1.0 Purpose:

1.1 This document describes the process to generate a Purchase Order and manage Open Purchase Orders.

2.0 Scope:

2.1 All Purchase Orders issued by Supply Chain Inc., DBA Allen Asset Management, DBA Aircraft Turbine Center, and DBA AAR Distribution.

3.0 Responsibility and Authority:

3.1 The responsibility and authority for the administration, implementation and maintenance of this work instruction has been assigned to the General Managers for Allen Asset Management/Aircraft Turbine Center, and the Sr Product Line Director for AAR Distribution.

4.0 Forms and References:

4.1 N/A

5.0 Procedure:

5.1 Product Line recognizes need to place Purchase Order (PO) with vendor.

5.2 Open "Maintain Purchase Orders" in IMOPS or from "Find a Vendor", right click highlighted vendor name to access drop down box and select "Action" and "Create PO".

    5.2.1 At a minimum, everything highlighted red must be entered.

5.3 Basic Information

    5.3.1 Vendor: Enter the vendor number for the vendor you want to purchase from, already populated if accessed through "Find a Vendor".

    5.3.2 Buyer: Enter your buyer number (it will usually autofill).

    5.3.3 Ordered: this will autofill when the PO is saved.

    5.3.4 Ship-To Whse: where the parts will ship.

5.4   Informational Tabs

5.4.1   Header Tab
5.4.1.1 Ship Via: this should autofill, generally FedEx Ground.

5.4.1.2 Currency Code: this will default USD, change if needed.

5.4.1.3 Gp/Tg: Group code and tag prefix, standard is CA/A respectively.

5.4.1.4 Cnd: condition of part we are receiving, standard is F for factory new.

5.4.1.4.1   O = Overhauled
5.4.1.4.2   R = Repairable
5.4.1.4.3   S = Serviceable
5.4.1.4.4   X = Scrap

5.4.1.5 P/C: profit center this will book under
.
5.4.1.6 PO Type: Choose the appropriate type based on the application.

5.4.1.7 Narratives: not required however some OEMs require narratives to be added.

5.4.1.8 Deal Narrative: although not required, best practice dictates putting in a deal narrative so more information is available which will aide higher level approvers in understanding the rationale behind the purchase.

5.4.1.8.1   To add information, right click → Action → Deal Narrative.

5.4.1.8.2   Add information regarding expected delivery date / sell date, backlog details, etc.

5.4.1.9 Message Codes Tab: can add additional information to be printed on PO as needed.

5.4.1.10   Addresses Tab: best practice to give a quick review of the Ship To Address to confirm it is correct.

5.4.1.11   Line Items Tab

5.4.1.11.1 Input the Part, Cage Code (FSC), Quantity, and the Purchase Cost if applicable.

5.4.1.11.2 Bulk load option available if using the correct template.

5.4.1.11.3 Alternate Purchase Reason Error:

5.4.1.11.3.1 Certain parts have preferred vendors, therefore if a part is being purchased from a non-preferred vendor and alternate purchase reason will need to be entered.

5.4.1.11.3.2 On the line item applicable, select "Single Record" and enter the appropriate code.

5.4.1.12   Tag History

5.4.1.12.1 This will populate after the line item has been received and tagged into inventory.

5.4.1.13   Debit Memos

5.4.1.13.1 This will populate if a line item on the PO has been sent back to the vendor for a debit.

5.4.2 Submit for Approval

5.4.2.1 Once the PO has been fully drafted to include all requisite and optional information, return to the "Header" tab and right click in the "General" box.

5.4.2.2 After right clicking a pop-up box will appear, hover your cursor over "Action" and then select "Submit for Approval".

5.4.2.3 If the extended cost (entire PO value) of the PO is below your approval ceiling, the PO will automatically be approved.

5.4.2.4 If the extended cost of the PO is above your approval ceiling, it will notify you that the PO has been submitted for approval and will send an approval email to your manager prompting them to either approve or reject the PO.

5.4.2.5 Depending on the extended cost of the PO, multiple levels of approval may be required.

5.4.3 Send / Print PO's

5.4.3.1 Once the PO has been entered and all fields are filled out, including deal narrative as well as PO narratives if desired, the PO must be issued.

5.4.3.2 To issue PO, enter the contact name, the type of print that will be done (email is standard) and the destination (if email type is selected then enter email address of recipient).

5.5 Open Purchase Order Management

5.5.1 At a minimum interval of Quarterly a DOMO Open PO report will be generated.

5.5.1.1 Historical reports will be saved for trending purposes.

5.5.2 Communication with the supplier will be captured and retained in a manner that is easily accessible.

6.0   Revision History:

Revision Date:	Revision:	Sections / Page Revised:	Description / Reason for Revision:	Approved by:
06/DEC/2022	Original	All	Initial release	E. Barfuss
19/DEC/2022	1	All Section 5 / Page:3	Updated format throughout entire document. Added "Open Purchase Order Management" section	D. Tatum J. Vida C. Wilko A. Roberts E. Barfuss S. Cwian