End-User Course

Inventory and Order Management

Basic Operations with Stock, Non-Stock, and Service Items 2025 R1

Revision: 4/14/2025

Acumatica
The Cloud ERP

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How to Use This Course

This end-user course introduces the creation, sales, and purchases of stock and non-stock items (including services) in a midsize company.

Which Training Environment You Should Use

All lessons of the course should be completed in an instance of Acumatica ERP 2025 R1 with the *U100* training dataset preloaded; this dataset provides the predefined settings and entities you will need as you complete the activities of this course.

You or your system administrator should prepare an instance of Acumatica ERP 2025 R1, as described in the *How to Create a Tenant with the U100 Dataset* section below.

What Is in This Guide

The guide includes the *Company Story* topic and process activities. The *Company Story* topic explains the organizational structure of the company that has been preconfigured in the *U100* dataset, as well as the company's business processes and requirements. Each of the process activities of the course is dedicated to a particular user scenario and consists of processing steps that you complete.

What Is in a Lesson

Each lesson provides a story describing a particular user scenario and an overview of the relevant features that have been enabled in the system; configuration settings that are related to the described scenario are also listed. The lesson provides a brief overview of the process that should be performed to complete the described scenario, and instructions that guide you through the process in Acumatica ERP.

> The lessons are independent and can be completed in any order. However, depending on the sequence in which you complete the course lessons, the settings in the screenshots may differ from the settings in the system.

What the Documentation Resources Are

The complete Acumatica ERP documentation is available on *https://help.acumatica.com/* and is included in the Acumatica ERP instance. While viewing any form used in the course, you can click the **Open Help** button in the top pane of the Acumatica ERP screen to bring up a form-specific Help menu; you can use the links on this menu to quickly access form-related information and activities and to open a reference topic with detailed descriptions of the form elements.

How to Create a Tenant with the U100 Dataset

Before you complete this course, you need to add a tenant with the *U100* dataset to an existing Acumatica ERP instance. You will then prepare the tenant for completing the activities. To complete this preparation, perform the following instructions:

1. Go to *Amazon Storage*.
2. Open the folder that corresponds to the version of your Acumatica ERP instance.
3. In this folder, open the `Snapshots` folder and download the `u100.zip` file.
4. Launch the Acumatica ERP instance and sign in.
5. Open the *Tenants* (SM203520) form and click **Add New Record** on the form toolbar.

6. In the **Login Name** box, type the name to be used for the tenant.
7. On the form toolbar, click **Save**.

> When you create a system tenant, you may be signed out after its creation, depending on how many non-System tenants your Acumatica ERP instance already had:
>
> - If you started with one non-System tenant (to which you are signed in) and you create a new one, the system signs you out to switch from single-tenant mode to multitenant mode.
> - If the instance had multiple non-System tenants and you create another, it is already in multitenant mode. Instead of being signed out, you wait until the system completes the operation and then proceed.

8. On the **Snapshots** tab, click **Import Snapshot**.
9. In the **Upload Snapshot Package** dialog box, select the `u100.zip` file, which you have downloaded, and click **Upload**.

   The system uploads the snapshot and lists it on the **Snapshots** tab of the *Tenants* form.
10. Open the *Apply Updates* (SM203510) form and click **Schedule Lockout**.
11. In the **Schedule Lockout** dialog box, click **OK**.
12. Open the *Tenants* form again.
13. On the form toolbar, click **Restore Snapshot**.
14. If the **Warning** dialog box appears, click **Yes**.
15. In the **Restore Snapshot** dialog box, make sure that the correct snapshot package is being uploaded and click **OK**. The system will restore the snapshot and sign you out.
16. Sign in to the tenant that you have just created.
17. Open the *Apply Updates* form again.
18. On the form toolbar, click **Stop Lockout.**

Which Credentials You Should Use

To complete the lessons, sign in as the following users:

1. Lesson 1: *gibbs*
2. Lesson 2: *norman*
3. Lesson 3: *wiley*
4. Lesson 4: *gibbs*
5. Lesson 5: *norman*
6. Lesson 6: *wiley*
7. Lesson 7: *gibbs*
8. Lesson 8: *norman*
9. Lesson 9: *wiley*

The password for each user is *123*.

Which License You Should Use

For the educational purposes of this course, you use Acumatica ERP under the trial license, which does not require activation and provides all available features. For the production use of this functionality, you have to activate the license your organization has purchased. Each particular feature may be subject to additional licensing; please consult the Acumatica ERP licensing policy for details.

Company Story

This topic explains the organizational structure and operational activity of the company you will work with during this training.

Company Structure

The SweetLife Fruits & Jams company is a midsize company located in New York City. The company consists of the following branches:

- SweetLife Head Office and Wholesale Center: This branch of the company consists of a jam factory and a large warehouse where the company stores fruit (purchased from wholesale vendors) and the jam it produces. Warehouse workers perform warehouse operations by using barcode scanners or mobile devices with barcode scanning support.
- SweetLife Store: This branch has a retail shop with a small warehouse to which the goods to be sold are distributed from the company's main warehouse. This branch is also planning on selling goods via a website created on an e-commerce platform to accept orders online. The e-commerce integration project is underway.
- SweetLife Service and Equipment Sales Center: This branch is a service center with a small warehouse where juicers are stored. This branch assembles, sells, installs, and services juicers, in addition to training customers' employees to operate juicers.

Operational Activity

The company has been operating starting in the *01-2024* financial period. In November 2024, the company started using Acumatica ERP as an ERP and CRM system and migrated all data of the main office and retail store to Acumatica ERP. The equipment center began its operations in *01-2025* in response to the company's growth.

The base currency of the company and its subsidiaries is the US dollar (USD). All amounts in documents and reports are expressed in US dollars unless otherwise indicated.

SweetLife Company Sales and Services

Each SweetLife company's branch has its own business processes, as follows:

- SweetLife Head Office and Wholesale Center: In this branch, jams and fruit are sold to wholesale customers, such as restaurants and cafes. The company also conducts home canning training at the customer's location and webinars on the company's website.
- SweetLife Store: In the store, retail customers purchase fresh fruit, berries, and jams, or pick up the goods they have ordered on the website. Some of the goods listed in the website catalog are not stored in the retail warehouse, such as tropical fruits (which are purchased on demand) and tea (which is drop-shipped from a third-party vendor).
- SweetLife Service and Equipment Sales Center: This branch assembles juicers, sells juicers, provides training on equipment use, and offers equipment installation, including site review and maintenance services. The branch performs short-term service provision.

The company has local and international customers. The ordered items are delivered by drivers using the company's own vehicle. Customers can pay for orders by using various payment methods (cash, checks, or credit cards).

Company Purchases

The company purchases fruits and spices from large fruit vendors for sale and for jam production. For producing jams and packing jams and fruits, the company purchases jars, labels, and paper bags from various vendors. For the internal needs of the main office and store, the company purchases stationery (printing paper, pens, and pencils), computers, and computer accessories from various vendors.

The company also purchases juicers and juicer parts from large juicer vendors, and it either purchases the installation service for the juicers or provides the installation service on its own, depending on the complexity of the installation.

Part 1: Managing Stock Items

The lessons of this part explain how you can perform basic processes related to creation, sales, and purchases of stock items.

Lesson 1: Creation of Stock Items

If the *Inventory* feature is enabled on the *Enable/Disable Features* (CS100000) form of Acumatica ERP, you can create stock items on the *Stock Items* (IN202500) form. Stock items are physical goods that you purchase or manufacture and then sell to your customers. Examples of stock items include computers, cell phones, cables, and auto parts. The system automatically tracks stock items and maintains availability data. Also, stock item costs can be tracked.

This lesson explains how to create stock items.

Stock Items: General Information

Stock items are goods that you either purchase from vendors or manufacture, and then sell to customers. In Acumatica ERP, you create stock items by using the *Stock Items* (IN202500) form, which is available if the *Inventory* feature is enabled on the *Enable/Disable Features* (CS100000) form.

Learning Objectives

In this lesson, you will do the following:

- Prepare the system for the creation of stock items
- Create stock items

Applicable Scenarios

You may need to create a stock item in the following cases:

- You are initially configuring inventory entities and settings.
- You are going to sell or purchase new goods that have not been defined in the system.

Item Classes for Stock Items

Before you start creating stock items in the system, you need to create item classes that group items with similar settings by using the *Item Classes* (IN201000) form. The system copies the following settings from an item class to a stock item when you create a stock item and select this item class:

- Item type
- Valuation method
- Tax category
- Posting class
- Lot/Serial class
- Default warehouse
- Units of measure
- Attributes

- Replenishment settings

You can change any of these settings for a particular stock item.

For more information about item classes, see *Item Classes for Stock Items: General Information*.

Types of Stock Items

When you are creating a stock item on the *Stock Items* (IN202500) form, you specify an item type, which is used for informational purposes only. The type can be one of the following:

- *Finished Good*: You use this type for finished goods that you sell to customers.
- *Component Part*: You use this type for component items from which intermediate assemblies and finished goods are produced during kit assembly processes.
- *Subassembly*: You use this type for intermediate assemblies from which finished goods are produced during kit assembly processes.

Transactions with Stock Items

After you have created stock items in the system and configured their settings, you can start processing transactions. As you process documents, the system generates the proper inventory transactions and the corresponding AP and AR documents.

You cannot manually select stock items in AR invoices. In AP bills, you can select stock items; however, you can release the AP documents only after all lines with stock items have been linked to the corresponding lines of the purchase receipts that you have released.

> ⚠ You cannot delete a stock item in the system if there are any completed transactions with the item, any unreleased documents that include this item, or any nonzero quantity of the item at any warehouse location.

Tracking of Stock Item Availability

The system automatically tracks stock items and maintains availability data: how many base units (that is, units in the base unit of measure selected for the particular stock item) are on hand, how many are ordered from vendors, and how many are booked to sales orders and shipments. To configure how exactly this availability data is computed you create an availability calculation rule and specify the rule in the settings of an item class. Availability of all items of the same class is calculated by using the same rule. (That is, you cannot change an availability calculation rule for a particular item.) For details, see *Availability Calculation Rules: General Information*.

Stock items are also tracked by their cost. Various valuation methods are available for tracking item costs (for details, see *Item Costs and Valuation Methods: General Information*). Typically, a stock item is an asset until it is sold; its cost then becomes an expense.

Also, the system can automatically monitor when the stock level of the item falls below the defined minimum and automatically calculates the quantities required to replenish the stock, based on the demand for the item and the inventory information you have defined for the stock item. For details, see *Replenishment for Stock Items*.

Stock Items: Implementation Activity

In this implementation activity, you will learn how to create stock items.

Story

Suppose that you are an implementation manager. You are configuring inventory for the SweetLife Fruits & Jams company, which produces and sells jam from various fruits.You will create a stock item for banana jam in 32-ounce jar.

System Preparation

Before you start creating the stock item, you should do the following:

1. Launch the Acumatica ERP website with the *U100* dataset preloaded, and sign in to the system as implementation manager Kimberly Gibbs by using the *gibbs* username and the *123* password.
2. On the *Enable/Disable Features* (CS100000) form, make sure that the *Inventory and Order Management* and *Inventory* features are enabled.

Step: Creating Stock Items

To create a stock item for banana jam in 32-ounce jars, do the following:

1. On the *Stock Items* (IN202500) form, add a new record.
2. Do the following to create a stock item for the banana jam in 32-ounce jar:
   a. In the Summary area, specify the following settings:
      - **Inventory ID**: `BANJAM32`
      - **Item Status**: *Active*
      - **Description**: `Banana jam 32 oz`

   b. In the **Item Defaults** section of the **General** tab, select *JAM* in the **Item Class** box.

   c. In the **Unit of Measure** section of the **General** tab, make sure that the following settings are specified:
      - **Base Unit**: *PIECE*
      - **Sales Unit**: *PIECE*
      - **Purchase Unit**: *PIECE*

   d. Make sure that the **Divisible Unit** check box right of the **Base Unit**, **Sales Unit**, and **Purchase Unit** boxes in the **Unit of Measure** section is selected.

   e. On the **GL Accounts** tab, make sure that the accounts have been copied from the *Posting Classes* (IN206000) form for the *FDI* posting class (**GL Accounts** tab).

   f. On the form toolbar, click **Save**.

Now that you have created the stock item for banana jam, you can include the jam jars in documents.

Lesson 2: Sales of Stock Items

In this lesson, you will process a sale of stock items with shipping.

Sales of Stock Items: General Information

In a typical distribution organization, a customer order may be taken over the phone or received by email. In Acumatica ERP, you can process a sale of stock items by creating and processing a corresponding sales order. A sales order represents a customer request to buy particular goods in a specified quantity on a specified date.

Learning Objectives

In this lesson, you will do the following:

- Create a sales order with stock items
- Create the shipment for the sales order
- Confirm the shipment
- Create the invoice for the sales order
- Process the sales invoice and the related inventory and accounts receivable documents

Applicable Scenario

You process a sales order with a stock item if you need to record the sale of goods with shipping the items to customer, updating item quantities in inventory, and preparing an invoice to the customer for the sold goods.

Sale of Stock Items with Automatic or Manual Allocation

The standard sales process typically includes entering a sales order, processing a shipment of the items with items being issued from inventory, and preparing the related invoice to a customer. In Acumatica ERP, to process a sale that requires the items to be shipped before an invoice can be prepared, you can use a sales order of the *SO* or *SA* type on the *Sales Orders* (SO301000) form. Consider the following points as you decide which of the order types to use:

- For a new order of the *SO* type, the items are not reserved in inventory automatically. You can manually allocate (reserve) the requested quantity for a specific stock item or multiple items if this is required by your company policies or was requested by the customer. Also, you may want to reserve a line item if the item is available but the quantity required for the order line is distributed between different warehouses and any transfers are required.
- When you save a new order of the *SA* type, the system automatically reserves the requested quantities of stock items for this order (or the available part, if only part of requested quantity is available for any item). If the ordered quantity cannot be fully allocated at the specified location or warehouse, you can manually allocate the unavailable quantity in other warehouses or locations. If you prepare a shipment for an *SA* order that has an unallocated quantity, the order will be shipped partially even if the ordered quantities are available for shipping at another warehouse or warehouse location but were not allocated for this particular order.

On the **Details** tab of the *Sales Orders* form, you can view the allocation for each sales order line and change it, if needed, by clicking a line and clicking **Line Details** on the table toolbar. The quantities of the items that have been allocated for the order (automatically or manually) cannot be shipped for another order.

The way the order will be fulfilled depends on the item availability and on the shipping rules specified for the order and for the sales order lines on the *Sales Orders* form. These shipping rules determine whether the goods in the sales order should be shipped only in full, partial shipments for the available quantities are allowed with the remainder canceled, or partial shipments are allowed with the remainder on back order. For detailed information, see *Shipping Rule Combinations*. On the *Shipments* (SO302000) form, you can review the details of a shipment document prepared for an order; then you can confirm the shipment of items.

> You can create a shipment only if each item listed on the **Details** tab of the *Sales Orders* form has a location for which sales are allowed—that is, the **Sales Allowed** check box is selected on the **Locations** tab of the *Warehouses* (IN204000) form.

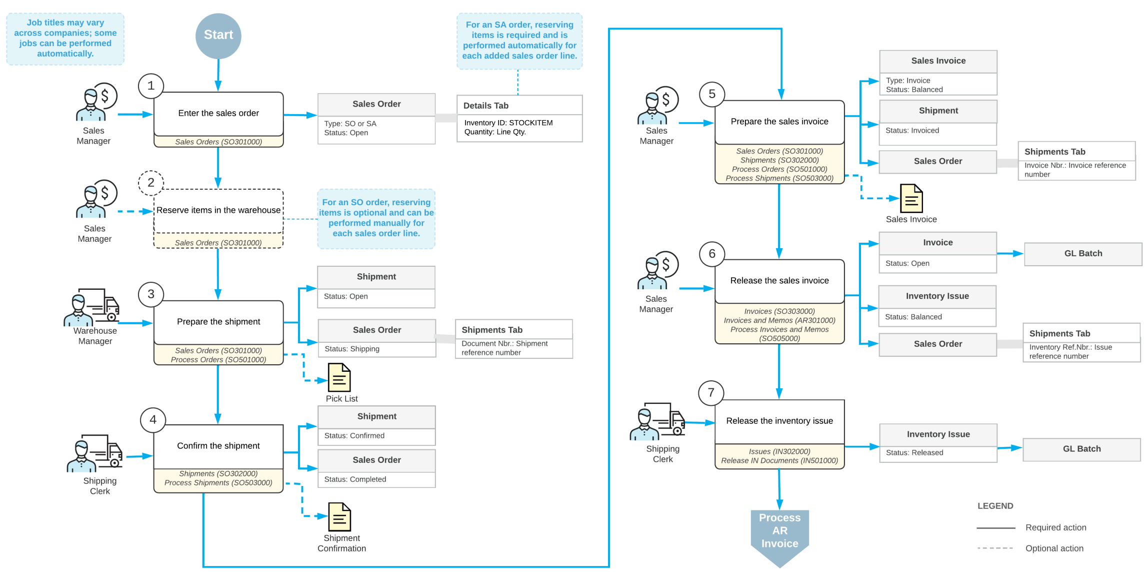
After you have prepared and confirmed the shipment or shipments related to the sales order, you need to bill the customer for the shipped items by preparing a sales invoice, which is a financial document in the system that contains links to the applicable shipments and sales orders. You can review the prepared sales invoice on the *Invoices* (SO303000) form; then you can release it. When the sales invoice is released, the system automatically generates a corresponding inventory issue for the shipped items with the date and posting period of the invoice. Also, the sales invoice becomes visible on the *Invoices and Memos* (AR301000) form as an AR invoice.

An AR invoice on the *Invoices and Memos* form is a financial document that does not contain links to the applicable shipments and sales orders, as the sales invoice does. The AR invoice and sales invoice have the same reference number, which the system prints in the customer statement. On both the *Invoices* form and the *Invoices and Memos* form, you can view the link to the batch of the general ledger transactions that was generated when the invoice was released. For more information on processing AR invoices, see *Processing AR Invoices*.

Workflow of a Sale of Stock Items

For a sales order of the *SO* or *SA* type that includes stock items, the typical processing involves the actions and generated documents shown in the following diagram.

Inventory sale with shipping



Sales of Stock Items: Process Activity

The following activity demonstrates how to prepare and process to completion a sales order with manual allocation of stock items.

Story

Suppose that you are Grace Norman, a sales manager of the SweetLife Fruits & Jams company. On January 30, 2025, the GoodFood One Restaurant wholesale customer has ordered a large amount of orange and apple jams in

96-ounce jars from the main office of SweetLife, where you are employed, for the café's baking needs. The ordered jams are stored in the warehouse of the SweetLife's main office. You, as a sales manager, need to enter and process the appropriate documents.

Configuration Overview

In the *U100* dataset, for the purposes of this activity, the following tasks have been performed:

- On the *Enable/Disable Features* (CS100000) form, the following features have been enabled:
  - *Inventory and Order Management*, which provides the standard functionality of inventory and order management
  - *Inventory*, which gives you the ability to maintain stock items by using forms related to the inventory functionality and to create and process sales and purchase documents that include stock items
- On the *Order Types* (SO201000) form, the *SO* order type has been configured and activated.
- On the *Customers* (AR303000) form, the *GOODFOOD (GoodFood One Restaurant)* customer has been configured.
- On the *Stock Items* (IN202500) form, the *APJAM96* and *ORJAM96* stock items have been configured.
- On the *Warehouses* (IN204000) form, in the *WHOLESALE* warehouse, which has been configured, sufficient quantities of the *APJAM96* and *ORJAM96* items are on hand.

Process Overview

To perform a sale of stock items with manual allocation, you create a sales order on the *Sales Orders* (SO301000) form, select the customer to which the items are being sold, add items to the order, and reserve the items in inventory. Then you create a shipment document on the *Shipments* (SO302000) form. On this form, you confirm the settings that the system has inserted automatically based on the sales order, and then confirm the shipment. After shipment confirmation, you use the *Invoices* (SO303000) form to prepare a corresponding invoice to the customer and release it.

System Preparation

Before you start performing a sale of stock items with manual allocation, you should do the following:

1. Launch the Acumatica ERP website with the *U100* dataset preloaded, and sign in to the system as sales manager Grace Norman by using the *norman* username and the *123* password.
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025* on the calendar. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, in the top pane of the Acumatica ERP screen, make sure the *SweetLife Head Office and Wholesale Center* branch is selected.

Step 1: Creating a Sales Order

To create a sales order, do the following:

1. On the *Sales Orders* (SO301000) form, create a sales order, and specify the following settings:
   - **Order Type**: *SO*
   - **Customer**: *GOODFOOD*
   - **Date**: *1/30/2025*
   - **Requested On**: *1/30/2025*
   - **Description**: `Orange and apple jams`

> To open the form for creating a new record, type the form ID in the Search box, and on the Search form, point at the form title and click **New** right of the title.

2. On the table toolbar of the **Details** tab, click **Add Row**.
3. Specify the following settings in the added row:
   - **Inventory ID**: *APJAM96*
   - **Warehouse**: *WHOLESALE*
   - **Quantity**: `20`
   - **Unit Price**: `45.15`
4. On the table toolbar, click **Add Row**.
5. Specify the following settings in the added row:
   - **Inventory ID**: *ORJAM96*
   - **Warehouse**: *WHOLESALE*
   - **Quantity**: `20`
   - **Unit Price**: `35.99`
6. On the form toolbar, click **Save**.

The sales order is saved with the *Open* status.

Step 2: Allocating Inventory Items

To manually allocate the inventory items for the sales order you have created, while you are still viewing the sales order on the *Sales Orders* (SO301000) form, do the following:

1. On the **Details** tab, click the *APJAM96* line, and review the Allocated quantity for the *APJAM96* inventory item in the table footer (which is currently equal to 0 because the system does not automatically allocate stock items for *SO* orders).
2. On the table toolbar, click **Line Details**.
3. In the **Line Details** dialog box, which opens, make sure that *WHOLESALE* is selected in the **Alloc. Warehouse** column of the only row.
4. Select the **Allocated** check box for the allocation line.
5. Click **OK** to save the created allocation and close the dialog box.
6. In the table footer, review the Allocated quantity, and notice that it is now equal to the quantity specified in the line, which means that the item has been allocated in inventory.
7. On the form toolbar, click **Save**.
8. Click the *ORJAM96* line, and review the Allocated quantity for the *ORJAM96* stock item in the table footer (which is currently equal to 0 because the system does not automatically allocate stock items for *SO* orders).
9. On the table toolbar, click **Line Details**.
10. In the **Line Details** dialog box, which opens, make sure that *WHOLESALE* is selected in the **Alloc. Warehouse** column of the only row.
11. Select the **Allocated** check box for the allocation line.
12. Click **OK** to save the created allocation and close the dialog box.
13. In the table footer, review the Allocated quantity, and notice that it is now equal to the quantity specified in the line, which means that the item has been allocated in inventory.
14. On the form toolbar, click **Save**.

You have manually allocated the inventory items for the sales order. Now you need to create a shipment document for the sales order.

Step 3: Creating a Shipment

To create a shipment, do the following:

1. While you are still viewing the sales order you have created on the *Sales Orders* (SO301000) form, on the form toolbar, click **Create Shipment**.
2. In the **Specify Shipment Parameters** dialog box, which opens, make sure that the *1/30/2025* date and the *WHOLESALE* warehouse are selected, and click **OK**. The system closes the dialog box, creates a shipment, and opens it on the *Shipments* (SO302000) form.

Step 4: Confirming the Shipment

To confirm the shipment, do the following:

1. While you are still viewing the shipment on the *Shipments* (SO302000) form, review the lines on the **Details** tab. Make sure that both order lines have been included in the shipment and that the shipped quantity in both lines is equal to the ordered quantity.
2. In both lines, specify *Main* in the **Location** column.
3. On the form toolbar, click **Confirm Shipment**.

The shipment is assigned the *Confirmed* status. Now you can prepare the invoice to bill the customer and increase the customer's debt in the system.

Step 5: Processing the Invoice

To prepare and release the invoice, do the following:

1. While you are still viewing the shipment on the *Shipments* (SO302000) form, on the form toolbar, click **Prepare Invoice**. The system prepares the invoice and opens it on the *Invoices* (SO303000) form.
2. On this form, review the details of the prepared invoice. The invoice has two lines, as the initial sales order does. In the **Shipment Nbr.** and **Order Nbr.** columns of the **Details** tab, notice that the system has inserted the reference number links to the related shipment and sales order.
3. On the form toolbar, click **Release** to release the invoice. Wait for the system to complete the operation.
4. Return to the *Sales Orders* (SO301000) form, and open the sales order that you have processed.
5. On the **Shipments** tab, in the only row, click the link in the **Inventory Ref. Nbr.** column to view the inventory issue that was generated when you released the invoice.
6. On the *Issues* (IN302000) form, which opens in a pop-up window, review the details of the inventory issue, shown in the following screenshot. Make sure that the issue has the *Released* status, which means that the issue has been released and the quantities of items in inventory have been decreased appropriately.

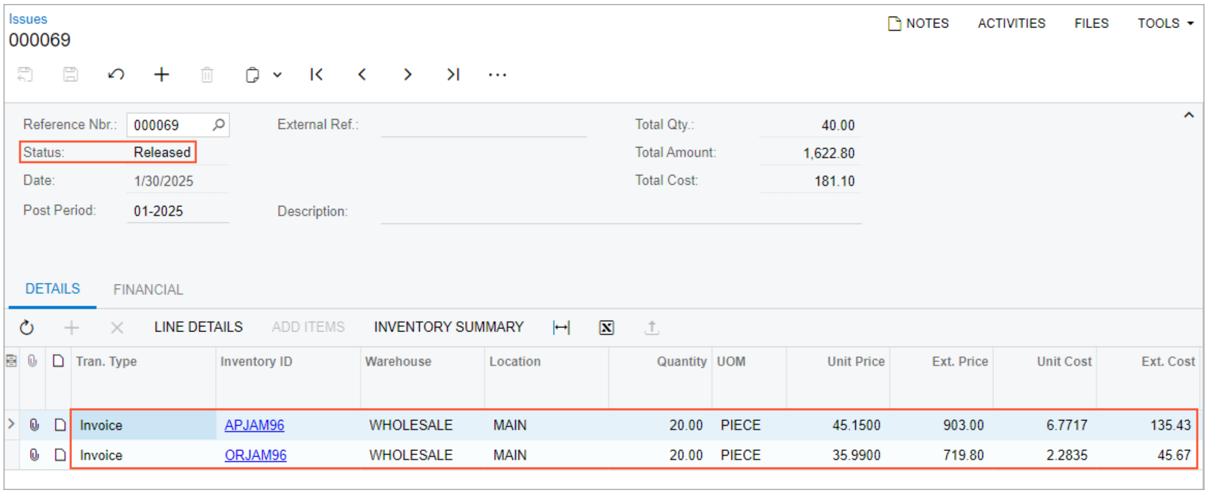


Figure: Inventory issue generated on release of the invoice

The sales order processing is now complete.

Lesson 3: Purchases of Stock Items

For most companies, the majority of purchase orders are purchases to inventory, and the bills are generated after the ordered goods and services have been received from the vendors. This lesson explains how to process purchase orders with stock items being received before the related AP bills are prepared for the vendors for the purchased goods and services.

Purchases of Stock Items: General Information

In Acumatica ERP, you can process purchases of stock items: purchases in which the bills are generated after the ordered goods and services have been received into inventory from the vendors.

Learning Objectives

In this lesson, you will do the following:

- Create a purchase order with stock items
- Prepare a purchase receipt for an existing purchase order
- Release a purchase receipt
- Enter the accounts payable bill for the receipt
- Process the purchase order and the related inventory documents and accounts payable documents

Applicable Scenario

You process a purchase order if you need to record a purchase of stock items with item quantities updated in inventory and to prepare a bill for the purchased goods to the vendor of the goods. Your purchase process includes entering a purchase order, processing the purchase receipt when the purchased items are received to inventory, and preparing a bill to the vendor.

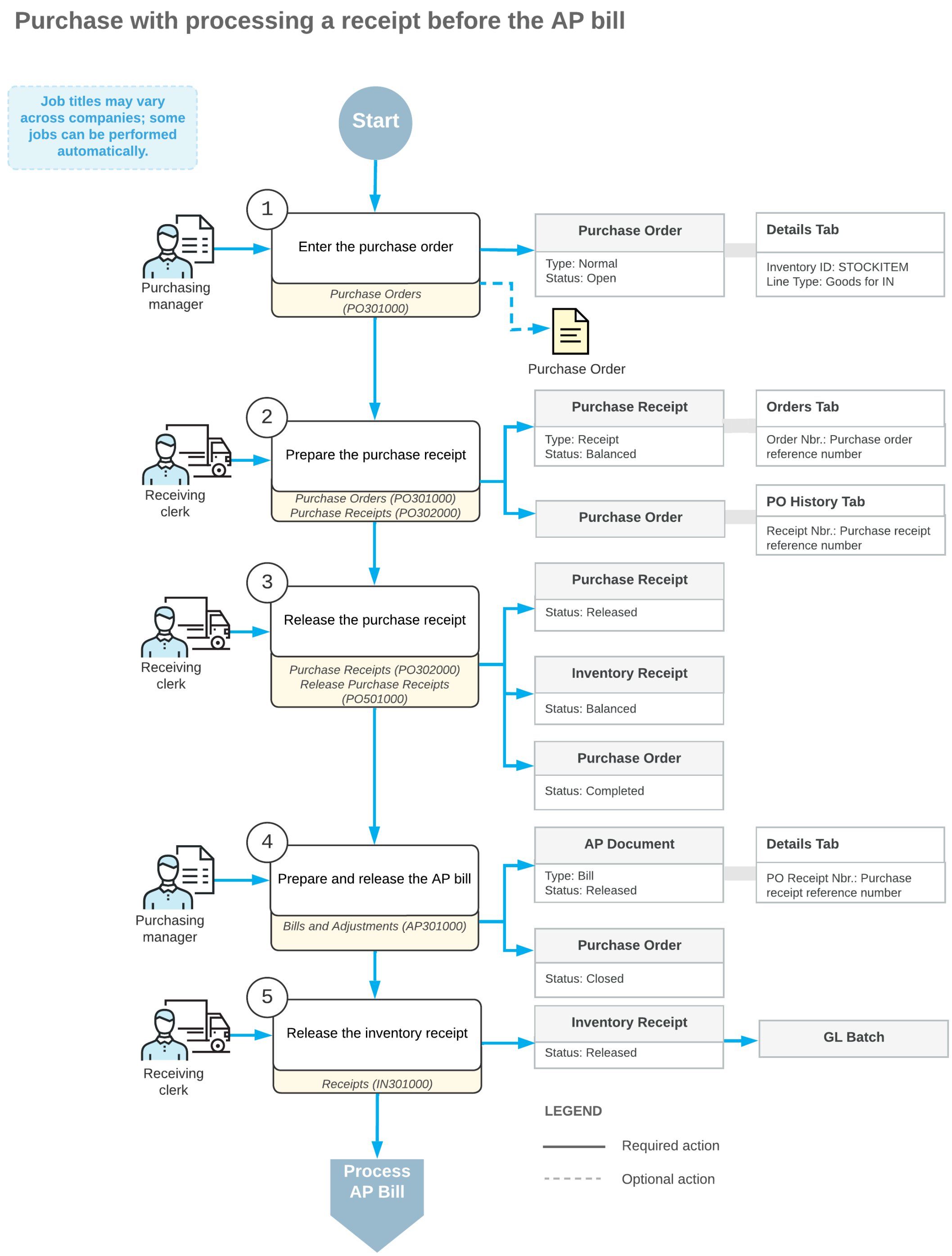
Process of Purchasing of Stock Items

A purchase process typically includes entering a purchase order, processing the purchase receipt when the purchased items are received to inventory, and preparing a bill to the vendor. In general, the *Purchase Orders* (PO301000) form is the starting point for creating a purchase order. In Acumatica ERP, for processing purchases of inventory items, purchase orders of the *Normal* type are used.

In a new purchase order created on the *Purchase Orders* form, you should first select the vendor. Then on the **Details** tab, you list the stock items to be purchased from the vendor. You can add stock items by clicking the **Add Items** button on the table toolbar of the **Details** tab and selecting from only the vendor's items or from the entire list of stock items. Once the purchased items have been received to inventory, you need to create a purchase receipt (or multiple partial receipts). When a purchase receipt is released, the system automatically generates a corresponding inventory receipt, with the date and posting period of the purchase receipt. On release of the inventory receipt, the system updates the inventory on hand with the quantity and cost of the received goods and generates a batch of GL transactions to update account balances in the general ledger. If all the lines in the purchase order have been received in full, the system assigns the purchase order the *Completed* status. Then you need to create a bill to increase the vendor's balance in the system with amount to be paid for received goods. If all the lines in the purchase order have been billed in full, the system assigns the purchase order the *Closed* status. For more information on the rules that affect line closing and completion, see *Stock Item Lines in Purchase Orders*.

Workflow of Purchasing Stock Items

The following diagram represents the general workflow of the processing of a purchase order in Acumatica ERP, in which a purchase receipt is processed before the bill is generated.



Purchases of Stock Items: Process Activity

The following activity demonstrates how to prepare and process to completion a purchase order with items received to inventory before the vendor is billed.

Story

Suppose that you are Regina Wiley, a purchasing manager in the SweetLife Fruits & Jams company. On January 30, 2025, you are purchasing the following fruits from the Glory Fruit Case vendor: 100 pounds of apples, 200 pounds of oranges, and 50 pounds of lemons. The purchased fruits are to be delivered to the main office's warehouse. As the purchasing manager, you need to enter and process a purchase order, process a purchase receipt, and create a bill that should be paid to the vendor for the received fruits.

Configuration Overview

In the *U100* dataset, for the purposes of this activity, the following tasks have been performed:

- On the *Enable/Disable Features* (CS100000) form, the following features have been enabled:
  - *Inventory and Order Management*, which provides the standard functionality of inventory and order management
  - *Inventory*, which gives you the ability to maintain stock items by using forms related to the inventory functionality and to create and process sales and purchase documents that include stock items
- On the *Vendors* (AP303000) form, the *GLORYFRUIT (Glory Fruit Case)* vendor has been configured.
- On the *Stock Items* (IN202500) form, the *APPLES*, *LEMONS*, and *ORANGES* stock items have been created.

Process Overview

In the process of purchasing stock items, you create a purchase order on the *Purchase Orders* (PO301000) form and add the purchased items to it. When the items have been received, on the *Purchase Receipts* (PO302000) form, you create a purchase receipt for the ordered items. On release of the purchase receipt, the system automatically generates an inventory receipt to reflect the receipt of the items in inventory. Then on the *Bills and Adjustments* (AP301000) form, you create an accounts payable bill to the vendor.

System Preparation

Before you start creating and processing a purchase order to completion, you should do the following:

1. Launch the Acumatica ERP website with the *U100* dataset preloaded and sign in to the system as purchasing manager Regina Wiley by using the *wiley* username and the *123* password.
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button, and select *1/30/2025* from the calendar. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, in the top pane of the Acumatica ERP screen, make sure the *SweetLife Head Office and Wholesale Center* branch is selected.

Step 1: Reviewing the Quantity of Items in the Warehouse

To review the quantity of items in the *WHOLESALE* warehouse, you should do the following:

1. Open the *Inventory Valuation* (IN615500) report form.
2. On the **Report Parameters** tab, specify the following settings:
   a. **Company/Branch**: *HEADOFFICE - SweetLife Head Office and Wholesale Center*
   b. **Warehouse**: *WHOLESALE*
   c. **Report Format**: *Summary*

Leave other settings unchanged.

3. On the form toolbar of the report form, click **Run Report**. The print form of the report opens. Review the report.
4. Memorize or write down the quantity of items with the following inventory IDs:
   - *APPLES*
   - *LEMONS*
   - *ORANGES*

   In Step 3, you will compare the original quantity of these items with the resulting quantity.

Step 2: Creating a Purchase Order

To create a purchase order, do the following:

1. On the *Purchase Orders* (PO301000) form, add a new record.

   > To open the form for creating a new record, type the form ID in the Search box, and on the Search form, point at the form title and click **New** right of the title.

2. In the Summary area, specify the following settings:
   - **Type**: *Normal*
   - **Vendor**: *GLORYFRUIT*
   - **Date**: *1/30/2025*
   - **Promised On**: *1/30/2025*
   - **Description**: `Purchase of fruits`
3. On the **Details** tab, on the table toolbar, click **Add Row** and specify the following settings in the added row:
   - **Branch**: *HEADOFFICE*
   - **Inventory ID**: *APPLES*
   - **Warehouse**: *WHOLESALE*
   - **Order Qty.**: `100`
   - **Unit Cost**: `2.29`
4. On the table toolbar, click **Add Row** and specify the following settings in the second row:
   - **Branch**: *HEADOFFICE*
   - **Inventory ID**: *LEMONS*
   - **Warehouse**: *WHOLESALE*
   - **Order Qty.**: `50`
   - **Unit Cost**: `2.59`
5. On the table toolbar, click **Add Row** and specify the following settings in the third row:
   - **Branch**: *HEADOFFICE*
   - **Inventory ID**: *ORANGES*
   - **Warehouse**: *WHOLESALE*
   - **Order Qty.**: `200`
   - **Unit Cost**: `1.85`
6. On the form toolbar, click **Save**.
7. On the form toolbar, click **Remove Hold**. Now you can continue processing the purchase order, which has the *Open* status.

Step 3: Processing the Purchase Receipt

To create a purchase receipt for the purchase order, do the following:

1. While you are still viewing the *Purchase of fruits* purchase order on the *Purchase Orders* (PO301000) form, on the form toolbar, click **Enter PO Receipt**. The system prepares the purchase receipt for the selected purchase order and opens it on the *Purchase Receipts* (PO302000) form.
2. On the form toolbar, click **Save**.

   Review the details of the prepared purchase receipt. Make sure that the **Create Bill** check box is cleared in the Summary area. (In the next step, you will prepare the bill manually.)
3. On the form toolbar, click **Release**. Wait for the system to complete the operation.
4. On the **Other** tab, click the **IN Ref. Nbr.** link. The inventory receipt opens on the *Receipts* (IN301000) form in a pop-up window. Review the details of the generated inventory receipt. Make sure the inventory receipt has the *Released* status. Close the inventory receipt.
5. Open the *Inventory Valuation* (IN615500) report form.
6. On the **Report Parameters** tab, specify the following settings:
   - **Company/Branch**: *HEADOFFICE - SweetLife Head Office and Wholesale Center*
   - **Warehouse**: *WHOLESALE*
   - **Report Format**: *Summary*

   Leave the default settings for the other parameters.
7. On the form toolbar of the report form, click **Run Report**. The print form of the report opens. Review the report. Make sure that the report reflects the receipt (to the warehouse) of the purchased items and their availability.

Step 4: Processing the AP Bill

To process the AP bill to the *GLORYFRUIT* vendor, do the following:

1. Open the purchase receipt that you have processed earlier in this activity on the *Purchase Receipts* (PO302000) form.
2. On the form toolbar, click **Enter AP Bill**. The system generates an accounts payable bill to the vendor of the goods and shows the created document on the *Bills and Adjustments* (AP301000) form.
3. On the form toolbar, click **Save**.
4. Click **Remove Hold**, which gives you the ability to release the bill.
5. Click **Release**.
6. Return to the purchase order to the *GLORYFRUIT* vendor on the *Purchase Orders* (PO301000) form, and review its details. Notice that the order now has a status of *Closed*, as shown in the following screenshot. On the **PO History** tab, notice that the information about the purchase receipt and accounts payable bill that were prepared for the order is displayed. According to this information, the purchased items have been received to inventory and billed in full, so the purchasing process is completed.

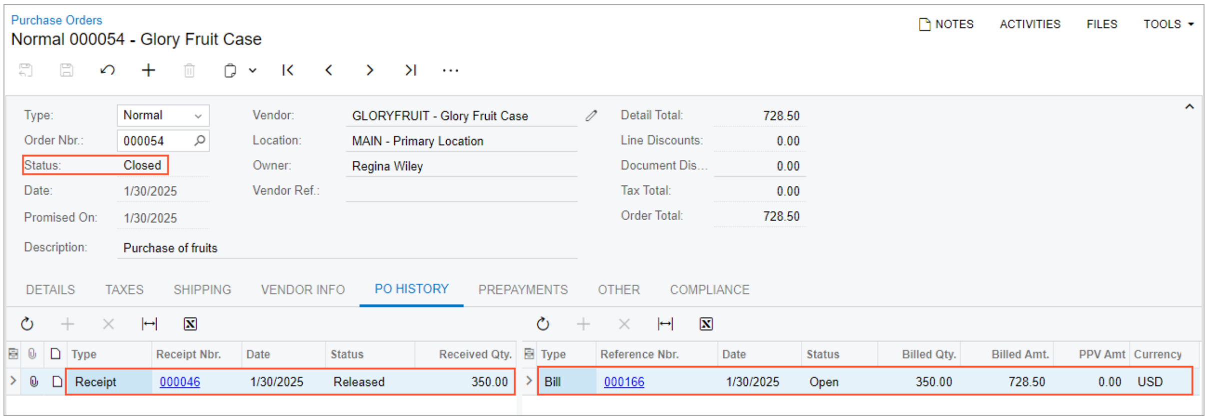


Figure: Purchase order processed to completion

Part 2: Managing Non-Stock Items

The lessons of this part explain how you can perform basic processes related to creation, sales, and purchases of non-stock items.

Lesson 4: Creation of Non-Stock Items

The topics of this lesson explain what a non-stock item in Acumatica ERP is, which settings of non-stock items you need to specify in order to sell and purchase non-stock items, and how the settings of non-stock items affect sales orders and purchase orders. You will explore item settings as you complete an activity in which you create a non-stock item that does not represent a physical entity.

Non-Stock Items: General Information

Non-stock items may be physical entities for which you do not need to track quantities in a warehouse or they may be products that consist of no physical entity and thus cannot be stocked in warehouses (as with services). In Acumatica ERP, you create non-stock items by using the *Non-Stock Items* (IN202000) form.

Acumatica ERP supports the following types of non-stock items:

- *Non-Stock Item*: A general type of non-stock item usually bought for internal needs or for use in sales but not to be sold separately
- *Service*: A non-stock item to designate service fees
- *Labor*: A non-stock item mostly used as a source of general ledger accounts for recording sales of labor
- *Charge*: A non-stock item that represents specific type of charge
- *Expense*: A non-stock item that represents specific type of expense

> This lesson focuses on non-stock items that represent physical entities. Thus, in the rest of the lesson, *non-stock item* refers to this kind of non-stock item. To learn more about non-stock items representing services, see *Service Items: General Information*.

Learning Objectives

In this lesson, you will do the following:

- Become familiar with the settings of a non-stock item that represents a physical entity
- Understand the non-stock item settings that affect the processing of orders that include the item
- Create a non-stock item

Applicable Scenarios

When you are initially configuring entities and settings in Acumatica ERP, you may need to create a non-stock item in the following cases:

- You are going to sell or purchase goods that you do not want to track in inventory.
- You are going to drop-ship goods.

Non-Stock Items in Sales Orders

Although non-stock items are not tracked in inventory, you may want to process them through shipment, so that these items will be listed in shipment confirmations and pick lists. You can include a non-stock item in a shipment only if the **Require Shipment** check box is selected on the **General** tab of the *Non-Stock Items* (IN202000) form for this item. When the item with the check box selected is included in a sales order on the *Sales Orders* (SO301000) form, you can create a shipment only if the order type is used for processing shipments.

> Shipments can be processed for sales orders of a type if the **Process Shipments** check box is selected on the *Order Types* (SO201000) form.

After the shipment has been created and confirmed, you can create a sales invoice for this order.

Non-Stock Items in Purchase Orders

For each non-stock item, you define whether a purchase receipt is required when the item is included in a purchase order by selecting or clearing the **Require Receipt** check box on the **General** tab of the *Non-Stock Items* (IN202000) form.

In a purchase order line on the *Purchase Orders* (PO301000) form, when you select a non-stock item that requires a receipt, the system inserts *Non-Stock* as the line type. When you create a purchase receipt for the purchase order, the system copies all *Non-Stock* lines to the purchase receipt.

Posting Accounts for Non-Stock Lines

For the *Non-Stock* lines on the *Purchase Orders* (PO301000) form, in the **Account** column, the system inserts the Expense account defined by the **Use COGS/Expense Account From** setting of the posting class specified on the *Posting Classes* (IN206000) form.

If the *Subaccounts* feature is enabled in your system, in the **Sub.** column of the *Purchase Orders* form, the system also inserts the subaccount, which is composed as defined by the rule in the **Combine Expense Sub. From** box on the **General** tab of the *Accounts Payable Preferences* (AP101000) form.

If the subaccount mask associated with the non-stock item—that is, *I*— is selected in the **Combine Expense Sub. From** box on the *Accounts Payable Preferences* form, the subaccount is composed according to the rule which is specified in the **Use COGS/Expense Account From** box on the *Posting Classes* form for the posting class of the non-stock item.

Accounts and subaccounts are used for processing *Non-Stock* lines as follows:

- When an inventory receipt linked to the purchase receipt is released, the Expense account (with the Expense subaccount) is debited for the line amount and the PO Accrual account (with the PO Accrual subaccount) is credited for the same amount.
- When a bill is released for the purchase receipt, the PO Accrual account (with the PO Accrual subaccount) is debited for the line amount and the Accounts Payable account (with the Accounts Payable subaccount, if applicable) is credited for the same amount.

The PO Accrual account to be used for receipt-related transactions is defined by the posting class of the item on the *Posting Classes* form; the default account assigned to the item on the **GL Accounts** tab of the *Non-Stock Items* (IN202000) form will be used if the **Use PO Accrual Account From** setting for the posting class has the *Inventory Item* option selected.

Units of Measure for Non-Stock Items

If the *Multiple Units of Measure* feature is enabled on the *Enable/Disable Features* (CS100000) form, for each non-stock item, you can select the units of measure (UOMs) used as base, sales, and purchase units for the item and specify conversion rules for them and for other UOMs used for the item. If the feature is disabled, only base units can be specified.

You can select global UOMs or enter new UOMs on the fly. Every conversion rule is specified with respect to the UOM selected as the item's base unit. For details on UOMs, see *Stock Items: Units of Measure*. (Stock and non-stock items are configured similarly.)

Non-Stock Items: Implementation Activity

The following implementation activity will walk you through the process of creating a non-stock item.

Story

Suppose that the SweetLife Fruits & Jams company is holding a promotion in which customers who buy a certain quantity of fruits in the SweetLife Store also receive a teddy bear toy. The company needs to buy a certain number of these toys from a manufacturer. The promotion is temporary, and the SweetLife Store does not need to track the quantity of distributed toys; thus, the teddy bear will be registered in the system as a non-stock item.

Acting as a SweetLife sales and purchasing manager, you need to create the new non-stock item and specify the needed settings for it.

Process Overview

In this activity, you will create a non-stock item on the *Non-Stock Items* (IN202000) form, specify the needed settings and save the created non-stock item.

System Preparation

To prepare the system, launch the Acumatica ERP website with the *U100* dataset preloaded, and sign in to the system. You should sign in as implementation manager Kimberly Gibbs by using the *gibbs* username and the *123* password.

Step: Creating a Non-Stock Item

To create a non-stock item, do the following:

1. On the *Non-Stock Items* (IN202000) form, add a new record.
2. In the Summary area, specify the following settings:
    - **Inventory ID**: `TEDDYBEAR`
    - **Description**: `Teddy Bear toys`
3. On the **General** tab, specify the following settings for the item:
    - **Type**: *Non-Stock Item*
    - **Posting Class**: *NONSTOCK - Non-Stock Items*
    - **Tax Category**: *EXEMPT*
    - **Require Receipt**: Selected

      You select this check box because you want the receipt of this item to be recorded.
    - **Require Shipment**: Cleared

      You clear this check box because customers will receive the teddy bear promotional item only in the SweetLife Store.
    - **Close PO Line**: *By Quantity*

With this option selected, a purchase order line for this item is completed and closed based on the line quantity when the receipt or bill is released. You select this option to make sure that the vendor provides the appropriate quantity of the item.

4. In the **Unit of Measure** section of the **General** tab, specify the following settings:
    - **Base Unit**: *EA*
    - **Sales Unit**: *EA*
    - **Purchase Unit**: *EA*
5. On the **GL Accounts** tab, in the **Expense Account** box, select the *60000 - Purchase Expense* account.
6. On the form toolbar, click **Save**.

You have created the non-stock item for the promotional teddy bear.

Lesson 5: Sales of Non-Stock Items with Shipping

The topics of this lesson explain how to process a sale of non-stock items with shipping, and which documents are prepared during the processing of the sale.

Sales of Non-Stock Items with Shipping: General Information

Non-stock items in Acumatica ERP, which are defined on the *Non-Stock Items* (IN202000) form during implementation, are used to represent products that cannot be stocked in warehouses (such as services or charges) or physical entities whose quantities you do not need to track.

The following sections describe the sales process of non-stock items that are shipped to the customer.

Learning Objectives

In this lesson, you will do the following:

- Prepare a sales order for a sale of non-stock items with shipping
- Prepare the shipment for the sales order
- Prepare the invoice that corresponds to the sales order

Applicable Scenario

You process a sales order with non-stock lines and then create a shipment if a customer buys some goods that are defined as non-stock items in the system, and the goods must be shipped to the customer's place.

Sales of Non-Stock Items with Shipping

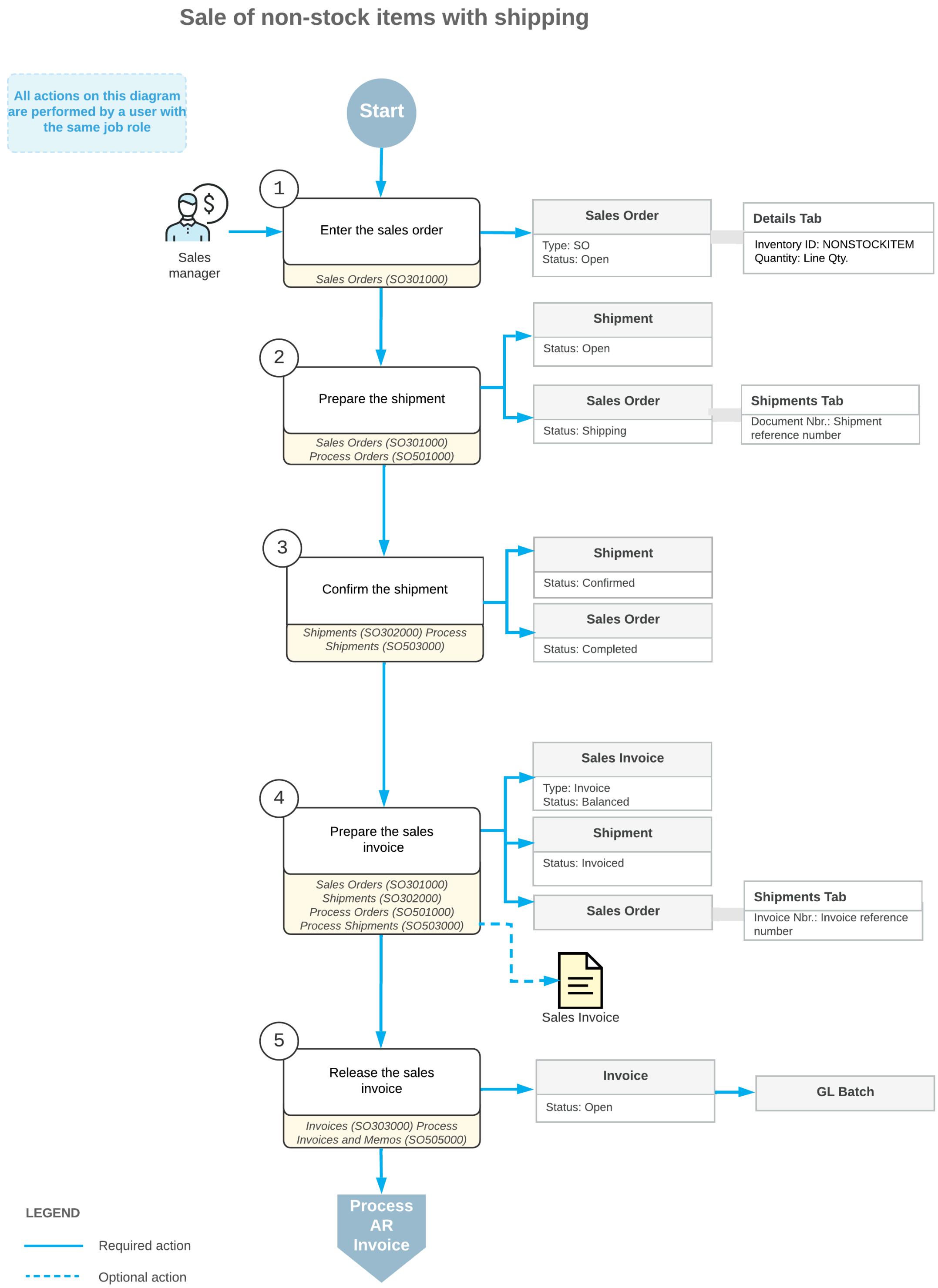
The standard sales process with order management software typically includes entering a sales order, processing a shipment of the items, and preparing the related sales invoice for the customer. In Acumatica ERP, to begin processing a sale that requires the items to be shipped before billing occurs, you enter a sales order of the *SO* type on the *Sales Orders* (SO301000) form and add the requested non-stock items to the order.

Then you use the *Shipments* (SO302000) form to prepare and confirm each shipment related to the sales order. When each shipment is confirmed, you need to bill the customer for the shipped items by preparing a sales invoice, which is a financial document in the system that contains links to the applicable shipments and sales orders. You can review the prepared sales invoice on the *Invoices* (SO303000) form; then you can release it. When the sales invoice is released, the sales invoice becomes visible on the *Invoices and Memos* (AR301000) form as an AR invoice.

An AR invoice on the *Invoices and Memos* form is a financial document that does not contain links to the applicable sales orders, as the sales invoice does. The AR invoice and sales invoice have the same reference number, which the system prints in the customer statement. On both the *Invoices* form and the *Invoices and Memos* form, you can view the link to the batch of the general ledger transactions that was generated when the invoice was released. For more information on processing AR invoices, see *Processing AR Invoices*.

Workflow of Sales of Non-Stock Items with Shipping

If a sales order includes only non-stock items with shipment, the processing of the sales order involves the actions and generated documents shown in the following diagram.



Sales of Non-Stock Items with Shipping: Process Activity

In this activity, you will prepare and process a sales order for non-stock items that need to be shipped to the customer's location.

Story

Suppose that the GoodFood One Restaurant customer has asked SweetLife Fruits & Jams to conduct a two-day training course on home canning for the café's employees.

The materials to be used for the upcoming training on home canning (which are included in the price of the training) need to be delivered to the customer's location before the course is conducted. You, as a sales manager, need to reflect these details in the system by entering and processing the appropriate documents.

Configuration Overview

In the *U100* dataset, the following tasks have been performed to support this activity:

- On the *Enable/Disable Features* (CS100000) form, the *Inventory* feature has been enabled.
- On the *Order Types* (SO201000) form, the *SO* order type has been configured and activated.
- On the *Customers* (AR303000) form, the *GOODFOOD (GoodFood One Restaurant)* customer has been created.
- On the *Non-Stock Items* (IN202000) form, the *OFLCOURSE (Home canning courses at customer's place)* non-stock item has been created, and the **Require Shipment** check box has been selected for this item on the **General** tab.

Process Overview

In this activity, you will create a sales order on the *Sales Orders* (SO301000) form, and then add a non-stock item to it. After that, you will create a related shipment document on the *Shipments* (SO302000) form. On this form, you will check the settings that the system has specified automatically, and then confirm the shipment. After shipment confirmation, you will use the *Invoices* (SO303000) form to prepare a sales invoice to the customer and release it.

System Preparation

Before you start processing a sales order that includes non-stock items with shipping, you should do the following:

1. Launch the Acumatica ERP website with the *U100* dataset preloaded and sign in to the system as a sales and purchasing manager by using the *norman* username and the *123* password.
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025* on the calendar. For simplicity, in this activity, you will create and process all documents in the system on this business date.

Step 1: Creating a Sales Order

To create a sales order, do the following:

1. On the *Sales Orders* (SO301000) form, add a new record.
2. In the Summary area, specify the following settings:
   - **Order Type**: *SO*
   - **Customer**: *GOODFOOD*
   - **Description**: `Home canning training`
3. On the **Details** tab, click **Add Row** on the table toolbar, and specify the following settings in the row:
   - **Inventory ID**: *OFLCOURSE*
   - **Warehouse**: *WHOLESALE*
   - **Quantity**: `2`

- **Unit Price**: 45

4. On the form toolbar, click **Save**.

Now you need to create a shipment for the materials that need to be shipped in advance of the training.

Step 2: Creating a Shipment

To create the shipment related to the sales order, do the following:

1. While you are still viewing the sales order that you have created on the *Sales Orders* (SO301000) form, on the form toolbar, click **Create Shipment**.
2. In the **Specify Shipment Parameters** dialog box, which opens, make sure that make sure that the *1/30/2025* business date and the *WHOLESALE* warehouse are selected, and click **OK**.

The system closes the dialog box, creates a shipment and opens it on the *Shipments* (SO302000) form.

Step 3: Confirming the Shipment

To confirm the shipment, do the following:

1. While you are still viewing the shipment on the *Shipments* (SO302000) form, make sure that the order line with the non-stock item has been included in the shipment on the **Details** tab.
2. On the form toolbar, click **Confirm Shipment**.

Notice that the shipment is assigned the *Confirmed* status. Now you can prepare the invoice to bill the customer and increase the customer's debt in the system.

Step 4: Processing the Sales Invoice

To prepare and release a sales invoice related to the sales order (and shipment), do the following:

1. While you are still viewing the shipment on the *Shipments* (SO302000) form, on the form toolbar, click **Prepare Invoice**. The system prepares the invoice and opens it on the *Invoices* (SO303000) form.
2. On this form, review the details of the prepared invoice. The invoice has one line on the **Details** tab, as the initial sales order does. In the **Shipment Nbr.** and **Order Nbr.** columns of this tab, the system has inserted the reference numbers of the related shipment and sales order (which you created in Steps 1 and 2 of this activity); these numbers are also links that you can click to view the shipment and sales order on the appropriate forms.
3. On the form toolbar, click **Release** to release the sales invoice. The invoice is assigned the *Open* status.
4. On the **Details** tab, in the only row, click the link in the **Order Nbr.** column to view the associated sales order.
5. On the *Sales Orders* (SO301000) form, which opens, review the details of the sales order, as shown in the following screenshot. Notice that the sales order has the *Completed* status, which the system assigned on release of the sales invoice, and which means that the processing of the sale is completed.

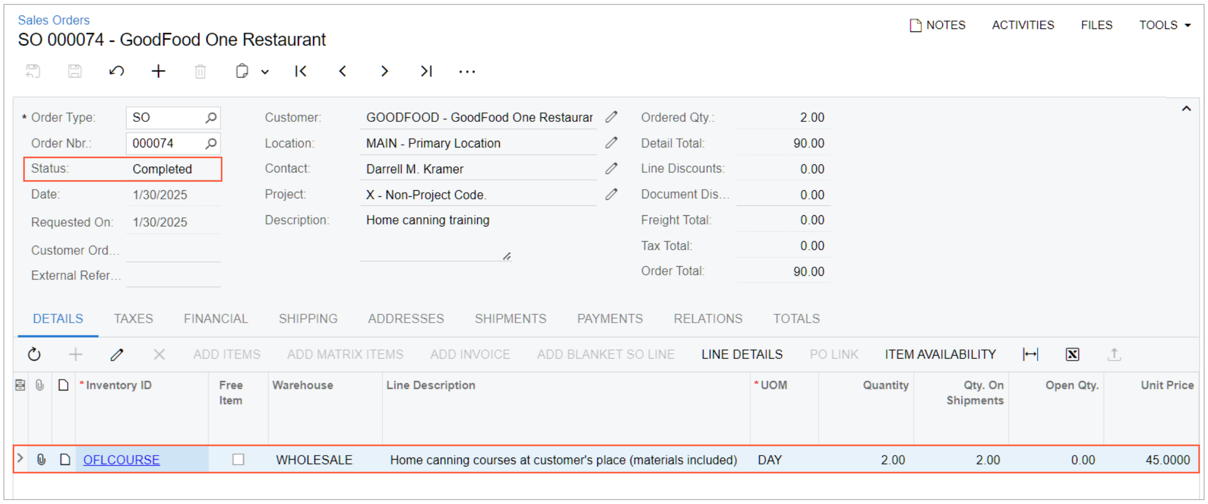


Figure: Sales order completed on release of the sales invoice

Lesson 6: Purchases of Non-Stock Items with Receipts

The topics of this lesson describe how to prepare and process purchase orders containing non-stock items and services that have to be included in the corresponding purchase receipts.

Purchases of Non-Stock Items and Services with Receipts: General Information

Non-stock items in Acumatica ERP, which are defined on the *Non-Stock Items* (IN202000) form during implementation, are used to represent products that cannot be stocked in warehouses (such as services or charges) or physical entities whose quantities you do not need to track. In Acumatica ERP, you can process purchases of non-stock items and services with purchase receipts.

The following sections explain how to process a purchase of non-stock items and services with receipts, and which documents are prepared during the processing of the purchase.

Learning Objectives

In this lesson, you will do the following:

- Enter a purchase order for a purchase of non-stock items including services
- Prepare a purchase receipt for the purchase order
- Prepare an AP bill that corresponds to the purchase order

Applicable Scenario

You process a purchase order for non-stock items (potentially including services) and process the corresponding purchase receipt if you need to prepare a bill to pay the vendor for the purchased non-stock items. The standard purchase process of non-stock items includes entering a purchase order, processing the purchase receipt when the purchased non-stock items are received, and preparing a bill to the vendor.

> Purchases of services are usually processed without purchase receipts also being processed in the system. You might want to process a purchase of a service with a corresponding purchase receipt if you want the receipt to serve as proof that the work was finished. If the service is paid by the hour, the receipt is also needed to track the actual number of hours, which may differ from the expected number of hours in the purchase order.

Purchase of Non-Stock Items (Including Services) with a Corresponding Receipt

In Acumatica ERP, you create a purchase order by using the *Purchase Orders* (PO301000) form. You use a purchase order of the *Normal* type for processing a standard purchase of non-stock items (including services).

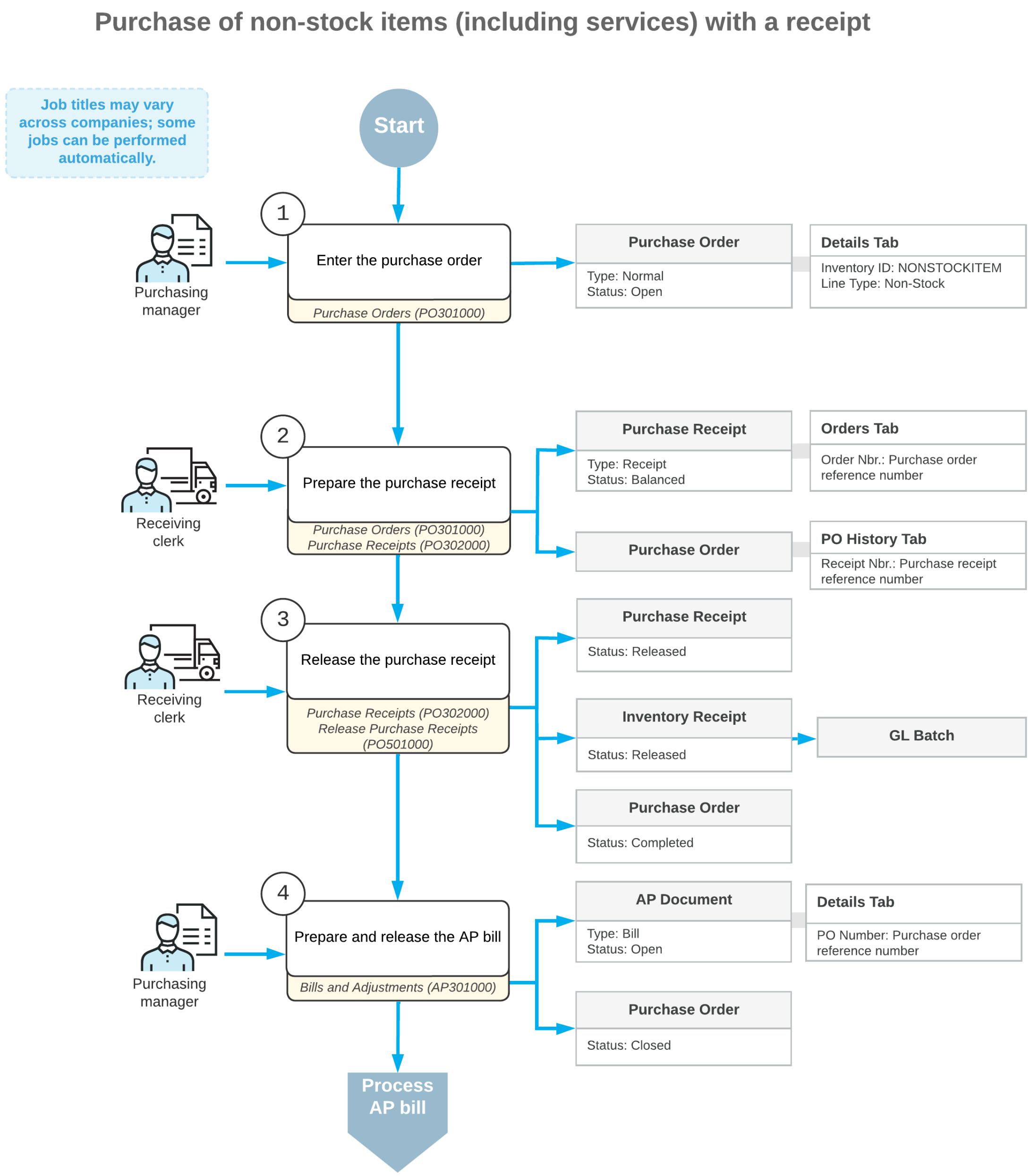
When you create a new purchase order, you first select the vendor and the *Normal* type in the Summary area. Then on the **Details** tab, you add lines with the non-stock items, including services, to be purchased from the vendor.

For this scenario, once the purchased items have been received, you need to create a purchase receipt on the *Purchase Receipts* (PO302000) form.

Then you need to create an AP bill to increase the vendor's balance in the system with the amount to be paid for the received items. You can review the AP bill on the *Bills and Adjustments* (AP301000) form. If all the lines in the purchase order have been billed in full, the system assigns the purchase order the *Closed* status. For more information on the rules that affect line closing and completion, see *Non-Stock Lines in Purchase Orders*.

Workflow of a Purchase of Non-Stock Items with a Receipt

When you process a purchase of non-stock items (including services) with a purchase receipt, the typical processing of a purchase order involves the actions and generated documents shown in the following diagram.



Purchases of Non-Stock Items and Services with Receipts: To Process a Purchase of Non-Stock Items

In this activity, you will prepare and process a purchase order for non-stock items that must be included in a purchase receipt. This activity involves non-stock items that are not services.

Story

Suppose that the SweetLife Store gives a free magnet with a SweetLife Fruits & Jams advertisement to every customer who buys goods in the retail shop. Further suppose that today one of the managers has reported that the supply of magnets is extremely low.

As a purchasing manager, you need to enter and process a purchase order for the Wingman Printing Company, from which SweetLife buys these magnets. You also need to process the corresponding purchase receipt and AP bill.

Configuration Overview

In the *U100* dataset, the following tasks have been performed to support this activity:

- On the *Enable/Disable Features* (CS100000) form, the *Inventory* feature has been enabled.
- On the *Vendors* (AP303000) form, the *PRINTICO (Wingman Printing Company)* vendor has been defined.
- On the *Non-Stock Items* (IN202000) form, the *MAGNETS (A box of magnets with company advertisement, 50pcs)* non-stock item has been defined, and the **Require Receipt** check box has been selected for this item on the **General** tab. This indicates that when this item is purchased, it needs to be included in a purchase receipt.

Process Overview

In this activity, you will create a purchase order on the *Purchase Orders* (PO301000) form and add the *MAGNETS* non-stock item to it. When the magnets have been received, on the *Purchase Receipts* (PO302000) form, you will then create a purchase receipt for them. On release of the purchase receipt, the system automatically generates an inventory receipt, which creates a GL batch. Then on the *Bills and Adjustments* (AP301000) form, you will create an AP bill to pay the vendor.

System Preparation

Before you start processing the purchase order, you should do the following:

1. Launch the Acumatica ERP website with the *U100* dataset preloaded and sign in to the system as a sales and purchasing manager by using the *wiley* username and *123* password.
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to today's date. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu in the top pane of the Acumatica ERP screen, select the *SweetLife Store* branch.

Step 1: Creating a Purchase Order

To create a purchase order for the magnets, do the following:

1. On the *Purchase Orders* (PO301000) form, add a new record.
2. In the Summary area, specify the following settings:
   - **Type**: *Normal*
   - **Vendor**: *PRINTICO*
   - **Description**: `Purchase of magnets`
3. On the table toolbar of the **Details** tab, click **Add Row**.
4. Specify the following settings in the added row:
   - **Branch**: *RETAIL*
   - **Inventory ID**: *MAGNETS*
   - **Warehouse**: *RETAIL*
   - **Order Qty.**: *20*
   - **Unit Cost**: *100*

5. On the form toolbar, click **Remove Hold**. Notice that the purchase order is assigned the *Open* status.

Step 2: Processing the Purchase Receipt

To create the purchase receipt for the purchase order, do the following:

1. While you are still viewing the purchase order on the *Purchase Orders* (PO301000) form, on the form toolbar, click **Enter PO Receipt**. The system prepares the purchase receipt for the selected purchase order and opens it on the *Purchase Receipts* (PO302000) form.
2. On the form toolbar, click **Save**.
3. Review the details of the prepared purchase receipt. Make sure that the **Create Bill** check box is cleared in the Summary area. (In the next step, you will prepare the bill manually.)
4. On the form toolbar, click **Release**.
5. On the **Other** tab, click the **IN Ref. Nbr.** link, and review the details of the generated inventory receipt, which the system opens on the *Receipts* (IN301000) form. Make sure that the inventory receipt has the *Released* status.
6. Close the *Receipts* form.

Step 3: Processing the AP Bill

To process the AP bill associated with the purchase order and purchase receipt, do the following:

1. While you are still viewing the purchase receipt on the *Purchase Receipts* (PO302000) form, on the form toolbar, click **Enter AP Bill**. The system generates an AP bill for the vendor of the goods and opens the created document on the *Bills and Adjustments* (AP301000) form.
2. On the form toolbar, click **Remove Hold**, and then click **Release** to release the bill.
3. In the only row on the **Details** tab, click the link in the **PO Number** column to view the associated purchase order.
4. On the *Purchase Orders* (PO301000) form, which opens, review the details of the purchase order. Notice that the order now has a status of *Closed*, as shown in the following screenshot.

   On the **PO History** tab (also shown in the screenshot), notice that the left pane lists the corresponding purchase receipt, and the right pane lists the AP bill that was prepared for the order. The inclusion of these documents on the tab indicates that the purchased magnets have been received and billed in full, so the purchasing process is completed.

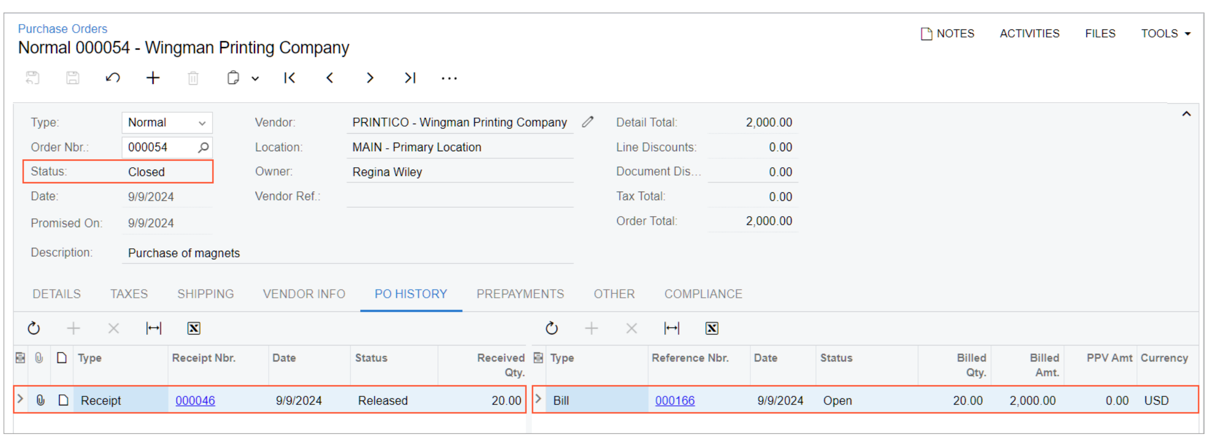


Figure: The purchase receipt and AP bill for the closed purchase order

Purchases of Non-Stock Items and Services with Receipts: To Process a Purchase of Services

In this activity, you will prepare and process a purchase order for non-stock items that must be included in a purchase receipt. This activity involves non-stock items that are services.

Story

Suppose that a manager has reported that a computer in the SweetLife Store does not work. Your system administrator has contacted the company that provides computer services, Compulink and Co., and the company has sent a service technician to repair the computer.

Acting as a purchasing manager, you will process the relevant documents in the system. Because Compulink and Co. charges for repair services by the hour, you will prepare the purchase order after the technician finishes the job. You will also process a purchase receipt for this job to verify that the job was completed and the computer works now. You will then process the corresponding AP bill.

Configuration Overview

In the *U100* dataset, the following tasks have been performed to support this activity:

- On the *Enable/Disable Features* (CS100000) form, the *Inventory* feature has been enabled.
- On the *Vendors* (AP303000) form, the *COMPULINK (Compulink and Co.)* vendor has been created.
- On the *Non-Stock Items* (IN202000) form, the *MAINTENANCE (Repair of hardware)* non-stock item has been created.

Process Overview

In this activity, you will create a purchase order on the *Purchase Orders* (PO301000) form and add the purchased service to it. On the *Purchase Receipts* (PO302000) form, you will then create a purchase receipt for the ordered items. On release of the purchase receipt, the system automatically generates an inventory receipt to create a GL batch. Then on the *Bills and Adjustments* (AP301000) form, you create an AP bill to pay the vendor.

System Preparation

Before you start processing a purchase order that includes non-stock items that must be included in a purchase receipt, you should do the following:

1. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to today's date. For simplicity, in this activity, you will create and process all documents in the system on this business date.
2. On the Company and Branch Selection menu in the top pane of the Acumatica ERP screen, select the *SweetLife Store* branch.
3. On the *Purchase Orders Preferences* (PO101000) form (**Other** section on the **General** tab), select the **Process Service Lines from Normal Purchase Orders via Purchase Receipts** check box. With the check box selected, service lines from *Normal* purchase orders must be included in the corresponding purchase receipts.

Step 1: Creating a Purchase Order

To create a purchase order for the computer repair service, do the following:

1. On the *Purchase Orders* (PO301000) form, add a new record.
2. In the Summary area, specify the following settings:
    - **Type**: *Normal*
    - **Vendor**: *COMPULINK*
    - **Description**: `Repair of a computer in the shop`
3. On the **Details** tab, click **Add Row** on the table toolbar.
4. Specify the following settings in the row:
    - **Branch**: *RETAIL*
    - **Inventory ID**: *MAINTENANCE*
    - **Warehouse**: *RETAIL*
    - **Order Qty.**: *3*

      This indicates that the repair service is going to take three hours to complete; each unit represents one hour of work.
    - **Unit Cost**: *20*
5. On the form toolbar, click **Remove Hold**. Notice that the purchase order has the *Open* status.

Step 2: Processing the Purchase Receipt

To create the purchase receipt for the purchase order, do the following:

1. While you are still viewing the purchase order on the *Purchase Orders* (PO301000) form, on the form toolbar, click **Enter PO Receipt**. The system prepares the purchase receipt for the selected purchase order and opens it on the *Purchase Receipts* (PO302000) form.
2. On the form toolbar, click **Save**.
3. Review the details of the prepared purchase receipt. Make sure that the **Create Bill** check box is cleared in the Summary area. (In the next step, you will prepare the bill manually.)
4. On the form toolbar, click **Release**.

Step 3: Processing the AP Bill

To process the AP bill associated with the purchase order, do the following:

1. While you are still viewing the purchase receipt on the *Purchase Receipts* (PO302000) form, on the form toolbar, click **Enter AP Bill**. The system generates an AP bill for the vendor of the goods and shows the created document on the *Bills and Adjustments* (AP301000) form.
2. On the form toolbar, click **Remove Hold**, and then click **Release** to release the bill.
3. In the only row on the **Details** tab, click the link in the **PO Number** column to view the associated purchase order.
4. On the *Purchase Orders* (PO301000) form, which opens, review the details of the purchase order. Notice that the order now has a status of *Closed*, as shown in the following screenshot.

   On the **PO History** tab (also shown in the screenshot), notice that the left pane lists the corresponding purchase receipt, and the right pane lists the AP bill that was prepared for the order. The inclusion of these documents on the tab indicates that the purchased service has been received and billed in full, so the purchasing process is completed.

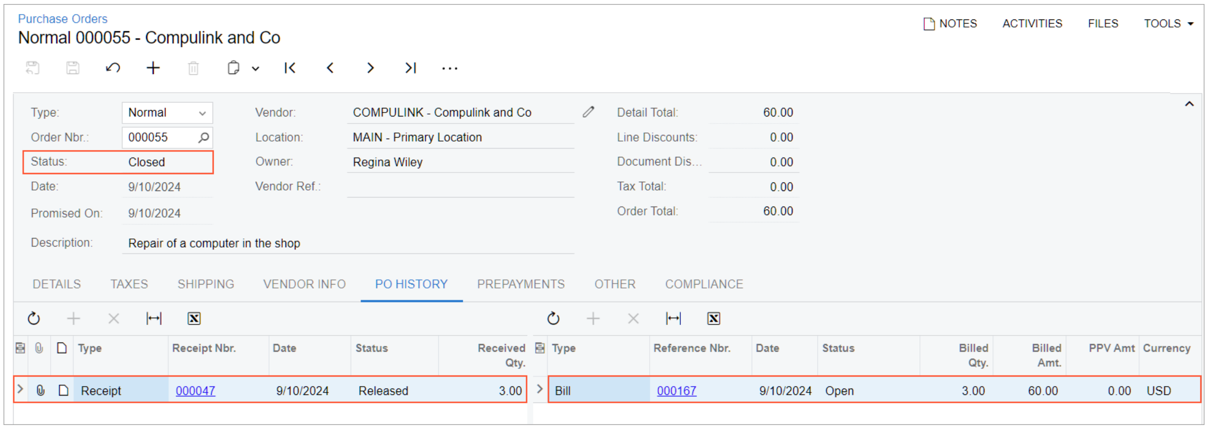


Figure: The purchase receipt and AP bill for the closed purchase order

Part 3: Managing Service Items

The lessons of this part explain how you can perform basic processes related to creation, sales, and purchases of service items.

Lesson 7: Creation of Service Items

The topics of this lesson explain what a service item in Acumatica ERP is, which settings of service items you need to configure in order to sell and purchase service items, and how the settings of service items affect sales and purchase orders. You will explore item settings as you complete an activity in which you create a service item that represents a physical entity.

Service Items: General Information

Non-stock items may be products that consist of no physical entity, such as services, and thus cannot be stocked in warehouses. In Acumatica ERP, you create non-stock items by using the *Non-Stock Items* (IN202000) form.

> This lesson focuses on non-stock items that represent services. Thus, in the rest of the lesson, *service item* refers to a service. To learn more about non-stock items representing physical entities, see *Non-Stock Items: General Information*.

Learning Objectives

In this lesson, you will do the following:

- Become familiar with the settings and processing of a non-stock item that represents a service
- Create a service item

Applicable Scenarios

When you are initially configuring entities and settings in Acumatica ERP, you may need to create a service item in the following cases:

- You are going to provide a service to a customer.
- You are going to buy services from other companies.

Service Items in Sales Orders

The sales of service items typically do not involve shipments. You can define whether a shipment is required or not by selecting or clearing the **Require Shipment** check box on the **General** tab of the *Non-Stock Items* (IN202000) form.

For an order of a type with the *Sales Order* or *RMA Order* automation behavior and at least one line with a service item that does not require shipment you can create a separate sales invoice on the *Invoices* (SO303000) form.

Service Items in Purchase Orders

The purchases of service items typically do not involve purchase receipts. You can define whether a purchase receipt is required or not by selecting or clearing the **Require Receipt** check box on the **General** tab of the *Non-Stock Items* (IN202000) form.

To process purchase orders for service items with receipt, make sure that on the **Process Service Lines from Normal Purchase Orders via Purchase Receipts** check box is selected in the **Other** section of the **General** tab on the *Purchase Orders Preferences* (PO101000) form. If the check box is cleared, the non-stock lines of the *Service* type are not copied to purchase receipts and can be billed only directly from purchase orders.

Service Items: Implementation Activity

The following implementation activity will walk you through the process of creating a new service item.

Story

Suppose that the SweetLife Fruits & Jams company wants to create a landing page (a website) that will advertise its products and services on the Internet. The company also wants the website to be visible in the search results of all popular search engines so that the customers can find it easily. To achieve these goals, the company has hired the SEO World advertising agency. The agency will create the website and promote it in the search engines.

Acting as a SweetLife sales and purchasing manager, you need to create the new service item for the creation and promotion of the website and specify the needed settings for it.

Process Overview

In this activity, you will create a service item on the *Non-Stock Items* (IN202000) form, specify the needed settings, and save the service item.

System Preparation

To prepare the system, launch the Acumatica ERP website with the *U100* dataset preloaded, and sign in to the system. You should sign in as implementation manager Kimberly Gibbs by using the *gibbs* username and the *123* password.

Step: Creating a Service Item

To create a service item, do the following:

1. On the *Non-Stock Items* (IN202000) form, add a new record.
2. In the Summary area, specify the following settings:
   - **Inventory ID**: `WEBSITESEO`
   - **Description**: `Creation and promotion of a website`
3. On the **General** tab, specify the following settings for the item:
   - **Type**: *Service*
   - **Posting Class**: *NONSTOCK - Non-Stock Items*
   - **Tax Category**: *EXEMPT*
   - **Require Receipt**: Cleared

     You clear this check box because you do not want to record the receipt of this service item.

- **Require Shipment**: Cleared

  You clear this check box because the company does not ship this item.
- **Close PO Line**: *By Amount*

  With this option selected, a purchase order line for this item is completed and closed based on the line amount when the bill is released. You select this option because you pay a particular amount on a regular basis.

4. In the **Unit of Measure** section of the **General** tab, specify the following settings:
   - **Base Unit**: *HOUR*
   - **Sales Unit**: *HOUR*
   - **Purchase Unit**: *HOUR*
5. On the **GL Accounts** tab, in the **Expense Account** box, select the *60000 - Purchase Expense* account.
6. On the form toolbar, click **Save**.

You have created the service item for the creation and promotion of your website on the internet.

Lesson 8: Sales of Service Items

The topics of this lesson explain how to process a sale of services, and which documents are prepared during the processing of the sale.

Sales of Services: General Information

Non-stock items in Acumatica ERP, which are defined on the *Non-Stock Items* (IN202000) form during implementation, are used to represent the products that cannot be stocked in warehouses (such as services or charges) or physical entities whose quantities you do not need to track.

The following sections describe the sales process of non-stock items that represent services.

Learning Objectives

In this lesson, you will do the following:

- Create a sales order for a sale of services
- Prepare an invoice that corresponds to the sales order

Applicable Scenario

You process a sales order with a service line or multiple service lines if you need to track this sale (and then bill the customer for the provided services), which does not involve a shipment being processed in the system.

Sales of Services

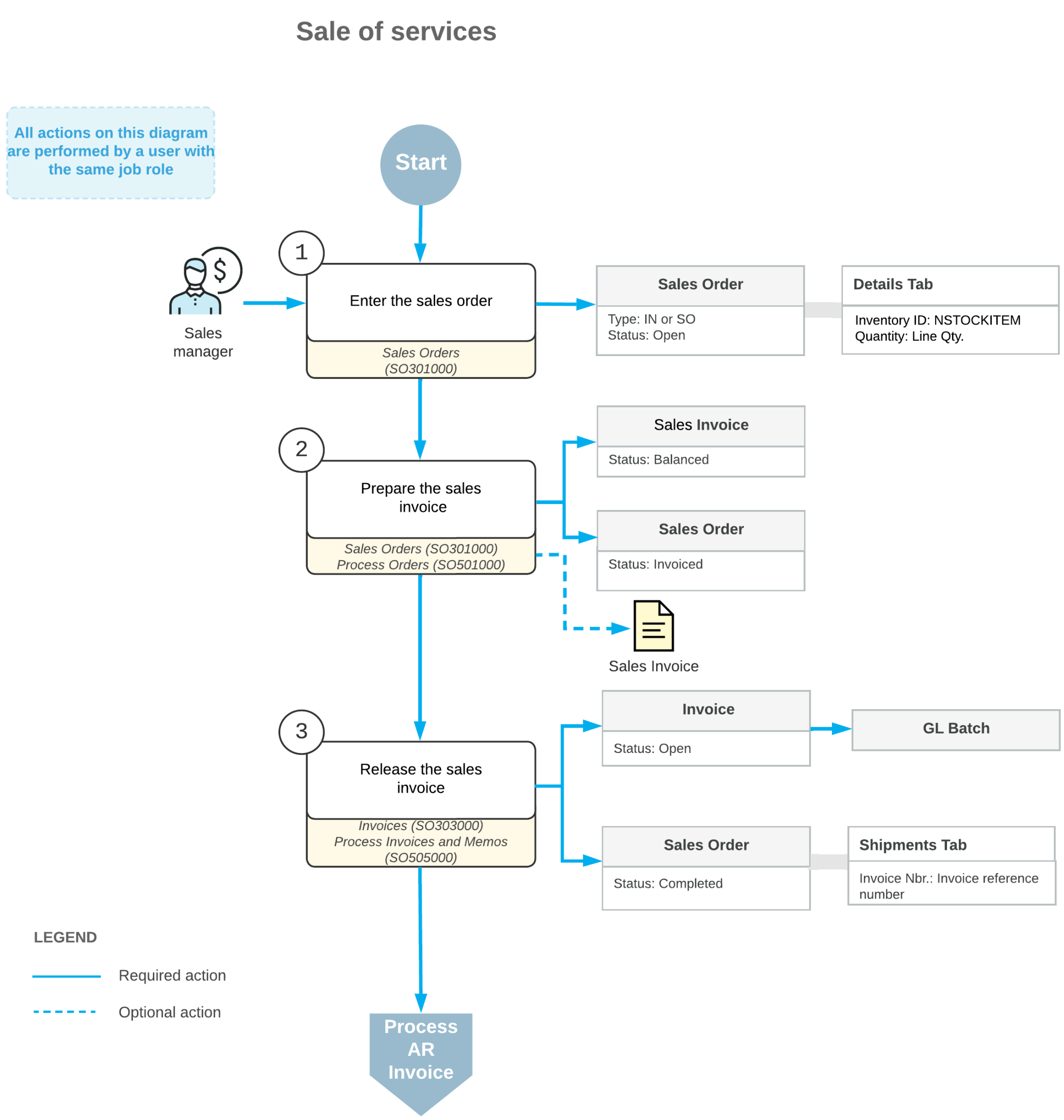
Although you could record the billing for a sale of services directly in the system by using an AR invoice, by entering sales orders for all sales, you implement a single entry point for the processing and tracking of sales. For a sale of services, you start with entering a sales order of the *SO* or *IN* type on the *Sales Orders* (SO301000) form and add to the order the non-stock item or items representing the needed services.

After you have entered the sales order, you need to bill the customer for the sold services by preparing a sales invoice, which is a financial document in the system that contains links to the applicable sales orders. You can review the prepared sales invoice on the *Invoices* (SO303000) form; then you can release it. When the sales invoice is released, it becomes visible on the *Invoices and Memos* (AR301000) form as an AR invoice.

An AR invoice on the *Invoices and Memos* form is a financial document that does not contain links to the applicable sales orders, as the sales invoice does. The AR invoice and sales invoice have the same reference number, which the system prints in the customer statement. On both the *Invoices* form and the *Invoices and Memos* form, you can view the link to the batch of the general ledger transactions that was generated when the invoice was released. For more information on processing AR invoices, see *Processing AR Invoices*.

Workflow of Sales of Services

If a sales order includes only services that do not involve shipping, the typical processing of the sales order involves the actions and generated documents shown in the following diagram.



Sales of Services: Process Activity

In this activity, you will prepare and process a sales order for non-stock items that represent services and thus do not need to be shipped to the customer's location.

Story

Suppose that the GoodFood One Restaurant manager has ordered a three-day training course on home canning for the restaurant's employees. The online course is a service, so no shipping needs to occur. You, as a sales manager, need to reflect these details in the system by entering and processing the appropriate documents.

Configuration Overview

In the *U100* dataset, the following tasks have been performed to support this activity:

- On the *Enable/Disable Features* (CS100000) form, the *Inventory and Order Management* feature has been enabled.
- On the *Order Types* (SO201000) form, the *SO* order type has been configured and activated.
- On the *Customers* (AR303000) form, the *GOODFOOD (GoodFood One Restaurant)* customer has been created.
- On the *Non-Stock Items* (IN202000) form, the *ONLCOURSE (Home canning courses online (website session)* non-stock item has been created.

Process Overview

In this activity, you will create a sales order on the *Sales Orders* (SO301000) form, and then add a service line to it. After that, you will use the *Invoices* (SO303000) form to prepare a related invoice to the customer and release it.

System Preparation

Before you start processing a sales order that includes service items, you should do the following:

1. Launch the Acumatica ERP website with the *U100* dataset preloaded, and sign in to the system as a sales and purchasing manager. You should sign in by using the *norman* username and the *123* password.
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025* on the calendar. For simplicity, in this activity, you will create and process all documents in the system on this business date.

Step 1: Creating a Sales Order

To create a sales order, do the following:

1. On the *Sales Orders* (SO301000) form, add a new record.
2. In the Summary area, specify the following settings:
   - **Order Type**: *SO*
   - **Customer**: *GOODFOOD*
   - **Description**: `Home canning training`
3. On the **Details** tab, click **Add Row** on the table toolbar.
4. Specify the following settings in the row:

- **Inventory ID**: *ONLCOURSE*
- **Quantity**: `3`
- **Unit Price**: `14.5` (inserted automatically)

5. On the form toolbar, click **Save**. Notice that the sales order has the *Open* status.

Step 2: Processing the Sales Invoice

To prepare and release the sales invoice that is related to the sales order, do the following:

1. While you are still viewing the sales order on the *Sales Orders* (SO301000) form, on the More menu, click **Prepare Invoice**. The system prepares a sales invoice and opens it on the *Invoices* (SO303000) form.
2. On this form, review the details of the prepared invoice. The invoice has one line on the **Details** tab, as the initial sales order does. In the **Order Nbr.** column of this tab, the system has inserted the reference number of the related sales order; this number is also a link you can click to view the document on the *Sales Orders* form. Notice that the **Shipment Nbr.** column of the **Details** tab does not have a reference number.
3. On the form toolbar, click **Release** to release the invoice. The invoice is assigned the *Open* status. Once released, the invoice becomes visible on the *Invoices and Memos* (AR301000) form.
4. On the **Details** tab, in the only row, click the link in the **Order Nbr.** column to view the associated sales order.
5. On the *Sales Orders* form, which opens, review the details of the sales order, as shown in the following screenshot. Notice that the sales order has the *Completed* status, which the system assigned on release of the sales invoice, and which means that the processing of the sale is completed.

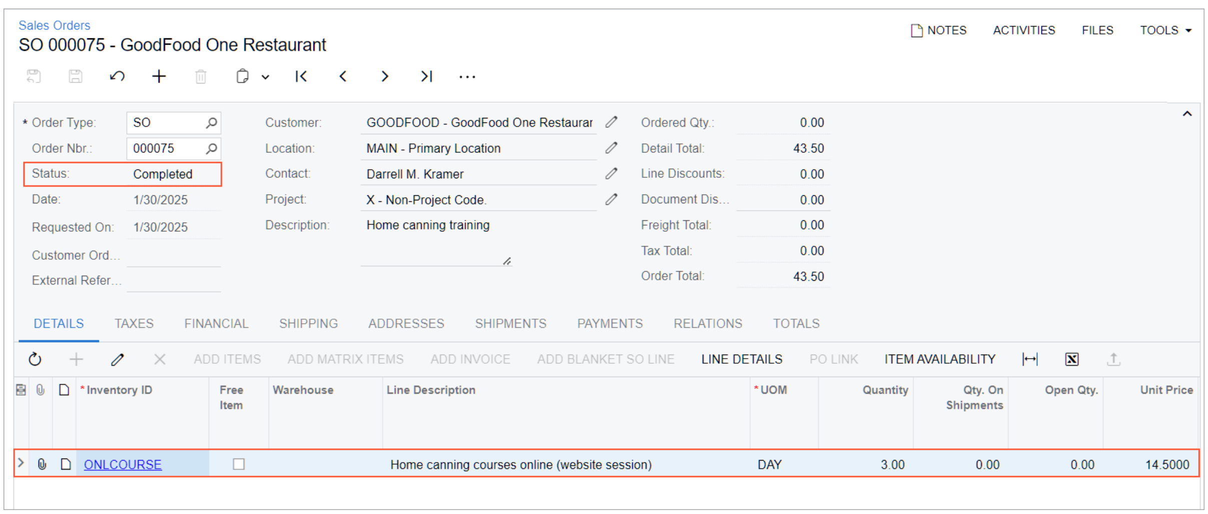


Figure: Completed sales order

Lesson 9: Purchases of Service Items Without Receipts

The topics of this lesson describe how to prepare and process purchase orders containing services that do not have to be included in corresponding purchase receipts.

Purchases of Services Without Receipts: General Information

Non-stock items in Acumatica ERP are used to represent products that cannot be stocked in warehouses (such as services or charges) or physical entities whose quantities you do not need to track. If a non-stock item is included in a purchase order, the item's settings determine whether the item must be included in a corresponding purchase receipt.

The following sections explain how to process a purchase order with services that will not be included in purchase receipts for the order. They also explain which documents are prepared during the processing of the purchase.

Learning Objectives

In this lesson, you will do the following:

- Enter a purchase order for a service that does not need to be included in the corresponding purchase receipt
- Prepare an AP bill for the purchase order

Applicable Scenario

You may need to process a purchase order that includes services. Purchases of services are usually processed without purchase receipts and the corresponding bills are created in the system.

> Some services may need a receipt. For example, you may want to track the quantity of hours spent on rendering the service or you may want proof of receiving the service.

Purchase of Services Not Included in Receipts

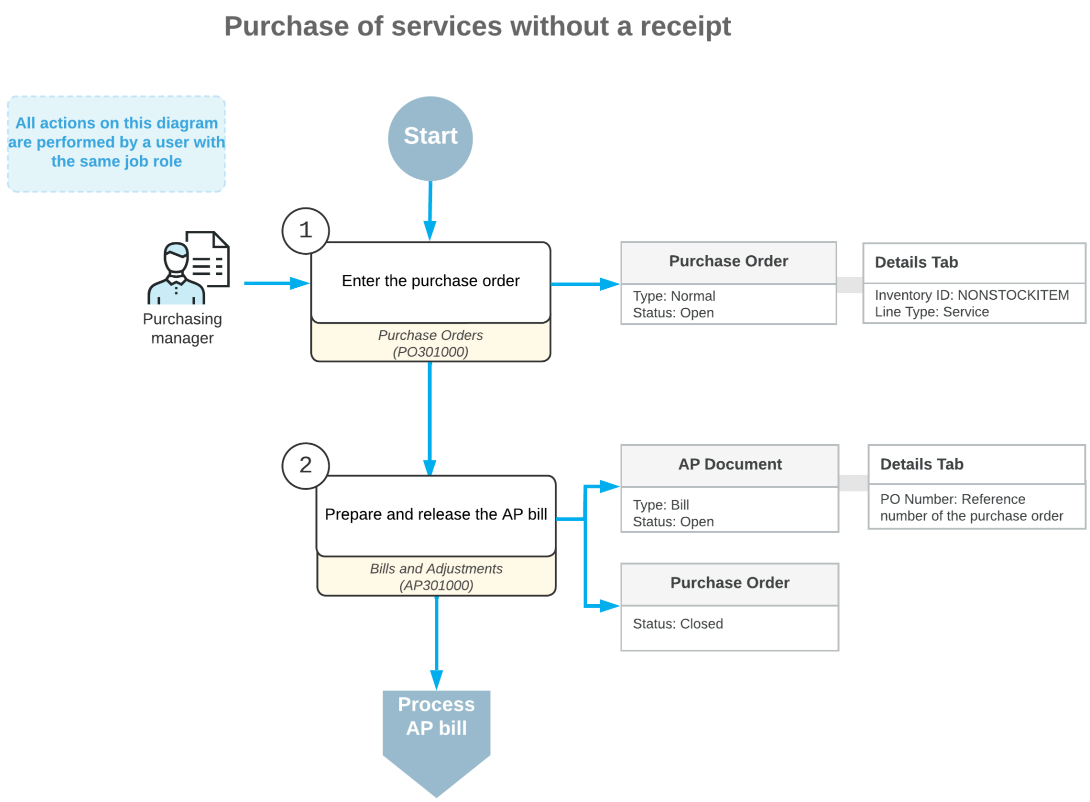
In Acumatica ERP, you create a purchase order by using the *Purchase Orders* (PO301000) form. You use a purchase order of the *Normal* type for processing a standard purchase of services.

When you create a new purchase order, you first select the *Normal* type and the vendor in the Summary area. Then on the **Details** tab, you add lines with items and services to be purchased from the vendor. These lines include services that do not need to be added to the purchase receipt for the order.

Once the purchased services have been provided, you need to create an AP bill on the *Bills and Adjustments* (AP301000) form to increase the vendor's balance in the system by the amount to be paid for the received services.

Workflow of a Purchase of Services Without a Purchase Receipt

Services that do not require purchase receipts may or may not be included in purchase orders with items that require a corresponding purchase receipt. If you are processing a purchase order with only services that do not require a receipt, the typical processing of a purchase order involves the actions and generated documents shown in the following diagram.



Purchases of Services Without Receipts: Process Activity

In this activity, you will prepare and process a purchase order that includes a line for a service that does not need to be included in a purchase receipt when it is purchased.

For simplicity, this lesson focuses on purchases of only services that do not require corresponding purchase receipts. However, this activity demonstrates a purchase of both a service that does not need to be included in a purchase receipt and a stock item that does need to be included in a purchase receipt.

Story

Suppose that you, as a purchasing manager for SweetLife Fruits & Jams, urgently need to buy some jars for packing SweetLife's produced jam, which is sold in the retail store. The company buys these jars (which are tracked as stock items in the system) from Jar Co., which offers free delivery of the jars.

You order the jars, but you will not be able to use Jar Co.'s regular delivery service because its soonest free delivery is in three days. Because you are in urgent need of the jars, you agree to pay Jar Co. an extra service fee to arrange for delivery by a third party. You have defined this delivery in the system as a service that does not need to be included in a purchase receipt.

Thus, you need to process a purchase order for Jar Co. that includes both the jars (at their normal price) and the expedited delivery service. You also need to process the corresponding purchase receipt (which includes only the jars) and AP bill (which includes the jars and the expedited delivery service).

Configuration Overview

In the *U100* dataset, the following tasks have been performed to support this activity:

- On the *Enable/Disable Features* (CS100000) form, the *Inventory* feature has been enabled.
- On the *Vendors* (AP303000) form, the *JARCO (Jar Co.)* vendor has been defined.
- On the *Non-Stock Items* (IN202000) form, the *URGDELIVERY (One-time delivery service)* non-stock item has been defined, and the **Require Receipt** check box has been cleared for this item on the **General** tab. This indicates that when this item is purchased, it does not need to be included in a purchase receipt.
- On the *Stock Items* (IN202500) form, the *JAR96 (Glass jar 96 oz., 24 pcs)* stock item has been defined. Because stock items are by definition items whose movements are tracked in inventory, when they are purchased, they must be included in the purchase receipt corresponding to the purchase order.

  > For details about the process of purchasing stock items, see *Purchases of Stock Items: Process Activity*.

Process Overview

In this activity, you will create a purchase order on the *Purchase Orders* (PO301000) form and add the purchased expedited delivery service and jars to it. Although the service does not need to be included in a purchase receipt, because the jars are stock items, you will process a purchase receipt for them on the *Purchase Receipts* (PO302000) form. Then on the *Bills and Adjustments* (AP301000) form, you will create an AP bill to pay the vendor.

System Preparation

Before you start processing the purchase of services without a receipt, you should do the following:

1. Launch the Acumatica ERP website with the *U100* dataset preloaded and sign in to the system as a sales and purchasing manager by using the *wiley* username and *123* password.
2. On the *Purchase Orders Preferences* (PO101000) form, clear the **Process Service lines from Normal Purchase Orders via Purchase Receipts** check box so that the system does not include service lines in purchase receipts.
3. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to today's date. For simplicity, in this activity, you will create and process all documents in the system on this business date.
4. On the Company and Branch Selection menu in the top pane of the Acumatica ERP screen, select the *SweetLife Store* branch.

Step 1: Creating a Purchase Order

To create a purchase order that includes the jars and the expedited delivery service, do the following:

1. On the *Purchase Orders* (PO301000) form, add a new record.
2. In the Summary area, specify the following settings:
   - **Type**: *Normal*
   - **Vendor**: *JARCO*
   - **Description**: `Purchase of jars`
3. On the table toolbar of the **Details** tab, click **Add Row**.
4. Specify the following settings in the added row:

- **Branch**: *RETAIL*
- **Inventory ID**: *JAR96*
- **Warehouse**: *RETAIL*
- **Order Qty.**: `5`
- **Unit Cost**: `30`

5. On the table toolbar of the **Details** tab, click **Add Row**.
6. Specify the following settings in the added row:
   - **Branch**: *RETAIL*
   - **Inventory ID**: *URGDELIVERY*
   - **Order Qty.**: `1`
   - **Unit Cost**: `20`
7. On the form toolbar, click **Remove Hold**. Notice that the purchase order is assigned the *Open* status.

Step 2: Processing the Purchase Receipt for the Jars

Although the *URGDELIVERY* non-stock item does not need to be included in a purchase receipt, the purchase order also consists of the *JAR96* stock item. When this item is purchased, it needs to be included in the corresponding purchase receipt, because the movements of all stock items are carefully tracked in inventory. Thus, you still need to create a purchase receipt.

Create the purchase receipt for the purchase order as follows:

1. While you are still viewing the purchase order on the *Purchase Orders* (PO301000) form, click **Enter PO Receipt** on the form toolbar. The system prepares the purchase receipt for the selected purchase order and opens it on the *Purchase Receipts* (PO302000) form.
2. Review the purchase receipt.

   Notice that the line with the *URGDELIVERY* service, which had been included in the purchase order, is absent in the purchase receipt. This is because the **Require Receipt** check box is cleared for the non-stock item on the *Non-Stock Items* (IN202000) form.
3. On the form toolbar, click **Save**.
4. Review the details of the prepared purchase receipt. Notice that the **Create Bill** check box is cleared in the Summary area. (You will create the bill manually in the next step.)
5. On the form toolbar, click **Release**.

Step 3: Processing the AP Bill

To process the AP bill related to the purchase order, do the following:

1. Return to the purchase order that you have processed earlier in this activity on the *Purchase Orders* (PO301000) form, and click **Enter AP Bill** on the More menu.

   The system generates an AP bill for the vendor of the goods and shows the created document on the *Bills and Adjustments* (AP301000) form.
2. In the **Description** box, enter `Purchase of jars with expedited delivery`.
3. On the form toolbar, click **Remove Hold**.
4. Click **Release**.
5. Return to the purchase order for *JARCO* on the *Purchase Orders* form, and review its settings. Notice that the order now has a status of *Closed*, as shown in the screenshot below.
6. On the **PO History** tab, notice the following:

- The left pane lists the purchase receipt, which includes only the received stock item from this purchase order.
- The right pane lists the AP bill that you prepared for the purchase order. It includes the received stock item and a service item.

The inclusion of these documents on the tab indicates that the purchased jars have been received and the jars and the delivery have been billed in full, so the purchasing process is completed.

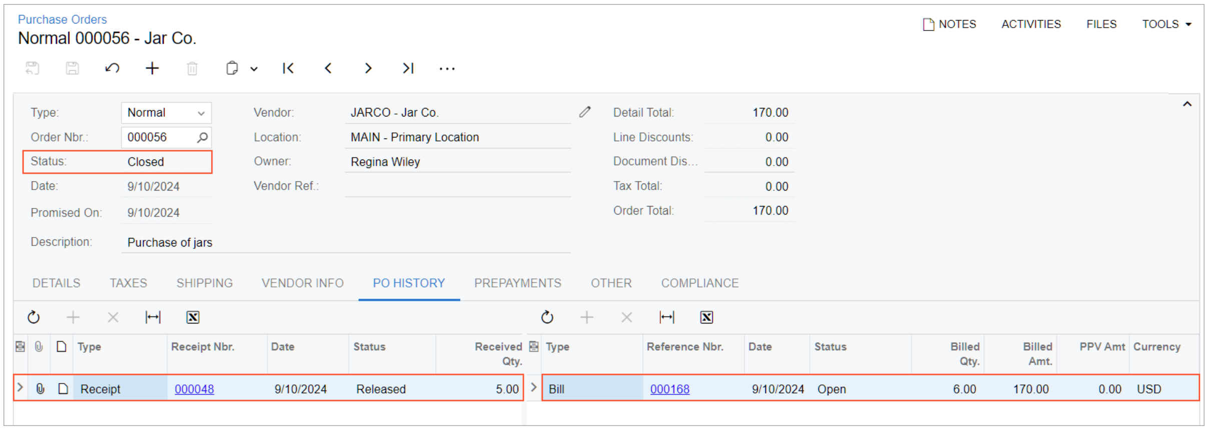


Figure: The corresponding purchase receipt and AP bill for the closed purchase order