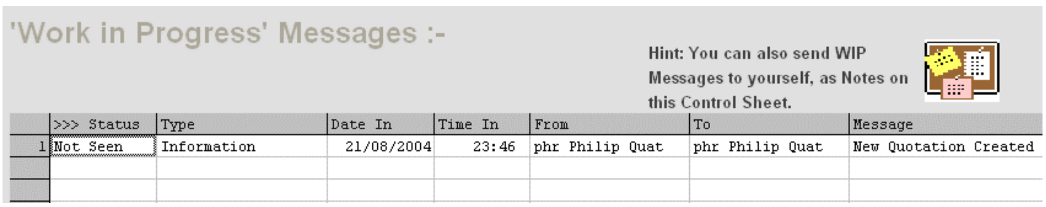


And the final page of the Approval Data includes again an Auto Load function to load the Cost Budgets –



After this, you may save the Approval Data and execute the 'Request Approval' step.

We have not looked at the last page of the 'Prepare Sheet' main screen. This page lists all WIP Messages for the Sheet, and includes an option to send a WIP message also.



When you are in 'Prepare' mode, the Sheet will already include a minimum of 1 WIP Message, because it is automatically generated when the Sheet is created. (WIP Messages are explained in another MOD User Manual.)