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Purchasing and Receiving

2022.2

March 15, 2023

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Requisitions Overview

When your company needs to make a purchase, the Requisitions feature can help you track pertinent information, such as the following:

- Who needs the item?
- What exactly is the item that is needed?
- When is the item needed?
- How much do we expect to spend for the item?
- Who has approved the expenditure for the item?

When an employee or company representative needs something that should be purchased using company funds, they can use a requisition to initiate the purchasing process. The person requesting the purchase (requestor) specifies which items, services or expenses they need a buyer to purchase. Buyers can then use requisitions to create the purchase orders necessary to fulfill the requisition requests.

A requestor can enter a new requisition to initiate a purchase even if they do not know the exact price or vendor name. This information can be added later in the process.

Your procurement workflow might require that a requisition has appropriate approval prior to processing a purchase. Requisitions can be approved using a company hierarchy before a buyer enters a purchase order for requisition items, services or expenses.

After the requisition is completed and approved, the buyer can place orders with vendors for materials on requisitions. A buyer can order requisitions individually or set up automatic purchasing using preferred vendors and pricing.

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One requisition can include multiple items with no vendor specified. Additionally, a single requisition might result in the creation of one or more purchase orders from one or more vendors. For example, Jane enters a requisition for a laptop, a desk chair, and a telephone. When the purchaser processes the requisition, the following purchase orders are created:

Purchase Order #	Vendor	Item
1001	Dell	laptop
1002	Task	desk chair
1003	GE	telephone

In this way, items are parceled out to individual purchase orders as necessary to communicate with vendors efficiently.

If a buyer has multiple requests for the same item that originate from different requisitions, note the following. The buyer can consolidate those requests into one purchase order for the vendor who supplies that item. This can be beneficial in the case that the vendor offers a volume discount for the purchase of the item. The purchaser can place a single order for a quantity that covers the demand from many requisitions. Then, all can be filled at the volume discounted rate.

For example, a requisition for a laptop is entered by Jane, Bob, and Mary. When the purchaser processes the requisitions, the following purchase order is created:

Purchase Order #	Vendor	Item	Requisition #
1004	Dell	laptop	555
1004	Dell	laptop	600
1004	Dell	laptop	635

In this way, items are consolidated on purchase orders from individual requisitions as necessary to take advantage of vendor discounts.

Also, requisition numbers are referenced on purchase order lines, and purchase order numbers are referenced on requisition lines for easy cross-reference.

Requisitions vs. Purchase Requests

Requisitions serve a different purpose than purchase requests. Requisitions are simpler for any employee to enter, even with limited information. The table below summarizes the differences between the two.

	Requisition	Purchase Request
Transaction numbering is distinct from purchase order numbering?	Yes	No
Requires vendor for each item/expense?	No	Yes
All items/expenses on the form must be for only one vendor?	No	Yes
Can consolidate demand from many employees into one purchase?	Yes (many requisitions can generate one purchase order)	No (One purchase request = one purchase order)

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	Requisition	Purchase Request
Employee can enter one requisition with items sourced from multiple vendors?	Yes	No (One purchase request = one vendor)
Can be processed in bulk?	Yes	No

Requisitions Prerequisites

To run requisitions, you must first:

- Enable the Purchase Orders feature
- Enable the Requisitions feature
- Assign either the Employee Center or the Consultant role to the appropriate users

> ⓘ **Note:** You can have Purchase Requests and Requisitions enabled at the same time.

For more information, see Requisitions Setup.

Requisitions and Subsidiaries

In NetSuite OneWorld accounts, you can associate a subsidiary on a requisition. You can select your subsidiary or the subsidiary associated with your role. After you select a subsidiary, then item and location restrictions based on your role will apply.

A requisition can be associated with only one subsidiary. To change the subsidiary associated with a requisition you have entered, all linked orders on all requisition lines must first be removed.

Requisitions Setup

To set up requisitions in your account, see the following help topics:

- Enabling the Requisitions Feature
- Setting Requisition Preferences

> ⓘ **Note:** The Requisitions feature can be disabled only if all existing requisitions have a Closed status.

Enabling the Requisitions Feature

Follow this procedure to enable requisitions.

To enable the Requisitions feature:

1. Go to Setup > Company > Enable Features.
2. On the **Transactions** subtab, check the box next to **Requisitions**.
3. Click **Save**.

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> **ⓘ Note:** If you plan to use approval routing for requisitions, you will need to enable additional features. For more information, see Setting up Suiteflow Workflow-Based Approvals for Requisitions.

After you enable the feature, set the appropriate preferences, see Setting Requisition Preferences.

Setting Requisition Preferences

After you enable the Requisitions feature, set the appropriate preferences.

To set requisition preferences:

1. Go to Setup > Accounting > Accounting Preferences.
2. To require approvals on requisitions, on the **Approval Routings** subtab, check the **Requisitions** box.

   Clear this box to not require approvals for requisitions.

   The Requisition Approval Workflow bundle must be installed to use this preference.
3. Define the maximum number of lines to consolidate on purchase orders. On the **Order Management** subtab, enter a value in the **Maximum {Purchase} Lines to Consolidate** field.

   This definition applies in the following cases:
   - when you submit multiple orders on the Order Requisitions page and items from one or more requisitions are combined on a single purchase order
   - when you submit multiple orders on the Order Items page and items from one or more planned orders are combined on a single purchase order

   This value defaults to 10 but you can enter a number up to 250.

   Setting the value of this field to 0 has the following effect:
   - On the Order Requisitions page, all requisition lines for a vendor are consolidated into a single purchase order.
   - On the Order Items page, all planned order lines for a vendor are consolidated into a single purchase order.
4. To use expense items on requisitions and purchase orders, in the **Order Management** subtab, check the **Allow Expenses on Purchases** box.

   > **⚠ Important:** Ensure that you do not orphan expense lines after you enable this preference.
   >
   > For example, you enable the preference and create requisitions with expense lines. Then, you disable the preference.
   >
   > After being disabled, no new requisitions with expense lines can be created and all expense lines on existing requisitions will be hidden in your account.
   >
   > To not orphan expense lines, you must delete all open expense lines before disabling this preference.

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Entering a Requisition

Enter a requisition form to request items to be purchased. As you add items and expenses to the requisition, the form displays the estimated total. An estimated rate or amount for each line must be entered for approval purposes. After a purchase order has been created, the requisition displays the total, linked purchase order number and linked purchase order status.

Requisitions can be entered using either an Employee Center role or an Administrator role.

> ℹ **Note:** Supervisors can create and edit requisitions of their subordinates all the way down the set hierarchy. For more information, see the help topic Assigning a Supervisor to an Employee.

- Entering Requisitions in the Employee Center
- Entering Requisitions With the Administrator Role

Entering Requisitions in the Employee Center

When logged in to your Employee Center role, requisitions can be entered through the Employee Center.

You must have the Employee Center role to access the Employee Center. An administrator can add the Employee Center role on your employee record. For more information, see the help topic Adding an Employee.

To enter a requisition using the Employee Center:

1. Log in to the Employee Center.
2. Click **Enter Requisition**.

Primary Information

1. In the **Custom Form** field, choose the **Standard Requisition** form or select a custom form you have already created. Click **New** to customize a requisition form.
2. In the **Req #** field, NetSuite increases the largest requisition number by one. You can enter another number. The next requisition number reverts to the standard pattern.

   > ℹ **Note:** The maximum number of characters you can enter in this field is 45.

3. In the **Requestor** field, select the employee or user making the request. This can also be a company representative, such as a consultant.
4. In the **Receive By** field, enter the date by which you need to receive the requested items.
5. Enter a date for this requisition. The current date shows by default.
6. In the **Memo** field, enter a memo to identify this purchase order.

   When you use the Search Transactions feature, you can search for specific words and phrases in this field.

Classification

1. Select a department or class if you track them.

   For OneWorld accounts, you can select a department or class from the requestor's subsidiary.

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2. If you track locations, choose a location for this order.

   For OneWorld accounts, you can select a location from the requestor's subsidiary.

3. The requestor's currency appears in the **Currency** field. All currency amounts on this transaction are shown in this currency.

Items

1. Click the **Items** subtab.

   > ⚠ **Important:** For inventory items, quantity, rate, and amount must be greater than zero (0). Negative values are permitted for non-inventory items.

2. In the **Item** column, select an item.

   a. **To add multiple items to the transaction**.

   b. Click **Add Multiple**

      The Choose Item window opens and shows a list of items you can add.

   c. Filter the list by item type or name.

   d. In the left pane, click an item to add it to the right pane

   e. Enter a **Quantity** for the item.

   f. Click **Done**.

      Items and quantities shown in the right pane are added to the transaction.

3. Optionally select a vendor for the item.

   You can leave this field blank initially, but a vendor must be selected before the requisition can be further processed for purchasing.

4. In the **Quantity** column, enter the quantity for this item.

5. In the **Serial Number** field, enter the serial number of the item.

   Separate each serial number with a space, comma, or by pressing **Enter** after each one.

   > ⓘ **Note:** You must enter a serial number for each serialized item. For example, if you enter a quantity of **2**, you must enter two serial numbers.

6. Enter an **Estimated Rate** for the item. This rate can be changed before a purchase order is created if you are not certain of the rate to be charged for the item. An estimated rate or amount must be entered on each line for approval purposes.

   When you enter an estimated rate, the estimated amount for the line autofills in the **Estimated Amount** column.

7. If there is a purchase price assigned to the item, it is displayed in the Rate column as a reference for the buyer.

8. Set any options for this item.

9. Select a department or class if you track them.

10. If this item is for a particular customer, select that customer in the **Customer** column.

11. If you want the cost of this item billed back to the chosen customer, check the **Billable** box.

12. Click **Add**.

13. Repeat these steps for each item you want to add.

Expenses

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1. If you allow expenses on requisitions, click the **Expenses** subtab.

2. Select a category for the expense.

3. In the **Account** column, select an account for this expense.

4. Optionally select a vendor for the expense. You can leave this field blank initially, but a vendor must be selected before the requisition can be further processed for purchasing.

5. Enter an **Estimated Amount** for the expense. This amount can be changed before a purchase order is created if you are not certain of the amount to be charged for the expense. An estimated amount must be entered on each line for approval purposes.

6. The **Amount** column will be filled in after the purchase order is placed and will represent the purchase order amount.

7. Optionally enter a memo for this expense line.

8. Select a department, class, or location if you track them.

9. If this expense is for a particular customer, select that customer in the **Customer** column.

10. If you want this expense billed back to the chosen customer, check the **Billable** box.

11. Click **Add**.

12. Repeat these steps for each expense you want to add.

Communication

1. Use the **Events**, **Tasks**, and **Phone Calls** subtabs to attach activities to this transaction. For more information, see the help topic Attaching Events, Tasks, and Calls to Records and Transactions.

2. On the **Files** subtab, you can select and attach files from the File Cabinet related to this transaction. For example, you can attach files and notes related to this requisition to specify quality or technical requirements.

   Select **New** to upload a new file to File Cabinet.

3. On the **User Notes** subtab, you can enter a title and note for any comments you want to add to this transaction. Click **Add** after each note.

4. When all information about the form is complete, click **Save**.

> **(i) Note:** If your company uses approval routing, the requisition must go through the approval process before a linked purchase order can be created.

Entering Requisitions With the Administrator Role

For users that have an Administrator role, you can also enter a requisition as described below.

To enter a requisition as an administrator:

1. Go to Transactions > Purchases/Vendors > Enter Requisitions.

2. Complete the form as necessary. See the preceding steps for details.

   > **(i) Note:** If you use NetSuite OneWorld and the entity you select includes multiple subsidiaries, you can make the primary subsidiary the default on a transaction. Then, you can change the default to any valid subsidiaries assigned to that entity. For more information, see the help topics Assigning Subsidiaries to a Vendor and Assigning Subsidiaries to a Customer.

3. Click **Save**.

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> ⚠️ **Important:** When you create a purchase order from the requisition you may not receive the approval status you expect. The approval status depends on several states. For example, your Approval Routing feature is enabled, but the Purchase Orders box is not set on the Approval Routing accounting preference. A purchase order created from a requisition is not automatically approved if the user's subsidiary is the parent and not in the role's subsidiaries' list.
>
> Take note of the following scenarios:
>
> - When a Purchase Order Workflow is suspended, the Employee field value is blank on the Purchase Order, and the result is Result is Pending Receipt.
> - When the Purchase Order Workflow is enabled, and you select the parent subsidiary, the result is Approved by Supervisor/Pending Receipt.
> - When the subsidiary selected is not the parent, the Purchase Order Workflow is released. When the Supervisor of the employee is blank, the result is Approved by Supervisor/Pending Receipt.
> - When the subsidiary selected is not the parent and you create a new employee who is assigned to the parent subsidiary. The supervisor field of the employee is filled. The Purchase Order Workflow is released but the employee is not the user who created the purchase order. The result is Pending Supervisor Approval.
> - When the subsidiary selected is not the parent and you create a new employee who is who is not assigned to the parent subsidiary. The supervisor field of the employee is filled. The Purchase Order Workflow is released and the employee is the user who created the purchase order. The result is Approved by Supervisor/Pending Receipt.

Ordering Requisitions in Bulk

The Order Requisitions page enables you to create purchase orders for many requisitions at one time. Select line items in the list to be ordered, then verify the vendor and quantity for each line. After you submit the Order Requisitions page, purchase orders are created.

> ℹ️ **Note:** To appear on the Order Requisitions page and to be included on a purchase order, requisitions require specific information:
>
> - Items must include a vendor and rate.
> - Expenses must include a vendor and amount.
>
> For more information, see Processing a Requisition.

To bulk order requisitions:

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1. Go to Transactions > Purchases/Vendors > Order Requisitions.

   The Order Requisitions page opens and shows a list of approved requisition lines that need to be ordered. This includes requisitions with a status of Pending Order or Partially Ordered.

2. You can limit the requisition lines that show in the list by selecting filters in the following fields:

   - **Requisition #** – Filter the list to show only lines from a specific requisition.
   - **Subsidiary** – Filter the list to show only lines from a specific subsidiary.
   - **Vendor** – Filter requisition lines based on vendor.

     If you use NetSuite OneWorld and have defined vendor records shared with multiple secondary subsidiaries, note the following. You can associated this vendor credit with any of the subsidiaries assigned to this vendor. The items that can be credited reflect the combination of the selected vendor and subsidiary. For more information about globally shared vendor records, see the help topic Assigning Subsidiaries to a Vendor.

     - Select a vendor to show only requisition lines that specify this vendor.
     - Select **-All–** to show only requisition lines that identify ANY vendor.

   - **Item** – Select an item to show only requisition lines that include this item.
   - **Department** – Filter the list to show only lines that specify a certain department.
   - **Class** – Filter the list to show only lines that specify a certain class.

3. Check the box in the **Include** column next to requisition lines you want to order.

   You can add multiple order lines to a purchase order regardless of the entry date or expected receipt date. This is limited only by the maximum identified in the Maximum Purchase Lines to Consolidate preference.

   If you use the Multiple Currencies feature, each vendor's primary currency is used on this transaction. For more information, see the help topic Vendors and Multiple Currencies.

4. Accept the vendor indicated, or enter a new vendor. A vendor must be indicated to order a requisition line.

   If you use NetSuite OneWorld and you have vendor records to which the selected subsidiary is assigned, note the following. You can add a vendor requisition line for any of those vendors.

5. If a qualified contract exists, the one with the lowest item base rate is displayed in the **Purchase Contract** field.

6. Accept the suggested amount to order in the **Quantity** column, or enter a new quantity.

   The quantity, rate, and amount for each line must be equal to or greater than zero.

7. Click **Submit**.

> ⓘ **Note:** If a linked purchase order line is deleted, the link to the requisition line is also deleted. That requisition line re-appears on the Order Requisitions page.

Processing a Requisition

After you have entered requisitions, you can view and process these transactions as part of your purchasing workflow.

Requisition workflow:

1. Enter the requisition.

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For information, see Entering a Requisition.

2. Approve the requisition, if approval is required.

    For information, see Requisition Approvals.

3. Order the requisition.

    You can order requisitions in two ways:

    - **Order in bulk**:

        To order in bulk, use the Order Requisitions page.

        For information, see Ordering Requisitions in Bulk.

    - **Order from the requisition**:

        1. Open the requisition.

        2. Click **Create Purchase Order**.
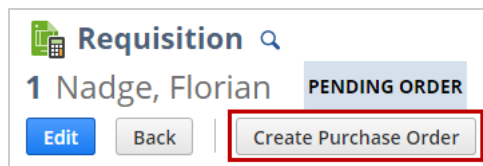
        > **(i) Note:** To order directly from a requisition, you must have the Requisition Approval permission with an access level of Edit, Create, or Full.

        The Create Requisitions page opens with the originating requisition number filled in.

        In NetSuite OneWorld, the subsidiary also autofills. You can verify or select the vendor shown, and select a purchase contract. You can opt to change the filter and show additional requisitions to order if needed.

        > ⚠️ **Important:** Class, department, location, and memo values from the requisition lines are copied to the lines on the created purchase order.
        >
        > - All of the requisition lines **are** linked to a single requisition. The **Memo** field on the requisition header and any attached file **are copied** to the created purchase order.
        >
        > - All of the requisition lines **are not** linked to a single requisition. The **Memo** field on the requisition header and any attached file **are not copied** to the created purchase order.

Requisitions List

After you have entered requisitions, you can view a list of existing requisitions to check the status or further process them

To view the requisition list:

1. Go to Transactions > Purchases > Enter Requisitions > List.

The list displays information about all requisition transactions entered in your account.

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Requisition Status

After creating a requisition, it can have one of the following statuses:

- **Pending Approval** – Approval is required. No purchase orders have been created.
- **Pending Order** – Transaction is approved. No purchase orders have been created.
- **Partially Ordered** – Some purchase orders have been created.
- **Fully Ordered** – All purchase orders have been created.
- **Closed** – Transaction will not show in queues even if some lines remain open.

The requisition status is the state in the purchasing workflow. This is distinct from the approval status. If you use approval routing, the requisitions list also shows the approval status, which is the state in the approval workflow. For more information about approvals and approval status, see the help topic Approval Routing.

Linked Purchase Orders

After requisition lines have been ordered, links appear on related transactions.

- The requisition shows linked purchase orders.
- Purchase orders show originating requisitions.

Changing a Requisition

Keep the following in mind when you want to make changes to a requisition you have already entered and placed orders for:

- The you must change item, quantity, date or location in the linked order before related information about a requisition line can be changed.
- To delete a requisition line, the linked order line must first be deleted.

- You change the quantity, date, or location on a linked order. Any unordered quantity from the requisition line shows on the Order Requisitions page.

- If a line on a linked order is deleted then the associated requisition line shows on the Order Requisitions page.

Requisition Approvals

You can choose to have a supervisor or an approver assess requisitions that are entered to decide if they are approved for processing. To require approval for requisitions, you must use a SuiteFlow workflow.

- Setting up Suiteflow Workflow-Based Approvals for Requisitions

- Approving a Requisition Using SuiteFlow

For an approval process with additional customization options, you can set up the Requisition Approval Workflow. For more information, see Requisition Approval Workflow.

Setting up Suiteflow Workflow-Based Approvals for Requisitions

You can choose to use SuiteFlow to create your own custom workflow to process approvals for requisitions. Using SuiteFlow for requisitions allows more flexible processes for approvals.

For example, using workflows to process requisitions allows for using a non-sequential approval process or conditionalized routing. You can set up a workflow that requires action from specific employees. A workflow that shows buttons on forms at certain stages, sends email based on actions taken, and much more.

To use SuiteFlow to process requisitions:

1. Enable the features:
    a. Go to Setup > Accounting > Preferences > Accounting Preferences.
    b. On the **Transactions** subtab, enable the **Requisitions** feature.
    c. On the **SuiteCloud** subtab, check the **SuiteFlow** box.
    d. Click **Save**.
    e. On the **Employees** subtab, check the **Approval Routing** box.
    f. Click **Save**.

       This feature must be enabled to use these fields on employee records:

       - Purchase Limit
       - Purchase Approver

       These fields are required for use with the requisitions workflow.

2. To enable the preference, on the **Approval Routing** subtab.
    a. Check the **Requisitions** box.

3. Use SuiteFlow to create a workflow to apply to your requisition:

    For more information, see the help topic Creating Your First Workflow.

    You can incorporate the following options into your requisitions workflow:

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- Hierarchical or custom routing rules
- Email notifications that include links to drill down to records for approval
- Approve and Reject buttons
- Respecting approval limits
- Updating the Approval Status and Next Approver field on records
- Preventing records that are pending approval from being edited
- Designating an alternate approver

You can manually set a requisition to an approved status for simple approvals.

> ⓘ **Note:** For approval workflows where a record is processed through multiple levels of approval by different users in a routing loop, note the following. You should use a custom workflow field that refers specifically to the current approver's approval status. This lets you track the current approver's approval status separately from the overall approval status of the record.

Approval Status field

When you use SuiteFlow for requisition approvals forms include an Approval Status field. The Approval Status field reflects the state of the transaction in the approval process.

Requisitions may have one of the following statuses:

- Pending Approval – The expense is in the approval queue.
- Approved – The expense has been given approval for processing.
- Rejected – The expense has not been approved and will not be processed.

Next Approver Field

When you use SuiteFlow for expense approvals, expense reports include a Next Approver field. This field is populated based on the associated workflow.

For example, in your workflow you may create a state of Pending Approval. In that state you create a formula to set the Next Approver as the employee's supervisor.

Employee Center

When you use SuiteFlow for requisition approvals, the Employee Center is the primary workspace for processing approvals.

- The Employee Center shows the Requisitions to Approve reminder and Approve Expense Reports queue.
- Employees are shown all requisitions for which they are the next approver.
- Users are not required to have the Full permission for the Employee Center to approve and reject requisitions through the Employee Center. They can do so with only the View permission.
- Reminders that show in the Employee Center drill down to the approval queue page for requisitions. You can still click through notification email and use the buttons on the expense form (such as Approve, Reject, etc.)
- An approver that is associated with one subsidiary is able to see records that are associated with another subsidiary to make approvals.

When you use SuiteFlow for requisition approvals, the Employee Center is the primary workspace for processing requisition approvals. The Employee Centers shows the Requisitions to Approve reminder and Approve Requisitions queue. Employees are shown all purchases for which they are the next approver.

You must have the Employee Center role to access the Employee Center. An administrator can add the Employee Center role on your employee record. For more information, see the help topic Adding an Employee.

When a supervisor or approver logs in to the Employee Center, approval queues display purchase requests, expense reports, and requisitions. These requisitions are entered by employees associated with all subsidiaries. Role-level subsidiary restrictions that apply to other records and transactions do not apply to approvals of purchase requests, expense reports and requisitions.

Approving a Requisition Using SuiteFlow

To approve a requisition using SuiteFlow:

1. Log in to the Employee Center.
2. Click **Approve Requisitions**.
3. Select a process in the **Action** field.

   The Action field lists the available actions of all purchase order workflows. For example, you can select the workflow action of Approve, or alternately select the action Reject.

   Actions available in the field are shown as follows: Workflow name : Workflow state : Workflow action

   This is an example of a workflow action selection: Requisition Approval Routing : Pending Approval : Approve

   The third section shows the action that will be implemented for the selected requisitions. In the case above, that action is to Approve.

   The selection you make in the Action field filters the list of purchases that are displayed.

   For example, select the action **Requisition Approval Routing : Pending Approval : Approve**. The list of requisitions that show are only ones that meet the following conditions:

   - Uses the workflow named Requisition Approval Routing
   - Has a status of Pending Approval

   You can select **All** in the Action field to show requisition associated with all workflows and actions.
4. After you select the workflow and action, check the **Select** box next to each requisition you want to process using the selected action.
5. Click **Submit**.

Supervisors can automatically be notified when they have requisitions to approve. Only an administrator can enable supervisor notification. To enable this preference, go to Setup > Accounting > Preferences > Accounting Preferences. Check the Automatically Notify Supervisors box.

In the Employee Center, your employees can view the status and approval history of their requisitions by clicking View Requisitions.

You also have the option of manually selecting a status in the Approval Status field on a requisition.

Approve Requisitions Individually

Approvers with permission can open an individual requisition and approve it.

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To approve an individual requisition:

1. Go to Transactions > Purchases > Enter Requisitions > List.
2. Click **Edit** next to a requisition.
3. In the **Approval Status** field, select the appropriate status. Statuses available are as follows:
   - Pending Approval
   - Approved
   - Rejected
4. Click **Save**.

Approve Requisitions in Bulk

You can approve many requisitions at one time using the bulk approval queue.

To bulk approve requisitions:

1. Go to Transactions > Purchases > Approve Requisitions.
2. Check the box in the **Approve** column next to each requisition to be approved.
3. Click **Submit**.

Requisition Approval Workflow

- Requisition Approval Workflow Setup
- Requisition Approval Workflow States
- Customizing the Requisition Approval Workflow
- Creating a Custom Requisition Approval Workflow

The Requisition Approval Workflow combines the features of the standard NetSuite approval routing and the flexibility of the NetSuite workflow manager. You can install the Advanced Procurement SuiteApp, which contains the workflow, and use the standard NetSuite approval routing out-of-the-box. The requisition approval routing process built into the SuiteApp is the same as the standard NetSuite Purchase Request approval feature.

You should understand the following concepts before installing the Requisition Approval Workflow:

- **Requisitions** – When an employee needs something that must be purchased using company funds, they can use a requisition to initiate the purchasing process. The person requesting the purchase (requestor) specifies which items, services or expenses they need a buyer to purchase. Buyers can then use requisitions to create the purchase orders necessary to fulfill the requisition requests.

  For more information, see Requisitions Overview.

- **Approval Routing** – When you use approval routing, transactions that are entered are not processed until they are approved. This gives a measure of oversight to persons of authority who can reject transactions that they do not want to be processed.

  For more information, see the help topic Approval Routing.

- **SuiteFlow** – SuiteFlow is a graphical workflow manager that lets you build workflows in NetSuite. You can use SuiteFlow to create, view, and edit the states, actions, and transitions of the workflow. For more information, see the help topic Workflow Manager Interface.

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The Requisition Approval Workflow validates your request to determine the proper routing for approval. For example, you submit a requisition with a total amount of 1,400.75. The purchase and approval limits are indicated as follows:

Role	Purchase/Purchase Approval Limit
Employee	1,000.00
Purchase Approver	1,500.00
Supervisor	3,000.00

Your request is routed to the purchase approver for review and approval, due to the following:

- The requisition amount exceeds your purchase limit.
- You have a designated purchase approver who has a purchase approval limit that covers the requisition amount.

Availability

The Requisition Approval Workflow is included in the Advanced Procurement SuiteApp that is available in the Advanced Procurement Module.

> ⓘ **Note:** The SuiteFlow conditions used for Bulk Approvals for records using custom approvals have been updated for the requisition record.

Prior to 2016.2, both the workflow button's condition and the Next Approver condition were used to filter records for bulk approvals for the requisition record. The Next Approver condition checks that the **Next Approver** field on the record contains the current logged in user. Beginning in 2016.2, the Next Approver condition is no longer used to filter records for bulk approvals for this record. Records are now filtered for bulk approvals using only the workflow button's condition. If you would like to continue to filter records based on the **Next Approver** field, you must add the condition to the workflow button condition. If you require assistance, contact Customer Support.

Requisition Approval Workflow Setup

See the following help topics to set up the Requisition Approval Workflow in your account:

- Enabling Requisition Workflow Prerequisites
- Installing the Requisition Approval Workflow
- Running the Requisition Approval Workflow
- Setting Requisition Approval Workflow Preferences

Enabling Requisition Workflow Prerequisites

To run the Requisition Approval Workflow in your account, enable the following prerequisites.

To enable requisition approval prerequisites:

1. Go to Setup > Company > Setup Tasks > Enable Features.

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2. On the **Employees** tab, check the **Approval Routing** box .

3. On the **Transactions** tab, check the **Requisitions** box .

4. On the **SuiteCloud** tab, check the **SuiteFlow** box.

5. Go to Setup > Accounting > Accounting Preferences.

6. On the **Approval Routing** tab, check the **Requisitions** box.

After you enable all prerequisites, install the Requisition Approval Workflow. For more information, see Installing the Requisition Approval Workflow.

Installing the Requisition Approval Workflow

Install the Advanced Procurement SuiteApp that contains the Requisition Approval Workflow:

- Bundle Name: **Advanced Procurement**
- Bundle ID: 57060
- Source Account: 3949705

This is a managed bundle and is automatically updated whenever there are updates. These issue fixes and enhancements are available after the SuiteApp is updated in your account.

For more information about installing SuiteApps, see the help topic Installing a Bundle.

After you install the Advanced Procurement SuiteApp, run the Requisition Approval Workflow in your account. For more information, see Running the Requisition Approval Workflow.

Running the Requisition Approval Workflow

Upon installing the Requisition Approval Workflow, the following workflows are added to your account:

- **Requisition Approval – Main**

  This workflow verifies that the user has an Employee Center role. Requests from valid users are transferred to the Requisition Approval – Employee Center workflow. Requests from other roles are automatically approved.

- **Requisition Approval – Employee Center**

  This workflow processes requisition requests from users with the Employee Center role. It validates the requisition amount against the purchase and purchase approval limits to determine if the request requires manual approval.

Both workflows should be running to complete the approval routing process.

To run the requisition approval workflow:

1. Go to Customization > Scripting > Workflows.

2. On the **Workflows** list, select one of the following:

   - If you are running the default workflow, click the workflow name, Requisition Approval – Main.

   - If you are running your custom workflow, click the **Edit** link for your workflow.

3. On the **Workflow** subtab, click the pencil icon.

4. In the **Workflow** popup window, select one of the following:

   - If you are running the default workflow, click **Change Status**.

- If you are running your custom workflow, in the **Release Status** field, select **Released**.

> ⚠️ **Important:** Before running your custom workflow, disable the original Requisition Approval Workflow by setting the release status of the two workflows to **Not Running**.

5. Click **Save**.

When you return to the list of installed workflows, the release status for the workflow should display **Released**. Do the same for the Requisition Approval – Employee Center workflow.

For more information, see the help topic Release Status.

After you run the workflow, set your required preferences. For more information, see Setting Requisition Approval Workflow Preferences.

Setting Requisition Approval Workflow Preferences

To use the Requisition Approval Workflow in your account, set the appropriate preferences.

To set requisition workflow preferences:

1. Assign the **Employee Center** role to employees that need access to requisitions.
2. Designate supervisors and approvers on the employee record of each employee.
3. Set a purchase limit for each user or employee and purchase approval limit for each approver or supervisor.

   If an employee has no purchase limit, you must enter **0** for the purchase limit. Do not leave the limit empty.

   To make sure that users and approvers receive notifications, keep e-mail addresses up to date.

For more information about assigning roles, see the help topic Assigning Roles to an Employee. For more information about designating supervisors, see the help topic Supervisors, Approvers, and Approval Limits.

Requisition Approval Workflow States

When a requisition request enters the Requisition Approval Workflow, it goes through the states within each workflow for validation and approval routing. The following workflow states are described in this section to help you understand how the request is routed and processed.

Requsition Approval – Main States:

Check User Role

The Requisition Approval – Main workflow is initiated whenever you create or edit a request. The request enters the Check User Role state where Employee Center role verification is made on your employee record. If your role is valid, the request enters the Initiate state, otherwise it proceeds to the Exit state.

Initiate Requisition Approval – Emp Ctr

Only requests from users with the Employee Center role transition to this state, which initiates the Requisition Approval – Employee Center workflow.

Exit – Non Employee Center

When the request enters the Exit state, it means that you have not been assigned the Employee Center role. The request cannot be transferred to the Requisition Approval – Employee Center workflow. The status of your request is automatically changed to **Approved**.

Requisition Approval – Employee Center States:

Approval Routing Feature Check

Requests that have been verified and transferred from the Requisition Approval – Main workflow enter the Approval Routing Feature Check state. Further verification is made to determine if you have enabled the Approval Routing feature in your account.

Check Immediate Approver

In this state, the workflow determines whether you have a designated supervisor or purchase approver. If there is no supervisor and approver indicated in your employee record, your request is automatically approved.

Check User Purchase Limit

When a request enters this state, the workflow validates the requisition amount against the employee's purchase limit. If the amount does not exceed or is equal to the purchase limit, the request is automatically approved. If it exceeds the purchase limit, the request is set to **Pending Approval** status.

Check Highest Approver

In this state, the workflow validates the requisition amount against the highest approval limit. If the amount exceeds this limit, the request cannot be routed to an approver with sufficient limit. The workflow will display a message that there is no approver who can approve the request. Otherwise, the request transitions to the Entry state.

Entry

Requests that require approval enter this state where the workflow sets the initial approver. If you have a designated purchase approver and supervisor, the request is routed to the approver. If you have no purchase approver, the request is routed to the supervisor. The initial approver is informed about the request for approval through email.

If you have no designated purchase approver and supervisor, the request is automatically approved.

Pending Approval

When the initial approver is identified, the request enters this state where its status is set to Pending Approval. The workflow enables the **Approve** and **Reject** buttons on the requisition. Only the current approver has access to these options. The transaction is locked for editing from all roles, except the administrator.

The request transitions to the Rejected state if not approved; otherwise, it proceeds to the Set Next Approver state.

Set Next Approver

When the request is approved by the initial approver, it enters the Set Next Approver state. The workflow determines if there are succeeding approvers in the approval hierarchy. If so, the next approver is sent an email notification regarding the pending request. The request returns to the **Pending Approval** state, where it will await the action of the next approver.

After each approval of succeeding approvers, the cycle continues until the request reaches the approver who has the sufficient approval limit.

Approved

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A requisition enters this state when any of the following conditions resulting from actions in the previous states have been met:

- There is no assigned purchase approver and supervisor on the employee record.
- The requisition amount does not exceed or is equal to the employee purchase limit.
- The purchase approver or supervisor approves the request.

As the requestor, you are notified through email of the requisition approval.

Rejected

A requisition transitions to this state if it is rejected by the purchase approver or supervisor. You are informed of the rejected request through email. The transaction is unlocked for editing, correction, and submission. When you edit and submit the request, it goes through the requisition approval process again.

Customizing the Requisition Approval Workflow

You can modify the requisition approval routing process used by the standard Requisition Approval Workflow to fit your specific business requirements. For example, you can modify the approval chain by designating a substitute approver when the regular approver is not available. The steps to approve a requisition depend on the way the workflow is set up.

For other ways to customize a workflow such as sending email and fax, see the help topic Using Custom SuiteFlow Workflows for Approval Routing. To read about how the Requisition Approval Workflow is setup and organized, see Requisition Approval Workflow States.

To begin your customization:

1. To copy the workflow, go to Customization > Scripting > Workflows.
2. From the workflow list, select a workflow to customize.
3. Point to the **More** link.
4. Select **Make Copy**.

   A copy of the workflow is displayed.

For more information, see the help topic Copying a Workflow.

After copying and customizing one or both workflows, be sure to run it. For instructions, see the topic Running the Requisition Approval Workflow.

Creating a Custom Requisition Approval Workflow

The instructions in this section show you how to edit or add conditions, actions, transitions, and other components of the workflow. Before you make changes to a workflow or a state, you can read the description and process flow in the topic Requisition Approval Workflow States.

To edit a condition:

1. To edit or add a condition for a workflow, group, action, and transition, open the workflow or state page.
2. Click **Edit** for the component to be customized.

The screenshot shows the condition for a Set Field Value action of the Check User Purchase Limit state.

3. Click the **Visual Builder** icon next to the **Condition** field to edit.

   Instead of using the Visual Builder, if you need to specify your own formula, choose **Custom Formula**.

4. Enter your own formula in the field provided.

   For more information, see the help topic Working with Conditions.

To reorder actions:

1. To view or edit an action, click **Edit** on the Workflow State page where the action is run.

2. On the **Workflow Action** page, you can change the details and transfer the action to another state

   After you transfer an action, record any dependent fields affected by this type of reordering.

3. To create a new action within the state, click **New Action**.

   For more information, see the help topic Working with Actions.

4. To change the order of actions within a state, drag and drop the action before or after another one.

5. Click **Save**.

To edit a transition:

1. On the **Workflow State** page, click the **Transitions** subtab.

2. For the transition record to be updated, click **Edit**.

   You can select the state where the record should be moved to based on your conditions and triggers.

3. To create a new transition, on the **Transitions** subtab, click **New Transition**.

   When you create a new transition, it adds an arrow between the two states on the workflow diagram.

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For more information, see the help topic Working with Transitions.

To add a custom field:

1. To add a field, click the **Fields** subtab, and then click **New Workflow Field** or **New State Field**.

   You can add a custom field to the workflow, called an instance custom field, or to the state, called a state custom field. For more information, see the help topic Working with Custom Fields.

   You can edit custom fields on the page of the workflow or specific state where it is associated with. You can also access the field record from the Workflow or State tab located on the context panel beside the Workspace.

2. In the Requisition Approval – Main workflow, you can edit the condition or other basic settings for the **User Role Field**.

   Record the following fields that should not be edited or deleted in the Requisition Approval – Employee Center workflow:

   - Workflow fields: Approval State, Approver, Highest Approver
   - State fields: approval routing (Approval Routing Feature Check)

     The **next approver** field can be edited based on how you plan on assigning the initial and next approver of the request. This field is used in the Entry and Set Next Approver states.

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Purchase Requests

A purchase request is a transaction that records a purchase that needs to be made. The request details the item needed and the anticipated price of the item. When the purchase request needs to become a purchase, the request must be converted into a purchase order.

Employees with access to purchase requests can enter requests to purchase items, material or services from vendors.

Before you can enter purchase requests, you must enable the Purchase Requests feature in your account. After you enable the feature, employees with the Employee Center role can enter purchase requests. For more information, see Enabling Purchase Requests and Giving an Employee Access to Purchase Requests.

If you use the Approval Routing feature, a purchase request may require approval before it is converted to a purchase order. For more information, see the help topics Approval Routing and Approving a Purchase Request.

Purchase requests are similar to requisitions, however, they serve a different purpose. For information about the difference between requisitions and purchase requests, see Requisitions vs. Purchase Requests.

> **ⓘ Note:** You can have Purchase Requests and Requisitions enabled at the same time.

See the following help topics:

- Enabling Purchase Requests
- Entering a Purchase Request
- Approving a Purchase Request
- Creating a Purchase Order From a Purchase Request
- Notifying Supervisors of Purchase Requests

Related Topics

- Requisitions
- Request for Quote
- Purchase Contracts and Blanket Orders
- Purchasing
- Receiving Orders
- Expenses
- Procurement Dashboard
- Purchases Workbooks

Enabling Purchase Requests

Before you can enter purchase requests, you need to enable the Purchase Requests feature in your account.

To enable the Purchase Requests feature:

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1. Go to Setup > Company > Enable Features.
2. On the **Employees** subtab, click the **Purchase Requests** box.
3. Click **Save**.

After you enable the feature, employees with the Employee Center role can enter purchase requests. For more information, see the help topic Giving an Employee Access to Purchase Requests.

Entering a Purchase Request

Employees with access to purchase requests can enter a request to purchase needed items, material or services from vendors.

> **Note:** The employee record must be set up to give the employee access to the Employee Center. For more information, see the help topic Giving an Employee Access to Purchase Requests.

To enter a purchase request:

1. In the Employee Center, click **Enter Purchase Requests**.

Primary Information

1. Select the vendor who will provide the good or service being requested.
2. Select a location to associate with the purchase request.
3. The current date autofills the **Date** field. You can enter or select another date.

Classification

1. Select a department, class, and location to associate with this purchase.
2. The vendor's primary currency is shown by default. If your company uses the Multiple Currencies feature, you can choose one of this vendor's transaction currencies. For more information, see the help topic Vendors and Multiple Currencies.

   This currency will be used through the entire purchasing process and cannot be changed later.

Items

1. On the **Items** subtab, click the **Items** subtab to request an item to be purchased.
2. In the **Item** column, select the item.
3. Select a department to associate with the item.
4. Click **Add**.
5. Repeat the steps above for each item to be entered for this purchase.
6. Optionally complete information in the remaining fields on the form.
7. Click **Save**.

On the Purchase Request form, an employee can select a vendor and select a value for the Ship To field, representing a customer. Note the following details about available Ship To field values in OneWorld accounts:

- For employees using the standard Employee Center role, available Ship To values include all customers, unrestricted by subsidiary or sales team.

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- For employees using a customized Employee Center role, available values are restricted to customers associated with any subsidiary to which the employee has access. If the Team Selling feature is enabled, available values are restricted to customers assigned to any sales team of which the employee is a member.

If you use the Approval Routing feature, a purchase request may require approval before it is converted to a purchase order. For more information, see the help topic Approval Routing.

You can set the To Be Emailed and To Be Faxed fields on purchase requests prior to supervisor approval. If a purchase request is submitted with the To Be Emailed or To Be Faxed box checked but still needs approval, note the following. The box remains checked but the email or fax is not sent. At the time of approval, the email or fax is sent and the To Be Emailed and To Be Faxed fields are cleared. For more information, see Approving a Purchase Request.

Approving a Purchase Request

If you use the Approval Routing feature for purchase approvals, purchases must be approved before they can be processed.

Purchase approvals are generally processed through the Employee Center. You must have the Employee Center role to access the Employee Center. An administrator can add the Employee Center role on your employee record. For more information, see the help topic Adding an Employee.

If your company does not use the Approval Routing feature, the request becomes a purchase order as soon as the immediate supervisor approves it.

> **(i) Note:** In OneWorld accounts, when a user who is a supervisor or approver logs in to the Employee Center, note the following. Approval queues display purchase requests, expense reports, and requisitions entered by employees associated with all subsidiaries. Role-level subsidiary restrictions that apply to other records and transactions do not apply to approvals of purchase requests, expense reports and requisitions.

Approving Purchases Using the Approval Routing Feature

A supervisor or approver must have a purchase approval limit greater than or equal to the amount of the purchase request. If the amount is greater than the purchase approval limit, the request is sent to the next level of management. This process continues until it is approved by an authorized supervisor or approver.

If a purchase approver is specified for an employee, the supervisor is not part of the approval hierarchy.

If you use the Approval Routing feature, you must first log in to the Employee Center to approve a purchase request. You must have the Employee Center role to access the Employee Center. An administrator can add the Employee Center role on your employee record. For more information, see the help topic Adding an Employee.

To approve a purchase request using approval routing:

1. Log in to the Employee Center.
2. Click **Approve Purchase Requests**.
3. Select the name of the employee who submitted the request.
4. Check the box next to the purchase request you want to approve.
5. Click **Save**.

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Supervisors can automatically be notified when they have requests to approve. Only an administrator can enable supervisor notification. To enable this preference, go to Setup > Accounting > Preferences > Accounting Preferences. Check the Automatically Notify Supervisors box.

In the Employee Center, your employees can view the status and approval history of their purchase requests by clicking View Purchase Requests/Orders.

Approving Purchases Using SuiteFlow

If you use SuiteFlow for purchase approvals, the steps to approve a purchase are dependent on the way the workflow is set up. For more information, see the help topics Using Custom SuiteFlow Workflows for Approval Routing and Custom Workflow-based Approvals for Purchases.

Creating a Purchase Order From a Purchase Request

A purchase request turns into a purchase order when it is approved.

When an employee enters a purchase request, it is routed to the employee's immediate supervisor. A request entered by an employee who does not have a supervisor automatically becomes a purchase order.

Supervisors can automatically be notified when they have requests to approve. Only an administrator can enable supervisor notification. To enable this feature, go to Setup > Accounting > Preferences > Accounting Preferences. Check the Automatically Notify Supervisors box.

To approve a purchase request:

1. Log in to the Employee Center.
2. Go to Home > Purchase Requests > Approve Purchase Requests.
3. On the Approve Purchase Orders page, in the **Employee** field, select the name of the employee who submitted the request.
4. Check the box next to the purchase order you want to approve.
5. Click **Save**.

If your company does not use Approval Routing, the request automatically becomes a purchase order as soon as the immediate supervisor approves it.

A supervisor or approver must have a purchase approval limit greater than or equal to the amount of the purchase request. If the amount is greater than the purchase approval limit, the request is sent to the next level of management. This process continues until it is approved by an authorized supervisor or approver. For more information, see the help topic Approval Routing.

In the Employee Center, your employees can view the status and approval history of their purchase requests by clicking View Purchase Requests/Orders.

Notifying Supervisors of Purchase Requests

You can notify supervisors by email when there are purchase requests that need to be approved. Purchase requests must be approved before they are turned into purchase orders.

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An administrator must first enable the Purchase Requests feature. To do this, go to Setup > Company > Enable Features. Check the Purchase Orders box and the Purchase Requests box, then click Save.

To notify supervisors of purchase requests:

1. Go to Setup > Accounting > Preferences > Accounting Preferences.
2. Go to the **Time & Expenses** subtab.
3. Check the **Automatically Notify Supervisor** box.
4. Click **Save**.

When employees submit purchase requests, their supervisors are automatically emailed a notification to review their requests.

If a supervisor rejects a purchase request, a rejection notice is sent by email to the employee that entered the request. The status of this purchase request changes from Unapproved to Rejected in the Purchase Order Register. Accounting cannot process a rejected purchase request.

If an employee who has no supervisor enters a purchase request, someone in the accounting department must turn this request into a purchase order. To do this, go to Transactions > Purchases > Receive Orders.

Request for Quote

See the following help topics to set up the Request for Quote feature in your account:

- Request for Quote Feature Setup
- Entering a Request For Quote
- Vendor Request for Quote
- Analyzing and Awarding a Request for Quote

A Request for Quote (RFQ) is a request you send to one or more vendors asking them to provide specific information. This information is about their pricing, terms, and conditions in regard to a purchase contract for a product they provide. Usually the pricing request is tiered, which means that as you purchase larger quantities of an item, the price per individual unit goes down. A vendor might also provide an additional discount when a specified total amount has been spent across all items purchased within a specified time frame.

Set up the RFQ to define the item, pricing tiers, and other information, and an open and close date to define the bidding period. Then, send the RFQ to all vendors you would like to have submit a quote. The vendors can access the RFQ to define and submit their pricing, terms, conditions and other details of their quote.

After all the vendors have submitted a quote, your buyer can analyze the submissions to determine the best overall deal from the quotes provided.

After analysis, you buyer can mark which items are to be purchased from which vendors.

After selecting the best vendor for each item, the buyer can create purchase contracts for future purposes. A buyer can creates one or multiple purchase contracts from a single RFQ.

For example, Annie, a buyer at Wolfe Industries uses the Request for Quotes process as follows:

Annie enters a Request for Quote to get pricing from vendors for Deluxe Widgets. She uses two vendors for widget procurement: Acme Widgets and WidgetCo. The RFQ is specified as below:

- Item: Deluxe Widget
- Terms: 30 days
- Pricing tiers: 0–24 units, 25–49 units, 50–74 units
- Special instructions: Widgets must be delivered fully assembled
- Bid open date: January 1
- Bid close date: January 15

Annie marks the RFQ to indicate the request should be sent to Acme Widgets and WidgetCo, then she submits the RFQ. A notification email is received by the specified contacts at both vendors. Then, the vendors log in to the Vendor Center and define the details of their quote.

After each vendor saves their Vendor RFQ, the quote goes back to Annie. On the Vendors subtab of the RFQ, the Response Date field on the vendor line includes a date. This date is a link to the quote sent by the vendor.

After analyzing both submitted quotes to find the best deal, Annie decides to use WidgetCo, who submitted the following quote:

- Item: Deluxe Widget
- Terms: 30 days

- Pricing:
    - 0–24 units: $1.50 each
    - 25–49 units: $1.40 each
    - 50–74 units: $1.25 each
- Special instructions: Widgets will be delivered fully assembled

Annie selects the Deluxe Widget and generates a contract for WidgetCo.

Related Topics

- Requisitions
- Purchase Requests
- Purchase Contracts and Blanket Orders
- Purchasing
- Receiving Orders
- Expenses
- Procurement Dashboard
- Purchases Workbooks

Request for Quote Feature Setup

To set up the Request for Quote feature, see the following help topics:

- Enabling the Request for Quote Feature
- Setting Preferences for the Request for Quote Feature

Enabling the Request for Quote Feature

To request quotes, enable both the Purchase Contracts feature and the Request for Quotes feature.

To enable the Request for Quote feature:

1. Go to Setup > Company > Setup Tasks > Enable Features.
2. On the **Transactions** subtab, check the **Request for Quote** box.
3. Verify that the **Purchase Contracts** box is checked.
4. Click **Save**.

After the feature is enabled, you can request quotes from vendors. For more information, see Entering a Request For Quote.

Setting Preferences for the Request for Quote Feature

See the following steps to set preferences for requests for quote.

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To set Request for Quote preferences:

1. Go to Setup > Accounting > Preferences > Accounting Preferences.
2. Click the **Order Management** subtab.
3. In the **Default Number of Request for Quote Pricing Tiers** field, enter the number of pricing tiers to appear on a request for quote. You can change this number on an RFQ as needed.
4. Click **Save**.

Entering a Request For Quote

Enter a Request for Quote (RFQ) to define the details of the quote you need and begin the process of requesting quotes from vendors.

To enter a Request for Quote:

1. Go to Transactions > Purchases > Enter Requests for Quote.
2. Enter information for each section described below as necessary.
3. Click **Save**.

Primary Information

1. Verify or enter the request for quote number.
2. The Employee field defaults to display your name to be associated with this RFQ.
3. The current date autofills the **Date** field. You can enter or select another date.
4. In the **Effectivity Based On** field, select the method to identify how the pricing effectivity date is applied. This method is applied to a purchase order created from a purchase contract generated by the RFQ:
   - **Order Date** – when the purchase order is placed
   - **Expected Receipt Date** – when the order line on the purchase order is expected to be received.

     For example, a contract start date is 5/28/2022 and the end date is 12/31/2022. On 12/1/2022 you order an item on a purchase order referencing the purchase contract that will be received on 1/15/2023.

     - If you select **Order Date**, the pricing on that purchase contract applies to that order. The order date of 12/1/2022 falls within the start and end dates for the purchase contract.

     - If you select **Expected Receipt Date**, the pricing on that purchase contract does not apply to that order. The expected receipt date of 1/15/2023 does not fall within the start and end dates for the purchase contract.
5. Enter a **Start Date** and **End Date** to define the valid time period for this RFQ.
6. Optionally enter a **Memo**. Later, you can search for text you enter in this field.
7. Enter the **Bid Open Date**. This defines the beginning date of the period you will accept submitted quotes for this RFQ.

   The Bid Open Date cannot be backdated.
8. Enter the **Bid Close Date**. This defines the final date of the period you will accept submitted quotes for this RFQ. After this date, you will no longer accept submitted quotes for this RFQ.

The Bid Close Date must fall after the Bid Open Date.

Classification

1. Select a department, class, and location to associate with this RFQ.

2. The vendor's primary currency is shown by default. If your company uses the Multiple Currencies feature, you can choose one of this vendor's transaction currencies. For more information, see the help topic Vendors and Multiple Currencies.

   > ⚠️ **Important:** This currency will be used through the entire purchasing process and cannot be changed later.

Items

1. Enter the **Number of Pricing Tiers** you require for this RFQ.

2. In the **Item** column, select an item:

   - Inventory
   - Non-inventory
   - Service charge
   - Assembly

   The **Vendor Name**, **Units** and **Description** autofill for that line.

3. Click the icon in the **Additional Pricing** column to define the pricing structure for this item. The pricing tier quantities can be based on a product forecast, hiring plan, or other source.

   For example, to get a quote on laptops based on an employee hiring plan, you can set up price breaks for specific quantities, as follows:

   - 0 to 25 items
   - 26 to 75 items
   - 76 or more

   Then, vendors can quote prices for each tier.

   The first tier always starts at zero. Enter quantities on the second and subsequent lines to define price breaks. For example, you enter 25 on the second line and 75 on the third line. The first price applies to orders of quantity from zero through 25. The second price, which is generally discounted, applies to orders of a quantity from 26 through 75.

   > ℹ️ **Note:** For each item being quoted, you must enter the same number of pricing tiers.

   For example, Item One has pricing tiers at 25 and 50, which is two levels. Item Two must have two pricing tiers also, but they can be at different quantities. For example, it can have price breaks at 60 and 180, which is also two levels. However, it cannot have a pricing tier for only 60, because that is one level.

   1. In the **Calculate Quantity Discounts** field, make a selection:

      - **By Line Quantity** – Pricing is based on single purchase order line.
      - **By Overall Item Quantity** – Pricing is based on all purchase order lines with same item. For example, you order the same item multiple times on the same purchase order. The total quantity across all lines on the order determine which tier or tiers are appropriate for the quantity discount.

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- **By Overall Contracted PO Item Quantity** – Pricing is based on all contracted purchase order lines with same item. For example, more than one purchase order for that item is entered against a purchase contract. All quantities across all of those purchase orders are consolidated to determine the net discount.

2. In the **Pricing Using** field, make a selection:

   - **Rate** – Price items using a single rate based only on quantity entered for the line. When the quantity ordered falls into the specified tier, all items on that line get the same rate . For example, based on the tiers in the example above, an order of 50 items is priced as follows:

     - all 50 items get a 5% discount

   - **Marginal Rate** – Price items using a progressive rate across tiers based on the quantity selection. For example, based on the tiers in the previous example, an order of 50 items generates the following pricing:

     - the first 24 items get base pricing (no discount)

     - items 24-50 get 2nd tier discounted pricing (5% discount)

   - **Lot Rate** – Price items for a lot using a tier rate regardless of the quantity within a tier range. This method is commonly used if there is a high fixed cost for an item. For example, the lot price is $50, whether you order 3 items or 99 items, because all units in the lot have a set price.

3. Enter the following information for each tier.

   a. **From Quantity** – Enter the lowest quantity required to be ordered to receive the price on this tier.

   b. **Memo** – Optionally enter a memo.

4. Click **Add** after all information is entered for the tier.

5. After all necessary tiers are entered, click **OK**.

4. Select a department, class or location to associate with the item.

5. Click **Add**.

6. Repeat the steps above for each item on the RFQ.

Terms

1. **Payment Terms** – Your selection here populates on purchase orders and purchase contracts created from this RFQ. For information about terms available, see the help topic Creating Terms of Payment.

2. **Incoterm** – This is a standardized three-letter trade term. It is used on transactions related to international commercial procurement practices. These practices communicate the tasks, costs, and risks associated with the transportation and delivery of goods. Incoterms define where the customer takes ownership of the product. They are typically used for international orders, such as when an item goes through customs or crosses a border. This is an expansion of a concept similar to FOB terms used in the United States.

   The standard incoterms included in NetSuite accounts include:

   - **EXW** – Ex Works (named place of delivery)

   - **FCA** – Free Carrier (named place of delivery)

   - **CPT** – Carriage Paid To (named place of destination)

   - **CIP** – Carriage and Insurance Paid to (named place of destination)

   - **DAT** – Delivered at Terminal (named terminal at port or place of destination)

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- **DAP** – Delivered at Place (named place of destination)
- **DDP** – Delivered Duty Paid (named place of destination)
- **FAS** – Free Alongside Ship (named port of shipment)
- **FOB** – Free on Board (named port of shipment)
- **CFR** – Cost and Freight (named port of destination)
- **CIF** – Cost, Insurance and Freight (named port of destination)

These can optionally be renamed on the incoterm record at Setup > Accounting > Accounting Lists.

3. Select a specific shipping carrier in the **Carrier** field. For example, the buyer or customer might have an account with a particular carrier to use better freight rates.

4. Under **Discount**, add lines to define header discount terms that apply to an entire purchase contract created from this RFQ. This discount is an additional discount above other defined lined discounts and tiered pricing. It is applicable for all items in total across all purchase orders linked to this purchase contract. For example, a vendor provides a discount if the total purchases for all purchase orders linked to the purchase contract exceed a certain amount. The buyer gets another 5% discount and any tiered pricing if the total amount purchased on the contract exceeds the required amount of $400,000. For each order entered against the purchase contract that falls beyond the $400,000 mark, this discount is automatically calculated and applied to the order.

   To add header discounts to RFQ-generated purchase contracts:

   1. In the **From Amount** field, enter the amount that order totals applied to this purchase contract must reach to make this discount available. For example, enter **400,000** to make this discount available on orders entered after $400,000 in orders have been linked to this purchase contract.

   2. In the **Percent Discount** field, enter the discount percentage that will apply to orders entered after the minimum amount requirement is met.

   3. Click **Add**.

   4. Repeat these steps for each header discount applicable for this purchase contract.

Special Instructions

Buyers can provide special instructions to vendors. Enter details in these fields as necessary:

- Purchase Order Instructions
- Product Labeling Instructions
- Packing List Instructions
- Billing Instructions

Vendors

1. To define which vendors you want to receive this Request for Quote, enter text in the **Email Introduction** field. This text is sent to vendors in the email which requests a quote from them.

   Multiple emails can be sent with different introduction text.

   This text is optional. The RFQ email is autogenerated. It includes the bid open date, bid close date, and a link to the Vendor Center to be used to respond with a quote.

2. Select a **Vendor** from the list.

   Vendors can be selected only if they have a contact with a valid email address.

3. Check the box in the **Email** column to email the vendor contact a link to the vendor's copy of the RFQ in the Vendor Center.

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> ⓘ **Note:** The email cannot be sent before the bid open date.

4. Verify or select the **Contact** for this vendor who should receive the RFQ you send. The default contact is the primary contact for the vendor.

5. Optionally add a **Memo**.

6. Click **Add**.

7. Repeat these steps for each vendor you want to receive this Request for Quote.

More than one email can be sent to the selected vendors. For example, you want to extend the bid close date. You can edit the bid close date and then send an email to the vendors to notify them of the change.

> ⚠ **Important:** After the first email is sent, no editing can be done to the items or other key information about the RFQ. This is to ensure fairness for all vendors, even if only one vendor was sent the email. All vendors receive identical RFQ information to bid on.

Relationships

If you want to add a contact to this RFQ, enter the contact's name, title, email address, phone number, subsidiary, and role, and click **Add**.

Communication

1. Create any events, tasks, or phone calls you want to associate with this RFQ, or attach relevant files. You can attach a file with specifications, additional information, or important documentation the vendor needs when providing a price quote.

2. Use the **Events**, **Tasks**, and **Phone Calls** subtabs to attach activities to this transactions.

   For more information, see the help topic Attaching Events, Tasks, and Calls to Records and Transactions.

3. On the **Files** subtab, select and attach files from the File Cabinet related to this transaction:

   a. To upload a new file to File Cabinet, click **New**.

   b. Click **Add** after each file.

4. On the **User Notes** subtab, enter a title and note for any comments you want to add to this transaction.

   Click **Add** after each note.

5. Click **Save**.

After the RFQ is saved:

- You can view the RFQ form.
- You can make changes to the items, terms, or instructions on the RFQ, but only if email has not yet been sent to any vendors.
- The RFQ email is sent on the bid open date.
- After the first email is sent to a vendor, the RFQ cannot be changed so that all vendors receive the same information.
- Up until the bid close date, you can add more vendors to request quotes from.
- You can change the bid close date, if needed.
- The Vendors subtab displays for each vendor a Sent Date (the date first emailed) and Response Date (the most recent date the vendor responded).

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Vendor Request for Quote

After you enter a Request for Quote (RFQ), the quote request is emailed to vendors on the bid open date. The email includes the bid open date, bid close date, and a link to the Vendor Center to be used to respond with a quote. The quote generated by the vendor in response to an RFQ is called a Vendor Request for Quote.

A vendor logs in to the Vendor Center to open the Vendor Request for Quote and define quote pricing and details. A Vendor Request for Quote can be opened and edited by the vendor or by an administrator in your NetSuite account. Generally, buyers can only view the form.

How a vendor edits and submits a Vendor Request for Quote:

1. Log in to the **Vendor Center**.

   For more information, see the help topic The Vendor Center Role.

2. Click **Edit** next to the RFQ.

3. On the **Response** subtab, the vendor can set a price for each pre-defined quantity break.

   a. Click the **Additional Pricing** icon for a line item.

   b. In the pricing popup window, make selections in the popup fields.

   Vendors can edit the following fields:

   - Minimum Amount
   - Item Rates/Percentages
   - Payment Terms
   - Incoterms
   - Total Purchase Discount / Percent

   > ⓘ **Note:** After the Bid Close Date, the vendor can no longer edit their response.

   Click Add when all sections for the line are completed.

4. Repeat for each line the vendor wants to provide a quote for.

5. Under Primary Info, in the Minimum Amount field, the vendor can define the **Minimum Amount** to receive a purchase discount. This defines the lowest currency amount that must be purchased to receive the pricing structure indicated. For example, you must buy $10,000.00 in goods in order for the price break structure defined in the Additional Pricing popup window.

6. The vendor clicks **Save** to send quote back to buyer.

After a quote is submitted, the vendor can make changes and respond multiple times, if needed, up until the bid close date.

After line items on the quote have been awarded, vendors can view their awarded items and purchase contracts on the Awards subtab of the RFQ.

The vendor RFQ displays the vendor RFQ status (Open or Bid Closed). It also displays the source RFQ status, which can show if any bids on that RFQ have been awarded.

Analyzing and Awarding a Request for Quote

On or after the bid close date, the Request for Quote (RFQ) record displays an Awards subtab. Use the Awards subtab to analyze the vendor responses and award purchase contracts to vendors.

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To analyze quotes and award contracts:

1. Go to Transactions > Purchases > Enter Requests for Quote > List.
2. Click **View** next to an RFQ.
3. Click the **Awards** subtab.
4. In the **Purchase Contract Maximum Amount** field, set the maximum contract amount for this transaction.

   > ⓘ **Note:** If you use Approval Routing, note the following about the Purchase Contract Maximum Amount field. It determines the value of the Maximum Amount field on the purchase contract that generates after awarding a request for quote to a vendor. The Maximum Amount field determines the required approval level of a purchase contract. For more information, see the following help topics:
   >
   > - Creating Purchase Contracts
   > - Approval Routing
   > - Supervisors, Approvers, and Approval Limits

5. In the **Show** field, choose a setting to display the vendor quote information.
   - Vendor with Lowest Average Rate – for each line item, display the vendor that quoted the lowest average rate for all tiers.

     This is the default setting.
   - Vendor with Lowest Average Rate
   - Vendor with Lowest Tier 1 Rate
   - Vendor with Lowest Tier 2 Rate
   - Vendor with Lowest Tier 3 Rate
   - RFQ Vendor Average Rate (if there are multiple vendors, there is a selection for each vendor)
6. The **Total of All Rates** field shows the sum of all responses not yet awarded based on the selection in the **Show** field.
7. Check the **Award** box by a vendor to award the item to a purchase contract for that vendor. When you click Save, purchase contracts are created for the item/vendor combinations on awarded lines.
8. Select a **Vendor** to specify an alternative vendor to purchase the item from.
9. Click the **Compare** icon to view a comparison of response details from all vendors. This function lets a buyer compare data across all vendors to determine the quote that works best. For example, Vendor 1 might quote the lowest rate, but Vendor 3 could offer better terms. This might be the deciding factor in selecting a vendor.

   The popup window displays the following data for all vendors the RFQ was sent to:
   - Average rate
   - Rate for each tier
   - Minimum Purchase Amount – The minimum purchase amount the vendor expects the buyer to purchase. The vendor may charge a penalty if this amount is not met.
   - Total Purchase Discount – Identifies whether a vendor has provided a Total Purchase Discount. The details of the discount can be viewed in the vendor's Request for Quote response.
   - Incoterm
   - Payment Terms

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a. To select a vendor, click the check mark icon on the line by the vendor. Then, the Compare box closes and that vendor is selected for that line item.

b. Repeat these steps to compare vendors for other items on the RFQ.

10. After vendors are selected for each line item, the line items can be awarded to vendors. To award vendors on an RFQ, check the box in the Award column to award that line item.

> **ⓘ Note:** After a line has been awarded to a purchase contract, it is no longer displayed in this list.

11. Click **Save**.

After the RFQ is saved, a purchase contract is created for all line items, one contract per vendor. The purchase contract is populated with data from the vendor response for the line item.

After an RFQ has an Award Received status, the Items subtab includes links to related purchase contracts. Click the link to view the purchase contract.

On the purchase contract, click the Additional Pricing icon to verify the vendor rates.

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Purchase Contracts and Blanket Orders

The **Purchase Contracts** feature enables purchasing managers and buyers to use contracted terms, pricing, and delivery schedules when purchasing materials for a company.

The **Blanket Orders** feature can improve buyer efficiency and accuracy and potentially reduce procurement spending. Blanket purchase orders define a pre-determined price for a set quantity of items you will buy from a vendor during a time period. The blanket purchase order specifies the item, price, quantity, terms and effective time period.

Purchase Contracts

The Purchase Contracts feature enables purchasing managers and buyers to use contracted terms, pricing, and delivery schedules when purchasing materials for a company. Buyers can automatically take advantage of quantity-based terms and discounts based on an annual volume of goods or services purchased.

To ensure the best pricing, buyers can use contracts to specify the detailed negotiated terms, pricing, and delivery schedules for purchases within a defined period. Then, purchase orders that identify a vendor contract automatically include the contracted terms and pricing based on the effectivity period of the contract. This can reduce errors resulting from manually determining correct pricing. Ongoing purchases using contracts are tracked for reporting and analytical purposes. Purchase contracts maintain tiered pricing with potential total purchase amount discounts.

This can be useful, for example, if your sourcing group that negotiates contracts is distinct from your team of buyers. The sourcing group can input the negotiated contract information and then purchase orders entered by the buyers automatically show the correct negotiated rates and information. This can help reduce procurement spending and improve buyer efficiency and accuracy. Pre-negotiated rates and terms assigned to items do not require renegotiation with vendors. Purchasers use the best pricing through the time horizon set by the contract.

The purchasing management benefits of using purchase contracts include the following:

- Reduce procurement spending by taking advantage of quantity discounts.
- Manage company spending by requiring purchases to be made only through contracted vendors.
- Improve buyer efficiency and accuracy to reduce effort and errors that can be associated with numerous vendor communications for each purchase. Pricing is automatic instead of manual and based on sporadic negotiation.

To use purchase contracts, you must enable both the Purchase Orders feature and the Purchase Contracts feature. For more information, see Enabling the Purchase Contracts Feature.

After the feature is enabled you can set up purchase contracts based on rates you have negotiated with your vendors. For example, you may have contracted with vendors for the following:

- Tiered discounts based on quantity price breaks
- Discounts for purchases above a set currency amount during a set time frame
- Discounts per line, per order, or across all purchase orders applied to one contract

You can set up a contract record for each contract that specifies terms and pricing. The purchase contract record tracks all linked orders and items applied against the contract and pricing is reflected accordingly. For more information, see Creating Purchase Contracts.

Purchase contracts can be selected on a purchase order to apply the appropriate pricing for items on that order as per the contract. This lets a buyer entering a purchase order view the tiered pricing structure

and take advantage of quantity discounts when the order is placed. For more information, see Using Purchase Contracts on Purchase Orders.

Using purchase contracts, buyers can be alerted for the following:

- When contracts need to be renewed
- When the expiration date is close and minimum has not been met
- When purchases get close to the contract maximum amount

> **Note:** Expenses cannot be included on purchase contracts because tiered pricing is not applicable to expenses, even when the Allow Expenses on Purchases preference is enabled.

Enabling the Purchase Contracts Feature

To use purchase contracts, you must enable both the Purchase Orders feature and the Purchase Contracts feature.

To enable Purchase Contracts:

1. Go to Setup > Company > Setup Tasks > Enable Features.
2. On the **Transactions** subtab, check the **Purchase Contracts** box.
3. Verify that the **Purchase Orders** box is checked.
4. Click **Save**.

After the feature is enabled, you can set up contracts and designate them on purchase orders.

Creating Purchase Contracts

Enter purchase contract records to define specifics of terms you have negotiated with a vendor for buying an item. Then, the contract can be selected on orders to designate pricing according to the contract.

You save one or more purchase orders against a contract. Then, you can view the purchase contract record to see the summary total amounts for all orders applied to the contract. Click the Additional Pricing icon on item lines to view the total quantities ordered and how they are applied to each pricing tier.

To enter a purchase contract:

1. Go to Transactions > Purchases > Enter Purchase Contracts.
2. Enter information for each section described below as necessary.
3. Click **Save**.

Primary Information

1. Verify or enter the purchase contract number.
2. Select the vendor who will provide the good or service being requested.
3. Select an employee to associate with this contract.
4. The current date autofills the **Date** field. You can enter or select another date.

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5. In the **Effectivity Based On** field, select the method to determine whether a contract is effective for a purchase order:

- **Order Date** – when the order is placed

- **Expected Receipt Date** – when the order line is expected to be received

    For example, a contract start date is 5/28/2021 and the end date is 12/31/2021. On 12/1/2021 you order an item on the contract that will be received on 1/15/2022.

    □ If you select **Order Date**, the pricing on that contract does apply to that order. The order date of 12/1/2021 falls within the start and end dates for the contract.

    □ If you select **Expected Receipt Date**, the pricing on that contract does not apply to that order. The expected receipt date of 1/15/2022 does not fall within the start and end dates for the contract.

6. Enter the contract start date.

7. Enter the contract end date.

8. The **Minimum Amount** is the minimum total currency amount that must be ordered for the vendor to honor the contract. This refers to the total amount that must be purchased during the contracted period, not the minimum amount required for individual purchases.

    For example, the minimum amount is $5000.00. The buyer must purchase at least $5000.00 of product to be assured the contracted prices are honored. If the buyer purchases less product during the contract, the vendor can bill the buyer at the regular higher.

9. The **Maximum Amount** is the currency amount used to determine the required approval level, if you use approval routing. For more information, see the help topic Supervisors, Approvers, and Approval Limits.

10. Optionally enter a memo. Later, you can search for text you enter in this field.

11. The **Summary** box displays the following totals for all orders applied against this contract:

- Purchased Amount

- Received Amount

- Billed Amount

> **ⓘ Note:** In the Summary window on Purchase Contracts, the Received Amount field does not show amounts for non-inventory and service items. These items do not impact the General Ledger at receipt.

Classification

1. If you use NetSuite OneWorld and the selected vendor is shared with multiple subsidiaries, you can select any subsidiary to associate with this purchase contract. The default subsidiary is the user's subsidiary.

    After you select the **Subsidiary**, the fields on the **Items** subtab change to reflect the values associated with the selected subsidiary. In addition, in the Classification section, the **Class**, **Department**, **Location**, **Currency**, **Tax Nexus** and other fields also change to reflect the selected subsidiary. For more information about shared vendor records, see the help topic Assigning Subsidiaries to a Vendor.

2. Select a department, class, and location to associate with this purchase.

3. The vendor's primary currency is shown by default. If your company uses the Multiple Currencies feature, you can choose one of this vendor's transaction currencies. For more information, see the help topic Vendors and Multiple Currencies.

    This currency will be used through the entire purchasing process and cannot be changed later.

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Items

1. On the **Items** subtab, select items to associate with this contract.

2. The value of the Exchange Rate field is set to 1 when a currency is selected and should not be changed. It could be used in the future for multiple currency support.

3. Check the **Update Item Vendor** box to update the vendor record for a new vendor that you are contracting with for this item. The item and base rate are updated on the vendor record when you save the purchase order.

4. In the **Item** column, select the item.

   The **Vendor Name**, **Units** and **Description** autofill for that line.

5. Enter the **Base Rate** for the item. The base rate is the initial rate before any tiered pricing. It applies to a quantity of 1 though the first tier.

6. To add more pricing tiers, click the icon in the **Additional Pricing** column to define the pricing structure for this item. For example, you can set up pricing tiers for the following quantities:

   - 0- 24 items: 0% discount

   - 25-74 items: 5% discount

   - 75 or more: 10% discount

   > **ⓘ Note:** If you use OneWorld and the selected vendor is shared with multiple subsidiaries, the item price is based on that vendor and all assigned subsidiaries.

   1. In the **Calculate Quantity Discounts** field, make a selection:

      - **By Line Quantity** – Pricing is based on single purchase order line.

      - **By Overall Item Quantity** – Pricing is based on all purchase order lines with same item. For example, you order the same item multiple times on the same purchase order. The total quantity across all lines determine which tier or tiers are appropriate for the quantity discount.

      - **By Overall Contracted PO Item Quantity** – Pricing is based on all contracted purchase order lines with same item. For example, more than one purchase order for that item is entered against a contract. All quantities across all purchase orders are consolidated to determine the net discount.

   2. In the **Input Using** field, make a selection:

      - **Rate or Lot** – When you input a rate or lot, NetSuite calculates the percentage.

      - **Percent** – When you input a percentage, NetSuite calculates the rate.

   3. In the **Pricing Using** field, make a selection:

      - **Rate** – Price items using a single rate based only on quantity entered for the line. When the quantity ordered falls into the specified tier, all items on that line get the same rate . For example, based on the tiers in the example above, an order of 50 items is priced as follows:

        - all 50 items get a 5% discount

      - **Marginal Rate** – Price items using a progressive rate across tiers based on the quantity selection. For example, based on the tiers in the previous example, an order of 50 items generates the following pricing:

        - the first 24 items get base pricing (no discount)

        - items 24-50 get 2nd tier discounted pricing (5% discount)

      - **Lot Rate** – Price items for a lot using a tier rate regardless of the quantity within a tier range. This method is commonly used if there is a high fixed cost for an item. For

example, the lot price is $50, whether you order 3 items or 99 items, because all units in the lot have a set price.

4. Enter the following information for each tier.

   a. **From Quantity** – Enter the lowest quantity required to be ordered to receive the price on this tier.

   b. **Rate or Lot Price** – Enter the price per item. If you enter a percentage discount, this amount is calculated from the base price.

   c. **Percent Discount** – Enter a discount as a percentage off the base price. If you enter a rate or lot price, this amount is calculated from the base price.

   d. **Quantity Ordered** – The quantity ordered against this contract will be displayed in this field.

   e. **Memo** – Optionally enter a memo.

5. Click **Add** after all information is entered for the tier.

6. After all necessary tiers are entered, click **OK**.

7. Select a department, class or location to associate with the item.

8. Check the **Update Item Price** box before you save the contract. This box adds the vendor, price, and currency to the Vendor subtab on the item record. You do not have to update the this subtab manually. The vendor price can be used to avoid assigning the contract to the purchase order line, or when the contract has expired.

9. Click **Add**.

10. Repeat the steps above for each item you want to enter tiered pricing for.

11. Click **Save**.

Terms

1. **Payment Terms** – Your selection here populates on purchase orders entered against this contract. For details about terms available, see the help topic Creating Terms of Payment.

2. **Incoterm** – This is a standardized three-letter trade term. It is used on transactions related to international commercial procurement practices. These practices communicate the tasks, costs, and risks associated with the transportation and delivery of goods. Incoterms define where the customer takes ownership of the product and are typically used for international orders. For example, when an item goes through customs or crosses a border. This is an expansion of a concept similar to FOB terms used in the United States.

   The standard incoterms included in NetSuite accounts include:

   - **EXW** – Ex Works (named place of delivery)
   - **FCA** – Free Carrier (named place of delivery)
   - **CPT** – Carriage Paid To (named place of destination)
   - **CIP** – Carriage and Insurance Paid to (named place of destination)
   - **DAT** – Delivered at Terminal (named terminal at port or place of destination)
   - **DAP** – Delivered at Place (named place of destination)
   - **DDP** – Delivered Duty Paid (named place of destination)
   - **FAS** – Free Alongside Ship (named port of shipment)
   - **FOB** – Free on Board (named port of shipment)
   - **CFR** – Cost and Freight (named port of destination)
   - **CIF** – Cost, Insurance and Freight (named port of destination)

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These can optionally be renamed on the incoterm record at Setup > Accounting > Accounting Lists.

3. Select a specific shipping carrier in the **Carrier** field. For example, the buyer or customer might have an account with a particular carrier to use better freight rates.

4. Under **Discount**, add lines to define header discount terms that apply to the entire contract. This discount is an additional discount above other defined lined discounts and tiered pricing. It is applicable for all items in total across all purchase orders linked to this contract. For example, a vendor might provide a discount if the total purchases for all purchase orders linked to the contract exceed a certain amount. The buyer gets another 5% discount in addition to any tiered pricing if the total amount purchased on the contract exceeds the required amount. For each order entered against the contract that is beyond the defined amount, this discount is automatically calculated and applied to the order.

    To add header discounts to a contract:

    1. In the **From Amount** field, enter the amount that order totals applied to this contract must reach to make this discount available. For example, enter **400,000** to make this discount available on orders entered after $400,000 in orders have been linked to this contract.

    2. In the **Percent Discount** field, enter the discount percentage that will apply to orders entered after the minimum amount requirement is met.

    3. Click **Add**.

    4. Repeat these steps for each header discount applicable for this contract.

Special Instructions

Buyers can provide special instructions to vendors. Enter details in these fields as necessary:

- Purchase Order Instructions
- Product Labeling Instructions
- Packing List Instructions
- Billing Instructions

Relationships

To add a contact to this contract, enter the contact's name, title, email address, phone number, subsidiary, and role, and click **Add**.

Communication

1. To create events, tasks, or phone calls you want to associate with this contract, or attach relevant files, use the appropriate subtabs.

    For more information, see the help topic Attaching Events, Tasks, and Calls to Records and Transactions.

2. On the **Files** subtab, select and attach files from the File Cabinet related to this transaction.

    a. Select **New** to upload a new file to File Cabinet.

    b. Click **Add** after each file.

3. On the **User Notes** subtab, you can enter a title and note for any comments you want to add to this transaction.

    Click **Add** after each note.

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Using Purchase Contracts on Purchase Orders

After you have created purchase contract records, you can select a Purchase Contract in the form header field when you are entering a purchase order. Then, the purchase order is associated with the contract and the following occurs:

- The department, class, location, and terms fields all autofill from the selections made on the contract. These will also default on lines items where applicable.
- Terms for the contract apply to the entire order.
- Items added to the purchase order are priced based on the contract.
- The contract tracks item quantities and currency amounts on the purchase order to use for pricing and discount calculations.

> **ⓘ Note:** If you use NetSuite OneWorld and the selected vendor is shared with multiple subsidiaries, note the following. The purchase contract list is based on the selected vendor and all assigned subsidiaries.

Even if you choose a header contract, you can also have multiple contracts associated with multiple lines on one purchase order. When you select a contract for a line item, the contract shown on each line determines the rate for the quantity on that line.

When you add the line, NetSuite calculates item rate using the appropriate tiered pricing rates and criteria.

For example, on a purchase order line, you can select an item and enter a quantity and expected receipt date. Then, the Purchase Contract list displays all valid contracts to choose from. The choice is based on whether the contract effectivity is the expected receipt date or the purchase order date. Based on the contract you select for the line, NetSuite calculates the appropriate rate. The rate is based on the quantity you order and how the contract is set up to calculate purchase order lines.

If the quantity entered for that line results in more than one rate applied to items on that line, note the following. The rate shown is a blended rate based on all applicable rates on that line.

After the purchase order is saved, you can open the order in View mode and can click the Rate link on a line. This opens the Purchase Rate Detail window which shows the specific rates applied to specific quantities on that line.

Purchase Contract Approval Workflow

The Purchase Contract Approval Workflow validates a purchase contract and handles its approval routing. The workflow determines the need for approval by comparing the amount on the contract and the purchase limit of the requesting employee. It identifies the approver of a contract based on the purchase approval limit that you set for each supervisor or purchase approver. You can customize the workflow to suit your specific requirements.

The Purchase Contract Approval Workflow compares the maximum contract amount with the limit you set for the employee and approver. For example, an employee submits a purchase contract with a maximum amount of 2,000.00. The purchase and purchase approval limits are set as follows:

Role	Purchase/Purchase Approval Limit
Employee	1,000.00

Role	Purchase/Purchase Approval Limit
Purchase Approver	1,500.00
Supervisor of Purchase Approver	3,000.00

The purchase contract requires approval by the purchase approver and a higher approver for the following reasons:

- The maximum amount exceeds the employee's purchase limit.
- The maximum amount exceeds the purchase approver's approval limit.
- The purchase approver's supervisor has a purchase approval limit that can cover the maximum amount.

If an employee has both a designated purchase approver and supervisor, the purchase approver is selected as the approver of the contract. The workflow uses the purchase approval limit of the purchase approver for the validation.

For more information, see Purchase Contract Approval Workflow States.

Availability

The Purchase Contract Approval Workflow is included in the Advanced Procurement SuiteApp, which is available to accounts with the Advanced Procurement Module.

Limitation

The Purchase Contract Approval Workflow does not yet support the **Multiple Currencies** feature. This includes differences that may occur between the transaction amount and purchase or purchase approval limits.

> **Note:** The SuiteFlow conditions used for Bulk Approvals for records using custom approvals have been updated for the purchase contract record.

Prior to 2016.2, the workflow button's condition and the Next Approver condition were used to filter records for bulk approvals for the purchase contract record. The Next Approver condition checks that the **Next Approver** field on the record contains the current logged in user. Beginning in 2016.2, the Next Approver condition is no longer used to filter records for bulk approvals for this record. Records are now filtered for bulk approvals using only the workflow button's condition. To continue to filter records based on the **Next Approver** field, you must add the condition to the workflow button condition. If you require assistance, contact Customer Support.

Setting up the Purchase Contract Approval Workflow

Prerequisites

To enable purchase contract approval workflow prerequisites:

1. Go to Setup > Company > Setup Tasks > Enable Features.
2. On the **Transactions** subtab, check the **Purchase Contracts box.**

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3. On the **Employees** subtab, check the **Approval Routing** box.

4. On the **SuiteCloud** subtab, check the **SuiteFlow** box.

5. Go to Setup > Accounting > Accounting Preferences.

6. On the **Approval Routing** subtab, check the **Purchase Contracts** box.

For more information about enabling features and preferences, see the help topic Enabling Features.

Installing the Purchase Contract Approval Workflow

The Purchase Contract Approval Workflow is included in the Advanced Procurement SuiteApp. Users of the Advanced Procurement Module can verify the SuiteApp details:

- Bundle Name: **Advanced Procurement**
- Bundle Id: 57060

For instructions on installing a SuiteApp, see the help topic Installing a Bundle.

> **Note:** This is a managed SuiteApp and is automatically updated whenever there are upgrades. Issue fixes and enhancements are available after the SuiteApp is updated in your account.

Roles and Permission

By default, the following roles are given Full permissions to the Purchase Contract Approval Workflow:

- CEO
- CFO
- Accountant
- Accountant (Reviewer)
- Bookkeeper
- Warehouse Manager

Take note of the following reminders when setting up the users and approvers:

- Designate a supervisor or purchase approver for each employee or purchase contract creator.
- Set a purchase limit for each employee or purchase contract creator.
- Set the purchase approval limit for each approver.
- Keep email addresses up to date to be sure that users and approvers receive the notifications.

Purchase contracts without an identified approver are automatically approved, since they cannot be routed for approval. For instructions on designating a supervisor, see the help topic Assigning a Supervisor to an Employee. For instructions on setting a purchase approval limit, see the help topic Supervisors, Approvers, and Approval Limits.

Running the Purchase Contract Approval Workflow

After installing or creating your custom Purchase Contract Approval Workflow, you have to run it by updating the release status.

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To run the Purchase Contract Approval Workflow:

1. Go to Customization > Scripting > Workflows.
2. On the Workflows list, do either of the following:
   - If you are running the default workflow, click the workflow name, Purchase Contract Approval Workflow.
   - If you are running your custom workflow, click the Edit link for your workflow.
3. On the **Workflow** subtab, located at the right side of the page, click the pencil icon.
4. In the Workflow popup window, do either of the following:
   - If you are running the default workflow, click **Change Status**.
   - If you are running your custom workflow, in the **Release Status** field, select **Released**.

> ⚠️ **Important:** Before running your custom workflow, be sure to disable the original Purchase Contract Approval Workflow by changing its release status to **Not Running**.

5. Click **Save**.

After running the workflow, when you return to the list of workflows, the release status for the workflow should display **Release**. For more information about running a workflow, see the help topic Release Status.

Customizing the Purchase Contract Approval Workflow

The Purchase Contract Approval Workflow can serve as a template that can be customized to suit your specific business requirements. You can change the actions and their sequence, modify conditions, and add other workflow components.

To begin the customization, you must create a copy of the workflow. On the workflow page, point to the More link and then click Make Copy. The default workflow states, actions, and other components are copied to the custom workflow. The fields appear in their default settings. For more information, see the help topic Copying a Workflow.

You can review the description of each state to help you customize the Purchase Contract Approval Workflow. For more details on the workflow states, see Purchase Contract Approval Workflow States.

For specific instructions to customize the workflow, see the following topics:

- Creating a Custom Purchase Contract Approval Workflow
- Disabling Resubmit for Purchase Contracts

Purchase Contract Approval Workflow States

The Purchase Contract Approval Workflow is initiated when a purchase contract is created or resubmitted for editing. The purchase contract goes through the states depending on the result of an account or amount validation.

Entry

The purchase contract goes through the Entry state upon creation. The **Approval Status** and **Next Approver** fields are disabled and can no longer be edited. From this state, the transaction moves to the Approval Routing Feature Check state.

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Approval Routing Feature Check

A purchase contract goes to the Approval Routing Feature Check upon creation or resubmission. The employee's account is verified to make sure that the approval routing feature is enabled.

Check Immediate Approver

In the Check Immediate Approver state, the workflow identifies the account to be used for succeeding validations. By default, the workflow uses the account of the employee indicated in the **Employee** field of the contract. If this field is left blank, the workflow uses the account of the user who submitted the contract.

After identifying the account, the workflow verifies that the user or employee has a designated supervisor or purchase approver. If there is designated supervisor or purchase approver, the purchase contract is automatically approved.

Aside from the initial approver's limit, the workflow also determines the purchase limit of the user or employee of the identified account. This will be used for further validation in the Check User Purchase Limit state. For resubmitted transactions, the workflow defines the settings for the approver, approval status, and maximum amount.

Check User Purchase Limit

In the Check User Purchase Limit state, the purchase limit is compared with the maximum contract amount. Contracts that exceed the purchase limit and those from employees with no purchase limit will require approval. They are transferred to the Check Highest Approver state. Contracts that do not exceed or are equal to the purchase limit will not require approval and will transfer to the Approved state.

Check Highest Approver

In the Check Highest Approver state, the workflow gets the value of the highest approval limit and compares it with the maximum contract amount. If the highest limit exceeds or is equal to the maximum amount, the purchase contract proceeds to the Set Next Approver state. Otherwise, a message is displayed to inform the user that there is no approver who can approve the purchase contract. In this case, the resulting action can be either of the two:

- Newly submitted transactions are not saved.
- Resubmitted transactions are saved and transferred to the Rejected state.

Set Next Approver

In the Set Next Approver state, the workflow determines the approver of the purchase contract. Contracts are initially approved by the designated purchase approver of the employee. If no purchase approver is designated, the supervisor is assigned as approver. When the approver has been identified, the contract moves to the Pending Approval state.

When a request has been initially approved and requires another approval, it is transferred from the Check User Approval Limit state. The next approver in the approval hierarchy is assigned as the approver.

Pending Approval

When the approver of a purchase contract has been identified, the transaction is set to **Pending Approval**. In this state, the **Approve** and **Reject** buttons are enabled on the purchase contract only for the approver. The initial or next approver is sent an email notification regarding the contract for approval. Approved contracts proceed to the Check User Approval Limit state. Contracts that are not approved are transferred to the Rejected state.

In the Pending Approval state, the **Resubmit** button is also enabled on the transaction to allow editing of the purchase contract. Users who have access to the contract may update or edit its details, except

for the **Approval Status** and **Next Approver** fields. Editing is disabled for the current approver of the transaction.

When a contract is resubmitted, the workflow verifies that changes have been made to the **Employee** and **Maximum Amount** fields. If changes have been made, the contract is transferred to the Resubmitted state. If a contract has been resubmitted by another user with a different approver, the initial approval request will be cancelled. The initial approver will be notified through email about the cancelled approval request.

Check User Approval Limit

In the Check User Approval Limit state, the purchase approval limit of the next approver is compared with the maximum contract amount. If the next approver's limit exceeds or is equal to the maximum amount, the contract will not require further approval. It will transfer to the Approved state. If the next approver's limit is below the maximum amount, the contract will be sent back to the Set Next Approver state for approval. This is also true if the next approver's limit is not set or is left blank. The contract will continue to require further approval until it reaches the approver with the approval limit that can cover the maximum amount.

Approved

Purchase contracts that meet any of the following conditions are transferred to the Approved state:

- There is no supervisor and purchase approver assigned to the employee.
- The maximum contract amount is less than or equal to the employee's purchase limit.
- The contract is approved by a supervisor or purchase approver and does not require further approval.

In the Approved state, the employee is notified of the approval through email and the Approval Status is changed to **Approved**. The **Maximum Amount** field can no longer be edited after a contract is approved. Also, the approval status and next approver of the contract cannot be edited.

> **(i) Note:** After a contract has been approved, it cannot be resubmitted.

In the Pending Approval and Set Next Approver cycle, resubmitted contracts with increased maximum amount may exceed the limit of the previous approver. In this case, the initial approval request will be cancelled and the previous approver will be notified through email.

Rejected

Purchase contracts that have not been approved are sent to the Rejected state. The requestor is notified through email and the Approval Status is changed to **Rejected**. Contracts in **Pending Approval** status may be resubmitted with an increased maximum amount. If no approver can cover the increased maximum amount, the contract is sent to the Rejected state. The previous approver will be informed through email to disregard the approval request.

On the contract, the **Resubmit** button is enabled for editing and correction. Details of the contract may be edited, except for the approval status and next approver. For resubmitted contracts, the workflow verifies any changes to the employee and maximum amount. If no changes are identified, the contract is not transferred to the Resubmitted state.

> **(i) Note:** The current approver is not allowed to edit and resubmit the purchase contract.

Resubmitted

If a purchase contract on Pending Approval or Rejected status is edited and resubmitted, it is sent to the Resubmitted state. The contract is transferred to the Approval Routing Feature Check state to restart the series of account and maximum amount validations.

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Creating a Custom Purchase Contract Approval Workflow

This section provides general instructions and guidelines when creating a custom Purchase Contract Approval Workflow. You have to plan the customization to avoid breaking the flow of processing when changing the workflow components or reordering the sequence of actions. For instance, if a transition depends on the value of a field, ensure you are correct when you modify the field.

After creating your custom workflow, you have to disable the original Purchase Contract Approval Workflow. To do so, change the release status to **Not Running**. When the original workflow has been disabled, you can run the custom workflow by changing its release status to **Released**. For instructions on running the workflow, see Running the Purchase Contract Approval Workflow.

To edit a state:

1. From the workflow diagram, double-click the state you want to edit.

   Alternatively, click the state from the workflow diagram, and then on the right navigation pane click the pencil icon.

2. On the **Workflow State** page, in the **Actions** subtab, click **Edit**.

3. On the **Workflow Action** page, you can update the condition, trigger, parameters, or transfer the action to another state.

4. To add a new action, on the **Workflow State** page, click **New Action**.

   For more information about workflow actions, see the help topic Working with Actions.

5. To update a transition, on the **Transitions** subtab, next to the transition, click **Edit**.

   You can modify the condition or state where the purchase contract will be transferred to.

For instructions on updating or creating transitions, see the help topic Working with Transitions.

To reorder an action:

1. To view an action, go to the State page where it is executed.

2. On the **Workflow State** page, drag and drop the action to its new position.

Alternatively, on the **Workflow State** page, next to the action, click **Edit**. On the **Workflow Action** page, in the **Insert Before** field, select the action that should follow the other one.

For more information, see the help topic Reordering Actions.

To modify an email notification:

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1. On the **Workflow State** page, click the **Actions** subtab.
2. Next to the action you want to modify, click the **Send Email**.
3. On the **Workflow Action** page, find the **Content** section.

4. You can update the text, font, or style **Subject** and **Body** fields.
5. Click **Save**.

For more information, see the help topic Send Email Action.

To add a custom field:

1. To create an instance field, you have to define it on the workflow page.

   Custom fields can be used across all states of a workflow, called instance fields, or limited to a state, called state fields.

2. On the workflow details pane, click the **Workflow** subtab
3. Click the **Fields** subtab.
4. To define the new field properties, click **New Workflow Field**.

   Alternatively, from the Workflow page, on the **Workflow** subtab, click the pencil icon, and then click **New Field**.

> **ⓘ Note:** Do not edit or modify existing workflow fields.

To create a state field:

1. Open the **State** page by double-clicking the state on the workflow diagram or clicking the pencil icon on the navigation pane.
2. Click the **Fields** subtab.
3. Click **New Field**.
4. On the **Workflow State Field** page, enter the properties for the new custom state field.

   For more information, see the help topic Working with Custom Fields.

Disabling Resubmit for Purchase Contracts

To further customize the Purchase Contract Approval Workflow, you can disable features that do not fit into your business process. If you do not want to allow resubmission of purchase contracts, you can change the settings in the Pending Approval and Rejected states.

> **ⓘ Note:** Resubmissions within the two states are processed independently. You can disable the option in one or both states.

The following instructions proceed if you have already created a custom workflow or after you have made a copy of the original workflow. For more information, see Customizing the Purchase Contract Approval Workflow.

To disable the resubmit option:

1. Go to Customization > Scripting > Workflows.
2. On the **Workflows** list, beside the name of your custom workflow, click **Edit**.
3. From the Workspace, double-click the **Pending Approval** state.
4. On the **Workflow State** page, under the **Actions** subtab, click the Edit link for the Add Button action for Resubmit.

Workflow State					
Edit	Add Button	Label: Resubmit	Before Record Load	view	Approval Status = Pending Approval And User != Next Approver

5. On the **Workflow Action** page, under the Basic Information section, check the **Inactive** box.
6. Click **Save**.

Blanket Purchase Orders

You can improve buyer efficiency and accuracy and potentially reduce procurement spending by using blanket purchase orders. Blanket purchase orders define a pre-determined price for a set quantity of

items you will buy from a vendor during a time period. The blanket purchase order specifies the item, price, quantity, terms and effective time period.

First, you can negotiate with your vendor for prices and terms to be applied through a time period. This method is more practical than sporadically negotiating with a vendor for each order. It can help ensure that you consistently get the best pricing from the vendor.

Next, you can set up a blanket purchase order to define the specifics of the agreement:

- the item or items to be purchased from the vendor
- the negotiated price for the items
- the quantity of items to be purchased
- the intended delivery schedule that will be required.

After the blanket purchase order is entered, use the blanket purchase order to create, or release, any new orders for the agreed-upon items. When orders originate from the blanket purchase order, note the following. Any delivery schedule released by the buyer that falls within the effectivity dates of the blanket purchase order uses the contracted pricing and terms. The purchase orders associated with the scheduled deliveries can be released at the time the blanket purchase order is created or later, as needed. Future orders can be released either manually as determined by buyers, or automatically based on item lead times and features you use. For example, Demand Planning or Advanced Inventory Management.

After purchase orders have been created from delivery schedules and released:

- Purchase order lines reference the originating blanket purchase order.
- The blanket purchase order schedule details all associated purchase orders.

NetSuite OneWorld Accounts

In NetSuite OneWorld accounts, the following considerations apply:

- The subsidiary of the user and the subsidiary of the vendor must match. The subsidiary of the user is based on the user's employee record, or assigned role of the user if the role has assigned subsidiaries.
- Item and location restrictions based on the role of the user are respected.
- The currency selected in the header of the transaction is used for all currency values displayed on the blanket purchase order. However, currency values displayed on the purchase order are the vendor's currency.

> **Note:** If you use NetSuite OneWorld and the selected vendor is shared with multiple subsidiaries, you can associate this blanket purchase order with any assigned subsidiary. The item price will be based on the selected vendor and all assigned subsidiaries.

Setting up the Blanket Purchase Orders Feature

To use blanket orders, you must enable the feature and set preferences.

Enabling Features

To use blanket purchase orders, you must enable both the Purchase Orders feature and the Blanket Purchase Orders feature.

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> **ⓘ Note:** After it is enabled, the Blanket Purchase Orders feature can be disabled only if all entered Blanket Purchase Orders have a Closed status.

To enable the Blanket Purchase Orders feature:

1. Go to Setup > Company > Setup Tasks > Enable Features.
2. On the **Transactions** subtab, check the **Blanket Purchase Orders** box.
3. Verify that the **Purchase Orders** box is checked.
4. Click **Save**.

After the feature is enabled, you can create blanket purchase orders and use them to order items.

Set Preferences

You can choose whether to allow expenses to be associated on blanket purchase orders.

For example, you might be contracting an associated service, such as a number of hours of consulting or maintenance on capital equipment. Then, you can specify that during the blanket purchase order period, you plan to spend a set amount on a certain account. Then, you can pre-schedule the expenditure. In this way, you can budget for the expense as a set amount per month or per week.

To set blanket purchase order preferences:

1. Go to Setup > Accounting > Preferences > Accounting Preferences.
2. On the **Order Management** subtab, check the **Allow Expenses on Purchases** box.
3. Click **Save**.

After you enable this preference, the Items subtab on the Blanket Purchase Order form contains an additional Expenses subtab.

Creating a Blanket Purchase Order

Enter a blanket purchase order to define the items, prices, terms and delivery schedule of an agreement reached with a vendor.

> **ⓘ Note:** A blanket purchase order is a non-posting transaction.

To create a blanket purchase order:

1. Go to Transactions > Purchases > Enter Blanket Purchase Orders.
2. Enter information for each section described below as necessary.
3. Click **Save**.

After you enter a blanket purchase order, you can release orders to place the orders for the items. For more information, see Releasing Items on a Blanket Purchase Order.

After a blanket purchase order is saved, if you change an item rate on that blanket purchase order, the following applies:

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- Any existing linked purchase orders are not updated with the new rate.
- New linked purchase orders created from the blanket purchase order will reflect the new rate.
- The total value of the blanket purchase order shown in the Summary window reflects the new rate.

Primary Information

1. Verify or enter the blanket purchase order number.
2. Select the vendor who will provide the good or service to be ordered.
3. Select an employee to associate with this order.

    The **Employee** field autofills with the name of the employee who releases the blanket purchase order schedule. This applies when a blanket purchase order is created through the following:
    - order Items
    - order requisitions
    - blanket purchase order schedule
    - blanket purchase order record

4. The current date autofills the **Date** field. You can enter or select another date.
5. Enter the **Start Date** to define the beginning date that this blanket purchase order is effective.

    If you autogenerate orders, this date is used to schedule orders for this blanket purchase order. It is the first date that orders will be created.

6. Enter the **End Date** to define the final date that this blanket purchase order is effective.

    If you autogenerate orders, this date is used to schedule orders for this blanket purchase order. It is the last date that orders will be created.

7. The **Maximum Amount** is the sum currency amount of all line amounts, calculated as (Line Quantity x Rate). If you use approval routing, it is used for determining the required approval level.
8. Optionally enter a **Memo**. Later, you can search for text you enter in this field.
9. The **Summary** box displays the following totals for all orders created from this blanket purchase order:
    - Purchased Amount
    - Received Amount
    - Billed Amount

> ⓘ **Note:** In the Summary window on Blanket Purchase Orders, the Received Amount field does not show amounts for non-inventory and service items. These items do not impact the General Ledger at receipt.

Classification

1. If you use NetSuite OneWorld and the selected vendor is shared with multiple subsidiaries, you can associate this blanket purchase order with any assigned subsidiary.

    After you select the **Subsidiary**, the fields on the **Items** subtab change to reflect the values associated with the selected subsidiary. In addition, in the Classification section, the **Class**, **Department**, **Location**, **Currency**, **Tax Nexus** and other fields also change to reflect the selected subsidiary. For more information about globally shared vendor records, see the help topic Assigning Subsidiaries to a Vendor.

2. Select a department, class, and location to associate with this purchase.

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A location can be selected in the header, as well as on individual lines. Line items with locations can be differentiated on the Order Items page.

3. The vendor's primary currency is shown by default. If your company uses the Multiple Currencies feature, you can choose one of this vendor's transaction currencies. For more information, see the help topic Vendors and Multiple Currencies.

The currency at the header level is used for all currency values displayed on the blanket purchase order and cannot be changed later. However, currency values displayed on associated purchase orders will use the vendor's currency.

Items

1. On the **Items** subtab, enter items and expenses associated with this blanket purchase order.

   > **(i) Note:** If you use OneWorld and the selected vendor is shared with multiple subsidiaries, the item price is based on the vendor and all assigned subsidiaries.

2. The value of the **Exchange Rate** field is set to 1 when a currency is selected and should not be changed. It could be used in the future for multiple currency support.

3. Click the Expenses subtab to add expenses.

   This section shows on the form only if you have enabled the Allow Expenses on Purchases preference. For more information, see Setting up the Blanket Purchase Orders Feature.

4. Click the Items subtab to add items.

Expenses

You can associate expenses with this blanket purchase order. For example, you might be contracting an associated service, such as a number of hours of consulting or maintenance on capital equipment. Then, you can specify that during the blanket purchase order time period, you plan to spend a set amount on a certain account. Then, you can pre-schedule the expenditure. In this way, you can budget for the expense as a set amount per month or per week.

1. Select an expense **Category**.
2. Select the **Account** to associate with this expense.
3. Enter the **Amount** to be spent on this expense.
4. Select a **Department**, **Class**, or **Location** to associate with this transaction, if used.
5. Optionally enter a **Memo**. Later, you can search for text you enter in this field.
6. To set up a schedule for this expense, click the **Schedule** icon.
7. The **Total Amount** autofills from the amount entered on the line.
8. In the **Create Schedule** field, choose the method to create schedules.
   a. **Manually**
      i. **Date** – Enter the date to schedule the expense amount.
      ii. **Amount** – Enter the expense amount scheduled for the date entered.
      iii. Optionally enter a **Memo**. Later, you can search for text you enter in this field.
      iv. Check the box in the **Release** column to create this order when the blanket purchase order is saved.
      v. Click **Add**.
      vi. Repeat these steps to add more orders manually.
   b. **Autogenerate**

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        i. **Release Frequency** – Choose the period of recurrence required for this schedule:

- **Daily**
- **Weekly**
- **Monthly**
- **Quarterly**

     ii. **Start Date** – Enter the first date to include orders in this schedule.

   iii. **End Date** – Enter the last date to include orders in this schedule.

   iv. Click **Autogenerate**.

NetSuite calculates the required schedule and displays it.

> ⓘ **Note:** A manual or auto-generated schedule can be modified only until a purchase order is placed against it.

    c. Click **OK** to save the schedule.

9. Click **Add** to save the line.

10. Enter additional expense lines as necessary.

Items

Add items that will be purchased using this blanket purchase order.

1. Select an **Item** to add the item to this order.

   These fields autofill based on your selection here: **Vendor Name**, **Rate**, **Amount**, **Description**.

2. Verify or enter the approved rate for this item.

3. The **Amount** is calculated as follows: Amount = Rate x Quantity.

4. Select a **Department**, **Class**, or **Location** to associate with this transaction, if used.

   A location can be selected in the header, as well as on individual lines. Line items with locations can be differentiated on the Order Items page.

5. To set up a schedule for this item, click the **Schedule** icon. The schedule defines when the quantity on the line will have orders released.

   You can enter a blanket purchase order without schedules, then later you can add schedules after you confirm details with the vendor.

6. The **Total Quantity** autofills from the quantity entered on the line.

7. In the **Create Purchase Orders** field, select the method to create new orders:

   - **Manually** – You will need to manually release orders on the blanket purchase order to create the purchase orders for items.

   - **At Lead Time** – NetSuite releases orders on the blanket purchase order as calculated by item lead times.

8. In the **Create Schedule** field, choose the method to create schedules.

   a. **Manually**

       i. **Date** – Enter the date to schedule the item order.

      ii. **Quantity**– Enter the quantity of items to schedule on the item order.

     iii. Optionally enter a **Memo**. Later, you can search for text you enter in this field.

     iv. Check the box in the **Release** column to create this order when the blanket purchase order is saved.

> v. Click **Add**.
>
> vi. Repeat these steps to add more orders manually.
>
> If you have already manually entered a schedule for a blanket purchase order, you cannot then change it to autogenerate schedules.

b. **Autogenerate**

> i. **Release Frequency** – Choose the period of recurrence required for this schedule:
>
> - **Daily**
> - **Weekly**
> - **Monthly**
> - **Quarterly**
>
> ii. **Start Date** – Enter the first date to include orders in this schedule.
>
> iii. **End Date** – Enter the last date to include orders in this schedule.
>
> iv. Click **Autogenerate**.
>
> When you click Autogenerate, NetSuite calculates the schedule. It evenly divides the total quantity across the selected release frequency for a period extending between the designated start date and end date.
>
> If the schedule and quantity cannot be divided evenly between all periods, the order generated for the final period is adjusted to the remainder quantity.

> (i) **Note:** If the sum of the quantities on all schedules is less than the Total Quantity, you will receive a warning but be able to save the form. If the sum of the quantities on all schedules is more than the Total Quantity, you will not be able to save the form.

a. Click **OK** to save the schedule.

> (i) **Note:** A manual or auto-generated schedule can be modified only until a purchase order is placed against it.

9. Click **Add** to save the line.

10. Enter additional line items to this blanket purchase order as necessary.

Terms

1. **Payment Terms** – Your selection here populates on purchase orders created from this blanket purchase order. For details about terms available, see the help topic Creating Terms of Payment.

2. **Incoterm** – This is a standardized three-letter trade term. It is used on transactions related to international commercial procurement practices. These practices communicate the tasks, costs, and risks associated with the transportation and delivery of goods. Incoterms define where the customer takes ownership of the product. They are typically used for international orders, such as when an item goes through customs or crosses a border. This is similar to FOB terms used in the United States.

   The standard incoterms included in NetSuite accounts include:

   - **EXW** – Ex Works (named place of delivery)
   - **FCA** – Free Carrier (named place of delivery)
   - **CPT** – Carriage Paid To (named place of destination)
   - **CIP** – Carriage and Insurance Paid to (named place of destination)

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- **DAT** – Delivered at Terminal (named terminal at port or place of destination)
- **DAP** – Delivered at Place (named place of destination)
- **DDP** – Delivered Duty Paid (named place of destination)
- **FAS** – Free Alongside Ship (named port of shipment)
- **FOB** – Free on Board (named port of shipment)
- **CFR** – Cost and Freight (named port of destination)
- **CIF** – Cost, Insurance and Freight (named port of destination)

These can optionally be renamed on the incoterm record at Setup > Accounting > Accounting Lists.

3. Select a specific shipping carrier in the **Carrier** field. For example, the buyer or customer might have an account with a particular carrier to use better freight rates.

Special Instructions

Buyers can provide special instructions to vendors. Enter details in these fields as necessary:

- Purchase Order Instructions
- Product Labeling Instructions
- Packing List Instructions
- Billing Instructions

Relationships

To add a contact to this blanket purchase order, enter the contact's name, title, email address, phone number, subsidiary, and role. Then click **Add**.

Communication

1. Use the Events, Tasks, and Phone Calls subtabs to attach activities to this transactions. For more information, see the help topic Attaching Events, Tasks, and Calls to Records and Transactions.
2. On the **Files** subtab, you can select and attach files from the File Cabinet related to this transaction. Select **New** to upload a new file to File Cabinet. Click **Add** after each file.
3. On the **User Notes** subtab, you can enter a title and note for any comments you want to add to this transaction. Click **Add** after each note.

Blanket Purchase Order Status

A blanket purchase order you enter can have one of the following statuses:

- **Pending Approval** – The order has not yet been approved.
- **Pending Active** – The current date precedes the start date.
- **Active** – The current date falls between the start and end dates.
- **Expired** – The current date is past the end date.
- **Rejected**
- **Closed**

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Releasing Items on a Blanket Purchase Order

To order items that have been scheduled on a blanket purchase order, you must release the items that need ordering. Releasing items can be done either manually or automatically. The method used is based on the setting in the Create Purchase Orders field of the schedule:

- **At Lead Time** – NetSuite releases orders on the blanket purchase order as calculated by item lead times defined on item records.

  Blanket purchase order releases based on item lead times can be released as time-phased or reorder point planned items are.

- **Manually** – You will need to manually release orders on the blanket purchase order to create the purchase orders for items.

To manually release items on a blanket purchase order:

1. Go to Transactions > Purchases > Enter Blanket Purchase Order > List (Administrator).
2. Click **Edit** next to an order.
3. Click the **Schedule** icon on a blanket purchase order line to view the schedule.
4. Check the box in the **Release** column for lines that need to be ordered.
5. Click **OK** for the schedule line.
6. Click **OK** for the blanket order line.
7. Click **Save**.

After schedules have been released, the resulting purchase orders appear on the schedule detail window.

To order released items, go to Transactions > Inventory > Order Items. For details on ordering items, see Ordering Items.

Blanket Purchase Order Approval Workflow

The Blanket Purchase Order Approval Workflow manages the validation and approval processing of a blanket purchase order. The workflow validates a blanket purchase order before it is used to order an item. It determines the need for approval by comparing the maximum amount against the purchase limit of an employee. The workflow can be modified to suit your unique business needs.

Blanket purchase orders that require approval are automatically routed to an approver. To identify the approver, the workflow compares the maximum amount against the purchase approval limit of an approver. Transactions can go through a series of approvals until they reach the highest approver who can cover the amount.

Take the case of an employee who submits a blanket purchase order with a maximum amount of 2,000. The purchase and purchase approval limits are set as follows:

Role	Purchase/Purchase Approval Limit
Employee	1,000.00
Supervisor 1	1,500.00
Supervisor 2	3,000.00

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The blanket purchase order is routed to Supervisor 1 for approval and requires another approval by Supervisor 2 for the following reasons:

- The maximum amount exceeds the employee's purchase limit.
- The maximum amount exceeds the approval limit of Supervisor 1.
- The approval limit of Supervisor 2 can cover the maximum amount on the blanket purchase order.

> **Note:** If an employee has both a designated purchase approver and supervisor, the purchase approver is selected as the approver of the transaction.

- Keep email addresses up to date to be sure that users and approvers receive the notifications.

For more details about the flow of processing, see Blanket Purchase Order Approval Workflow States.

Availability

The Blanket Purchase Order Approval Workflow is included in the Advanced Procurement SuiteApp, which is available in the Advanced Procurement Module.

> **Note:** The SuiteFlow conditions used for Bulk Approvals for records using custom approvals have been updated for the blanket purchase order record.

Prior to 2016.2, the workflow button's condition and the Next Approver condition were used to filter records for bulk approvals for the blanket purchase order. The Next Approver condition checks that the **Next Approver** field on the record contains the current logged in user. Beginning in 2016.2, the Next Approver condition is no longer used to filter records for bulk approvals for this record. Records are now filtered for bulk approvals using only the workflow button's condition. If you would like to continue to filter records based on the **Next Approver** field, you must add the condition to the workflow button condition. If you require assistance, contact Customer Support.

Limitation

The Blanket Purchase Order Approval Workflow does not yet support the **Multiple Currencies** feature. This includes differences that may occur between the transaction amount and purchase or purchase approval limits.

Setting up the Blanket Purchase Order Approval Workflow

Prerequisites

To enable blanket purchase order approval workflow prerequisites:

1. Go to Setup > Company > Setup Tasks > Enable Features.
2. On the **Transactions** subtab, check the **Blanket Purchase Orders** box.
3. On the **Employees** subtab, check the **Approval Routing** box.
4. On the **SuiteCloud** subtab, check the **SuiteFlow** box.
5. Go to Setup > Accounting > Accounting Preferences, and on the **Approval Routing** subtab.
6. Check the **Blanket Purchase Orders** box.

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7. Click **Save**.

For more information about enabling features and preferences, see the help topic Enabling Features.

Installing the Blanket Purchase Order Approval Workflow

The Blanket Purchase Order Approval Workflow is included in the Advanced Procurement SuiteApp. Verify your Advanced Procurement Module account using the following SuiteApp details:

- Bundle Name: **Advanced Procurement**
- Bundle Id: 57060

For instructions on installing a SuiteApp, see the help topic Installing a Bundle.

> ⓘ **Note:** This is a managed SuiteApp and is automatically updated whenever there are upgrades. Issue fixes and enhancements are available after the SuiteApp is updated in your account.

To verify that the workflow is added to your account, go to Customization > Scripting > Workflows. On the Workflows list, look for the Blanket PO Approval Workflow.

Roles and Permissions

By default, the following roles are given Full permissions to the Blanket Purchase Order Approval Workflow:

- CEO
- CFO
- Accountant
- Accountant (Reviewer)
- Bookkeeper
- Warehouse Manager

Take note of the following reminders when setting up the users and approvers:

- Designate a supervisor or purchase approver for each employee.
- Set a purchase limit for each employee.
- Set the purchase approval limit for each supervisor or purchase approver.

Blanket purchase orders without an identified approver are automatically approved because they cannot be routed for approval. For instructions on designating a supervisor, see the help topic Assigning a Supervisor to an Employee. For instructions on setting a purchase approval limit, see the help topic Supervisors, Approvers, and Approval Limits.

Running the Blanket Purchase Order Approval Workflow

After installing or creating your custom Blanket Purchase Order Approval Workflow, you have to run it by updating the release status.

To run the blanket purchase order approval workflow:

1. Go to Customization > Scripting > Workflows.
2. On the Workflows list, do either of the following:
   - If you are running the default workflow, click the workflow name, Blanket PO Approval Workflow.
   - If you are running your custom workflow, click the Edit link for your workflow.
3. On the **Workflow** subtab, located at the right side of the page, click the pencil icon.
4. In the Workflow popup window, do either of the following:
   - If you are running the default workflow, click **Change Status**.
   - If you are running your custom workflow, in the **Release Status** field, select **Released**.

   > ⚠️ **Important:** Before running your custom workflow, be sure to disable the original Blanket PO Approval Workflow by changing its release status to **Not Running**.

5. Click **Save**.

After running the workflow, when you return to the list of workflows, the release status should display **Released**. For more information about running a workflow, see the help topic Release Status.

Customizing the Blanket Purchase Order Approval Workflow

The Blanket Purchase Order Approval Workflow can serve as a template that you can customize to suit specific business requirements. You can change the actions and their sequence, modify conditions, and add other workflow components. You can also modify the approval chain by assigning an alternate approver when the regular approver is not available.

To customize a blanket purchase order approval workflow:

1. To create a copy of the workflow, on the workflow page point to the **More** link.
2. Click **Make Copy**.

   The default workflow states, actions, and other components are copied to your custom workflow. The fields appear in their default settings.

For more information, see the help topic Copying a Workflow.

You can review the description of each state to help you customize the Blanket Purchase Order Approval Workflow. See the topic, Blanket Purchase Order Approval Workflow States. For instructions on customization, see the topics:

- Creating a Custom Blanket Purchase Order Approval Workflow
- Disabling Resubmit for Blanket Purchase Orders

Blanket Purchase Order Approval Workflow States

The Blanket Purchase Order Approval Workflow is initiated when a blanket purchase order is created or resubmitted for editing. The transaction goes through the states depending on the result of an account or amount validation.

Entry

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The blanket purchase order goes through the Entry state upon creation. The **Approval Status** and **Next Approver** fields are disabled and cannot be edited. From this state, the transaction moves to the Approval Routing Feature Check state.

Approval Routing Feature Check

Upon creation, a blanket purchase order enters the Approval Routing Feature Check from the Entry state. If it has been edited or updated, it enters from the Resubmitted state.

In the Approval Routing Feature Check state, the workflow verifies that the Approval Routing feature is enabled in the account. After this validation, the transaction moves to the Check Immediate Approver state. If the feature is not enabled, the transaction is automatically approved.

Check Immediate Approver

In the Check Immediate Approver state, the workflow verifies that the employee on the blanket purchase order has a designated supervisor or purchase approver. If there is no supervisor or purchase approver, the transaction is automatically approved.

> **Note:** If there is no employee on the transaction, the workflow will view the account used to submit the transaction. It will verify that the account holder has a designated supervisor or purchase approver.

For resubmitted transactions, the workflow defines the settings for the approver, approval status, and maximum amount in the Check Immediate Approver state.

Check User Purchase Limit

In the Check User Purchase Limit state, the employee's purchase limit is compared with the maximum amount of the blanket purchase order. If the purchase limit is below the maximum amount, the transaction will be routed for approval. It moves to the Check Highest Approver state. This is also true if the employee has no purchase limit. If the maximum amount is within or equal to the employee's purchase limit, the transaction will no longer require approval. It is transferred to the Approved state.

Check Highest Approver

In the Check Highest Approver state, the workflow compares the value of the highest approval limit with the maximum amount of the transaction. If the highest approval limit exceeds or is equal to the maximum amount, the transaction moves to the Set Next Approver state. Otherwise, it means that no approver has sufficient limit to cover the maximum amount. The workflow displays an error message to inform the user that no approver can approve the transaction. In addition, the resulting action can be either of the two:

- Newly created transactions are not saved.
- Resubmitted transactions are saved and transferred to the Rejected state.

Set Next Approver

In the Set Next Approver state, the workflow identifies the approver of the blanket purchase order. If the employee has a purchase approver, regardless if there is also supervisor, the purchase approver is assigned as approver. A supervisor is only assigned as approver if there is no designated purchase approver.

After the initial approval, transactions that require further approval will return to this state from the Check User Approval Limit state. The workflow identifies the next approver in the approval hierarchy and transfers the transaction to the Pending Approval state.

Pending Approval

Blanket purchase orders that require initial or further approval are sent to the Pending Approval state. The approval status is set to **Pending Approval**. The current or next approver is sent an email notification

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regarding the transaction for review and action. Only the approver is given access to the **Approve** and **Reject** buttons, which are enabled on the transaction. However, the current approver is not allowed to edit the blanket purchase order. Approved contracts move to the Check User Approval Limit state. Those that are not approved are transferred to the Rejected state.

The **Resubmit** button is also enabled in case editing or correction is required when a transaction is in **Pending Approval** status. Users who have access to the transaction, except the current approver, may update the record. The approval status and next approver cannot be edited. The workflow verifies that changes have been made to the employee and maximum amount. If no changes have been made, the transaction is not transferred to the Resubmitted state. If changes have been made that requires approval by a different approver, the initial approval request will be cancelled. The previous approver will be notified through email of the cancelled approval request.

Check User Approval Limit

An approved blanket purchase order is transferred to the Check User Approval Limit state to verify that it requires further approval. The workflow determines if the approval limit of the previous approver is below the maximum amount. In this case, the transaction is sent back to the Set Next Approver state. This continues until the highest approver who can cover the maximum amount has been reached. Transactions that do not require further approval are transferred to the Approved state.

Approved

Blanket purchase orders are transferred to the Approved state, due to the following conditions:

- There is no supervisor and purchase approver assigned to the employee.
- The maximum amount is less than or equal to the employee's purchase limit.
- The transaction is approved by the initial and final supervisor or purchase approver.
- The Approval Routing feature is not enabled in the account.

In the Approved state, the employee is notified of the approval through email and the approval status is changed to **Approved**.

The **Resubmit** button is enabled on the transaction to allow editing of details, except for the approval status and next approver. When an approved transaction is resubmitted, the workflow verifies that the employee and maximum amount are changed. If no changes are identified, the transaction is not transferred to the Resubmitted state.

When a resubmitted transaction is revalidated in the Check Immediate Approver state, note the following. It may be transferred back to the Approved state if it no longer requires approval. In this case, an email is sent to the current approver to disregard the approval request.

Rejected

Blanket purchase orders that have not been approved are sent to the Rejected state. The employee is notified through email and the Approval Status is changed to **Rejected**.

On the transaction, the **Resubmit** button is enabled for editing and correction. The **Approval Status** and **Next Approver** fields are disabled for editing. The workflow determines any changes made to the maximum amount and employee. If no changes have been made, the transaction is not transferred to the Resubmitted state.

Resubmitted transactions are revalidated in the Check Highest Approver state. Transactions that do not require approval are transferred back to the Rejected state. In this case, an email is sent to the current approver to disregard the approval request.

Resubmitted

Transactions in Approved, Pending Approval, and Rejected status can still be updated and resubmitted. In the Resubmitted state, the workflow indicates that the transaction is a resubmission and identifies the

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user who resubmitted it. The transaction is transferred to the Approval Routing Feature Check state to restart the series of account and maximum amount validations.

Creating a Custom Blanket Purchase Order Approval Workflow

This section provides general instructions and guidelines when creating a custom Blanket Purchase Order Approval Workflow. You have to plan the customization to avoid breaking the flow of processing when changing the workflow components or reordering the sequence of actions. For instance, if a transition depends on the value of a field, you have to ensure that you correctly modify that field.

After creating your custom workflow, you have to disable the original Blanket Purchase Order Approval Workflow. To do so, change the release status to **Not Running**. When the original workflow has been disabled, you can now run your custom workflow by changing the release status to **Released**.

For more information, see Running the Blanket Purchase Order Approval Workflow.

To editing a state:

1. To open a state page, double-click the state from the workflow diagram.

   Alternatively, click the state from the workflow diagram and then click the pencil icon.

2. On the **Workflow State** page **Actions** subtab, next to the action you want to modify, click **Edit**.

3. On the **Workflow Action** page, update the condition, trigger, parameters, or transfer the action to another state.

4. To add a new action, on the **Workflow State** page, click **New Action**.

   For more information, see the help topic Working with Actions.

5. To update a transition, on the **Transitions** subtab, next to the transition, click **Edit**.

   For more information, see the help topic Working with Transitions.

To reorder actions:

1. To reorder an action, on the **Workflow State** page, drag and drop the action to a new position.

2. Alternatively, On the **Workflow State** page, next to the action to be reordered, click **Edit**.

3. On the **Workflow Action** page, in the **Insert Before** field, select the action that should follow after the other one.

For more information, see the help topic Reordering Actions.

To add a custom field:

1. To create an instance field, on the **Workflow Details** pane, click the **Workflow** subtab.

   Custom fields (instance fields) or limited to a state (state fields), can be used across all states of a workflow.

2. Click the **Fields** subtab.

3. To define the properties of a new field, click **New Workflow Field**.

   You can also access this page from the Workflow page, by clicking the pencil icon on the **Workflow** subtab.

4. On the Workflow page, click **New Field**.

> **Note:** Do not edit or modify existing workflow fields with the [BPOAW] prefix.

To create a state field:

1. From the workflow diagram double-click the state.

   Alternatively, on the navigation pane, click the pencil icon.

2. On the **State** page, click the **Fields** subtab.

3. Click **New Field**.

4. On the **Workflow State Field** page, enter the new custom state field properties.

To modify an email notification:

1. On the Workflow State page, click the **Actions** subtab.

   This procedure applies to states that send email notifications: Pending Approval, Approved, and Rejected state.

2. Next to the action you want to modify, click **Send Email**.

3. On the **Workflow Action** page, find the **Content** pane.

   The sample screenshot shows the standard email notification for the approval of a blanket purchase order.

4. You can update the text, font, or style **Subject** and **Body** fields.

5. Click **Save**.

For more information, see the help topic Send Email Action.

Disabling Resubmit for Blanket Purchase Orders

To further customize the Blanket Purchase Order Approval Workflow, you can disable features that do not fit into your business process. To prevent or disallow the resubmission of a blanket purchase order, change the settings in the Pending Approval, Approved, and Rejected states.

> (i) **Note:** Resubmission in these states are processed independently from one another. You can disable the option in one or all states.

The following instructions proceed if you have already created a custom workflow or after you have made a copy of the original workflow. For more information, see Customizing the Blanket Purchase Order Approval Workflow.

To disable the resubmit option:

1. Go to Customization > Scripting > Workflows.

2. On the **Workflows** list, next to the name of your custom workflow, click **Edit**.

3. From the Workspace, double-click the **Pending Approval** or **Approved** state.

4. On the **Workflow State** page **Actions** subtab, click **Edit** or **Add** for Resubmit.

5. On the **Workflow Action Basic Information** section, check the **Inactive** box.

6. Click **Save**.

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Do not forget to run your custom workflow after making your changes and updates. For more information, see Running the Blanket Purchase Order Approval Workflow.

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Purchasing

- Purchase Order Management
- Purchase Order Approval Workflow SuiteApp
- Accounting for Received Purchase Orders
- Drop Shipment and Special Order Purchases
- Purchase Order History Report
- Centralized Purchasing and Billing

Tracking your purchases is an important step in maintaining your inventory. By knowing what you have on order, how many and when it will be received, you can keep your inventory at an optimum level.

NetSuite can help you create purchase orders for the appropriate items and quantities, and help track special orders and drop ship orders as well. You can even give vendors access to your account to enable them to see purchase orders you place.

Purchasing Inventory

Create purchase orders to get items and materials you need for replenishing stock and selling to customers. By entering a purchase order, you initiate the purchase and record all aspects of the purchase:

- when the items are ordered
- which items are ordered
- what quantity is ordered
- which vendor items are ordered from
- when the items are expected
- where the items will ship
- which items have been received from the vendor

Knowing this information about your purchases helps you keep your stock streamlined.

For example, your item XY987 sells at an average rate of 1 unit per month. You have one unit in stock and are considering ordering more now. When you track purchase orders and check the quantity on order, you see that you already placed an order for three units of item XY987. Because this is an average three-month supply, you do not need to place another order now.

You can create purchase orders individually, or use bulk item ordering function to create purchase orders for items that are needed. Bulk item ordering is ideal because it takes the guesswork out of how much you need and when to order it.

If you use NetSuite OneWorld, you can create a purchase orders centrally and receive independently in specific subsidiaries and locations. For more information, see Centralized Purchasing and Billing.

After you enter orders for items, you can view the quantity on order on item records and on reports. For more information about viewing stock quantities, see the help topic Assessing Stock Levels.

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Related Topics

- Requisitions
- Purchase Requests
- Request for Quote
- Purchase Contracts and Blanket Orders
- Receiving Orders
- Expenses
- Procurement Dashboard
- Purchases Workbooks

Purchase Order Management

- Setting Purchasing Preferences
- Entering a Purchase Order
- Bulk Orders
- Ordering Items
- Billing a Purchase Order With Advanced Receiving
- Editing a Purchase Order
- Viewing the Status of a Purchase Order
- Printing a Tax ID or Resale Number on Purchase Orders
- Purchase Order Printing

Purchase orders authorize vendors to provide items, materials or services to your company. When you enter purchase orders, you can track items that you expect to receive, items you do receive, and items yet to be received.

A purchase order expresses a commitment to receive and pay for goods and services. It has no accounting impact until you receive the order.

You can create purchase orders individually or in bulk.

When you create purchase orders, you can print, fax or email them to vendors. You can also give vendors access to view purchase orders online. For more information, see the help topic Assigning a Role to a Vendor.

Vendor Bill Variances

When you use the Advanced Receiving feature, note the following. Purchase order items you receive can be matched to the corresponding vendor bill to check for variances in quantities and rates.

In the Match Bill to Receipt column, check this box to calculate the variances based on the vendor bill lines. Variances are generated by reviewing vendor bill values matched to corresponding item receipt values.

Clear this box if you want to generate variance postings based on purchase order lines. On the Post Vendor Bill Variances page, select Purchase Order in the Transaction Type field to generate the variance postings.

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The default setting for this field is determined by the setting on individual item records in the Match Bill to Receipt field.

For more information, see the help topic Posting Vendor Bill Variances.

Setting Purchasing Preferences

Follow this procedure to set purchasing preferences.

To set purchasing preferences:

1. Go to Setup > Accounting > Preferences > Accounting Preferences.

    For more information, see the help topic Accounting Preferences.

2. On the **General** subtab, enable the following:

    - Check the **Default Supplier Payments To Be Printed** box to check the To Be Printed box by default when processing bill payments.

    - Check the **Supplier Credit Limit Warnings** box to receive a warning when you exceed the credit limit for a supplier.

    - Check the **Vendor Credit Limit Includes Orders** box to include purchase orders that are entered but not billed when you make supplier credit limit calculations.

      Clear this box to include only billed orders when you make supplier credit limit calculations.

3. On the **Items/Transactions** subtab, enable the following:

    - In the **Purchase Discount Account** list, select a default expense account for purchase discounts.

      You can still change the account on individual transactions.

    - In the **Default Payment Account** list, select a default bank account to appear in the Deposit To field on cash sales and customer payments.

    - If you handle inventory in several locations, check the **Centralize Purchasing in a Single Location** box, to consolidate inventory purchasing into one location, .

4. On the **Order Management** subtab, enable the following:

    - Check the **Allow Expenses on Purchase** box to add expenses to purchase orders. This will add an Expenses subtab to your purchase order page.

    - In the **Default Location for Purchase Orders** list, select a location to associate with purchase orders by default. You can change the location on purchase orders you enter as needed.

    - Check the **Allow Purchase of Assembly Items** box to add assembly items to purchase orders, vendor bills, checks, credit card transactions, and vendor credits.

5. Click **Save**.

Entering a Purchase Order

Enter a purchase order to record a pending purchase and keep a record of items you need to stock or expect to receive. Then, you can track items you receive and items that remain outstanding.

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You can create purchase orders individually or in bulk. For more information about creating bulk purchase orders, see Bulk Orders.

> **ⓘ Note:** This is a non-posting transaction.

After entering a purchase order, you can optionally enter a vendor prepayment for the same vendor. For information about entering prepayments from a purchase order, see the help topic Entering Vendor Prepayments From a Purchase Order.

To enter an individual purchase order:

1. Go to Transactions > Purchases/Vendors > Enter Purchase Orders.
2. Complete the form as described in the section below.
3. When all information about the form is complete, click **Save**.

Primary Information

1. In the **Custom Form** field, choose the **Standard Purchase Order** form or select a custom form you have already created. Click **New** to customize a purchase order form now.
2. In the **Vendor #** field, NetSuite inserts your account number for this vendor. This number is entered on the **Financial** subtab for this vendor's record at Lists > Relationships > Vendors.
3. Select or enter the vendor's name.

> **⚠ Important:** If you use NetSuite OneWorld and the selected vendor is shared with multiple subsidiaries, you can assign any subsidiary to associate with this purchase order.

   After you select the **Subsidiary**, the fields on the **Items** subtab change to reflect the values associated with the selected subsidiary. In addition, in the Classification section, the **Class**, **Department**, **Location**, **Currency**, **Tax Nexus** and other fields also change to reflect the selected subsidiary. For more information about shared vendor records, see the help topic Assigning Subsidiaries to a Vendor.

4. If you are entering a purchase request for an employee, select the employee's name.

   In OneWorld, you can select an employee from a subsidiary other than the vendor's subsidiary.

> **ⓘ Note:** If your company uses approval routing and this employee has a supervisor, the supervisor must approve this request before it is a purchase order.

5. If you have permission to approve this purchase order, check the **Supervisor Approval** box.
6. In the **Receive By** field, enter the date by which you need to receive this order.
7. Enter a date for this purchase order. The current date shows by default.
8. Accept or enter the purchase order number.
9. In the **Memo** field, enter a memo to identify this purchase order. When you use the Search Transactions feature, you can search for specific words and phrases in this field.
10. The **Available Vendor Credit** field displays the remaining credit for this vendor before a payment is received. It is converted from vendor's primary currency into the transaction currency. The field value is available only in edit mode.

    This field is visible when you customize the purchase order. To display this field, you must first enable accounts payable preferences. Go to Setup > Accounting > Preferences > Accounting Preferences. In the Accounts Payable section, check the **Vendor Credit Limit Warnings** and **Vendor Credit Limit Includes Orders** boxes. Click **Save**. Then, from the **Customize** menu at the

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top right of the purchase order, click **Customize Form**. Click the **Screen Fields** subtab. Check the **Show** box next to **Available Vendor Credit**. Click **Save**.

If the transaction exceeds the vendor's credit limit, a warning message appears indicating the exceeded credit amount. The message does not prevent you from saving the transaction. Click **OK** to save the transaction.

Classification

1. Select a department or class if you track them.

   For OneWorld accounts, you can select a department or class from the vendor's subsidiary or the employee's subsidiary.

   If the **Available Vendor Credit** field appears, changing the subsidiary changes the available credit limit value to reflect the currency of the selected subsidiary.

2. If you track locations, choose a location for this order.

   For OneWorld accounts, you can select a location from the vendor's subsidiary or the employee's subsidiary.

3. If you use the Multiple Currencies feature, select the currency you want to use for this purchase order. This currency will be used for the entire purchasing process (including item receipt, the vendor bill, and payment) and cannot be changed. For more information, see the help topic Vendors and Multiple Currencies.

   If this purchase order was created from a purchase request, the currency from the purchase request is used and cannot be changed.

   The vendor's primary currency is selected by default.

   If the **Available Vendor Credit** field appears, changing the currency changes the credit limit value to reflect the selected currency.

Items

1. If you use multiple currencies, the current exchange rate for this vendor's currency appears in the **Exchange Rate** field.

   You can change the exchange rate for this transaction only, or you can update the currency record with the exchange rate you enter here. For a description of how setting the exchange rate affects the transaction, see the help topic Setting Exchange Rates Directly on Transactions.

   The vendor's currency appears in the **Currency** field. All currency amounts on this transaction are shown in this currency.

2. Click the **Items** subtab.

3. In the **Item** column, select an item.

   a. To add several items to this transaction, click **Add Multiple**.

      The Choose Item window opens and shows a list of items you can add.

   b. Filter the list by item type or name.

   c. In the left pane click an item to add it to the right pane.

   d. Enter an item **Quantity**.

   e. Click **Done**.

      Items and quantities shown in the right pane are added to the transaction.

4. In the **Quantity** column, enter the quantity for this item.

5. In the **Serial Number** field, enter the serial number of the item.

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Separate each serial number with a space, comma or by pressing **Enter** after each one.

You must enter a serial number for each serialized item. For example, if you enter a quantity of **2**, then you must enter two serial numbers.

6. Accept the amount in the **Rate** column or enter a new rate for this item.

   The total amount for this item is calculated and appears in the **Amount** column.

   If you use NetSuite OneWorld and the vendor is shared with multiple subsidiaries, note the following. The price for the item adjusts to reflect the costs associated with the selected subsidiary.

7. Set any options for this item.

8. If this item is for a particular customer, select that customer in the **Customer** column.

   > ⓘ **Note:** If you use NetSuite OneWorld and the selected customer is shared with multiple subsidiaries, you can choose any customer associated with the selected subsidiary. For information about sharing customer records with multiple subsidiaries, see the help topic Assigning Subsidiaries to a Customer.

9. If you want the cost of this item billed back to the chosen customer, check the **Billable** box.

10. Enter an **Expected Receipt Date** that is the day you anticipate the item will arrive in your warehouse. This date is used in calculations for Demand Planning and Advanced Inventory Management.

    This defaults to show the date of this purchase transaction.

11. Click **Add**.

12. Repeat these steps for each item you want to add.

Expenses

1. If you allow expenses on purchase orders, click the **Expenses** subtab.

2. In the **Account** column, select an account for this expense.

3. In the **Amount** column, enter the expense amount.

4. If this expense is for a particular customer, select that customer in the **Customer** column.

5. If you want this expense billed back to the chosen customer, check the **Billable** box.

6. Click **Add**.

7. Repeat these steps for each expense you want to add.

Billing

1. In the **Vendor Select** field, choose the billing address for this vendor.

   - Select **New** in the list. You can also click the **+** icon to create a new address for this purchase order and saved with the vendor record.

   - Select **Custom** in the list to create a new address for this purchase order only and not saved with the vendor record.

Shipping

> ⓘ **Note:** The Shipping subtab only appears on a standard or custom drop ship purchase order form.

Shipping Information

1. In the **Ship Date** field, enter the date you expect the items to be shipped.
2. Select your **Shipping Method** for this transaction. For more information about shipping methods, see the help topic Creating Shipping Items.
3. In the **Additional Tracking Number** field, enter the shipment tracking number from the shipping company.

   If you use the exact format used by UPS or FedEx, the tracking number appears on the transaction as a link to the respective website. You can click the link to check the status of the shipment.

Shipping Address

1. If a customer is not selected in the **Ship To** list, your company shipping address autofills the **Ship To** text field. You can change this address as needed.

   > **Note:** Take note of the following:
   >
   > - The selection of a shipping address varies slightly depending on whether the shipment is going to your company or to a customer.
   > - If you use NetSuite OneWorld and select Location, the Ship To address will autofill with the address specified on the Location record. If the Location field is left blank, the Ship To address will use the Shipping Address as specified on the Company information page.

   - To change the shipping address saved with your company record, go to Setup > Company > Company Information. Click the **Edit** link next to the **Shipping Address** field.
   - To enter a shipping address for your company for this purchase order, select **Custom** from the **Ship To Select** list. Then, complete the fields in the address popup window.

2. When you select a customer in the **Ship To** list, the customer's default shipping address autofills the **Ship To** text field. You can change this address as needed.

   - Select another address that is associated with the customer from the **Ship To Select** field.
   - Select **New** in the **Ship To Select** field. You can also click the **+** icon to add an address for this purchase order and saved with the customer record.
   - Select **Custom** in the **Ship To Select** field to add an address for this purchase order only and not saved with the customer record.
   - Click the **Edit** icon to make changes to the address selected in the **Ship To Select** field. These changes are saved with the customer record.

Relationships

1. Under Contacts, the primary contact for the customer is selected automatically. To edit information for this contact, click the contact's name.
2. You can also add contacts to this order by entering the contact's information and clicking **Add**.

Communication

1. On the **Messages** subtab, complete the following as necessary:
   - Check the **To Be Printed** box if you want to save the purchase order in a queue for printing later.
   - Check the **To Be Emailed** box and enter or verify an email address if you want to email the purchase order.

> **ⓘ Note:** If you use Approval Routing, you can only email purchase orders that have been approved by a supervisor.

- Check the **To Be Faxed** box and enter or verify a fax number if you want to fax the purchase order.

  If you prefer, you can click **Print** when you have finished entering all the information to immediately save and print the purchase order.

- Enter a vendor message to appear on your purchase order.

2. Use the **Events**, **Tasks**, and **Phone Calls** subtabs to attach activities to this transaction. For more information, see the help topic Attaching Events, Tasks, and Calls to Records and Transactions.

3. On the **Files** subtab, you can select and attach files from the File Cabinet related to this transaction. Select **New** to upload a new file to File Cabinet.

4. On the **User Notes** subtab, you can enter a title and note for any comments you want to add to this transaction. Click **Add** after each note.

You can check the To Be Emailed and To Be Faxed boxes on purchase orders prior to supervisor approval. If a purchase order is submitted with either box checked but still needs approval, the email or fax is not sent. The boxes remain checked. At the time of approval, the email or fax is sent and the To Be Emailed and To Be Faxed boxes are cleared.

After a purchase order is recorded you can track the items as they are received.

To view a list of purchase orders, go to Transactions > Purchases > List., and then click View next to the order.

When you view a purchase order, in the Print button list, click Print Labels to print a label for each item on the order.

You can use the Editing feature with the To Be Emailed and To Be Faxed boxes. The purchase order must be approved and the boxes clear. If the boxes are checked using the Editing feature, the purchase order is emailed.

Bulk Orders

You can create purchase orders in bulk for items you need to restock. The Order Items page lists items that NetSuite determines are in need of being replenished. In this way, bulk item ordering helps automate your replenishment process and keep your inventory at an optimum level.

To use bulk item ordering, you can add items to the list by using either the Demand Planning feature or the Advanced Inventory Management feature.

Bulk Ordering with Demand Planning

When you use the Demand Planning feature, item orders are generated using demand plans and supply plans that incorporate historical demand and expected future orders. Supply plans determine when items are ordered and in what quantity. After a supply plan is reviewed, the orders can be generated using the Order Items page.

For details about the Demand Planning feature and how it produces orders, read the following topics:

- Demand Planning
- Calculating Item Demand
- Creating Item Supply Plans

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■ Creating Orders from Supply Plans

Bulk Ordering with Advanced Inventory Management

When you use Advanced Inventory management, you set a preferred stock level and reorder point on each item record. When records indicate that an item is backordered or below its set reorder point, the item is added to the Order Items form. The Order Items page suggests a quantity to order based on your preferred stock level and the quantity of open backorders.

NetSuite checks stock levels on item records to determine if the item should be reordered.

■ Any item record that shows a backordered quantity greater than zero appears on the Order Items page.

Qty. Backordered = quantity committed to sales for which there is no stock to fill the order

■ Any item record that shows an available quantity below the reorder point will appear on the Order Items page.

> (i) **Note:** If there are inventory items with an on-order quantity equal to or greater than the backordered quantity, note the following. The item no longer appears on the Order Items page.

To calculate the Quantity Available for an item, NetSuite analyzes the following:

Qty. Available = (Qty. On Hand - Qty. Committed)

Qty. On Hand = quantity now stocked, including the Quantity Committed

Qty. Committed = The quantity promised to customers on approved sales orders, that are not yet fulfilled.

For more information about item commitment, see the help topic Committing Orders.

After NetSuite determines which items need to be ordered, it determines the quantity needed. To do so, NetSuite compares the item's Quantity Available to the preferred stock level.

For example, the record for item #12345 shows the following:

■ Manual Reorder Point = 80

■ Manual Preferred Stock Level = 100

■ Quantity on Hand = 90

■ Quantity Committed = 20

NetSuite committed 20 of the 90 you have on hand, leaving a Quantity Available of 70. Because a quantity of 70 is below the reorder point of 80, NetSuite suggests that you order the item. You should order 30 of the item to bring you back up to your preferred stock level of 100.

In another example, the record for item #12345 shows backorders:

■ Manual Reorder Point = 80

■ Manual Preferred Stock Level = 100

■ Quantity on Hand = 0

■ Quantity Backordered = 25

Because you need more of the item to fill backorders and replenish stock, you should order the item. You need 25 to fill backorders and 100 to reach the preferred level. You should order 125 of the item to bring you back up to your preferred stock level of 100.

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Bulk ordering items makes procurement straightforward and efficient. You can order the optimal amount of items you need without gathering information from several places to assess replenishment needs.

At any time, you can also create purchase orders manually. To do so, make your own assessment about what stock you need, how much to order and when to place the order. For more information, see the help topic Assessing Stock Levels.

Auto-calculated Order Quantities

For items set to automatically calculate the reorder point and preferred stock level, the calculations to determine the quantity to order are as follows:

- Reorder quantity = Average daily demand * number of days (preferred stock level)

For example, an item has a daily demand rate of 2.77 and a number of days supply of 10. The reorder quantity is (2.77 * 10) = 28 because the quantity is rounded to the nearest integer.

> **Note:** If you use the Multiple Units of Measure feature, the reorder quantity rounds to the nearest integer in purchase units.

For more information about setting inventory to auto-calculate, see the help topic Creating Item Records.

After the quantity needed is determined for items, you should use the amount to order on the Order Items page.

To manually set preferred stock levels and reorder points on item records, go to Lists > Accounting > Items.

Ordering Items

The Order Items form provides a list of items that need to be ordered from vendors. NetSuite suggests the quantity to order based on your preferred stock level and quantity of open backorders, or quantities scheduled on blanket purchase orders. You can verify or change the suggested amounts, and then create purchase orders for those items.

To bulk order items:

1. Go to Transactions > Inventory > Order Items.
2. You can limit the items that show in the lists by selecting filters in the following fields:
    - **Location** – Limit items based on location.
        - Select a location to show only items needed in that location that are at or below their reorder point.
        - Select **All** to show items from all locations that are at or below their reorder point.

        > **Note:** If you enable the Centralize Purchasing in a Single Location preference, then items will not be filtered by location. When this preference is enabled, your selection in the **Location** field determines the location that shows on purchase orders created. Set this preference at Setup > Accounting > Preferences > Accounting Preferences.

    - **Department** – Limit items based on department.
    - **Vendor** – Limit items based on vendor.
        - Select a vendor to display only items that identify this vendor as the Preferred Vendor on their item record. These items are at or below their reorder point.

> ⚠️ **Important:** If you use NetSuite OneWorld and vendors are shared with multiple subsidiaries, **Location** must be the one assigned to the vendor's designated subsidiary. Otherwise, you cannot select the Preferred Vendor from the **Vendor** list.

- ◻ Select **All** to show only items that identify any vendor as the Preferred Vendor on their item record. These items are at or below their reorder point.

- ▪ **Include Items with No Preferred Vendor** – Check this box for the ordering list to include items that have not designated a preferred vendor. Clear this box for the ordering list below to exclude items that have not designated a preferred vendor.

- ▪ **Include Items where Vendor is Not Preferred** – Check this box for the ordering list to include items from non-preferred vendors. Clear this box for the ordering list below to exclude items from vendors that are not the preferred vendor.

- ▪ **Parent Item** – Select a parent inventory item to display only the sub-items of the parent that are at or below their reorder point.

- ▪ **Minimum Quantity** – Enter a number to display only items with a Quantity To Order equal to or larger than the number you enter.

  For example, you enter **10** in this field. Items with a Quantity To Order equal to or greater than 10 appear in the list.

3. To send purchase orders to your vendors when you submit the form, check the appropriate box to print, email or fax the order.

4. Complete steps for the **Time Phased Items** subtab, **Reorder Point Items** subtab, and **Blanket PO Items** subtab, as described in the following sub-topics.

5. After all lines on all subtabs are completed as necessary, click **Submit** to place the orders.

After you click Submit, NetSuite generates one purchase order per vendor for the items. The orders are printed, emailed, or faxed to your vendors as indicated in the header.

For the current status, view or refresh the Status page at Transactions > Inventory > Order Items > Status > Status. For more information, see Order Items Status.

Time Phased Items Subtab

1. **Order Start Date** – Choose to filter by the order start date.

2. **Order End Date** – Choose to filter by the order end date.

3. Check the box next to each item to order.

   Click the **Mark All** button to check all boxes or click the **Unmark All** button to clear all boxes.

4. Verify or select the appropriate **Vendor**.

5. Accept the suggested amount to order in the **Quantity** column or enter a new quantity.

> ℹ️ **Note:** For information about suggested quantities if you use the Demand Planning feature, see the help topic Demand Planning on Item Records.

6. If a qualified contract exists, the one with the lowest item base rate is displayed in the **Purchase Contract** field.

   The base rate is displayed in the **Order Rate** field.

7. If you use the accounting preferences **Make Departments Mandatory** and **Allow Per-Line Departments**, verify the appropriate **Department**. The departments set on these line items are used for the corresponding line items on generated purchase orders. For more information, see the help topic Using Per-Line Classifications.

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8. If you use the Multiple Currencies feature, each vendor's primary currency is used on this transaction. For more information, see the help topic Vendors and Multiple Currencies.

9. The **Total** field displays the amount calculated as Rate x Quantity.

   The **Total** field in the header of the Order Items page displays the sum of the **Total** column. It is updated after any change to the values in the **Total** column.

10. If you use the Multiple Currencies feature, the **Total (Foreign Currency)** field displays the total calculated as Rate (Foreign Currency) x Quantity.

> ⓘ **Note:** Take note of the following:
>
> - To use these enhancements for time-phased planned items on the Order Items page, the Demand Planning feature must be enabled.
> - The Time Phased Items subtab shows a list of items that need to be ordered based on time-phased replenishment. These items have a quantity available that is less than the reorder point indicated on the item record.

Reorder Point Items Subtab

1. In the **Replenishment Method** field, filter the list of orders to show only items using a certain replenishment method. Select the Time Phased method, the Reorder Point method, or select All to show all items regardless of the replenishment method used.

> ⓘ **Note:** Take note of the following:
>
> - To use these enhancements for time-phased planned items on the Order Items page, the Advanced Inventory Management feature must be enabled.
> - The Reorder Point Items subtab shows a list of items that need to be ordered based on designated reorder point. These items have a quantity available that is less than the reorder point indicated on the item record.

2. Check the box in the **Order** column next to items you want to order.

   Click the **Mark All** button to check all boxes or click the **Unmark All** button to clear all boxes.

3. Verify or select the appropriate **Vendor**.

4. Accept the suggested amount to order in the **Quantity** column, or enter a new quantity.

   The quantity NetSuite suggests to order is calculated as:

   (preferred stock level + quantity needed) less (quantity available + quantity on order)

5. If a qualified contract exists, the one with the lowest item base rate is displayed in the **Purchase Contract** field.

   The base rate is displayed in the **Order Rate** field.

6. If you use the accounting preferences **Make Departments Mandatory** and **Allow Per-Line Departments**, verify or select the appropriate **Department**. The departments set on these line items are used for the corresponding line items on generated purchase orders. For more information, see the help topic Using Per-Line Classifications.

7. If you use the Multiple Currencies feature, each vendor's primary currency is used on this transaction. For more information, see the help topic Vendors and Multiple Currencies.

8. The **Total** field displays the amount calculated as Rate x Quantity.

> **Note:** The **Total** field in the header of the Order Items page displays the sum of the **Total** column. It is updated after any change to the values in the **Total** column.

9. If you use the Multiple Currencies feature, the **Total (Foreign Currency)** field displays the total calculated as Rate (Foreign Currency) x Quantity.

Blanket PO Items Subtab

1. **Order Start Date** – Choose to filter by the order start date.

   > **Note:** Take note of the following:
   >
   > - To use these enhancements for time-phased planned items on the Order Items page, the Blanket Purchase Orders feature must be enabled.
   > - The Blanket PO Items subtab shows blanket purchase order schedules that are within the lead time of items that need to be ordered.

2. **Order End Date** – Choose to filter by the order end date.
3. Check the box in the **Order** column next to items you want to order.

   Click the **Mark All** button to check all boxes or click the **Unmark All** button to clear all boxes.
4. Verify or select the appropriate **Vendor**.
5. Accept the suggested amount to order in the **Quantity** column, or enter a new quantity.

   The quantity NetSuite suggests to order is based on the blanket purchase order schedule.
6. If you use the Multiple Currencies feature, each vendor's primary currency is used on this transaction. For more information, see the help topic Vendors and Multiple Currencies.
7. If you use the accounting preferences **Make Departments Mandatory** and **Allow Per-Line Departments**, verify or select the appropriate **Department**. The departments set on these line items are used for the corresponding line items on generated purchase orders. For more information, see the help topic Using Per-Line Classifications.

> **Note:** If you have multiple locations and do not use the Centralize Purchasing in a Single Location preference, one purchase order is created per location. Set this preference at Setup > Accounting > Preferences > Accounting Preferences.
>
> If you use the Centralize Purchasing in a Single Location preference, you can distribute items you receive to your locations. Go to one of the following:
>
> - Transactions > Inventory > Transfer Inventory.
> - Transactions > Inventory > Replenish Location.

Order Items Status

After you click Submit on the Order Items page, the Order Items Status page appears and gives details about the orders being processed.

If this page does not show orders as expected, refresh the page to display the most current information.

To go to the Order Items Process Status page, go to Transactions > Inventory > Order Items > Status > Status.

Billing a Purchase Order With Advanced Receiving

Billing a purchase order indicates you have received an invoice from the vendor for items purchased and creates a bill in accounts payable. You can turn your purchase order into a bill without rekeying any data.

When a vendor bill includes many transaction lines, best practice is to split the vendor bill to improve processing performance.

If you use Advanced Receiving, you can receive an order and create a bill in separate steps. To enable advanced receiving, go to Setup > Enable Features. On the Purchase Transactions subtab, check the Advanced Receiving box, and click Save.

> **ⓘ** **Note:** When you create a standalone bill or bill an existing purchase order, the transaction requires an active Accounts Payable account. For an active account, you must enable an existing Accounts Payable account, create a new Accounts Payable account, or contact your System Administrator.

To bill a purchase order with advanced receiving:

1. Go to Transactions > Payables > Bill Purchase Orders.
2. On the Bill Purchase Orders page, in the **Vendor** field, select a vendor to filter the list of bills.

   You can select **All** to show all open bills, but you can create bills for only one vendor at a time.

   If you use NetSuite OneWorld and your vendors are shared with multiple secondary subsidiaries, a **Subsidiary** column appears. This column lists all of the unbilled purchase orders associated with the subsidiaries assigned to the selected vendor. You can bill any or all of these purchase orders that share the same subsidiary and currency. For more information about shared vendor records, see the help topic Assigning Subsidiaries to a Vendor.
3. Click the **Select Order Number** field to scan in transaction bar codes.

   To scan in bar codes, you must select All in the Vendor field.
4. In the **Use Bill-To Address From Vendor** field, do the following:
   - Check this box to use the vendor's default billing address by default in the vendor field on the **Billing** subtab on the bill created.
   - Clear this box to choose the following functions: If only one purchase order is submitted, the bill generated uses the purchase order address. If two or more purchase orders are submitted, the bill generated uses the default billing address. This is true even if the purchase orders submitted do not have addresses entered or have addresses that are not the vendor's default billing address. If a vendor has no default billing address, the Bill page defaults to no address, even if the purchase orders have billing addresses set.
5. Check the box in the **Bill** column next to all purchase orders you want to bill.

   If you check more than one purchase order, items from all the purchase orders you check are grouped together on one bill.
6. Click **Submit**.

   The bill appears and shows the purchase order items.
   - If **Match Bill to Receipt** is set on the purchase order at vendor bill creation, you can select specific receipts in the **Receipts** column. Then, the values on the receipt determine the following:

- A bill is created for specific receipts that are selected.
- The bill is checked against receipt values for variances.

7. If the information on the bill is correct, click **Save**.

> ⚠️ **Important:** When processing transactions, you must submit one page at a time. If you do not submit each page individually, information is not saved and can be lost when you switch between pages. To process multiple pages of information, always submit each page individually.

You can also bill purchase orders at the same time you receive the purchase order. Go to Transactions > Purchases > Receive Order.. Select a vendor and then click **Receive** next to the purchase order. On the Item Receipt page, verify the information, and then click **Save and Bill**. A bill is created for each of the items received on that purchase order.

If you do not use Advanced Receiving, when you receive items on a purchase order, a bill is created for the items at the same time. To receive and bill a purchase order without Advanced Receiving, go to Transactions > Purchases > Receive Order..

To see bills you have created from purchase orders, go to Transactions > Purchases/Vendors > Enter Bills > List.

To see what has been received and billed for a purchase order, open the purchase order. Click **Receipts & Bills** at the top of the page.

Closing Line Items on a Purchase Order

On purchase orders, you are able to close line items manually when you do not intend to receive open items on the order. For more information, see Closing Line Items on Purchase Orders.

- Setting Purchasing Preferences
- Entering a Purchase Order
- Bulk Orders
- Ordering Items
- Editing a Purchase Order
- Viewing the Status of a Purchase Order
- Printing a Tax ID or Resale Number on Purchase Orders
- Purchase Order Printing
- Purchase Order Management

Editing a Purchase Order

If you need to change a saved, approved, or unapproved purchase order, you first find the transaction, and then make the changes.

> ℹ️ **Note:** If the PO has already been approved, you must recall it before you can edit it.

To edit a purchase order:

1. Go to Transactions > Purchases/Vendors > Enter Purchase Orders > List.
2. Click **Edit** next to the purchase order you want to change.
3. On the purchase order, make the necessary changes.

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If the vendor has received the earlier version of the purchase order, state that this is a revised order in the **Vendor Message** field.

4. To make changes to line items:

    1. Click the **Items** subtab.

    2. Click the line item you want to change.

    3. Enter the changes in the appropriate fields.

    4. Clear the **Closed** box for a line item if you know the item will not be received.

    5. When you finish changing information about an item, click **Done**.

5. Continue to change additional items as required.

> ⓘ **Note:** Take note of the following:
>
> - If you change the quantity on all items on the purchase order to zero, the purchase order moves to the **Closed** status.
>
> - If you add a new item to the purchase order, the **Department** field value is sourced from the employee record set on the purchase order. If the employee does not have a set department or if there is no employee set on the purchase order, note the following. The **Department** field value is sourced from the item record. If neither the employee nor the item record have a set department, the **Department** field remains blank.

6. Click the **Communication** subtab.

7. Check the appropriate box to send a copy of the revised purchase order to the vendor by printing, emailing or faxing a copy.

8. Click **Save**.

If the purchase order is closed, clearing the **Closed** status for one or more items opens the purchase order

> ⚠ **Important:** Avoid non-backward compatible changes as they can break integrations. For example:
>
> - removing public lists
> - changing a publicly exposed field identifier
> - changing a type of publicly exposed field
> - changing a behavior

Closing a Purchase Order

You can cancel a purchase order by setting the status to Closed.

> ⓘ **Note:** To close a purchase order, it must be approved but not billed.

To close a purchase order:

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1. Go to Transactions > Purchases/Vendors > Enter Purchase Orders > List.
2. Click **View** next to the purchase order you want to close.
3. Click the **Close** button.

   This closes all line items on the purchase order.

   If the purchase order is closed, clearing the **Closed** status for one or more items reopens the purchase order.

Viewing the Status of a Purchase Order

With Advanced Receiving, you can receive purchase orders or parts of purchase orders separately from bills. Your purchase orders have statuses that reflect where the orders are in the receiving and billing process.

To enable advanced receiving:

1. Go to Setup > Company > Enable Features.
2. Click the **Transactions** subtab.
3. Check the **Advanced Receiving** box.
4. Click **Save**.

To view the status of a purchase order:

1. Go to Transactions > Purchases/Vendors > Enter Purchase Orders > List.
2. On the **Purchase Orders** page, the order **Status** column displays the order status.

   > ⓘ **Note:** If some lines are fully billed, and at least one is closed, the status of the transaction is closed.
   >
   > If some lines are fully billed, others closed, but there is at least one open line, note the following. The status of the transaction is the status of that open line. Open implies pending, received, partially received, and partially billed.

   - With the Advanced Receiving Feature off:
     - **Pending Supervisor Approval** – The purchase request has not been approved.
     - **Rejected By Supervisor** – The purchase request has been declined.
     - **Pending Receipt** – The purchase is pending entry of a bill, including partially billed purchase orders.
     - **Partially Received** – The purchase has been partially billed.
     - **Received** – The purchase is completely received and billed.
     - **Closed** – The purchase order has been canceled.
   - With the Advanced Receiving Feature on:
     - **Pending Supervisor Approval** – The purchase request has not been approved.
     - **Rejected By Supervisor** – The purchase request has been declined.
     - **Pending Receipt** – The purchase order is pending receipt of items ordered.
     - **Partially Received** – Not all items on this order have been received, regardless of billing status.

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- □ **Pending Bill** – This order is pending the entry of a bill, including partially billed purchases.
- □ **Pending Billing/Partially Received** - Not all items on this order have been received and are pending the entry of a bill, including partially billed purchases.
- □ **Fully Billed** – All items on the order have been received and billed.
- □ **Closed** – The purchase order has been canceled.

3. Click **View** to open the order.

   Click **Edit** to make changes to the order.

To see what has already been received and billed for a purchase order, click the Related Records subtab and click Receipts & Bills.

Printing a Tax ID or Resale Number on Purchase Orders

In NetSuite, you can print your tax ID or resale number on purchase orders.

> For example, you buy baseball caps for resale and want to include your resale or tax ID number on purchase orders. You could create a custom list and a body custom field for your tax ID number. Then, set it to print on purchase transactions.
>
> 1. Go to Setup > Customization > Lists, Records, and Fields > Lists > New..
> 2. Create a custom list with only your tax ID number.
>
>   For more information, see the help topic Custom Lists.
> 3. Set up a custom field that incorporates your custom list.
>
>   For more information, see the help topic Creating a Custom Field.

To print your tax ID or resale number on purchase orders:

1. Go to Customization > Lists, Records, & Fields > Transaction Body Fields > New.
2. Select **List/Record** in the Type field.
3. Select your custom list in the **List/Record** field.
4. On the **Applies To** subtab:
   - Check the **Purchase** box.
   - Check the **Print on Standard Forms** box.
5. Click **Save**.

Purchase Order Printing

To print purchase orders, you need Adobe® Reader®. Visit the Adobe Web site to download the latest version at no charge.

Your administrator can customize the layout of your printed forms using Advanced PDF/HTML templates. For more information, see the help topic Advanced PDF/HTML Templates.

See the following procedures:

- Printing a Single Purchase Order
- Printing Purchase Orders in Bulk
- Printing Labels for Purchase Order Items

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Printing a Single Purchase Order

Follow this procedure to print a single purchase order.

To print a single purchase order:

1. Go to Transactions > Purchases/Vendors > Enter Purchase Orders.

   You can also print purchase orders by going to Transactions > Purchases/Vendors > Enter Purchase Orders > List. On the Purchase Orders page, click **Print** next to the purchase order you want to print.

   If you enter multiple purchase orders before printing, you can print all the purchase orders at one time. Be sure to check the **To Be Printed** box on each purchase order you create.

2. On the Purchase Orders page, complete the information as appropriate.

3. Click **Print**.

   NetSuite opens the printout for your purchase order in an Adobe application document.

4. Click the printer button in the Adobe application frame.

5. If you want to print multiple copies, specify the number on the print message that appears.

6. Click **OK**.

Printing Purchase Orders in Bulk

Follow this procedure to print purchase orders in bulk.

To printing purchase orders in bulk:

1. Go to Transactions > Management > Print Checks & Forms.

2. On the Print Purchase Orders page, if you use locations, choose the location you want to print purchase orders from.

3. Check the **Allow Reprinting** box to be able to reprint previously printed transactions.

   When you check this box, all documents appear at the bottom of the page in segments.

4. Check the box in the Print Column in front of each purchase order you want to print.

5. Click **Print**.

   - If you **use** the Download PDF Files preference on the Set Preferences page, a preview of your purchase orders appears in the default Adobe application.

   - If you **do not use** the Download PDF Files preference, you must first save your purchase orders, and then open them with the Adobe application.

6. Click the printer button in the Adobe application frame.

7. If you want to print multiple copies, specify the number on the print message that appears.

8. Click **OK**.

Printing Labels for Purchase Order Items

Follow this procedure to print labels for items on a purchase order.

To print labels for items on a purchase order:

1. Go to Transactions > Purchases > Enter Purchase Orders > List.

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2. On the Purchase Orders page, click **View** next to the purchase order.

3. On the purchase order, in the **Print** list, click **Print Labels**.

   NetSuite opens the labels in an Adobe application document.

4. Click the printer button in the Adobe application frame.

5. If you want to print multiple copies, specify the number on the print message that appears.

6. Click **OK**.

Purchase Order Approval Workflow SuiteApp

- Purchase Order Approval Workflow Setup
- Purchase Order Approval Workflow SuiteApp States
- Customizing the Purchase Order Approval Workflow SuiteApp
- Creating a Custom Purchase Order Approval Workflow
- Custom Workflow-based Approvals for Purchases
- Switching From the Approval Routing Feature to SuiteFlow for Purchases

The Purchase Order (PO) Approval Workflow SuiteApp combines the features of the standard NetSuite approval routing and the flexibility of the NetSuite workflow manager. You can install the SuiteApp and use the standard NetSuite approval routing. You can also modify the PO approval routing process using the NetSuite workflow management solution, SuiteFlow.

> **Note:** SuiteApp Bundle ID of the Purchase Order Approval Workflow SuiteApp is 239645. For more information about how to set up the SuiteApp, see Purchase Order Approval Workflow Setup.

The PO approval routing process built-in to the SuiteApp is the same as the standard NetSuite PO approval feature. Because the SuiteApp's PO approval routing process is workflow-based, you can modify it for the specific needs of your business. For example, you can modify the approval chain such as designating a substitute approver when the regular approver is not available. The steps to approve a purchase order depend on the way the workflow is set up.

You should understand the following concepts before you install the Purchase Order Approval Workflow SuiteApp:

- **Purchase Orders** – Purchase orders authorize vendors to provide items, materials, or services to your company. A purchase order expresses a commitment to receive and pay for goods and services. It has no accounting impact until you receive the order.

  For more information, see the help topic Purchasing.

- **Approval Routing** – When you use approval routing, transactions that are entered are not processed until they are approved. This provides oversight to persons of authority who can choose to reject some transactions if they do not want them to continue being processed.

  For more information, see the help topic Approval Routing.

- **SuiteFlow** – SuiteFlow is a graphical workflow manager that lets you build workflows in NetSuite. You can use SuiteFlow to create, view, and edit the states, actions, and transitions of the workflow. For more information, see the help topic Workflow Manager Interface.

The Purchase Order Approval Workflow determines the proper approval routing for purchase order requests. Routing is based on the purchase approval limit that is assigned to a supervisor or purchase approver. A request could go through several approvers until it reaches the highest approver who can cover the total requested amount.

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Purchase Order Approval Workflow Setup

See the following procedures to set up the Purchase Order Approval Workflow SuiteApp in your account.

- Setting up Purchase Order Approval Workflow SuiteApp Prerequisites
- Installing the Purchase Order Approval Workflow SuiteApp
- Purchase Order Approval Workflow SuiteApp Roles and Permissions
- Running the Purchase Order Approval Workflow SuiteApp

Setting up Purchase Order Approval Workflow SuiteApp Prerequisites

Follow this procedure to set up Purchase Order Approval Workflow SuiteApp prerequisites.

To set up Purchase Order Approval Workflow prerequisites:

1. Go to Setup > Company > Setup Tasks > Enable Features.
2. On the **Employees** tab, check the box for **Approval Routing**.
3. On the **Transactions** tab, check the box for **Purchase Orders**.
4. On the **SuiteCloud** tab, check the box for **SuiteFlow**.
5. Go to Setup > Accounting > Accounting Preferences.
6. On the **Approval Routing** tab, check **Purchase Order** box.

For more information, see the help topic Enabling Features.

> ⚠️ **Important:** The Custom Purchase Order Approvals feature does not work when you use the Purchase Order Approval Workflow SuiteApp.

Installing the Purchase Order Approval Workflow SuiteApp

Install the Purchase Order Approval Workflow SuiteApp with the following details:

- Bundle Name: **Purchase Order Approval Workflow**
- Bundle ID: **239645**
- Location: Production
- Availability: Public

The PO Approval Workflow SuiteApp is a managed bundle and is automatically updated whenever there are updates. These issue fixes and enhancements are available after the SuiteApp is updated in your account.

For more information about installing SuiteApps, see the help topic Installing a Bundle.

Purchase Order Approval Workflow SuiteApp Roles and Permissions

To use the Purchase Order Approval Workflow SuiteApp, you must set up the following requirements for the users and approvers:

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- Assign the Employee Center role to purchase order creators.
- Assign a supervisor or purchase approver to each purchase order creator.
- Set the purchase limit for each purchase order creator.
- Set the purchase approval limit for each supervisor and purchase approver.

> **ⓘ Note:** If an employee has no purchase limit, you must enter **0** for the purchase limit, so it should not be left blank.

- Keep email addresses up to date to be sure that users and approvers receive the notifications.

For more information about assigning roles, see the help topic Assigning Roles to an Employee. For more information about designating supervisors, see the help topic Supervisors, Approvers, and Approval Limits.

Running the Purchase Order Approval Workflow SuiteApp

After you have installed the Purchase Order Approval Workflow, the following workflows are added to your account:

- **PO Approval – Main**

  The Main workflow validates the role of the purchase order creator before transferring the request to the Employee Center workflow. Requests from those with the Employee Center role are transferred. Requests from other centers are not transferred and are automatically approved.

- **PO Approval – Employee Center**

  The Employee Center workflow handles the approval processing of requests from users with the Employee Center role. It compares the purchase limit and purchase approval limit to determine whether the request requires approval.

Both workflows should be running to complete the approval routing process.

To run the Purchase Order Approval Workflow SuiteApp:

1. Go to Customization > Scripting > Workflows.
2. On the Workflows list, do either of the following:
   - If you are running the default workflow, click the workflow name, PO Approval – Main.
   - If you are running your custom workflow, click the Edit link for your workflow.
3. On the **Workflow** subtab, located at the right side of the page, click the pencil icon.
4. In the Workflow popup window, do either of the following:
   - If you are running the default workflow, click **Change Status**.
   - If you are running your custom workflow, in the **Release Status** field, select **Released**.

   > **⚠ Important:** Before running your custom workflow, disable the original Purchase Order Approval Workflow by setting the release status of the two workflows to **Not Running**.

5. Click **Save**.

   Do the same for the PO Approval – Employee Center workflow.

When you return to the list of installed workflows, the release status for the workflow should display **Released**. For more information about release statuses, see the help topic Release Status.

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Purchase Order Approval Workflow SuiteApp States

The Purchase Order Approval Workflow SuiteApp is initiated upon creation of a purchase order. It goes through the Main workflow for initial validation before it is transferred to the Employee Center workflow.

PO Approval — Main

Check User Role

When a purchase order is created, the workflow verifies that the account of the creator is assigned the Employee Center role. Only valid requests are transferred to the Employee Center workflow. Other requests are transferred to the Exit state.

Initiate PO Approval – Employee Center

In the Initiate PO Approval state, valid purchase orders are transferred to the Employee Center workflow.

Exit – Non Employee Center

In the Exit state, requests from non-Employee Center roles are automatically set to **Approved** status.

PO Approval — Employee Center

Check Immediate Approver

Requests transferred from the Main workflow enter the Check Immediate Approver state. The workflow verifies that the purchase order creator has an assigned supervisor, purchase approver, or both. Without an assigned approver, the request is transferred to the Approved state.

Check User Purchase Limit

In the Check User Purchase Limit state, the total requested amount is compared with the creator's purchase limit. If the requested amount exceeds the purchase limit, the request is set to **Pending Approval** status. A request with this status is transferred to the Entry state. Otherwise, the request is set to **Approved** status and is transferred to the Approved state.

Entry

In the Entry state, the workflow identifies the initial approver of the purchase order. The purchase approver is assigned as the approver, whether a supervisor is indicated on the employee record. If there is no purchase approver, the supervisor is automatically selected as the approver. The workflow also compares the approval limit with the total requested amount to identify the initial approver. The designated approver is sent an email notification regarding the request for approval.

Pending Approval

The identified approver is given the option to approve or reject the request. In the Pending Approval state, the **Approve** and **Reject** buttons are enabled and the request is locked to prevent changes from users. Only the administrator can make changes to the record.

Approved requests are transferred to the Set Next Approver state and those that are not approved go to the Rejected state.

Set Next Approver

When transferred to the Set Next Approver state, the workflow determines if there is a next approver in the hierarchy chain. A next approver is required if the approval limit of the initial or previous approver is less than the total requested amount. If an employee has a designated purchase approver and supervisor, the purchase approver that meets the condition is set as the next approver. The next

approver is sent an email regarding the pending approval request. The request is sent back to the Pending Approval state.

If no further approval is required, the request is transferred to the Approved state.

Approved

Requests are transferred to the Approved state due to the following conditions:

- Approved by a supervisor or purchase approver and no further approvers have been identified
- The requested amount does not exceed the creator's purchase limit
- The creator has no assigned supervisor and purchase approver

The creator is sent an email to confirm the approval of the request. The purchase order is locked to prevent updates and changes.

Rejected

Requests that are not approved are automatically transferred to the Rejected state. The creator is notified through email regarding the rejected purchase order request.

Customizing the Purchase Order Approval Workflow SuiteApp

You can modify the routing process or settings of the components in the Purchase Order Approval Workflow SuiteApp. For example, changes can be made to designate a substitute when the regular approver is not available.

To customize the purchase order approval workflow:

1. To create a copy, go to Customization > Scripting > Workflows.
2. From the list of workflows, select a workflow to customize.
3. On the **Workflow** page, point to the **More** link.
4. Select **Make Copy**.

   A copy of the workflow appears. For more information, see the help topic Copying a Workflow.

When making any change to the standard workflow, consider the impact it might have on dependent actions, transitions, conditions, or fields. To help in planning your customization, you can read more about workflow states in the topic, Purchase Order Approval Workflow SuiteApp States.

For other ways to customize a workflow such as sending email and fax, see the help topic Using Custom SuiteFlow Workflows for Approval Routing.

After copying and customizing one or both workflows, be sure to run it. For instructions, see the topic Running the Purchase Order Approval Workflow.

Creating a Custom Purchase Order Approval Workflow

The instructions in this section show you how to edit or add conditions, actions, transitions, and other components of the PO Approval Workflow. Before changing the workflow and its components, you can read the description and process flow in the topic Purchase Order Approval Workflow SuiteApp States.

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To edit a condition:

1. To edit the condition of an action or transition, open the workflow state page where the component is set up.

   From this page, you can view the specific component details and make the changes to the condition.

2. On the action or transition page, select an option for creating your condition.

3. When using the Visual Builder, click the icon beside the **Condition** field.

4. If you select the **Custom Formula** option, the **Formula** field is enabled where you can enter your custom formula.

   The following image displays a sample of the condition of a workflow transition.

For specific instructions on using Visual Builder, see the help topic Using the Condition Builder. For more information, see the help topic Using a Custom Formula.

To reorder actions:

1. To change the order of actions in a state or transfer it to another state, on the Workflow State page, click the **Actions** subtab.

2. Drag and drop an action before or after another action or group.

   Alternately, on the Workflow Action page, in the **Insert Before** field, select where you want the action to be moved in front of. On the same page, in the **State** field, you can select the state where you want the action to be transferred to. Do not forget to save your changes. For more information about actions, see the help topic Working with Actions.

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To edit a transition:

1. To view the transitions that are defined on a state, on the Workflow State page, click the **Transitions** subtab.

2. Next to the transition you want to edit, click **Edit**.

3. To add or update a transition trigger for the, select an option in the **Transition On** field.

4. On the **Transitions** subtab, click **New Transition**.

   For more information, see the help topic Working with Transitions.

To add a custom field:

1. On the workflow details pane, click the **Workflow** subtab.

2. Click the **Workflow** subtab.

3. Click the **Fields** subtab.

4. To define the properties of a new field, at the bottom of the pane click **New Workflow Field**.

   A blank Workflow Field page appears.

Custom fields can be used across all states of a workflow, called instance fields, or limited to a state, called state fields.

Alternatively, from the Workflow Field page Workflow page, on the **Workflow** subtab, click the pencil icon. On the Workflow page, click **New Field**.

To create a state field, open the State page by double-clicking the state from the workflow diagram. Alternately, if the State subtab is displayed on the navigation page, you can click the pencil icon. On the State page, click the **Fields** subtab, and then click **New Field**.

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On the **Workflow State Field** page, enter the properties for the new custom state field.

For more information about setting up custom fields, see the help topic Working with Custom Fields.

Custom Workflow-based Approvals for Purchases

You can choose to use SuiteFlow to create your own custom workflow to process purchase requests and purchase orders. Using SuiteFlow for purchases allows more flexible processes for approvals.

> ⓘ **Note:** If you previously used the Approval Routing feature for purchase approvals, before you proceed, read Switching From the Approval Routing Feature to SuiteFlow for Purchases.

To use SuiteFlow to process purchase approvals:

1. To enable features, go to Setup > Accounting > Preferences > Accounting Preferences.

   a. On the **Transactions** subtab, verify that you have enabled the **Purchase Requests** or **Purchase Orders** feature.

   b. On the **SuiteCloud** subtab, check the **SuiteFlow** box.

   c. Click **Save**.

   d. On the **Employees** subtab, check the **Approval Routing** box.

   e. click **Save**

   This feature must be enabled to use these fields on employee records:

   - Purchase Limit
   - Purchase Approver

   These fields are required for use with the workflow.

2. To enable the **Purchase Order Approval Routing** preference, go to Setup > Accounting > Preferences > Accounting Preferences.

   a. On the **Approval Routing** subtab, check the **Purchase Order** box.

3. Set up an approval workflow.

   You must use SuiteFlow to create a workflow to apply to your purchase requests and purchase orders. For details about setting up approval workflows, see the help topic Creating Your First Workflow.

   The following are some options you may consider incorporating into your purchase approvals workflow:

   - Hierarchical or custom routing rules
   - Email notifications that include links to drill down to records for approval
   - Approve and Reject buttons

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- Respecting approval limits
- Updating the Approval Status and Next Approver field on records
- Preventing records that are pending approval from being edited
- Designating an alternate approver

> **Note:** When using approval workflows, if the record is processed through multiple levels of approval by different users in a routing loop, note the following. You should use a custom workflow field that refer to the current approver's approval status. This enables you to track the current approver's approval status separately from the overall approval status of the record.

If you use SuiteFlow for purchase order approval, all purchase orders are created with a Pending Approval status by default. This includes drop ship and special order purchase orders.

You can always still manually set a purchase to an approved status for simple approvals.

Employee Center

When you use SuiteFlow for purchase approvals, the Employee Center is the primary workspace for processing purchase approvals.

- The Employee Centers shows the Purchase Requests to Approve reminder and Approve Purchase Requests queue.
- Employees are shown all purchases for which they are the next approver.
- Users are not required to have the Full permission for the Employee Center to approve and reject purchases through the Employee Center. They can do so with only the View permission.
- Reminders that show in the Employee Center drill down to the approval queue page for purchase requests, but not for expense reports. You can still click through notification email and use the buttons on the purchase form (such as Approve, Reject, etc.)
- An approver that is associated with one subsidiary is able to see records that are associated with another subsidiary to make approvals.

To approve a purchase request using SuiteFlow:

1. Log in to the Employee Center.
2. Click **Approve Purchase Requests**.
3. Select a process in the **Action** field.

   The Action field lists the available actions of all purchase order workflows. For example, you can select the workflow action of Approve, or alternately select the action Reject.

   Actions available in the field are shown as follows:

   - Workflow name
   - Workflow state
   - Workflow action

   For example, a workflow action selection could display:

   - PO Approval Routing
   - Pending Approval
   - Approve

   The third section shows the action that will be implemented for the selected purchases. In the case above, that action is to Approve.

The selection you make in the Action field filters the list of purchases that are displayed.

For example, you select the action "PO Approval Routing : Pending Approval : Approve". The list of purchases that show are only ones that meet the following conditions:

- Uses the workflow named PO Approval Routing
- Has a status of Pending Approval

4. After you select the workflow and action, check the **Select** box next to each purchase you want to process using the action.

5. Click **Submit**.

You also have the option of manually selecting a status in the Approval Status field on a purchase.

Switching From the Approval Routing Feature to SuiteFlow for Purchases

If you already use the Approval Routing feature for purchase approvals, consider the following before you enable the preference to use SuiteFlow.

> ⚠️ **Important:** When the Purchase Order preference for Approval Routing is set, basic functions of the Approval Routing feature are disabled for purchase requests and purchase orders.

- Email notifications are no longer automatically sent when purchase requests are awaiting an approval, are approved, or are rejected. To send such email, you must incorporate these steps into the approval workflow that you create.

- Purchase transactions do not automatically show Approve and Reject buttons to process forms for approval in Employee Center. To show buttons on forms, you must incorporate them into the approval workflow that you create.

- There is no longer Supervisor or Approver hierarchy-based approval routing.

- The Supervisor Approval box no longer shows in non-Employee Center roles.

- Purchase requests that are unapproved or partially approved revert to a status of Pending Approval. You must use the Initiate Workflow Mass Update to start over in approval workflow

- You can later disable the preference and go back to using the Approval Routing feature.

To replace these former functions, you must incorporate them into an approval routing workflow you create. Now, you use SuiteFlow to process approvals for purchases instead of the previous method associated with the Approval Routing feature.

Before you enable the preference, first set up your approval routing workflow. Then, set the workflow to Released when you enable the preference

For details about setting up approval workflows, see the help topic Creating Your First Workflow.

After you enable the preference, the following changes take place in your account with regard to purchase approvals.

Initiate Workflow Mass Update

When you use SuiteFlow for existing purchase approvals, purchase orders, and requests that are unapproved or partially approved have the Pending Approval status. Approval steps you previously entered may need to be re-entered using SuiteFlow. You must run an Initiate Workflow mass update after you have set up your workflow.

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When you run the mass update, the existing transactions that require additional approval steps are incorporated into the workflow at the appropriate stages. Then, they are ready for remaining processing within the workflow.

For details about running the Initiate Workflow mass update, see the help topic Mass Initiating Workflow Instances.

Approval Status field

When you use SuiteFlow for purchase approvals, purchase orders and requests now include an Approval Status field. The Approval Status field reflects the state of the transaction in the approval process.

Purchase orders and requests may have one of the following statuses:

- Pending Approval – The purchase is in the approval queue.
- Approved – The purchase has been given approval for processing.
- Rejected – The purchase has not been approved and will not be processed.

Existing purchase orders and requests show the following in the new Approval Status field based on the transaction status:

Previous Status	New Status
Pending Supervisor Approval	Pending Approval
Pending Receipt	Approved
Partially Received	Approved
Pending Bill	Approved
Pending Billing/Partially Received	Approved
Fully Billed	Approved
Closed	Approved
Rejected by Supervisor	Rejected

Next Approver Field

When you use SuiteFlow for purchase approvals, purchase orders and requests include a Next Approver field. This field is populated based on the associated workflow.

For example, in your workflow you may create a state of Pending Approval. In that state you create a formula to set the Next Approver as the employee's supervisor.

Accounting for Received Purchase Orders

A purchase order has no accounting impact until the ordered items are received.

Using Advanced Receiving, you can receive and bill your purchase orders in separate steps. Your inventory and accounting records are affected when a purchase order is received and billed.

NetSuite uses the Accrued Purchases account to offset your A/P register. Using this account balances your A/P register for inventory that has been received but not paid for.

You can address discrepancies in quantity, price, and exchange rate between purchase orders, bills, and receipts by posting vendor bill variances. For more information, see the help topic Vendor Bill Variances.

When a purchase order is received:

- An Item Receipt is issued.
- Your inventory is updated with new on-hand quantities.
- The total value of the inventory received is entered in your Accrued Purchases account.
- The purchase appears on Vendor/Purchase reports, but does not appear on the Open Bills report.

When a received order is billed :

- The purchase appears on the Open Bills report.
- The Accrued Purchases account is listed in the Account column.

When the bill is paid:

- The total value of the billed inventory is entered in your A/P Register.
- The transaction is considered closed.

Drop Shipment and Special Order Purchases

You can use the Drop Shipments and Special Orders feature to create purchase orders for items. When a sales order is approved that contains drop ship or special order item, a purchase order is automatically created for the item.

Drop shipments and special order items are purchases that are not processed the same way as other items that you purchase:

- When you drop ship an item, the item is sent directly from your vendor to your customer. The item is not processed in your inventory.
- Use special orders to purchase and track items that might not follow regular inventory processing, such as immediate-need orders or orders for customized items. For example, you sell items that are customized by your vendor. You can track custom item orders as special order items. The sales order is not fulfilled with regular stock. It is fulfilled only when the linked order for the special item is received from the vendor.

Items are identified as a drop shipment or a special order when the sales order is created. For more information, see the help topics Marking an Item for Drop Shipment and Identifying Special Orders.

You can also manually set an item to drop ship or be special ordered when entering, editing or viewing sales orders:

- When entering a sales order, select **Drop Ship** or **Special Order** in the **Create PO** column next to the item.
- When editing an existing sales order:

  In **View** mode, click **Drop Ship** or **Spec. Ord.** in the **Create PO** column next to the item.

  In **Edit** mode, click the line-item. In the **Create PO** field, select **Drop Ship** or **Special Order**.

When a sales order that contains an item set to drop ship or special order is saved or approved, a purchase order is automatically initiated.

- Drop-ship purchase orders show the preferred vendor for the item and the customer's shipping address.

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- Special order purchase orders show the preferred vendor for the item and your company's shipping address.
- The Administrator permission is used to create the work order or purchase order if either of the following conditions apply:
  - The drop-ship order is created from the web store, or
  - The user does not have permission to create the work order or purchase order.

    If the Administrator permission is required to create the work order or purchase order, the preferred form for the administrator role is used.

> **ⓘ Note:** If you use NetSuite OneWorld and have vendors shared with multiple subsidiaries, note the following. If a sales order for a secondary subsidiary includes an item marked for drop ship, NetSuite automatically creates a purchase order. This purchase order is based on the preferred vendor for that drop shipped item.
>
> If the subsidiary on the sales order is not the subsidiary of the preferred vendor for the item, you must manually create the purchase order.
>
> For more information about shared vendor records, see the help topic Assigning Subsidiaries to a Vendor.

If you use Multiple Currencies, drop shipments and special orders use the primary currency of the preferred vendor. For more information, see the help topic Vendors and Multiple Currencies.

If you use Multiple Units of Measure and have enabled the Update Special Order Quantities Automatically Prior to Shipment preference, note the following. You should use the same unit of measure on both the purchase order and sales order for an item. If you use different units of measure, it can cause errors due to rounding for differences greater than five decimal places.

To create the purchase orders that are initiated by drop shipments and special orders, go to Transactions > Inventory > Order Items..

After you have placed orders, you can view them by going to Transactions > Purchases > Enter Purchase Orders > List.. On the Purchase Orders page, you can click View or Edit next to an order to open it. The Status column shows the status of the order.

> **ⓘ Note:** You should not delete an existing purchase order that contains a serial-numbered or lot-numbered item. Doing so can place your inventory in an invalid state.

You can set preferences so the purchase order is automatically emailed, faxed or set to print when it is generated. You can also select which purchase order transaction form you want to use. To set purchase order preferences, go to Setup > Accounting > Preferences > Accounting Preferences. Click the Order Management subtab.

Marking the Purchase Order Fulfilled

If you use Advanced Shipping, Advanced Receiving, both or neither, there are different ways to receive the purchase order and mark the sales order fulfilled:

- **Advanced Shipping and Advanced Receiving**

  On the purchase order, click **Mark Shipped** to receive purchase orders and mark sales orders as fulfilled. Clicking **Mark Shipped** opens the sales order fulfillment page. When you submit the

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fulfillment, the purchase order status is set to **Pending Billing**. The purchase order and sales order are then ready to be billed.

If you receive the items on the Receive Purchase Order page, the sales order is not updated to reflect that the items have shipped. You must open the sales order and click **Fulfill** to show that the items have shipped. Then, the purchase order and sales order have a **Pending Billing** status.

- **Advanced Shipping**

  On the purchase order, click **Receive** to receive the order and bill it.

  On the sales order, click **Fulfill** to mark it as fulfilled and create an invoice or cash sale.

- **Advanced Receiving**

  On the purchase order, click **Receive** to receive the order and bill it.

  On the sales order, click **Process** to mark it as fulfilled and create an invoice or cash sale.

- **Neither**

  On the purchase order, click **Receive** to receive the order and bill it.

  On the sales order, click **Process** to mark it as fulfilled and create an invoice or cash sale.

Purchase Order History Report

The Purchase Order History report details purchase orders you have entered and helps you assess transactions and items associated with them. You can see how much you have authorized for purchase and at what price. You can also see how many you have received, and how much you have been billed for items.

To view the Purchase Order History report, go to Reports > Purchases > Purchase Order History.

To filter the data on the report, see the help topic Filtering Data on Reports.

See the following screenshot for an example of a Purchase Order History report:

The Purchase Order History report can help you spot discrepancies between amounts ordered and billed or between rates on orders and bills. This can help you reconcile your accounts by gathering data about orders and bills for comparison.

On the Purchase Order History report, the Receipt Minus Bill Amount column displays posting lines from inventory items on transactions.

- Receipts have a positive value in this column.

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- Vendor bills have a negative value in this column.

If the Receipt Minus Bill Amount is not balanced, this could indicate a problem in the workflow for that order that must be reconciled. Keeping track of these discrepancies for orders can help you verify that vendors bill you the correct amount.

For example, purchase order #1001 shows 5 widgets ordered. The receipt against the purchase order shows 5 widgets received, but the associated bill shows the vendor charged you for 10 widgets. Because the bill amount is higher than the order amount, the Receipt Minus Bill Amount is not balanced for that order. The Purchase Order History report helps you identify such a discrepancy.

If the Receipt Minus Bill Amount is not balanced, it is may be due to one of the following three causes:

1. The quantity on the order and the quantity on the bill do not match.

    This might indicate that you have been billed for an incorrect quantity.

    - For example, purchase order #1001 shows 5 widgets ordered. The receipt against the purchase order shows 5 widgets received, but the associated bill shows the vendor charged you for 10 widgets.

    Verify that quantities match in the Qty column.

2. The purchase price on the order and the price on the vendor bill do not match.

    This might indicate you have been billed at the wrong rate by the vendor.

    - For example, purchase order #1001 shows 5 widgets ordered at $5 each. The associated bill shows the vendor charged you $10 per widget.

    Verify that billing rates are correct in the Rate column.

3. The currency exchange rate on the order is no longer current when you enter the receipt.

    Currency rate fluctuations can cause discrepancies in the cost of an item. This means that even if quantities and prices are entered correctly, the amounts can be inaccurate.

    - For example when you entered the purchase order, the exchange rate was 1.0. Later, when you enter the receipt, the current exchange rate is 1.25. If you do not use the current rate on the receipt, it may cause a discrepancy.

    Compare rates in the Rate column to identify exchange rate issues.

> **ⓘ Note:** You can set the Default Receiving Exchange Rate preference to determine how rates are handled. For more information, see Exchange Rates on Item Receipts.

For discrepancies you find that cannot be corrected by updating a quantity or rate, create a journal entry to resolve the issue. For details on creating journal entries, see the help topic Manual Journal Entry Creation.

Centralized Purchasing and Billing

The Centralized Purchasing and Billing feature enables you to receive orders and fulfill vendor returns across multiple subsidiaries and locations. This simplifies the procurement workflow, makes the item receipt process more flexible, and avoids unnecessary transfer of orders between locations.

After you enable the Centralized Purchasing and Billing feature, you are not limited to receive purchase orders in the originating subsidiaries's locations. You can create a single centralized purchase order that you can receive in any subsidiary and location. You can then create bills and make bill payments centrally from the originating subsidiary.

The Centralized Purchasing and Billing feature also enables you to consolidate requisitions entered from any subsidiary into a centralized purchase order.

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Similarly, you can create a vendor return authorization centrally, fulfill the return in specific subsidiaries and locations, and credit the return centrally.

> **Note:** This feature includes the following restrictions:
>
> - This feature is only available with a OneWorld account.
> - Centralized Purchasing and Billing does not support drop shipments or special orders.
> - If you use the Intercompany Framework feature, Centralized Purchasing and Billing does not support representing entities. To enter a purchase order or requisition with a representing entity vendor, do not enter a target location or target subsidiary for any line item. For more information about representing entities, see the help topic Representing Entities.

You can use both methods of posting vendor bill variances. When you post a variance, the journals generate under the receiving subsidiary. Vendor bill variance postings generate based on individual vendor bill lines. This includes support for multi-currency scenarios, for when the base currency between subsidiaries differs. For more information, see the help topic Vendor Bill Variances.

See the following help topics:

- Enabling Centralized Purchasing and Billing
- Cross-Subsidiary Requisitions
- Centralized Purchase Orders
- Centralized Vendor Returns

See the following diagram for an overview of the centralized purchasing and billing flow:

Centralized Purchasing and Billing Flow

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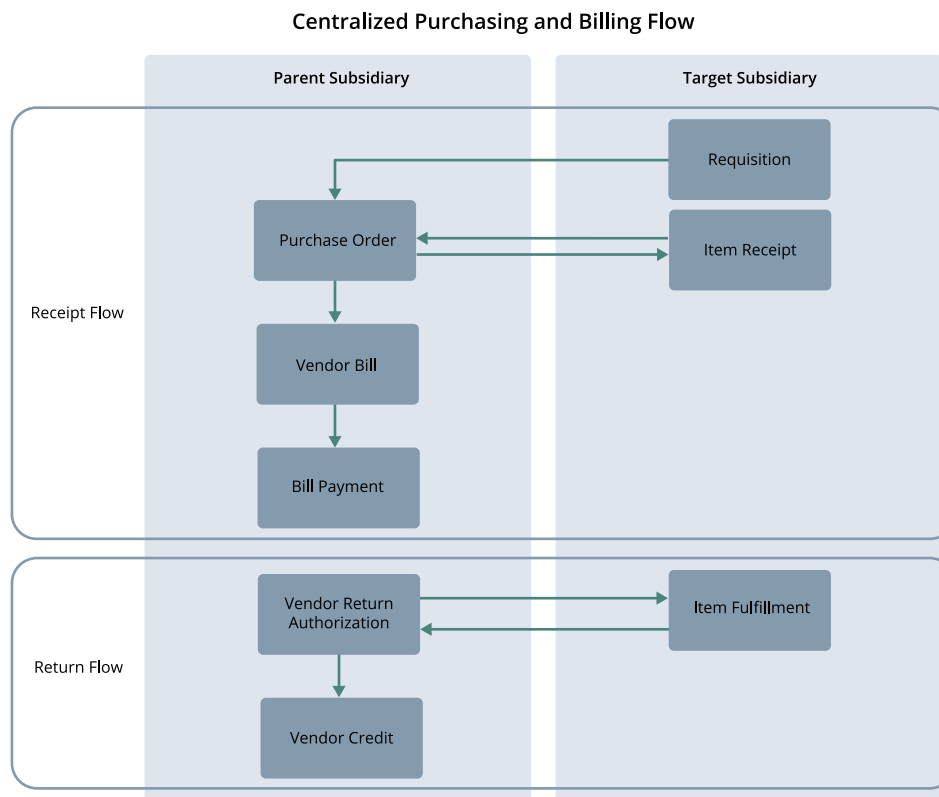
Enabling Centralized Purchasing and Billing

Follow this procedure to enable the Centralized Purchasing and Billing feature.

> ℹ️ **Note:** Centralized Purchasing and Billing is not dependent on any other feature.

> ⚠️ **Important:** After you enable Centralized Purchasing and Billing, note the following. All related features that track inventory based on location rely on the added Target Subsidiary and Target Location columns for the location of line items.

To enable centralized purchasing and billing:

1. Go to Setup > Company > Setup Tasks > Enable Features.
2. Click the **Items & Inventory** subtab.
3. In the Inventory section, check the **Centralized Purchasing and Billing** box.
4. Click **Save**.

Cross-Subsidiary Requisitions

The Centralized Purchasing and Billing feature enables you to consolidate requisitions from any subsidiary into a centralized purchase order.

To enable cross-subsidiary requisitions, you must enable both the Centralized Purchasing and Billing feature and the Requisitions feature. For more information, see Enabling the Requisitions Feature.

When you enable Requisitions along with Centralized Purchasing and Billing, the process of entering requisitions does not change. However, after you enable the necessary features, the Order Requisitions page includes a Purchasing Subsidiary column. This column determines the parent subsidiary on the generated centralized purchase order.

For more information, see Ordering Cross-Subsidiary Requisitions.

Ordering Cross-Subsidiary Requisitions

See the following procedure to order cross-subsidiary requisitions.

To order cross-subsidiary requisitions:

1. Go to Transactions > Purchases > Order Requisitions.

   The Order Requisitions page opens and shows a list of approved requisition lines that need to be ordered. This includes requisitions with a status of Pending Order or Partially Ordered. For more information about ordering requisitions, see Ordering Requisitions in Bulk.
2. Check the box next to requisition lines you want to order.
3. In the **Purchasing Subsidiary** column, select the subsidiary you want to set as the parent subsidiary of the centralized purchase order you want to generate.

   When you order cross-subsidiary requisitions, the **Subsidiary** from the Order Requisitions page determines the **Target Subsidiary** on the generated centralized purchase order for that line. The **Location** from the Order Requisitions page determines the **Target Location** on the generated centralized purchase order for that line.
4. Click **Submit**.

If you make Class, Department, or Location fields required, there is a special considerations when you order cross-subsidiary requisitions. For more information, see Accounting Preference Considerations for Cross-Subsidiary Requisitions.

Accounting Preference Considerations for Cross-Subsidiary Requisitions

There is a special consideration for the Class, Department, and Location classification fields if the following features and accounting preferences are enabled:

Classification Fields	Enabled Features (Company)	Accounting Preferences (General)	Accounting Preferences (General)
Class	Class	Allow Per-Line Classes	Make Classes Mandatory
Department	Department	Allow Per-Line Departments	Make Departments Mandatory
Location	Location	Allow Per-Line Locations ⓘ **Note:** When you enable Multi-Location Inventory, this preference is automatically enabled and hidden.	Make Locations Mandatory

Class, Department, and Location (CDL) fields are required under these conditions. However, Centralized Purchasing and Billing allows for CDL fields to be empty when you order requisitions. See the following possible scenarios.

Bulk ordering multiple requisitions:

- If the purchasing subsidiary is the same as the target subsidiary, the purchase order keeps the CDL information at line level. It does not keep it on the header level.
- If the purchasing subsidiary is not the same as the target subsidiary, the purchase order keeps the CDL information at line level. However, this is only for the lines that share the CDL information with the purchase order header subsidiary.

Ordering from an individual requisition:

- If the purchasing subsidiary is the same as the target subsidiary, the purchase order keeps the CDL information at line level and header level.
- If the purchasing subsidiary is not the same as the target subsidiary, the purchase order does not keep the CDL information at either level.

Centralized Purchase Orders

After you enable Centralized Purchasing and Billingfeature, line items on the Items subtab of the purchase order contain Target Subsidiary and Target Location columns. The target subsidiary and target location values can be different from the Subsidiary and Location fields. Each item in a single purchase order can go to a different subsidiary and location. When you set the Target Subsidiary and Target Location fields on a line item, you override the Subsidiary and Location fields for that line item. You can configure available subsidiaries and locations on individual item records. For more information, see the help topic Creating Item Records.

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- Entering a Centralized Purchase Order
- Receiving a Centralized Purchase Order
- Centralized Purchase Order Billing

Entering a Centralized Purchase Order

Follow this procedure to enter a centralized purchase order.

To enter a centralized purchase order:

1. Go to Transactions > Purchases/Vendors > Enter Purchase Orders.
2. Complete the form. For more information about completing a purchase order form, see Entering a Purchase Order.
3. For items you want to receive in a subsidiary and location other than the one set in the header, do the following:
   a. In the **Expenses and Items** subtab, click the **Items** subtab.
   b. In the **Target Subsidiary** column, select the subsidiary to be associated with this line item.
   c. In the **Target Location** column, select the receiving location for this line item.
4. Click **Save**.

Receiving a Centralized Purchase Order

Centralized purchase orders are split into multiple item receipts that generate based on the Target Subsidiary and Target Location fields. The receipts retain the same order number. After receiving the items from a central purchase order, each receipt is associated with the target subsidiary and location. You can create the item receipt from the Receive Orders page or directly from the purchase order.

To receive a centralized purchase order:

1. Do one of the following:
   - Go to Transactions > Purchases > Receive Orders.
   - To receive the order directly from the purchase order, click **Receive** from the purchase order record. If you choose this option, the Receive Orders page automatically filters the **Orders** list by order number.
2. You can filter the **Orders** list in the following ways:
   - To filter by vendor, select a vendor in the **Vendor** field.
   - To filter by target subsidiary, select a subsidiary in the **Target Subsidiary** field.
   - To filter by order number, enter an order number in the **Select Order Number** field.
3. In the **Orders** list, click **Receive** next to the purchase order you want to receive.

   > ⓘ **Note:** If you prefer, you can receive purchase orders in bulk. For more information, see the help topic Bulk Receiving Purchase Orders.

4. On the item receipt, click **Save**.

   Alternatively, to save and automatically generate a bill, point to the **Save** button, and the select **Save & Bill**. The bill generated based on the receipt belongs to the parent subsidiary of the centralized purchase order.

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Centralized Purchase Order Billing

When you create a bill associated with a centralized purchase order, all purchase order lines received up to that point transfer to the bill automatically. To enter a vendor bill for a centralized purchase order you can follow the standard billing procedure. For more information, see Billing a Purchase Order With Advanced Receiving.

> **Note:** Line items on the vendor bill form contain the following columns:
>
> - **Due To/From Subsidiary** – Specifies the target subsidiary of the vendor bill line
> - **Target Location** – Specifies the target location of the vendor bill line
>
> The columns are hidden by default. If you want these columns to appear on your form, you must create a custom vendor bill form.

The Centralized Purchasing and Billing feature enables the automation of intercompany cross charges between the billing subsidiary and the target subsidiary. You can set the automation to automatically run when the accounting period closes. For more information about generating intercompany cross charges, see the help topic Intercompany Cross Charges.

Centralized Vendor Returns

After you enable the Centralized Purchasing and Billing feature, you can create a vendor return authorization centrally. Then, you can ship the return from specific subsidiaries and locations, and then credit the return to the originating subsidiary.

To return purchase orders centrally, you first have to enable the Vendor Return Authorizations feature. For more information, see the help topic Vendor Return Authorization Overview.

The Centralized Purchasing and Billing feature enables the automation of intercompany cross charges between the credit subsidiary and the target subsidiary. You can set up the automation to be performed upon accounting period closure. For more information, see the help topic Intercompany Cross Charges.

See the following help topics:

- Creating a Centralized Vendor Return Authorization
- Shipping Centralized Vendor Returns
- Crediting a Centralized Vendor Return

Creating a Centralized Vendor Return Authorization

When you use both Centralized Purchasing and Billing and Vendor Return Authorizations, NetSuite adds two required columns to the vendor return authorization form. Line items on vendor return authorizations contain the Target Subsidiary and Target Location columns. This is used to indicate the subsidiary and location you want to make the return from.

> **Note:** It is not possible to bulk process vendor returns.

To create a centralized vendor return authorization:

1. Go to Transactions > Purchases > Enter Purchase Orders > List.

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2. Click **View** next to the purchase order you want to return.

3. Click **Authorize Return**.

> ⚠️ **Important:** Only purchase orders with a status of Pending Bill or Fully Billed contain the **Authorize Return** button. Purchase orders with a status of Pending Receipt or Pending Billing/Partially Received do not contain the **Authorize Return** button.

A vendor return authorization form generates based on the information from the originating purchase order.

> ℹ️ **Note:** When you create a vendor return authorization from an existing purchase order, you cannot edit the Vendor field on the vendor return authorization. This is because it is linked to the vendor from the purchase order. If you need to set the Vendor field manually, enter a standalone vendor return authorization. For more information, see the help topic Creating a Vendor Return Authorization.

4. On the **Expenses and Items** subtab, click the **Items** subtab.

5. Review the items and quantities to be returned.

6. To verify the target subsidiary of a line item, see the **Target Subsidiary** column.

7. To verify the target location of a line item, see the **Target Location** column.

8. To remove items that you do not want to return, click the line item, and then click **Remove**.

9. Click **Save**.

After you click Save, the vendor return authorization is recorded in the Vendor Return Authorizations register, a non-posting account in your chart of accounts.

Shipping Centralized Vendor Returns

You can fulfill vendor returns from the Ship Vendor Return Authorization page, or by clicking the Return on the vendor return authorization record. The item fulfilment record is generated based on lines specified in the vendor return authorization record. After you enable Centralized Purchasing and Billing, the Ship Vendor Return Authorization page contains a Target Subsidiary filter. It also splits vendor returns by the Target Subsidiary column, when applicable.

When you initiate a vendor return directly from the vendor return authorization record, the Ship Vendor Return Authorization page is automatically filtered by order number. If a vendor return authorization is to be fulfilled by multiple subsidiaries, note the following. The orders on the Ship Vendor Return Authorization page are divided by target subsidiary.

> ℹ️ **Note:** Line items on the bill credit form contain the following columns:
>
> - **Due to/From Subsidiary** – Specifies the target subsidiary of the vendor bill line
> - **Target Location** – Specifies the target location of the vendor bill line
>
> The columns are hidden by default. If you want these columns to appear on your form, you must create a custom bill credit form.

To ship a centralized vendor return:

1. Do one of the following

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- Go to Transactions > Purchases > Enter Vendor Return Authorizations.
- To ship a return directly from the vendor return, click **Return** from the vendor return you want to mark as shipped. If you choose this option, the Ship Vendor Return Authorizations page automatically filters the **Orders** list by return number.

2. You can filter the **Orders** list in the following ways:

   - To filter by vendor, select a vendor in the **Vendor** field.

     If the authorized return you want to ship does not appear the list, the return may be pending approval. For more information, see the help topic Approving a Vendor Return Authorization.

   - To filter by target subsidiary, select a subsidiary in the **Target Subsidiary** field.
   - To filter by return number, enter an order number in the **Select Return Number** field.

3. In the **Return** column, check the box next to the return you want ship.
4. Click **Submit**.
5. On the Item Fulfilment form, verify or edit the return information.
6. Click **Save**.

   For more information about filling out the Item Fulfilment form, see the help topic Shipping Authorized Vendor Returns.

Crediting a Centralized Vendor Return

After you at least partially fulfill the vendor return authorization, you can refund the order in the form of vendor credit.

To create a vendor credit record, click the Refund button on the original vendor return authorization record.

The bill credit form automatically transfers lines from the vendor return authorization record.

The generated vendor credit belongs to the originating subsidiary.

For more information, see the help topic Vendor Credits.

Receiving Orders

Items can arrive at your warehouse for several reasons:

- Vendors send items you have ordered.
- Customers send items you have authorized to be returned.
- Other company locations send items to transfer to your location.

Purchase order items are received from vendors and suppliers. Transfer order items are received from your company's various locations. Return authorization items are received as returns from customers.

As these items arrive at your business, you need to match the items against open purchase orders. transfer orders, or return authorizations. This process is called receiving.

When you receive items at your location, those items need to be recorded in your inventory. It is important to track the items you receive because it affects your stock levels, accounting records and item commitment.

When you receive an order, NetSuite does the following:

- Updates item stock levels and tracks how much is still on order
- Updates the total asset value of your inventory
- Allocates items to existing sales commitments and backorders.

When a shipment arrives, you receive items against an open order to specify that some or all items on the order are received. If you enter an item receipt to specify exactly what you received, you can track items that arrived and the items not yet arrived.

How you receive items depends on whether you use the Advanced Receiving feature.

- If you do not use Advanced Receiving, the receiving and billing processes are combined. When you receive an item, you create a vendor bill for it simultaneously.
- If you prefer to have separate processes to receive items and create vendor bills, you can use the Advanced Receiving feature.

  With Advanced Receiving, you can use separate processes to receive items separately from billing items. Then, you can receive parts of an order before creating a bill for the whole order.

- If you use return authorizations, you can also receive authorized returns in parts using Advanced Receiving and the Item Receipt page.

Receiving Purchase Orders

When receiving purchase orders, you need to receive the items and create a bill for them.

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- **Receiving** a purchase order indicates you have received items you ordered from a vendor and added them to your inventory.
- **Billing** a purchase order creates a vendor bill for the amount you owe for the products received.

The steps to receive and bill orders depend on whether you use the Advanced Receiving feature.

- If you do not use Advanced Receiving, you receive and bill purchase orders in one step, at the same time.
- If you use Advanced Receiving, you can receive and bill purchase orders as separate transactions. This enables you to receive entire orders or parts of an order, even if you do not bill the order when you receive it.

  To enable Advanced Receiving, go to Setup > Company > Enable Features. On the Purchase Transactions subtab, check the Advanced Receiving box and then click Save.

If you want to include expenses in addition to items on your purchase orders, go to Setup > Accounting > Preferences > Accounting Preferences. Check Allow Expenses on Purchase Orders and then click Save.

For more information, see Receiving Purchase Orders or Receiving a Purchase Orders With Advanced Receiving.

When you use Advanced Receiving, purchase order items can be matched to the corresponding vendor bill to check for variances in quantities and rates. For more information, see the help topic Posting Vendor Bill Variances.

Receiving Transfer Orders

When items being transferred between locations are received by a warehouse, the transfer order must be marked as received by entering an item receipt. Receiving a transfer order into inventory adds the quantities received to the Quantity on Hand count at the receiving location.

If a transfer order has been partially fulfilled, you must match items to a fullfillment when you receive them.

For more information, see the help topic Receiving Transfer Orders.

Receiving Customer Returns

When a shipment from a customer arrives at your business, process the return by matching the shipment to the corresponding return authorization number. Then, enter an item receipt for any items in that shipment against the open authorized return.

When you use the Advanced Receiving feature, you can mark authorized returned items as received when they arrive.

By entering a receipt against the RMA, the following information is updated:

- Items on return authorizations are recorded as received.
- Inventory records are updated for the new stock levels.
- Inventory asset accounts are updated with the values of returned items.
- Status of the return is updated.

For more information, see the help topic Receiving a Customer Return.

Exchange Rates on Returns

You can set a preference for how currency exchange rates are handled on returns you process. This helps if exchange rates change between the time an order is entered and when it is received. For more information, see Exchange Rates on Item Receipts.

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Related Topics

- Requisitions
- Purchase Requests
- Request for Quote
- Purchase Contracts and Blanket Orders
- Purchasing
- Expenses
- Procurement Dashboard
- Purchases Workbooks

Receipt Workflow Charts

The following workflow diagrams illustrate item receipt without and with Advanced Receiving.

Purchased Item Receipt Workflow (without Advanced Receiving)

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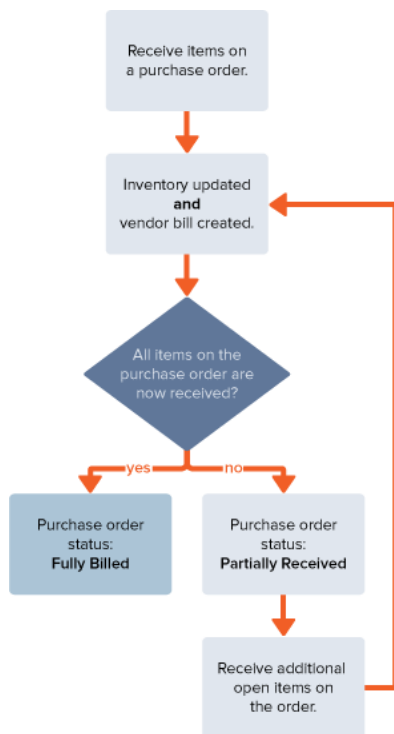
Purchased Item Receipt Workflow (with Advanced Receiving)
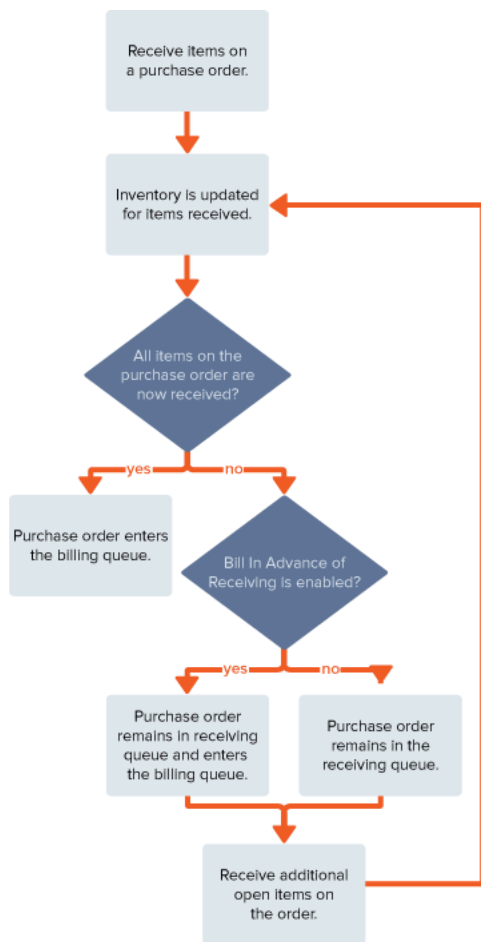
Receiving Purchase Orders

When receiving purchase orders, you need to receive the items and create a bill for them.

- **Receiving** a purchase order indicates you have received items you ordered from a vendor and added them to your inventory.
- **Billing** a purchase order creates a vendor bill for the amount you owe for the products received.

The steps to receive and bill orders depends on whether you use the Advanced Receiving feature.

- If you use Advanced Receiving, you receive and bill purchase orders in separate steps. For more information, see Receiving a Purchase Orders With Advanced Receiving and Bulk Receiving Purchase Orders.
- If you do not use Advanced Receiving, you receive and bill purchase orders at the same time.
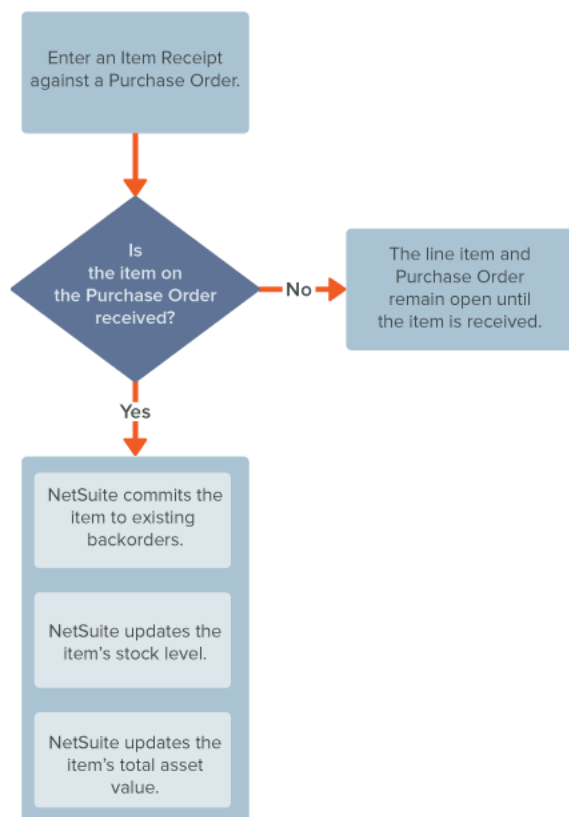
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To receive and bill a purchase order without advanced receiving:

1. Go to Transactions > Purchases > Receive Order.
2. Select the vendor whose purchase order you want to receive and bill.
3. In the **Bill** column, check the box next to the purchase order you are processing.

   You can bill multiple purchase orders from the same vendor at one time.

   You can bill only one vendor at one time.
4. Click **Submit**.

   The purchase order you have selected appears as a bill to enter.

   > ⓘ **Note:** If you selected more than one purchase order, the orders are grouped together in the bill.

5. To receive only part of the order, click the line of the item you want to partially receive.
6. In the **Quantity** field, enter the number of items you received.
7. Click **Edit**.
8. Repeat these steps for each item you want to edit.
9. Click **Save**.

When purchases are received, your inventory is updated and a bill is created for the items received.

To edit an item receipt, go to Transactions > Purchases > Receive Order and click Edit next to the receipt you want to change.

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A partially received purchase order has the status of Open and remains in the receiving queue. A bill is created for only the portion you receive.

To see what has already been received and billed for a purchase, go to the purchase order. On the History subtab, click Receipts & Bills.

Partially Receiving a Purchase Order

If you receive only part of a purchase order, you can indicate what was received and bill the order based on those quantities.

To receive part of a purchase order:

1. Go to Transactions > Purchases > Receive Order.
2. Complete the form as described in the sections below.
3. When you have finished, choose one of two options to post the information to your NetSuite account:

   - Click **Save** to save the information and return to the Transactions page.
   - Click **Save & Bill** to save the information and go to the bill for this partially received purchase order.

     You create bills for only what you received.

To select an order:

1. Select a vendor from the list.
2. Select a vendor in the **Vendor** field to filter the list. Select **All** to show orders for all vendors.
3. In the **Process** column, click **Receive** beside the purchase order for which you received partial shipment.

   The item receipt form opens.

To complete the item receipt:

1. On the Item Receipt page, accept or enter a number you can later use to reference this partial receipt in the **Reference #** field.
2. Verify information in the following fields:

   - **Vendor** – the vendor filling the purchase order
   - **Created From** – the purchase order number of the order you are receiving
3. Verify or enter the date on which the order was received.
4. Select a posting period.
5. Optionally enter a memo. Text you enter in this field can be searched for later.
6. On the **Items** subtab, check the box in the **Receive** column next to the items being received.
7. In the **Quantity** column, enter the amount of the item you received in this shipment.
8. Click the **Landed Cost** subtab to enter landed cost for the transaction.

   For more information, see Entering Landed Cost on a Transaction.
9. Click the **Expenses** subtab.
10. Check the box in the **Mark Received** column next to expenses you want to receive.

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The purchase order has the status Partially Received, and your inventory is automatically updated with the items that have been received.

To receive the rest of this order in the future, repeat the steps above.

To see what has already been received and billed for a purchase order, click the Related records subtab, and then click Receipts & Bills.

Receiving a Purchase Order Before Billing

If you use the Advanced Receiving feature, you can receive and bill purchase orders as separate transactions. Enter a receipt to indicate that items have been received without a entering bill.

To receive items without billing them:

1. Go to Transactions > Purchases > Receive Order.
2. On the Item Receipt page, in the **Vendor** field, select a vendor.

   You can select **All** to show all purchase orders with a Pending Receipt status.
3. Click **Receive** in the **Process** column next to the purchase order you want to receive.
4. Click **Submit**.
5. On the Item Receipt page, verify that the items to receive are correct.
6. Click the **Landed Cost** subtab to enter landed cost for this transaction.

   For more information, see Entering Landed Cost on a Transaction.
7. Click **Save**.

   The status of the Purchase Order is now Pending Billing.

Your inventory records will be up to date, but the order will not display as a bill entered. After you receive the bill from the vendor, bill the purchase order.

> **Note:** On purchase orders, you are able to close line items manually when you do not intend to receive open items on the order. For more information, see Closing Line Items on Purchase Orders.

Receiving a Purchase Orders With Advanced Receiving

After items you ordered have arrived, process the purchase order by receiving the items and creating a bill for them.

- **Receiving** a purchase order indicates you have received the items you ordered and added them to your inventory.
- **Billing** a purchase order indicates you expect payment for the items and creates a bill in accounts payable.

When receiving a purchase order, you can receive an entire purchase order or only some items on the order. If you receive only part of the order, you can receive the remainder later. You need to receive and bill each purchase order for all items you receive.

If you use the Advanced Receiving feature, you can receive and bill purchase orders as separate transactions. This enables you to receive entire orders or parts of an order, even if you do not bill the order when you receive it. To enable Advanced Receiving, go to Setup > Company > Enable Features. Check the Advanced Receiving box and then click Save.

To receive a purchase order with advanced receiving:

1. Go to Transactions > Purchases > Receive Order.
2. Complete the steps described in the sections below.
3. When you have filled in all information, do one of the following:
   - Click **Save**.
   - Click **Save and Bill** to also create a vendor bill for the items you mark received.

To select an order:

1. The Receive Order queue displays the following information about each order pending receipt:
   - **Transaction Type** – the kind of transaction
   - **Mark Shipped** – identifies drop shipment orders
   - **Date** – the purchase order transaction date
     You can click the date to open the purchase order form
   - **PO #** – the purchase order number
   - **Vendor Name** – name of the vendor
   - **Ship To** – the contact for the item being shipped
   - **Memo** – the memo entered on the purchase order
   - **Order Total** – total purchase amount for the order
   - **Currency** – the currency used on the purchase order
2. Select a vendor in the **Vendor** field to filter the list. Select **All** to show orders for all vendors.
3. In the **Process** column, click **Receive** next to the purchase order.

To complete the item receipt:

1. On the Item Receipt page, accept or enter a number you can later use to reference this partial receipt in the **Reference #** field.
2. Verify information in the following fields:
   - **Vendor** – the vendor filling the purchase order
   - **Created From** – the purchase order number of the order you are receiving
3. Verify or enter the date on which the order was received.
4. Select a posting period.
5. Optionally enter a memo. Text you enter in this field can be searched for later.

Items Subtab

1. On the **Items** subtab, check the box in the **Receive** column next to items you are receiving.
2. Select a location to receive the items into inventory.

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3. The on-hand quantity autofills when you select a location.

4. The **Remaining Quantity** field shows the number not yet received.

5. In the **Quantity** column, enter the amount of each item you received in this shipment.

6. In the **Serial Number** field, enter the serial numbers of the items you receive.

> ℹ️ **Note:** The quantity of serial numbers entered must match the quantity of serialized items on each transaction line. For example, if you are receiving three serialized items, you must enter three serial numbers.

Expenses Subtab

1. Click the **Expenses** subtab.

2. Check the box in the **Mark Received** column next to expenses you want to receive.

Landed Cost Subtab

1. Click the **Landed Cost** subtab to enter landed cost for this transaction.

   For more information, see Entering Landed Cost on a Transaction.

Relationships

1. Under **Contacts**, the primary contact for the customer is selected automatically. To edit information for this contact, click the contact's name.

2. You can also add contacts to this order by entering the contact's information and clicking **Add**.

Communication

1. On the **Messages** subtab, complete the following as necessary:

   - Check the **To Be Printed** box if you want to save the purchase order in a queue for printing later.

   - Check the **To Be Emailed** box and enter or verify an email address if you want to email the purchase order.

     > ℹ️ **Note:** If you use Approval Routing, you can only email purchase orders that have been approved by a supervisor.

   - Check the **To Be Faxed** box and enter or verify a fax number if you want to fax the purchase order.

     If you prefer, you can click **Print** when you have finished entering all the information to immediately save and print the purchase order.

   - Enter a vendor message to appear on your purchase order.

2. Use the **Events**, **Tasks**, and **Phone Calls** subtabs to attach activities to this transaction. For more information, see the help topic Attaching Events, Tasks, and Calls to Records and Transactions.

3. On the **Files** subtab, you can select and attach files from the File Cabinet related to this transaction. Select **New** to upload a new file to File Cabinet.

4. On the **User Notes** subtab, you can enter a title and note for any comments you want to add to this transaction. Click **Add** after each note.

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Partially Received vs. Fully Received

If you **did not receive** all items on this purchase order, your inventory is updated with the items received. The order then has the status Partially Received. To receive the rest of this order when the items arrive, repeat the steps above.

If you **did receive** all items on the purchase order, your inventory is updated with the items received. The order then has the status Pending Billing. Bill the purchase order by going to Transactions > Payables > Bill Purchase Orders.

To see what has already been received and billed for a purchase order, click the Related Records subtab on the purchase order. Then click Receipts & Bills.

Receiving Serial or Lot Numbered Inventory

After you receive **serialized or lot-numbered inventory** from vendors, you can enter a memo or custom information about the item.

To enter a memo or custom information about an item:

1. Go to Transactions > Purchases > Receive Order.
2. Click **View** next to the order.
3. Click the Open icon next to the Serial or Lot number.
4. In the popup window, you can enter a memo and values in any custom fields for each inventory number.

Receiving Overages

Sometimes when you are receiving an order, the amount you are processing is more than the quantity shown on the receipt. This additional amount is called an overage, and NetSuite enables you to process overages using the Allow Overage on Item Receipts preference.

Advanced Receiving provides a setting to allow the receipt of more items than the original quantity entered on purchase orders.

To receive more items than entered on a purchase order:

1. Go to Setup > Accounting > Preferences > Accounting Preferences.
2. Click the **Order Management** subtab.
3. Check the **Allow Overage on Item Receipts** box.
4. Click **Save**.

With the preference set, you can enter a quantity larger than the quantity remaining for an item when processing an item receipt.

Vendor Bill Variances

With Advanced Receiving, purchase order items you receive can be matched to the corresponding vendor bill. Then, you can check for variances in quantities and rates. For more information, see the help topic Posting Vendor Bill Variances.

Closing Line Items

On purchase orders, you are able to close line items manually when you do not intend to receive open items on the order. For more information, see Closing Line Items on Purchase Orders.

Creating a Bill From an Item Receipt

When you enable the Advanced Receiving feature, you can create bills directly from item receipts. If the quantities on the item receipt and originating purchase order differ, NetSuite deducts the quantity on the item receipt from the purchase order. This enables you to manage the creation of billing information if your purchase order is split into multiple receipts.

To create a bill from item receipt

1. Go to Transactions > Purchases > Receive Orders > List.
2. Click **View** next to an item receipt.
3. Click **Bill**.

   NetSuite generates a bill based on the information from the item receipt.
4. To save the bill, click **Save**.

Bulk Receiving Purchase Orders

If you have many purchase orders you want to mark as received, you can bulk process orders.

> ℹ **Note:** To bulk receive orders, Advanced Receiving must be enabled and Drop Shipments and Special Orders must be disabled.

To bulk receive purchase orders:

1. Go to Transactions > Purchases > Receive Orders.
2. Either click **Mark All** or check the boxes in the **Receive** column next to the orders to receive.
3. Select a vendor in the **Vendor** field to filter the list. Select **All** to show orders for all vendors.
4. Select a posting period.
5. Verify or enter the date on which the order was received.
6. Click **Submit**.

Closing Line Items on Purchase Orders

On purchase orders, you are able to close line items manually when you do not intend to receive open items on the order.

For example, you order ten widgets from a vendor and have already received five of them. You find out the item is discontinued and you will not receive the remaining five. If you close the line manually instead of changing the quantity, you retain a record of how many you ordered originally.

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> ⓘ **Note:** To close a line item on a purchase order manually, you must bill the purchase order before you close the line. After all lines on a purchase order are received or closed manually, the purchase order is removed from the billing and receiving queues.

When you view purchase orders, click the Close or Close Remaining button to close the entire transaction. This action checks the Closed box for all lines on the transaction and changes the status of the transaction to Closed. You can reopen a closed transaction by clearing the Closed box for all lines on the transaction.

To close a line item on a purchase order manually:

1. Go to Transactions > Purchases > Enter Purchase Orders.
2. Click **Edit** next to the purchase order with the line you want to close.
3. On the **Items** subtab of the purchase order, click the line you want to close.
4. Check the box in the **Closed** column, and then click **Done**.
5. Click **Save**.

You can also close line items on the following forms:

- Sales Order
- Return Authorization
- Vendor Return Authorization

Deleting an Item Receipt

Deleting an item receipts changes the status of the linked purchase order back to Pending Receipt. To delete item receipts, you must have a role that includes the Item Receipt permission with an access level of Edit or Full.

To delete an item receipt:

1. Go to Transactions > Purchases > Receive Orders > List.
2. Click **Edit** next to the item receipt you want to delete.
3. Point to **Actions** and select **Delete**.
4. In the popup message, click **OK** to confirm the action.

Exchange Rates on Item Receipts

You can set a preference for how NetSuite defaults to handle exchange rates on item receipts. Choose between using the rate shown on the purchase order or using the rate that is current when the order is received.

To set the exchange rate preference:

1. Go to Setup > Accounting > Preferences > Accounting Preferences.
2. Click the **Order Management** subtab.

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3. Select one of the following in the **Default Receiving Exchange Rate** field:

   - **Use Purchase Order Exchange Rate** – The exchange rate value on the order line is the purchase order exchange rate.

   - **Use Exchange Rate at the Time of the Receipt** – The exchange rate value on the order line is the receipt date exchange rate.

   Then, based on your setting, the correct rate defaults to show in the **Exchange Rate** field on receipts.

4. Click **Save**.

For example, you enter a purchase order for 10 widgets dated 7-1-2009. The exchange rate on the purchase order is 1. When you receive the order, the current exchange rate is 1.5.

- If you selected **Use Purchase Order Exchange Rate**, the default value of the exchange rate on the order line is 1.

- If you selected **Use Exchange Rate at the Time of the Receipt**, the default value of the exchange rate on the order line is 1.5.

After a rate defaults to show on a transaction form, you can still enter a different rate if needed. When you view an item receipt, the base amount is displayed on the receipt.

To view item receipts, go to Transactions > Purchases > Receive Orders > List.

Printing Labels From Transactions

You can print labels for items directly from a purchase order or item receipt.

For example, a warehouse receiving employee views the item receipt for items received on the dock. When he clicks Print Labels on the receipt, a PDF opens with a label for each item in the shipment. He prints the labels and attaches one to each item before placing them on the shelves in stock.

To print labels from a transaction:

1. Go to Transactions > Purchases > Enter Purchase Orders > List.

   Alternatively, go to Transactions > Purchases > Receive Orders > List.

2. Next to the purchase order or item receipt, click **View**.

3. On the purchase order, hover over the **Print** button.

4. Select **Print Labels**.

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Expenses

See the following help topics for information about expenses in NetSuite.

- Creating an Expense Category
- Creating a Saved Search With Expense Categories
- Receiving Expenses
- Receiving Expenses With Advanced Receiving
- Landed Cost

Related Topics

- Requisitions
- Purchase Requests
- Request for Quote
- Purchase Contracts and Blanket Orders
- Purchasing
- Receiving Orders
- Procurement Dashboard
- Purchases Workbooks

Creating an Expense Category

Expenses can be grouped into expense categories that are associated with specific expense accounts.

When employees enter expense reports, they select a category for each expense, and the expense automatically posts to the associated expense account.

To create an expense category:

1. Go to Setup > Accounting > Setup Tasks > Expense Categories > New.
2. In the **Name** field, enter the name of this expense category.
3. In the **Description** field, enter a description of this category.

   This description shows in the Expense Categories list.
4. If you use Charge-Based Billing, in the **Expense Item** field, select an item to associate with this category.

   For more information, see the help topic Expense Items.
5. In the **Expense Account** field, select the expense account for items charged to this category.

   Create new accounts at Lists > Accounting > Accounts > New.
6. If you use corporate card expenses for expense reports, check the **Personal Corporate Card Expense** box. This designates this expense category for personal expenses charged to a corporate credit card. For more information, see the help topic Corporate Card Expenses.

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> **Note:** Corporate card expense categories can only use other asset accounts. If your company does not use expanded account lists, the corporate card field on expense categories is disabled. Any expense category attached to an other asset account is automatically designated a corporate card expense. To enable the expanded account list preference, go to Setup > Accounting > Preferences > Accounting Preferences > General Ledger.

7. If you would like to specify a rate for this category on expense reports, check **Rate is Required** and enter a default rate.

   When entering expense reports with this category, the **Quantity** and **Rate** fields are used to calculate the expense amount.

8. If you use OneWorld, select the subsidiaries you want this expense category to be available to. The list of available subsidiaries is filtered based on the subsidiaries available to use the selected expense item or expense account.

9. Click **Save**.

You can choose to add the Expense Category field to show on the expense sublist of purchase transactions. Then, line-item expenses can be grouped by category. When you choose a category in the expense sublist, the account defaults from the category record and cannot be changed.

The following transactions can be customized to show expense categories:

- Checks
- Bills
- Vendor Credits
- Purchase Orders
- Expense Reports

To customize a transaction, view the transaction and click Edit. Then, in the Customize list, click Customize Form.

Expense Account Override on Expense Reports

You can select an expense account for individual expense items on an expense report. By default, expense accounts on line items for expense reports are determined by the selected expense category. The Account field is automatically hidden on expense report forms for line items. You must customize your expense report forms to enable expense account override.

You can also remove the Category field from expense reports and the field is no longer required. The Account field is now required. It is populated automatically by the Category field. However, you can update the Account field to select a different account.

> **Note:** You cannot use personal corporate card expenses if you hide the Category field on expense line items.

For more information, see the help topics Expense Reporting and Creating Custom Entry and Transaction Forms.

Creating a Saved Search With Expense Categories

You may want to analyze expenditure across various expense categories. For example, you may want to create a report that shows month on month expenditure on client entertainment. The following procedure explains how to create a saved search based on expense categories.

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To create a saved search using expense categories:

1. Go to Transactions Overview.

2. In Transaction Search select Expense report in the **Type** field and then select **Search**.

3. On Transaction Results, select **Edit this Search** to create a Saved search.

4. Enter Search Title, Owner, and then select the availability.

5. On **Criteria** subtab, select the filter you want to use from the scroll list. In this case, **Expense Category**.

6. A new window appears that includes more details, for example all expense categories that are set up on your account.

7. Select the filter **Any of** or **None of** and then choose one category from the list. (You can create new categories in Setup > Accounting > Expense Categories > New.) Save your selection by clicking the **Set** button.

8. Save your search.

9. Filtered results are returned.

Searching Transactions Using Expenses

You can search expense reports at Transactions > Employees > Enter Expense Reports > Search. You can choose an expense category as a search criteria or result.

- To add this as a search criteria, select Expense Category in the Type field.

- Click Customize to select Expense Category on the Results subtab.

Receiving Expenses

A purchase order is your authorization for a vendor to provide items, materials or services to your company. In NetSuite, you can create purchase orders for expenses as well as items.

To receive expenses, you must be able to add expenses to purchase orders. To enable this preference, an administrator can go to Setup > Accounting > Preferences > Accounting Preferences . Check the Allow Expenses on Purchase Orders box, and click Save.

You can now create purchase orders for expenses.

Expenses are not physical items that you receive. However, it is still important to record that the expenses have been accounted for.

For example, your Marketing Director enters a purchase order for advertising. Advertising is not an item that is delivered and received, but you want to make sure that your ad appears correctly. After the ads are verified, you can mark the advertising expense received.

To receive expenses:

1. Go to Transactions > Purchases > Receive Order.

2. In the **Vendor** field, select the vendor from the list, or select **All** to list all open purchase orders.

3. In the **Process** column, click **Receive** next to the purchase order you would like to receive.

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> **Note:** You cannot partially receive expenses. If you change the amount on the bill, you receive the purchase order and bill for the revised total.

4. Click **Save**.

To pay the bill for this purchase order, go to Transactions > Payables > Pay Bills.

Receiving Expenses With Advanced Receiving

Use the Advanced Receiving feature to receive orders separately from bills. With Advanced Receiving, you can receive items and expenses before receiving a bill.

To receive expenses with advanced receiving, you must be able to add expenses to purchase orders. To enable this preference, an administrator can go to Setup > Accounting > Preferences > Accounting Preferences. Check the Allow Expenses on Purchase Orders box, and click Save.

You can now create purchase orders for expenses.

Expenses are not physical items that you receive. However, it is still important to record that the expenses have been accounted for.

For example, your Marketing Director enters a purchase order for advertising. Advertising is not an item that is delivered and received, but you want to make sure that your ads appears as they are supposed to. After the ads are approved, you can mark the advertising expense received.

To receive expenses with advanced receiving:

1. Go to Transactions > Payables > Receive Order.
2. In the **Vendor** field, select the vendor from the list, or select **All** to list all open purchase orders.
3. In the **Process** column, click Receive next to the purchase order you would like to receive.

   You can only receive one purchase order at a time.
4. Click the **Items & Expenses** subtab.
5. Click the **Expenses** subtab.
6. In the **Mark Received** column, check the box next to the expenses that have been accounted for.

   You cannot receive partial expenses.
7. When you have finished:

   - Click **Save** to save the information and return to the Transactions page.
   - Click **Save & Bill** to save the information and create a bill for this purchase order.

When you are ready to pay the bill for this purchase order, go to Transactions > Payables > Pay Bills.

Landed Cost

- Landed Cost Overview
- Landed Cost Categories

- Landed Cost Categories
- Setting up an Item Record for Landed Cost
- Creating a Landed Cost Item
- Entering Landed Cost on a Transaction
- Landed Cost and Taxation
- Landed Cost Examples
- Landed Cost and Commission
- Landed Cost Allocation per Line
- Estimated Landed Cost

Landed Cost Overview

The total cost of obtaining stock includes the material charge for an item. It also includes any charges associated with getting items into the warehouse and available for sale. These additional expenses contribute to the total cost of goods sold and affect inventory valuation.

Use the Landed Costs feature to track the expenses you incur when you purchase your inventory. Landed costs let you increase the asset value of inventory by including additional expenses associated with procuring stock, such as freight and duty fees.

Expenses that contribute to landed costs can include the following:

- shipping charges
- freight fees
- origin and destination charges
- import fees
- duty fees (excise and customs)
- taxes
- insurance
- handling charges

Any landed cost associated with an item is added to the asset value of an inventory item, letting you calculate profitability accurately.

> For example, Bob buys Deluxe Widgets from his vendor, which he then resells to customers. To track profits, Bob needs to know the cost of each widget he buys and deduct it from the widget sales income. Bob must also pay a shipping charge for each widget order he receives. Therefore, the cost for shipping must also be deducted from the widget sales income to calculate profits accurately.

Reporting

The inventory valuation report can be customized to include the Lot/Serial Numbers field. The landed cost charges show with the same transaction ID number, the landed cost category name in the description column and zero quantity.

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For more information, see the help topic Inventory Valuation Report.

Tracking Landed Cost for Items and Expenses

See the following steps to track landed cost for your items and expenses.

To track landed cost for your items and expenses:

1. Enable Landed Cost:

    a. Your administrator goes to Setup > Accounting > Preferences > Accounting Preferences.

    b. Under the **Inventory** heading, check the **Landed Cost** box.

    c. Click **Save**.

2. Create landed cost categories.

    Landed cost categories identify the expense account that costs are posted to when the category is selected.

    For more information, see Landed Cost Categories and Creating Cost Categories.

3. Set up inventory item records to track landed cost:

    a. For existing inventory items that have an associated landed cost, on the item record check the **Track Landed Cost** box.

    b. Enter landed cost information on item receipts and bills that include these items.

    For more information, see Setting up an Item Record for Landed Cost.

4. Create landed cost item records to track separate costs.

    a. To associate a bill with landed costs, on the Items subtab, select an item.

    b. Some bills, such as a separate freight bill, do not show an inventory item. Therefore, you must create landed cost item records to associate these expenses as landed costs.

    For more information, see Creating a Landed Cost Item.

5. Enter landed cost on transactions.

    For more information, see Entering Landed Cost on a Transaction and Landed Cost Allocation per Line.

For detailed examples about entering landed costs, see Landed Cost Examples.

Landed Cost Categories

You have chosen the items for which you want to track landed cost. Now, you can create landed cost categories to track the different kinds of expenses incurred when purchasing.

For example, one category can be called **Freight Truck Expenses** and another called **Courier Expenses**.

Typical landed cost categories include the following:

- Shipping Charges
- Freight Costs
- Import Fees

- Customs and Duty
- Taxes
- Insurance
- Handling Charges

Each landed cost category you create is associated with a expense account that is intended as a holding account. The value is ultimately cleared between landed cost allocation and the vendor bill entry.

> **Note:** This account is usually not a Cost Of Goods Sold (COGS) account. The COGS entry is made during the item fulfillment process. It is common to use special accounts for landed cost expenses that are separate from regular expenses. This provides an easier audit trail.

After categories are created, you can select them for items on transactions.

For details about how to create a landed cost category, see the help topic Creating Cost Categories.

Setting up an Item Record for Landed Cost

For each item that you want to track landed costs, you must identify it on the item record. After you mark an item record to Track Landed Cost, you can enter landed cost information on item receipts and bills that include the item.

> **Note:** If you do not mark an item for landed cost, it is not considered when calculating landed cost. No values are allocated to it on the item receipt or vendor bill.

To set up an item record for landed cost:

1. Go to Lists > Accounting > Items.
2. Click **Edit** next to the item for which you want to track landed cost.

   You can track landed cost for inventory and assembly items, including serialized and lot numbered items.
3. On the **Purchasing/Inventory** subtab, check the **Track Landed Cost** box.

> **ⓘ Note:** You must include an item that tracks landed costs on transactions you want to source for landed costs.
>
> The **Landed Costs** subtab of item receipts shows a vendor bill in the source transaction list if the bill includes a landed cost item.

4. Click **Save**.

Alternatively, the Track Landed Cost field can be updated for many items at one time by using one of the following methods:

- Use Editing when viewing the items list.

  For more information, see the help topic Using Inline Editing.

- Use the Mass Update feature.

  For more information, see the help topic Mass Changes or Updates.

Creating a Landed Cost Item

To count a charge on a vendor bill as a landed cost, you must select an item on the bill. If you enter a bill that is not associated with an inventory item, you must associate it with a landed cost item you create. An example of a landed cost item is the item "Freight."

For example, you use a freight company to deliver inventory items you need. For each shipment, you receive two separate bills. One from the vendor that charges you for the items. One from the freight company that charges you only for transporting the items.

When entering the bill, you must select an item to associate the freight expense as a landed cost. Since the freight bill is not associated with an inventory item, you must create a landed cost item record for Freight.

When creating landed cost items, note the following:

- Landed Cost items should be named appropriately based on the type of charge, such as landed cost categories like Insurance and Handling.

- The expense account noted should match the corresponding landed cost category or be a contra account shown in the same section of the Income Statement. Ultimately, this expense account is zeroed due to the following General Ledger impact:

  PO Receipt:

  CR – Expense Account – The value in the landed cost category

  Separate Vendor Bill:

  DB – Expense Account or Contra – Amount received from carrier for freight costs

To create a landed cost item:

1. Go to Lists > Accounting > Items.

2. Click the item type you want to create to track the landed cost.

3. In the **Item Name/Number** field, enter a unique name for the landed cost expense, such as Freight.

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4. On the **Accounting** subtab, in the **Expense Account** field, select the account on which you want to record freight and other such charges.

5. To fill out additional details on the item record, see the help topic Creating Item Records.

6. Click **Save**.

When you create a bill, you can select the landed cost item and track the expense on the bill as a landed cost.

Entering Landed Cost on a Transaction

To track an expense as a landed cost, you must show the landed cost on an item receipt or vendor bill you enter in NetSuite. On a receipt or bill, use the Landed Costs subtab to identify the allocation method, source, and amount of the landed cost.

Landed cost values may be allocated across eligible items using one of three methods: weight, quantity or value. Eligible items are items on the transaction that have been marked to track landed cost. The allocation method you select depends on the type of landed cost being tracked.

For example, landed cost for freight charges are typically allocated by Weight because vendors often calculate shipping costs based on item weight. However, landed costs for insurance charges are commonly allocated by Value when that is the way the cost of insurance is determined.

> ℹ **Note:** A transaction can only allocate with one method at a time.

To determine the landed cost amounts, you can either enter the expense amount manually for each category or source an existing vendor bill.

For more information, see Landed Cost Examples.

The Following below details define landed cost on a per-transaction level. For more information, see Landed Cost Allocation per Line.

To enter landed cost on a transaction:

1. On an item receipt or vendor bill, click the **Landed Cost** subtab.

2. When you enter landed cost on these transactions, the cost can be applied to eligible items by weight, quantity or value. For example:

   - If you track a landed cost for freight charges, you can allocate the freight cost by weight.

   - If you pay insurance for each item in an order, you can allocate the cost of the insurance by value.

3. In the **Cost Allocation Method** field, choose **Weight**, **Quantity**, or **Value**.

Allocation Method		Calculation for Cost Per Eligible Line Item
Weight	Allocated cost per item=	(Weight of Item / Total Weight of Eligible Items) x Total Landed Cost
		If the item has no weight entered, NetSuite displays an error message
Quantity	Allocated cost per item=	(Total Landed Cost / Number of Eligible Items) * Line Item Quantity
Value	Allocated cost per item=	(Value of Each Item / Total Value of Eligible Items) * Total Landed Cost

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Eligible items are the items with the **Track Landed Cost** box checked on their record.

4. Below the **Cost Allocation Method** field, one field shows for each landed cost category that you have created.

   For example, if you created a Shipping category, you will see a Shipping field and a Source field.

5. In the **Source** field beside each landed cost category, choose one of the following:

   - **This Transaction** – Make this selection to source items on this transaction to calculate the landed cost amount for this category. The total landed cost amount is the sum of amounts for all items on this bill or receipt associated with this landed cost category.

     For example, you enter an item receipt that includes 2 inventory items associated with Duty landed costs and 2 associated with Shipping landed costs. The landed cost amount is the sum of the amounts for the 2 inventory items associated with Shipping landed costs. The Duty items are excluded.

     > **Note:** This option is available only on transactions when you **do not** use the Advanced Receiving feature. If you use Advanced Receiving, the allocation must occur on the inventory receipt transaction.

   - **Other Transaction** – Make this selection to source a transaction other than the current one to calculate the landed cost amount for this category. The Transaction field appears to the right.

   - **Other Transaction (exclude tax)** – Make this selection to source a transaction other than the current one excluding taxes. The Transaction field appears to the right.

     > **Note:** When the cost source is based on **Other Transaction (exclude tax)**, the tax calculation depends on whether you use Legacy Tax or SuiteTax.
     >
     > For more information, see Landed Cost and Taxation.

6. In the field that appears below the **Source** field, select the transaction that includes the landed cost. Then, the total landed cost amount is the sum of the line items on the sourced bill that are associated with this landed cost category.

   > **Important:** Vendor bills can be sourced to determine landed cost only if the bill includes an item that tracks landed costs. These items appear on the **Items** subtab of the bill. Bills that do not include an item that tracks landed cost do not appear in the Transaction list.

   The item on the bill can be one of the following:

   - an inventory item that is set to track landed costs

   - a landed cost item you have created specifically to track landed costs on vendor bills

     For more information, see Creating a Landed Cost Item.

7. Complete the transaction as necessary.

8. Click **Save**.

When the transaction is saved, the landed cost is allocated to the eligible items in the inventory asset account.

Landed Cost and Taxation

NetSuite includes different tax types set up by default. Other tax types are incorporated when you add a subsidiary or Nexus in a new country. Additionally, an Administrator or NetSuite Professional Services can set up new taxes. For more information about tax types in NetSuite, see the help topic Tax Types Overview.

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When the cost source is based on **Other Transaction (exclude tax)**, the tax calculation depends on whether you use Legacy Tax or SuiteTax.

The following information explains the effect of taxation on the landed cost when using other transaction as source.

- Legacy Tax
    - Source is **Other Transaction** – GST and VAT taxes are excluded. Sales taxes are not present on transactions and are excluded.
    - Source is **Other Transaction (exclude tax)** – All taxes are excluded.
- SuiteTax
    - Source is **Other Transaction** – All taxes are included.
    - Source is **Other Transaction (exclude tax)** – All taxes are excluded.

For examples of the effect of taxation on the landed cost, see Landed Cost Examples.

Landed Cost Examples

The following use case examples describe tracking landed costs.

- Landed Cost and Items Billed Separately
- Landed Cost and Items Billed Together
- Landed Cost With Standard Cost Items

Landed Cost and Items Billed Separately

You use a freight company to deliver inventory items you need. For each shipment, you receive two separate bills. One from the vendor that charges you for the items. One from the freight company that charges you only for transporting the items.

See the following examples:

- Landed Cost Billed Separately With Advanced Receiving
- Landed Cost Billed Separately With a Cost Estimate

Landed Cost Billed Separately With Advanced Receiving

See the following example of landed cost billed separately with Advanced Receiving.

> **ⓘ Note:** This example is not applicable for Standard Cost items. For an example on using landed cost with standard cost items, see Landed Cost With Standard Cost Items.

To bill landed cost separately with Advanced Receiving:

1. Enter the item receipt against an existing purchase order that includes an item that tracks landed cost.

   The freight bill has not arrived, so no information is entered on the **Landed Cost** subtab yet.

   The entire amount of the landed cost bill is applied to the receipt even if you do not receive all items on the order.

2. After you receive the freight bill, enter the freight charge as a vendor bill.

   When entering the bill, click the **Expenses and Items** subtab and select a landed cost item on the **Items** subtab of the bill. Because you are not entering any inventory items, select a landed cost item such as **Freight**.

   A vendor bill shows in the **Transaction** field of the **Landed Cost** subtab only if it includes an item that tracks landed cost.

   For more information, see Creating a Landed Cost Item.

3. Be sure to select a landed cost category for each line-item you enter. For example, if you select the landed cost item **Freight**, select the landed cost category **Shipping**.

   Selecting a category determines where the bill appears as a Transaction source on the **Landed Cost** subtab. For example, you select the category **Shipping**. This vendor bill appears in the Transaction source list for the Shipping category. It does not appear in the list for the Duty category.

4. Enter reference information in the **Memo** field of the bill header. The memo text appears in the Transaction list when you are selecting a source transaction. You can also search for memo text in the transaction list.

5. Edit the item receipt you entered in step 1. On the receipt, identify the freight charge as a landed cost for the items on the receipt by clicking the **Landed Cost** subtab.

6. A line appears for each landed cost category. Next to the Shipping category, select **Other Transaction** in the **Source** field. The **Transaction** field will appear next to the **Source** field.

7. In the **Transaction** field, click the **List** button to open a list of transactions that include items associated with landed costs for this category. Select the vendor bill you created in step 2.

   Keep in mind the following about the transaction list:

   - Transactions associated with other landed cost categories DO NOT show in this list.
   - Bills show only if they are not yet allocated to another item receipt.
     - You can search for keywords or memo text to find the correct bill.
     - This list can include both Open and Paid bills.

8. Click **Save**.

After you save the edited receipt, the entire amount of the bill is applied as a landed cost. You cannot apply a partial amount.

> **ⓘ Note:** A landed cost vendor bill can be applied only to a single item receipt by sourcing the transaction. A bill cannot be sourced from multiple receipts. If you need to apply a landed cost to multiple receipts, select Manual as the source to enter to cost separately.

Landed Cost Billed Separately With a Cost Estimate

See the following example of landed cost billed separately with a cost estimate.

> **Note:** This example is not applicable for Standard Cost items. For an example on using landed cost with standard cost items, see Landed Cost With Standard Cost Items.

To bill landed cost separately with a cost estimate:

1. Medical supplies are received against a purchase order. The freight charges are commonly not known before the freight vendor's bill is received.

   > **Note:** Items are purchased from a supplier and the shipping charges to be allocated as landed costs are billed separately.

   The General Ledger (GL) Impact appears as follows after entering the receipt:

2. If landed costs are not known at the time of receipt, enter an estimated amount. For example, after the initial item receipt, the warehouse staff are responsible only for the inspection and receipt of quantities. The warehouse staff then forwards any documentation to the accounting employees who can edit the transaction and enter estimated landed cost values.

   The value entered can be allocated using one of the following methods:

   - Weight
   - Quantity
   - Value

     The value can be sourced in one of the following methods:

   - Manual – The user enters the value manually

- Other Transaction – Another transaction is the source of the value
- Other Transaction (exclude tax) – Another transaction is the source of the value, excluding taxes

> ⓘ **Note:** When the cost source is based on **Other Transaction (exclude tax)**, the tax calculation depends on whether you use Legacy Tax or SuiteTax.
>
> For more information, see Landed Cost and Taxation.

The amount is entered manually and the receipt saved. In this example, a $25 Freight landed cost to be allocated by weight is added:

The GL Impact shows the following entries for landed costs:

- The Memo field includes the landed cost and item code to display the exact allocation details.
- The value of the landed cost is now included in the inventory asset total. Because the freight expense account is a holding account, the amount is credited on the receipt. Later, when the vendor bill is entered, the same value is debited to this account to offset to zero.

Account	Amount (Debit)	Amount (Credit)	Posting	Memo
Accrued Purchases		125.00	Yes	
Inventory Asset	100.00		Yes	
Inventory Asset	25.00		Yes	
Inventory Asset	11.43		Yes	Freight Charge RW001
6000 Freight and Delivery		11.43	Yes	Freight Charge RW001
Inventory Asset	8.57		Yes	Freight Charge BW005
6000 Freight and Delivery		8.57	Yes	Freight Charge BW005
Inventory Received Not Billed		(125.00)	Yes	
Inventory Asset	100.00		Yes	
Inventory Asset	25.00		Yes	

Inventory Asset	11.43		Yes	Freight Charges: RW-001
6090 Freight and Delivery		11.43	Yes	Freight Charges: RW-001
Inventory Asset	8.57		Yes	Freight Charges: RW-006
6090 Freight and Delivery		8.57	Yes	Freight Charges: RW-006

3. The freight bill is received from the vendor. The amount may be different than the estimated landed cost entered. The landed cost amount is entered on the **Item** subtab of the vendor bill with the specific landed cost item, such as Freight.

Landed cost vendor bills can be entered as a multiple shipment summary or a single shipment.

Option One: Summary Bill

Enter this bill as a summary of one vendor's charges across a period, such as a week or month, for many different shipments completed.

1. Enter the bill and do not fill in the Landed Cost Category column.

2. The GL impact shows correctly with a DB to Expense.

Account	Amount (Debit)	Amount (Credit)	Posting	Memo
2000 Accounts Payable		24.00	Yes	
6090 Freight and Delivery	24.00		Yes	

3. Edit the item receipt and update the landed cost amount to the true value. Leave the **Source** set to **Manual**.

4. The GL Impact is updated to reflect the new value.

Account	Amount (Debit)	Amount (Credit)	Posting	Memo
Accrued Purchases		125.00	Yes	
Inventory Asset	100.00		Yes	
Inventory Asset	25.00		Yes	
Inventory Asset	13.71		Yes	Freight Charge RW001
6000 Freight and Delivery		13.71	Yes	Freight Charge RW001
Inventory Asset	10.29		Yes	Freight Charge BW006
6000 Freight and Delivery		10.29	Yes	Freight Charge BW006

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Option Two: Single Bill

Enter a vendor bill specific to only one shipment.

1. Enter the vendor bill and be sure to use a landed cost item.

> ⚠️ **Important:** To let this transaction be sourced to the inventory item receipt using the correct landed cost type and amount, complete the **Landed Cost Category** field.

   The bill originating from the original purchase order may also contain lines linked to a Landed Cost Category and operates in the same manner.

2. Edit the item receipt and change the **Source** field to **Other Transaction** or **Other Transaction (exclude tax)**.

3. In the **Transaction** field select the **Vendor Bill**. The transaction amount is populated into the **Landed Costs Amount** field. The transaction column displays Null if the reference field on the bill is not populated.

4. The GL Impact is updated to reflect the new value.

   If some of these items have already been sold, the inventory costing impact on the fulfillments will be updated to include the new value.

Landed Cost and Items Billed Together

Your vendor delivers inventory items you need. For each shipment, you receive one bill that charges you for both the cost of the items and a shipping fee for sending the items. You need to track the shipping fee as a landed cost.

The correct steps to track landed costs depend on whether you use the Advanced Receiving feature in your NetSuite account.

- Landed Cost Billed Together With an Inventory Item on One Bill With Advanced Receiving
- Landed Cost Billed Together With an Inventory Item on One Bill Without Advanced Receiving

Landed Cost Billed Together With an Inventory Item on One Bill With Advanced Receiving

The following example shows how landed cost can be billed along with an inventory item on one bill with advanced receiving.

> ℹ️ **Note:** This example is not applicable for Standard Cost items. For an example on using landed cost with standard cost items, see Landed Cost With Standard Cost Items.

To bill landed cost together with an inventory item on one bill with advanced receiving:

1. When the items are delivered, enter the item receipt.

2. When the items are billed, enter the vendor bill.

   When you enter the bill, click the **Expenses and Items** subtab. Verify that the **Items** subtab includes either an inventory item marked **Track Landed Cost** or a landed cost item, such as Freight. If the bill does not include one of the two, the vendor bill does not show in the **Transaction** field of the **Landed Cost** subtab.

   For more information, see Creating a Landed Cost Item.

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3. Select a **landed cost category** for each line-item you enter. For example, if you select the landed cost item Freight, select the landed cost category Shipping.

Selecting a category determines where the bill appears as a **Transaction** source on the **Landed Cost** subtab. For example, you select the category Shipping. This vendor bill appears in the **Transaction** source list for the Shipping category. It does not appear in the list for the Duty category.

4. Enter reference information in the **Memo** field of the bill header. The memo text appears in the **Transaction** list when you select a source transaction. You can search for memo text.

5. Edit the item receipt you entered in step 1 to associate landed costs by doing one of the following on the Landed Cost subtab:

   - Select **Other Transaction** as the Source. In the **Transaction** field, select the vendor bill you entered.

   - Select **Manual** as the Source and then enter the landed cost amount manually.

Landed Cost Billed Together With an Inventory Item on One Bill Without Advanced Receiving

The following example shows how to bill landed cost together with an inventory item on one bill without Advanced Receiving.

> **Note:** This example is not applicable for Standard Cost items. For an example on using landed cost with standard cost items, see Landed Cost With Standard Cost Items.

To bill landed cost together with an inventory item on one bill without Advanced Receiving:

1. When the items are delivered, enter the item receipt.

2. Verify that item records for the appropriate items on the receipt are marked **Track Landed Cost**.

3. When you receive the bill from the vendor, edit the purchase order to add a landed cost item for the amount of the delivery fee.

   On the Landed Cost subtab of the purchase order, select **This Transaction** in the Source field next to the appropriate category.

   Make this selection to source items on this transaction to calculate the landed cost amount for this category. The total landed cost amount is the sum of amounts for all items on this bill or receipt associated with this landed cost category.

   For example, you enter an item receipt that includes 2 inventory items associated with Duty landed costs and 2 associated with Shipping landed costs.

   If you select **This Transaction** for the Shipping category, the landed cost is the sum of the 2 inventory items amounts associated with Shipping. The Duty items are excluded.

   > **Note:** This option is available only on transactions when you **do not** use Advanced Receiving. If you use Advanced Receiving, the allocation must occur on the inventory receipt transaction.

4. When you save the edited purchase order, the landed cost is allocated as indicated.

Landed Cost With Standard Cost Items

Two standard cost items are marked to use landed cost.

- Item 1: standard cost = 10 x Quantity = 1
- Item 2: standard cost = 12 x Quantity = 1
- On an item receipt, for both the rate = 13.
  - Inventory Received Not Billed account = (-13 x 2)
  - Item 1 Asset = 10
  - Item 1 Variance = 3 (13 - 10)
  - Item 2 Asset = 12
  - Item 2 Variance = 1 (13 - 1)

For landed cost:

- one category is used
- entered $5 with allocation method = Quantity

The $5 is allocated evenly.

ACCOUNT	AMOUNT (DEBIT)	AMOUNT (CREDIT)	BASE CURRENCY	POSTING	MEMO	NAME	LOCATION
Inventory Received Not Billed		26	USA	Yes		0 Issue Vendor	Warehouse - East Coast
Inventory Asset	10		USA	Yes			Warehouse - East Coast
6010 Advertising	3		USA	Yes	Purchase Price Variance		Warehouse - East Coast
Inventory Asset	12		USA	Yes			Warehouse - East Coast
6010 Advertising	1		USA	Yes	Purchase Price Variance		Warehouse - East Coast
6010 Advertising	2.5		USA	Yes	Landed: 0 STD item		Warehouse - East Coast
6010 Advertising		2.5	USA	Yes	Landed: 0 STD item		Warehouse - East Coast
6010 Advertising	2.5		USA	Yes	Landed: 1 STD Item		Warehouse - East Coast
6010 Advertising		2.5	USA	Yes	Landed: 1 STD Item		Warehouse - East Coast

Landed Cost and Commission

Commission is calculated for an invoice at the time the invoice is created. If landed cost changes the cost of an item after the invoice has been submitted, your commission calculations could be inconsistent.

There are two methods to correct this difference:

- To see the updated commission immediately, edit the invoice after landed cost has been added, and then save it.
- At the end of a commission period, recalculate the commission plan before finalizing your commission payments.

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Landed Cost Allocation per Line

Landed costs can include a significant portion of total product cost per item. The Landed Cost Allocation per Line preference enables the best understanding for tighter tracking of location-specific costs of your purchases from suppliers and vendors globally.

When pricing items you sell, you should assess all costs related to acquiring the product and include them in your selling price. This can include costs necessary to bring your product from suppliers in many locations to your warehouse door. Landed costs for duties, tariffs, freight, and taxes can be difficult to manage, and are influenced by market volatility from fuel prices and exchange rates. With NetSuite, cost accountants can allocate and track landed cost values at a line-item level.

This preference lets you track one or more landed cost categories for a specific line item. You can also automatically distribute the cost based on an attribute such as weight or value within a transaction.

When you use this preference, you can specify landed cost allocation amounts on a per-line basis on transactions and receipts. You do not have to distribute the cost based on an allocation method at a transaction level basis.

For every item received, a landed cost sub-record can store values which are reflected in inventory valuation reports. These sub-records let you account for landed costs in a manner that makes inventory valuations reflect the true economics of all costs related the item.

To use Landed Cost Allocation on individual lines, you must first enable the preference.

> ⓘ **Note:** This preference is available only if the Landed Costs feature is enabled in your account.

To set the Landed Cost Allocation per Line Preference:

1. Go to Setup > Accounting > Preferences > Accounting Preferences.
2. Click the **Order Management** subtab.
3. Check the **Landed Cost Allocation per Line** box.

   > ⓘ **Note:** When this preference is enabled, all new item receipts, credit card charges, vendor bills, and checks default to use landed cost per line.

   You can change this default option by clearing the **Landed Cost Allocation per Line** box when entering new transactions.
4. Click **Save**.

Using Landed Cost Allocation Per Line on Transactions

After you set the Landed Cost Allocation per Line preference, you can allocate landed costs on individual transaction lines for the following transactions:

- checks
- vendor bills
- credit card charges
- item receipts

When you enable Landed Cost per Line on a transaction, the transaction no longer references the Landed Cost subtab on the transaction. This is because landed costs are no longer entered on a per-transaction basis. Landed costs are entered on a per-line basis and are defined solely by entries on each line.

To enter landed cost per line:

1. Edit or enter a new item receipt, credit card charge, vendor bill, or check.
2. Check the **Landed Cost per Line** box if it is not already checked.

   You see a Landed Cost icon for items that track landed cost.
3. Click the **Landed Cost** icon (🛒) to open an entry window.

   Landed cost data you enter is saved as a sub-record of the transaction.
4. Do one of the following:
   a. Enter a **single** cost category for the line:
      i. In the **Cost Category** field, select a cost category.
      ii. Enter the amount for that category.
   b. Enter **multiple** cost categories for the line:
      i. Click **Add Multiple**.
      ii. Click the **green arrow** to choose a cost category.
      iii. Enter an amount for each category.
      iv. Click **Done**.
5. Click **OK**.

Estimated Landed Cost

Estimated Landed Cost automates the calculation of landed cost estimates for each transaction line item. It extends the Landed Cost feature with the use of landed cost templates. You can set up templates with multiple cost categories and assign each category with its own allocation method. Landed cost estimates are derived from the allocation method and cost factor, which you can update as needed.

You can add landed cost templates to the following types of items where you track landed cost:

- Inventory items
- Assembly items

Estimated Landed Cost can be used on the following transactions:

- Purchase order
- Item receipt
- Standalone vendor bill

When you assign landed cost templates to transaction line items, landed cost estimates are automatically applied as the items are received. You can receive large orders without having to manually apply landed cost estimates for each of the items.

Availability

The Estimated Landed Cost feature is available in the Supply Chain Management SuiteApp. To purchase the SuiteApp, contact your account manager.

Limitations

- Estimated Landed Cost can be used on purchase orders, item receipts, and vendor bills. Transactions for credit card charges and checks are not supported.
- Use of Estimated Landed Cost requires that you check the **Enable Estimated Landed Cost** box for both standard and custom roles. To enable this box, you must customize or edit roles who want to use estimated landed cost. For more information, see Roles and Permissions for Estimated Landed Cost.

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- In addition to standard ways of entering items and item receipts, landed cost templates are supported and can be applied through the following:
  - When using the **Add Multiple** option to add items to purchase orders only
  - When using web service and scheduled scripts to create item receipts only
- Landed cost templates that have been set up on parent matrix items can be inherited by their child matrix items. This behavior is applicable to matrix items only. For more information, see the guidelines in the Assigning Landed Cost Templates to Items topic.
- You can use import for landed cost template mappings only. For more information, see Importing Landed Cost Template Mappings.
- Item receipts generated from return authorizations are not supported.
- Estimated landed cost set up on item records are automatically picked up in the line item only if the purchase order is created in NetSuite.

Estimated Landed Cost Setup Requirements

- Prerequisites for Estimated Landed Cost
- Installing the Supply Chain Management SuiteApp
- Enabling Estimated Landed Cost
- Roles and Permissions for Estimated Landed Cost

Prerequisites for Estimated Landed Cost

To enable features and set preferences:

1. Go to Setup > Company > Setup Tasks > Enable Features.
2. On the **Items & Inventory** tab, check the **Landed Cost** box, and then save.

For more information, see the help topic Enabling Features.

Installing the Supply Chain Management SuiteApp

Install the Supply Chain Management SuiteApp with the following details:

- Bundle Name: **Supply Chain Management**
- Bundle Id: **47193**

For more information, see the help topic Installing Supply Chain Management.

Enabling Estimated Landed Cost

After the Supply Chain Management SuiteApp has been installed, you must enable the Estimated Landed Cost feature.

> ⚠ **Important:** Access to the Supply Chain Preferences page is supported only for users with Administrator roles.

To enable estimated landed cost:

1. Go to Transactions > Management > Supply Chain Management.
2. On the Supply Chain Management page, click the **Preferences** link.
3. On the Supply Chain Preferences page, click **Edit**.

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4. On the **Features** subtab, check the **Estimated Landed Cost** box.

5. Click **Save**.

When you use this feature, you must also set up the roles records of those who want to use estimated landed cost.

Roles and Permissions for Estimated Landed Cost

To enable estimated landed cost for all roles:

1. Go to Setup > Users/Roles > Manage Roles.

2. On the role record, check the **Enable Estimated Landed Cost** box:

    By default, the prebuilt custom forms and records for Estimated Landed Cost are enabled for the following standard roles:

    - CEO and CFO
    - Accountant and Accountant (Reviewer)
    - Warehouse Manager

3. To enable other roles to use estimated landed cost, set up the required permissions and forms:

    - On the **Permissions** subtab:

Subtab	Record	Level
Setup	Set Up Company	View
Custom Record	Landed Cost Template	Full
Custom Record	Landed Cost Template Detail	Full
Custom Record	Landed Cost Template Mapping	Full

> **(i) Note:** When setting up the Estimated Landed Cost permissions, consider those roles who perform tasks involving purchase orders, item receipts, and standalone vendor bills.

    Standard or custom roles based on the Buyer, A/P Clerk, and Warehouse Manager can add or edit items on these transactions. This might automatically update their landed cost estimates. To avoid errors in estimated landed cost calculations and when submitting transactions, you must update their role records. Check the **Enable Estimated Landed Cost** box and then assign the permissions.

    - On the **Forms** subtab:

Subtab	Type	Form Name	Enabled
Custom Record	Landed Cost Template	SCM Landed Cost Template Form	Yes
Custom Record	Landed Cost Template	Standard Landed Cost Template Form	Yes
Custom Record	Landed Cost Template Detail	Standard Landed Cost Template Detail Form	Yes
Custom Record	Landed Cost Template Mapping	Standard Landed Cost Template Mapping Form	Yes
Item	Group/Kit/Assembly	SCM Assembly Item - Landed Cost	Yes

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> **ⓘ Note:** To use the validations when setting up estimated landed cost for assembly items, enable the **SCM Assembly Item - Landed Cost** form.

For more information, see Assigning Landed Cost Templates to Items.

Setting up Estimated Landed Cost

Use the following topics to set up Estimated Landed Cost.

- Setting up Landed Cost Templates
- Assigning Landed Cost Templates to Items
- Importing Landed Cost Template Mappings

Setting up Landed Cost Templates

Before setting up landed cost templates, verify that you have existing cost categories in your account. To view or create cost categories, go to Setup > Accounting > Setup Tasks > Accounting Lists. When setting up cost categories for Estimated Landed Cost, use the **Landed** cost type only.

> **ⓘ Note:** When you choose expense accounts for landed cost categories or accounts with subsidiaries, note the following. The expense account must belong to the same subsidiary as the transaction that is going to use the cost category.
>
> For more information, see the help topic Creating Cost Categories.

When setting up landed cost templates, you can add multiple cost categories and set up each with its own allocation method and cost factor. They are used as the basis for the calculation of the estimated landed cost when the templates are applied to transaction line items.

To set up landed cost templates:

1. Go to Lists > Accounting > Landed Cost Templates > New.

   If you are on the Landed Cost Template List page, click **New Landed Cost Template.**

2. On the **Landed Cost Template** page, enter the following template details:

   1. In the **Name** field, enter a unique name for the landed cost template.

   2. In the **Description** field, enter a description for the template.

   3. For accounts using the Multiple Currencies feature, select a currency from the list in the **Currency** field.

      By default, this field displays your base currency. Other options include currencies that have been set up in your account.

      Be aware of the following behaviors to help you set the currency of cost category templates:

      - On item records, you can set templates for currencies that are set up in your account.

      - On your transactions, you can select only the templates with the currency that matches the transaction's currency.

      - Changing the currency might cause a mismatch with items or transactions that have been associated with the template. For more information, see Editing Transactions With Estimated Landed Cost.

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3. For each unique cost category added to the template, complete the following:

    1. In the **Cost Category** column, select a landed cost category.

    2. In the **Cost Allocation Method** column, select the allocation method.

       See how calculations are done when you use a specific allocation method, in the following table:

Allocation Method	Calculation of Estimated Landed Cost
Weight	Item Weight x Quantity x Cost Factor If you select the Weight method, be sure to set the Item Weight on the item record.
Quantity	Quantity x Cost Factor
Flat Amount	Cost Factor
% Value	Cost Factor x Quantity x Price or Rate If you select the **% Value** method, enter the percent value of the cost factor. For example, if you want to set 20% for the cost factor, you must enter **20** in the **Cost Factor** field.

    3. In the **Cost Factor** column, enter the value of the cost factor.

       You cannot enter a negative value in this field.

COST CATEGORY *	COST ALLOCATION METHOD *	COST FACTOR *
Cost of Freight & Deilvery	Weight	

✔ OK   ✖ Cancel   + Insert   🗑 Remove

➕ Add Row

    4. Click **Add**.

       Landed Cost Templates must have at least one cost category in the sublist. Landed cost categories can be added only one time in a template.

4. After you have set up the cost categories, click **Save**.

   Click **Reset** if you want to delete the values from the fields, including the cost category details.

   You can view the templates that you have set up on the Landed Cost Template List page. On this page, you can set the view to **Landed Cost Template** to display the **Currency** column in the list. You can also click the Edit link for a template to update its record details and cost category setup.

> ⓘ **Note:** Changing allocation methods and cost factors for cost categories might update existing estimated landed cost calculations only when you edit the associated transaction.

   In edit mode, you can delete a template only if it is not associated with an item or transaction. You can also inactivate a template, which prevents it from being assigned to items. When you inactivate templates after they have been assigned to items, you cannot use them on transactions to calculate the estimated landed cost.

Assigning Landed Cost Templates to Items

After setting up landed cost templates, you can create the estimated landed cost template mappings. Assign the templates to inventory or assembly items where you track landed cost.

Before adding estimated landed cost templates, review the following guidelines:

▪ You can associate up to 1000 templates for each item.

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- Child matrix items that have not been set up with a landed cost template inherit the template from the parent matrix item.

  - To maintain consistency between parent and child records, both parent and child items should have the same subsidiary.

  - Alternatively, you can assign preferred templates to child matrix items that do not have the same subsidiary as the parent matrix item.

  - If you want to add landed cost template mappings in bulk, see Importing Landed Cost Template Mappings.

  - For guidelines on permissions, see Roles and Permissions for Estimated Landed Cost.

To add landed cost templates to items:

1. Go to Lists > Accounting > Items.

2. On the Items page, click the Edit link for the item that you want to set up.

   If you are going to create an item, click **New Item**.

3. On the item record, do the following to add the templates:

   In the Primary Information section, select **SCM Assembly Item - Landed Cost** as your custom form for assembly item records. This selection lets you use landed cost validations specific for assembly items.

   1. On the **Purchasing/Inventory** subtab, check the **Track Landed Cost** box.

   2. On the **Landed Cost Templates** subtab, select a template from the list in the **Landed Cost Template** column.

      > ✔ **Tip:** When you point to the right of the **Landed Cost Template** field, you can click the Open icon, to display and view the template details.

   3. In the **Preferred** column, check the box for your preferred template to set it as the default for purchase orders and standalone vendor bills.

      If you use Multiple Currencies, you can add a template for each currency that is set up in your account. You can assign one preferred template per currency.

   4. Click **Add**.

4. After you have assigned the landed cost templates, click **Save**.

   In view mode, all templates that have been assigned to the item are displayed in the list, including inactive templates. In edit mode, inactive templates are displayed as blank rows. If you want to disassociate inactive templates from the item, click **Remove** for the specific row. You can disassociate a landed cost template from an item if it has not been used on a transaction.

Importing Landed Cost Template Mappings

You can import mappings of landed cost templates to inventory or assembly items where you track land cost. Through import, you can assign and update landed cost templates to items in bulk, instead of adding them to item records one at a time.

To prepare for your import of landed cost template mappings, see the following guidelines:

- Estimated landed cost can be imported through CSV, scheduled script, and web service only. Other contexts are not supported.

- When updating import files:

  - Be sure to use the internal ID of the landed cost mapping records to be edited. For information about locating the internal ID, see the help topic How to Find a Record's Internal ID

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- You can generate a list of records to update by exporting the existing list of landed cost template mappings to a CSV file. To access the list, go to Lists > Accounting > Landed Cost Template Mapping. For more information about exporting records, see the help topic Exporting Lists.

- All landed cost mapping details can be edited, except for the currency.

- You cannot set editable fields to blank through import. Existing details on the record are retained if their corresponding fields or columns in the CSV file are left blank.

- For more information about creating CSV files for import, see the help topic General CSV File Conventions.

- Setting of a preferred currency is limited to one template per currency. If there are multiple preferred settings for a template in your file, the setting for the last row for the template is applied. For other guidelines and validations when assigning landed cost templates, see Assigning Landed Cost Templates to Items.

- For required preferences to use import, see the help topic Setting CSV Import Preferences.

To import landed cost template mappings:

1. Go to Setup > Import/Export > Import CSV Records.
2. On the Import Assistant page, complete the following tasks for Step 1 Scan & Upload CSV File.
   1. In the **Import Type** field, select **Custom Records**.
   2. In the **Record Type** field, select **Landed Cost Template Mapping.**
   3. In the CSV File(s) section, select the mode and file to upload. For instructions, see the help topic Choose CSV Column Delimiter.
   4. Click **Next**.
3. For Step 2 Import Options, select the option to add the file, update it, or both.

   To view the instructions, see the help topic Choose Data Handling for Import.
4. If you are importing multiple files, complete the tasks for Step 3 File Mapping.

   For instructions, see the help topic Step Three File Mapping.
5. For Step 4 Field Mapping, ensure the fields on your CSV file are correctly mapped to the fields on the Landed Cost Template Mapping record.

   For instructions, see the help topic Step Four Field Mapping.
6. When you have completed all the import steps, click **Save & Run** to save the import settings and start the import job.

   After running an import, the job is placed in a queue for processing. On the Finished page, click **Import Job Status** to view the status of the import job. For more information, Checking CSV Import Status.

> (i) **Note:** For import files with errors, only records with valid data are added or updated on Landed Cost Template Mapping records. You can download the CSVResponse.xls file to view the error details, which are listed in the first column of the file.

To view landed cost template mapping records:

1. Go to Lists > Accounting > Landed Cost Template Mapping.
2. Click **View** to open a record.
   - On the Landed Cost Template Mapping record, you cannot edit the details, create a new record, or make a copy of it.

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For information about adding or editing landed cost template mappings per item, see Assigning Landed Cost Templates to Items.

- You can delete existing records through scheduled script or web service only. When a mapping is deleted, estimated landed cost details on associated transactions are retained. However, you cannot select the template when you create or edit transactions, including related transactions such as item receipts generated from purchase orders.

Estimated Landed Cost Management

When adding items to transactions, you can select the landed cost template used to derive the estimated landed cost.

Review the following guidelines and reminders when using Estimated Landed Cost:

- Ensure that your landed cost templates are assigned to the items that you want to add to the transaction. For more information, see the following topics:
  - Setting up Landed Cost Templates
  - Assigning Landed Cost Templates to Items
  - Importing Landed Cost Template Mappings

- For item receipts and standalone vendor bills, be sure to check the **Landed Cost per Line** box. If you want to set this option as your default preference, go to Setup > Accounting > Accounting Preferences. On the **Order Management** subtab, check the **Landed Cost Allocation per Line** box. For more information about the landed cost option, see Using Landed Cost Allocation Per Line on Transactions.

- In line items, you must only set the **Landed Cost Template** field. You can select only the templates that have the same currency as the transaction.

  See the following screenshot for selecting a template on a standalone vendor bill.
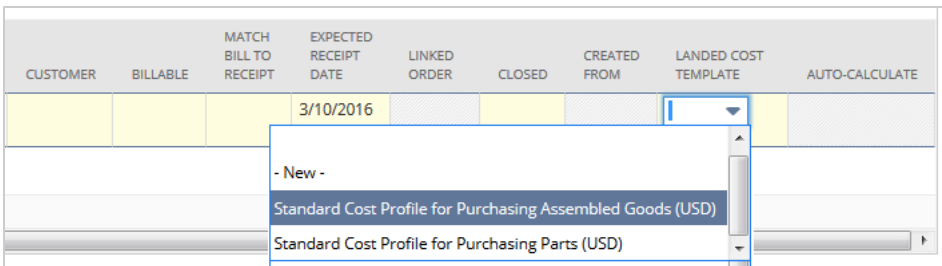
- Selecting a template automatically checks the line item's **Auto-Calculate** box to ensure that landed cost estimates are calculated and displayed. Be sure that you do not clear the **Auto-Calculate** box when you are ready to save the transaction.

- If you update the transaction currency, it might not match with the currency of the templates in existing line items. Related fields for the templates are cleared and left blank. Here are some ways to handle this case:
  - You can choose another template that has a currency that matches the updated one on the transaction.
  - You can update the currency of the existing template and then reassign it to the item. For information about updating the template currency, see Setting up Landed Cost Templates.

Creating Purchase Orders With Estimated Landed Cost

On purchase orders, you can add items one at a time or by using the **Add Multiple** option. The preferred landed cost template of an item is set as its default template on the purchase order. You can still change

default templates in the item sublist. For information about setting up default templates, see Assigning Landed Cost Templates to Items.

Creating Item Receipts With Estimated Landed Cost

Line items on receipts that are generated from a purchase order have the same landed cost templates as on the originating transaction. You can still change the templates on the generated item receipt, however, they are not going to match those on the originating transaction. This change recalculates the estimated landed cost for the updated line items.

Refer to the following guidelines for estimated landed cost on item receipts:

- When you save transactions with invalid templates or templates not mapped to items, landed cost estimates are not calculated for the affected line items. All fields related to the template are left blank.

- When you change the template for partial item receipts, discrepancies on landed cost estimates may occur between the initial and succeeding item receipts.

- When you generate item receipts from purchase orders through web service or scheduled scripts, note the following. Landed cost templates used for the items and landed cost estimates are carried over.

- You can switch from estimated to real landed cost per line item or per transaction. For more information about using real landed costs, see the following topics:
    - Entering Landed Cost on a Transaction
    - Landed Cost Allocation per Line

Creating Vendor Bills With Estimated Landed Cost

Vendor bills that are generated from purchase orders have the same landed cost templates as on the purchase order. Landed cost templates are not editable for these vendor bills.

When creating standalone vendor bills, you can assign and update the landed cost template. Estimated landed cost calculations depend on the selected template. You can also switch from estimated to real landed cost per line item. For more information, see Landed Cost Allocation per Line.

Viewing the Estimated Landed Cost on Transactions

On item receipts or standalone vendor bills, you can view the estimated landed cost in the following ways:

- To view the estimated landed cost for each line item

    On the **Items & Expenses** subtab, in the **Landed Cost** column, click the icon for the line item.

    The breakdown of estimates is displayed for each cost category.

- To view the estimated landed cost for the transaction

    On the **Landed Cost** subtab, view the total estimate for each cost category.

Editing Transactions With Estimated Landed Cost

Review the following guidelines when you update transactions that have line items with estimated landed cost:

- When you inactivate landed cost templates, you cannot select them from the Landed Cost Template list on transactions. If you replace an inactive landed cost template, you cannot select it again after saving the transaction.

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- You can use only either estimated or real landed cost. When both are set up in a line item, real landed cost entries are overwritten when you save the record. If you want to switch from estimated to real landed cost, verify that no landed cost template is selected for the line item.

Procurement Dashboard

The Procurement Dashboard displays consolidated procurement-related information from transactions and records on one page. Key information is available in the form of reports, reminders, tables, and other monitoring and management tools. From the dashboard, you can keep track of outstanding transactions, vendor performance, and expenditure across segments within the organization. Based on your specific business requirements, you can customize the dashboard content.

Availability

The Procurement Dashboard is available in the Advanced Procurement SuiteApp that is included in the Advanced Procurement Module. To purchase, contact your NetSuite sales representative.

Procurement Dashboard Limitations

Be aware of the following limitations of the Procurement Dashboard:

- The Procurement Dashboard is only set up in the Classic, Accounting, and Shipping centers. It has to be set up manually for other centers. For more information, see Roles and Permissions. For instructions on setting up and publishing the dashboard, see Publishing the Procurement Dashboard.
- For portlets that use currency data, the saved search follows the currency of the transaction.
- The original layout of the Procurement Dashboard is not automatically set up when you uninstall and reinstall the Advanced Procurement SuiteApp. In case you need to reinstall the SuiteApp, you have to set up the dashboard components manually. For more information, see Setting Up the Procurement Dashboard.
- For the spend reports, only values for the class, department, location, and vendor on the main line are used to generate the report. Values in these fields on the line items are not considered.

For more information, see Adding portlet content.

Setup Requirements for the Procurement Dashboard

Prerequisites

To enable the procurement dashboard features and preferences:

1. Go to Setup > Company > Setup Tasks > Enable Features.
2. On the **Employees** tab, check the box for **Approval Routing**.
3. On the **SuiteCloud** tab, check the box for **SuiteFlow**.
4. On the **Analytics** tab, check the box for **KPI Scorecards**.
5. Click **Save**.

On the Procurement Dashboard, you can only view content related to transactions that you have access to. The required features and saved searches that depend on them are listed in the following table. Take note of saved searches that depend on more than one feature.

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Required Feature	Saved Search/Portlet
Purchase Orders	Purchase Order to Approve
	Vendor Delivery Performance
	Supply Plans Awaiting Purchase Order
Requisitions	Purchase Order to Place
Blanket Purchase Orders	Blanket PO to Approve
	Blanket PO to Release
Purchase Contracts	Contracts to Approve
	Expiring Contracts
	Open Contracts by Vendor
	Contracts Close to Maximum Value
Request for Quotes	Request for Quotes Awaiting Response
	Request for Quotes Awaiting Award
Demand Planning	Purchase Orders to Reschedule
	Late Purchase Orders
	Supply Plans Awaiting Purchase Order
Assembly Items	Supply Plans Awaiting Purchase Order
Work Order	Supply Plans Awaiting Purchase Order
Vendor Return Authorizations	Vendor Return Amount
Advanced Receiving	Vendor Delivery Performance
Departments	Spend by Department
Classes	Spend by Class
Locations	Spend by Location

For more information, see the help topic Enabling Features.

Installing the Procurement Dashboard

To install the procurement dashboard:

1. Go to Customization > SuiteBundler > Search & Install Bundles.
2. Install the SuiteApp with the following details:
   - Bundle Name: **Advanced Procurement**
   - Bundle Id: 57060

For more information, see the help topic Installing a Bundle.

Advanced Procurement is a managed SuiteApp and is automatically updated whenever there are upgrades. Issue fixes and enhancements are available after the SuiteApp is updated in your account.

Roles and Permissions

This section contains information about roles and permissions for viewing and publishing the Procurement Dashboard.

Procurement Dashboard Roles

After installation, the following roles for publishing the Procurement Dashboard are added to the Accounting and Shipping center:

- **Procurement Dashboard Publisher – Accounting** – custom role with the permission to publish to users within the Accounting center. This role is based on the standard CFO role.

- **Procurement Dashboard Publisher – Shipping** – custom role with the permission to publish to users of the Shipping center. This role is based on the standard Warehouse Manager role.

To assign these custom roles to users within the Accounting and Shipping center, see the help topic Assigning Roles to an Employee. For the Classic center, the **Publish Dashboards** permission is already enabled for the Administrator role. For other standard and custom centers, roles with the publish permission can setup and publish the Procurement Dashboard. For information about adding the permission, see Procurement Dashboard Permissions. For more information about publishing the dashboard, see Setup Requirements for the Procurement Dashboard.

Procurement Dashboard Permissions

By default, the standard Administrator and custom Publisher roles with the **Publish Dashboards** permission can publish the dashboard to other roles within their center. For roles from other centers or users who want to share their personalized dashboard, you can add the publish permission to their role record. To access a role record, go to Setup > Users/Roles > Manage Roles and then click the Edit link for the role to be updated. On the Role page, select the **Publish Dashboards** permission on the **Setup** subtab of the **Permissions** subtab. Verify that the access level for the permission is set to **Full**.

> **Note:** To personalize the dashboard, enable the **Publish Dashboards** permission before customizing the Procurement Dashboard.

For more information, see the help topic Publish Dashboards Permission. For guidelines when customizing the dashboard, see Customizing the Procurement Dashboard and Best Practices for Customizing the Procurement Dashboard.

Setting Up the Procurement Dashboard

Depending on your center, use the Administrator or custom Publisher role to publish the Procurement Dashboard to other roles. For more information about the Publisher roles, see Procurement Dashboard Roles. To publish the dashboard, complete the sequence of tasks described in the following topics:

- Displaying the Procurement Center Tab
- Setting Up the Dashboard Portlets:
    - Setting up the Procurement Dashboard layout
    - Adding Procurement Dashboard Portlets
    - Adding Procurement Dashboard Portlet Content
- Publishing the Procurement Dashboard

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Displaying the Procurement Center Tab

The **Procurement Center** tab is already set up in accounts of the custom Publisher role. You must display the tab in the accounts of other roles. If you need to only publish changes to existing users of the dashboard, you can skip this step.

To access the procurement center record to select roles:

1. Go to Customization > Centers and Tabs > Center Tabs.
2. On the Centers tab, select the roles you want to display.

   Alternately, you can click the **Procurement Center** tab in your account. Then, click the **Edit Custom Tab** link located at the upper right side of the page. On the **Center Tabs** list, click the **Edit** link for the Procurement Center. On the Center Tab page, select the roles on the **Audience** subtab. For more information about the center tab record, see the help topic Creating Center Tabs.

Setting Up the Dashboard Portlets

After displaying the **Procurement Center** tab, you can set up the portlets and saved searches on the Procurement Dashboard. The procedures in this section show you how to set up the layout, portlets, and content based on the default Procurement Dashboard setup.

Before setting up the content and saved search, you can review the prerequisites and portlet content description from the following topics:

- To review the features required to display the saved searches and portlet, see Prerequisites.
- For a complete list of saved searches or content with description, see Using the Procurement Dashboard.

Use the following screenshot as your guide for the default setup of the Procurement Dashboard.
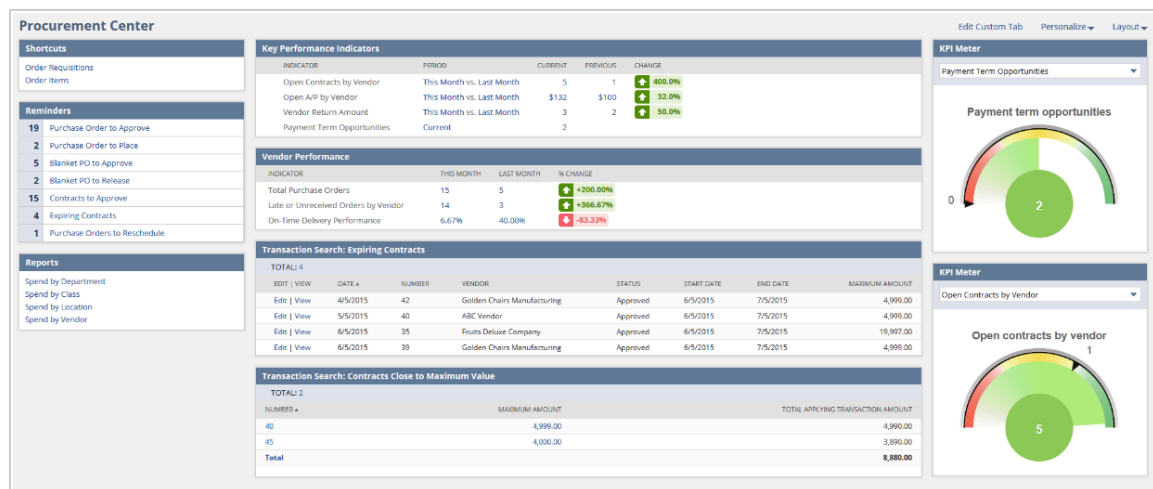
To set up the procurement dashboard layout:

1. In the upper right side of the dashboard, click **Layout**.

   The Procurement Dashboard uses the three-column layout type by default.
2. From the layout options, click the three-column layout.

For more information, see the help topic Dashboard Layouts.

To add procurement dashboard portlets:

1. In the upper right side of the dashboard, click **Personalize**.
2. On the **Personalize Dashboard** pane, click **Standard Content**.
3. From the submenu, click the portlets that you want to select.
4. Based on the Procurement Dashboard default setup, select the following portlets arranged according to their position on the dashboard layout:

Layout Column	Portlet Type	No. of Portlets
Left column	Custom Portlet	2
	Reminders	1
Center column	Key Performance Indicators	1
	KPI Scorecard	1
	Custom Search	2
Right column	KPI Meter	2

5. To arrange the order of a portlet, drag and drop it to the new position on the dashboard.

   For more information, see the help topic Adding a Portlet to a Dashboard.

To add procurement dashboard portlet content:

1. For each portlet on the dashboard, the menu is displayed when you point to the title bar. Point to the menu icon to display the options.
2. Click **Set Up**.
3. In the popup window, select the saved search or content specific to the portlet type.

   The following table shows the list of portlets in the order of how they are displayed on the default Procurement Dashboard. It also describes the steps to add content specific to each portlet.

   For a description of the portlet content or saved searches, see Using the Procurement Dashboard. For detailed instructions on adding portlet content, see the help topic Setting Up Dashboard Portlet Content.

Portlet Title	Portlet Type	Content/Saved Search Name	Setup Instructions
Shortcuts	Custom Portlet The Procurement Dashboard does not use the standard Shortcuts portlet.	**APA Dashboard Shortcuts PO** (For a description of the shortcut links, see Shortcuts.)	On the Custom Content popup window, select the saved search from the list in the **Source** field.

Portlet Title	Portlet Type	Content/Saved Search Name	Setup Instructions
Reminders	Reminders	For the list of Reminders saved searches, see Reminders.	■ On the Set Up Reminders popup window, click **Add Custom Reminders**. ■ On the Choose Custom Reminders popup window, click the saved searches in the left pane.
Reports	Custom Portlet The Procurement Dashboard does not use the standard reports portlets.	**APA Dashboard Reports PO** (For the list of available reports, see Reports.)	On the Custom Content popup window, select the saved search from the list in the **Source** field.
Key Performance Indicators	Key Performance Indicators	For a list of KPI saved searches, see Key Performance Indicators and KPI Meters.	■ On the Set Up KPI popup window, click **Add Custom KPIs**. ■ On the Choose Custom KPI popup window, click the saved searches in the left pane. The date ranges for the KPI comparison are set to **this month** and **last month**, by default.
Vendor Performance	KPI Scorecard	**Vendor Performance** (For a list of KPIs included in the scorecard, see KPI Scorecard.)	On the KPI Scorecard popup window, select the scorecard from the list in the **Search** field
Expiring Contracts Contracts Close to Maximum Value	Custom Search	For a list of Custom Search saved searches, see Custom Searches.	On the Custom Search popup window, select the saved search from the list in the **Search** field
KPI Meter (2)	KPI Meter	For the list of KPIs, see Key Performance Indicators and KPI Meters.	On the KPI portlet, select the KPI from the list located below the title. ⓘ **Note:** Be sure to set up the Key Performance Indicators portlet first, to select the KPIs that you can also display on the KPI Meter.

To personalize the Procurement Dashboard to accommodate specific business requirements, see Customizing the Procurement Dashboard and Best Practices for Customizing the Procurement Dashboard.

Publishing the Procurement Dashboard

To select roles to publish the dashboard:

1. Go to the **Home** page.
2. In the **Settings** portlet, click the List link beside the **Publish Dashboard** link.

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3. Click **Edit** next to the **Procurement Dashboard**.

4. On the **Publish Dashboard** page, select the role on the **Apply to Roles** subtab.

5. You can add the following dashboard settings, depending on your business requirements:

   - If you are publishing changes to the Procurement Dashboard, you can check the box in the **Override Existing User's Settings** column. This preference replaces any personal settings of existing users with the published dashboard. Clear this box to publish the dashboard only to new users assigned with the role or dashboard. For more information about the publish dashboard record, see the help topic Publishing a Dashboard.

   > **(i) Note:** If an update to the SuiteApp includes new portlet content or saved searches, you may have to manually set up the portlet.

   After adding the portlet content, you can publish your updated dashboard to other users. For instructions to set up each portlet, see Using the Procurement Dashboard.

   - On the **Apply to Tabs** subtab, you can view the default restriction level for users of the Procurement Dashboard, which is set to **Add/Move content.** This restriction enables users to add and rearrange the dashboard portlets, but prevents them from removing portlets. If you want to prevent any user changes or allow more changes, you have to create a new publish dashboard record. Restrictions can only be set one time and can no longer be changed or updated. For more information, see the help topic Restricting Users' Dashboard Personalizations.

   Other roles with the publish dashboard permission can also create a new dashboard record to share their customizations on the Procurement Dashboard. For more information about customizing the dashboard, see Customizing the Procurement Dashboard. For more information about the publish permission, see Procurement Dashboard Permissions.

6. Click **Save and Update Content**.

   Clicking Save only saves the changes to the dashboard definition, without applying them to users' dashboards

Using the Procurement Dashboard

On the **Procurement Center** tab, you can see the portlets for transactions that you have access to. Only the administrator has access to all portlets and transactions, if the required features and preferences are enabled in the account. For the list of features and preferences required for each saved search, see Prerequisites.

To view the portlets displayed on your Procurement Dashboard, click the Personalize link located at the upper right corner of the page. On the Personalize Dashboard panel, click the **Currently Used** tab to show all portlets displayed on the dashboard.

The following list describes the custom saved searches or content that are included in the Procurement Dashboard. Saved searches that can be used in more than one portlet display different sets of data.

Shortcuts

- Order Requisitions

  This shortcut redirects you to the Order Requisitions creation page, which you can also access by going to Transactions > Purchases/Vendors > Order Requisitions.

- Order Items

  This shortcut redirects you to the Order Items creation page, which you can also access by going to Transactions > Inventory > Order Items.

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Reminders

A reminder is displayed only if there is at least one transaction retrieved by the saved search. Click a reminder link to display the list of retrieved transactions along with select details. If only one record is retrieved, clicking the link displays the transaction record, in view mode.

Reminder	Description
Purchase Orders to Approve	Reminds you of purchase orders that have not been approved.
Purchase Orders to Place	Reminds you of approved requisition records that do not yet have a purchase order.
Blanket POs to Approve	Reminds you of blanket purchase orders that have not been approved. Expired blanket purchase orders are not included.
Blanket POs to Release	Reminds you of approved blanket purchase orders that have outstanding lines and without a purchase order. Expired blanket purchase orders are not included.
Contracts to Approve	Reminds you of purchase contracts that have not been approved.
Expiring Contracts	Reminds you of approved purchase contracts that are scheduled to expire within 30 days from the current date. Expired contracts are not included. To set the number of days before expiration, see Changing a custom saved search.
Request for Quotes Awaiting Response	Reminds you of RFQs that are still open for bidding, regardless of whether the RFQ has a response.
Request for Quotes Awaiting Award	Reminds you of RFQs that have not been awarded to a bidder. Only RFQs that are closed for bidding are displayed on the dashboard, regardless of whether there is a response.
Supply Plans Awaiting Purchase Order	Reminds you of item supply plans that do not yet have a purchase order.
Purchase Orders to Reschedule	Reminds you of purchase orders with items that have been set for rescheduling. This reminder is based on item supply plans with a reschedule date and tagged with the **Reschedule Out** message. Only orders for inventory items are included in the results.
Late Purchase Orders	Reminds you of purchase orders with items that have not been fully received before the expected receipt date. This reminder is based on item supply plans tagged with the **Late Purchase Order** message. Only orders for inventory items are included in the results.

Key Performance Indicators and KPI Meters

The following saved searches can be displayed as a KPI, KPI Meter, or both. The description applies to saved searches when displayed as a KPI portlet.

KPI	Description
Open Contracts by Vendor	This indicator shows the total number of open contracts for the current and previous month, as well as the percentage change. Only approved purchase contracts are included in the count.
Open A/P by Vendor	This indicator shows the total amount of the accounts payable balance for the current and previous month, as well as the percentage change. Only open accounts payable transactions are included in the total balance.
Vendor Return Amount	This indicator shows the total number of open vendor return authorizations for the current and previous month, as well as the percentage change. Only authorizations with the following status are included in the results:

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KPI	Description
	■ Pending Approval
	■ Pending Return
	■ Partially Returned
	■ Pending Credit/Partially Returned
	■ Pending Credit
Payment Term Opportunities	This indicator shows the total number of open and unapproved bills for the current month. Bills with discounts on payment terms that are due within 10 days of the current date are included in the count. To set the criteria for the number of days till a discount expires, see Changing a custom saved search.

KPI Scorecard

The Vendor Delivery Performance scorecard shows a comparison of the following indicators for the previous and current month:

■ **Total Purchase Orders** – total number of orders received

■ **Late or Unreceived Orders by Vendor** – total number of orders received 14 days beyond the expected receipt date and orders not been received

■ **On-Time Delivery Performance** – percentage of total number of orders received on time

The portlet also displays the percent change for each indicator.

For **Late or Unreceived Orders by Vendor**, if there is no expected receipt date, NetSuite uses the due date or transaction date. To set the number of days used to determine late deliveries, see Changing a custom saved search.

Reports

The following reports display the total expenditure for each segment: department, class, location, and vendor.

■ Spend by Department

■ Spend by Class

■ Spend by Location

■ Spend by Vendor

Expenditure amounts are taken from purchase orders that have not been billed and vendor bills, both paid and unpaid. The transactions with no segment are grouped together and displayed as one on the report page. By default, the report displays all transactions within the current month. Use the filters to change the coverage period of the report. Click the expand icon on the Filters bar to display the fields where you can enter the filtering criteria.

On the Procurement Dashboard, clicking the report link displays the following details: segment name and total amount. At the end of the report, the total expenditure amount for all segments is displayed.

Custom Searches

On the Procurement Dashboard, the following custom saved searches are displayed as a Transaction Search. It shows a list of transactions retrieved by the saved search along with select details. The total number of purchase contracts are displayed above the list.

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Custom Search	Description
Expiring Contracts	This search displays a list of approved purchase contracts that are set to expire within the next 30 days after the current date. Expired contracts are not included in the list. To set the number of days before expiration, see Changing a custom saved search.
Contracts Close to Maximum Value	This search displays a list of approved purchase contracts with amount greater than or equal to 80% of the maximum amount. Expired contracts are not included. To set the percentage for the maximum value, see Changing a custom saved search.

Customizing the Procurement Dashboard

You can customize the Procurement Dashboard to suit your business needs. You can change the default arrangement of portlets and add dashboard content. To add more portlets, you can choose from standard portlets or create your own. You can also make a copy of a custom saved search and change it according to your business requirements.

> ⚠️ **Important:** After customizing the Procurement Dashboard, there is no option to automatically revert it to its original state and layout.

For guidelines and reminders when customizing the dashboard, see Best Practices for Customizing the Procurement Dashboard.

To rearrange dashboard portlets:

1. To transfer a portlet from one column to another, drag and drop a portlet to its new location on the dashboard.

   The Procurement Dashboard uses the three-column layout type.

   To view the default arrangement of portlets, see Setting Up the Dashboard Portlets. For more information, see the help topic Arranging Dashboard Portlets.

To add dashboard portlets:

1. To view the list of portlets that on the dashboard, click **Personalize**.
2. On the **Personalize Dashboard** pane, click the **Currently Used** tab.
3. Select a portlet from the other tabs: Standard Content, Report Snapshots, and Trend Graphs.
4. Click a portlet to add it to the dashboard.

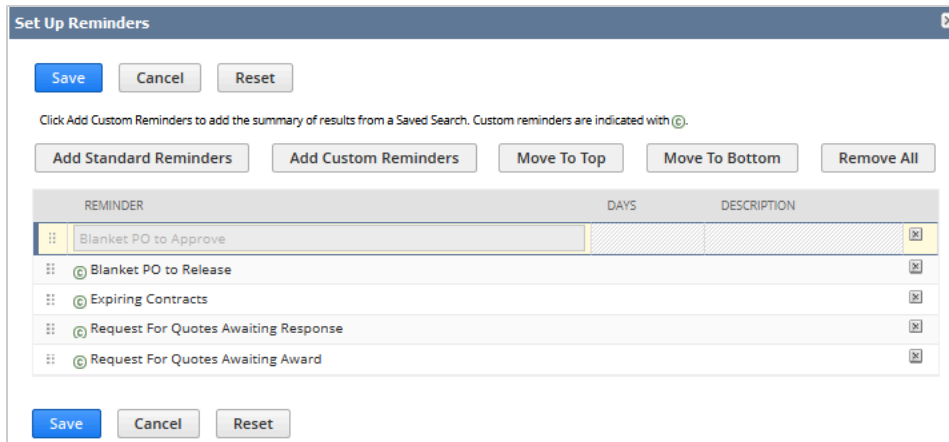   For more information, see the help topic Adding a Portlet to a Dashboard.

   The maximum number of portlets you can display is reduced when you have already displayed the default portlets of the Procurement Dashboard.

   For more information, see the help topic Portlet Types Table.

Adding portlet content

For each portlet, you can select your own custom saved search or content to display on the Procurement Dashboard. For instructions, see the help topic Setting Up Dashboard Portlet Content. For requirements to display each custom saved search, see Prerequisites.

The following screenshot shows the saved searches currently displayed as reminders on a sample dashboard. To select another saved search to display, click **Add Custom Reminders**. A popup window displays all custom saved searches, including those that you created on your own.

Review the following guidelines specific to a portlet type:

- You can only select and display a saved search on the KPI Meter if it is currently displayed on the KPI portlet.

- For the KPI portlet, you can display up to ten custom KPIs.

- The Shortcuts and Reports custom portlets are generated from a single file and cannot be set up separately. You cannot add saved searches to or modify content of the custom portlets. To add your own Shortcuts, see the help topic Shortcuts Portlet. To create and use your own script for a Shortcuts or Reports custom portlet, see the help topic What Are Portlet Scripts?
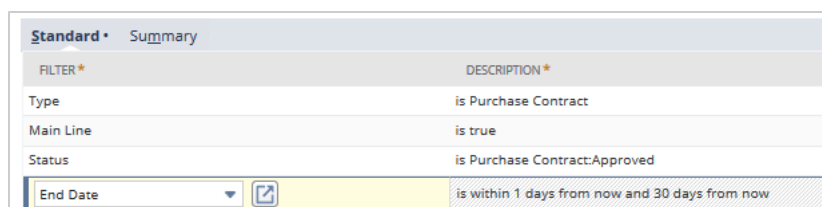
Changing a custom saved search

You can create a copy of a custom saved search to update the content according to your preference.

To locate a saved search:

1. Go to Lists > Search > Saved Searches.
2. Edit the saved search record by modifying the criteria and other settings.
3. Save the record under the name or title of your choice.

   For more information, see the help topic Defining a Saved Search.

4. To set your preference for the criteria of a specific saved search:

   - **Expiring Contracts**

     By default, this saved search retrieves contracts that are set to expire within 30 days of the current date. To set the criteria for the number of days before a contract expires, change the description for the **End Date** filter, on the **Standard** subtab.

   - **Contracts Close to Maximum Value**

     Currently, the percentage for the maximum amount is set to 80 percent. To set your preference for the percentage, change the description for the **Formula (Numeric)** field, on the **Summary** subtab. For more information, see the help topic Summary Search Filters.

- **Vendor Delivery Performance**

  By default, there is a 14-day limit after the expected receipt date of an item that determines the late delivery of orders. This limit is applied in the saved search named, Late or Unreceived Orders by Vendor. To update this limit, change all formula conditions for both **Formula (Numeric)** filters by replacing the number that is used to compare the dates with. As shown in the following screenshot, you can replace the 14-day limit in the following condition:

  ```
  1 | (({today} - {expectedreceiptdate}) > 14)
  ```


  For more information about using a search formula, see the help topic Formulas in Search.

- **Payment Terms Opportunity**

  By default, the allowance for the expiration of a payment term discount is set to 10 days. You can set your preference for the number of days by changing the description for the **Formula (Date)** filter.

Best Practices for Customizing the Procurement Dashboard

This section provides best practices when customizing the Procurement Dashboard. To review the limitations of the dashboard, see Procurement Dashboard Limitations. For guidelines when publishing the dashboard, see Publishing the Procurement Dashboard.

> ⚠️ **Important:** After customizing the Procurement Dashboard, there is no option to automatically revert it to its original state and layout.

- **To publish your custom Procurement Dashboard and share it with other users**, enable the **Publish Dashboards** permission. For more information, see Roles and Permissions.
  - Be sure to enable the permission before you customize or personalize the dashboard.
  - Be sure that your role has access to the center where you want to publish the dashboard.

  For more information and guidelines, see the help topic Applying Changes to Published Dashboards.

- **To publish the dashboard to other centers**, besides the Classic, Accounting, and Shipping centers, set up the portlets manually. Refer to the instructions in the following topics:
  - Setting Up the Procurement Dashboard
  - Adding a Portlet to a Dashboard
  - Setting Up Dashboard Portlet Content

- **To allow or prevent users from making changes to the dashboard**, or adding and rearranging portlets, set the restriction level on the dashboard record. For more information and instructions, see the following topics:
  - Publishing the Procurement Dashboard
  - Restricting Users' Dashboard Personalizations

  > ℹ️ **Note:** You can only set a restriction level when you first publish a dashboard. This setting can no longer be edited after the dashboard has been published.

- After each publish, users should log out and log in again to the account, to view the changes. Additionally, users should clear the browser cache.

- **If you remove a dashboard component**, you have to set it up manually to display it again on the dashboard.
  - If you removed a portlet, you can select it from the **Standard Content** tab of the Personalize Dashboard panel.
  - If you removed a saved search from a portlet, click the **Add Custom** option on the Set Up portlet popup window. This displays the list of available saved searches.

    To display default Procurement Dashboard portlets, see Setting Up the Dashboard Portlets. For more information about adding portlets in general, see the help topic Adding a Portlet to a Dashboard.

- **If you have a custom Procurement Dashboard**, you can set up your account to prevent automatic updates during upgrades. You can also set up your account to prevent a new release of the Advanced Procurement SuiteApp. For more information, see the help topic Bundle Object Preferences or Applying Updates for Bundled Published Dashboards.

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Purchases Workbooks

SuiteAnalytics Workbook offers many workbook and dataset templates, each with predefined source data, criteria, pivot tables, and charts.

This section contains the information for the SuiteAnalytics Purchases workbooks in NetSuite. For more information about SuiteAnalytics Workbook, see the help topic Workbook and Dataset Templates.

- Purchases Dataset Templates
- Purchases Workbook Templates

Purchases Dataset Templates

The following SuiteAnalytics dataset templates are available.

- Purchases (Billed) Dataset
- Purchases (Ordered) Dataset

Purchases (Billed) Dataset

This dataset combines fields from the Transaction and Transaction Line record types. It lets you analyze the status of bills received during the last month. It forms the source data for the Purchases (Billed) Workbook.

Key Field Differences

To create a saved search to obtain this information, all the required fields are available through the Transaction record type in the Saved Search application. However, in the SuiteAnalytics Workbook, some required fields are only available through the Transaction Line record type. You must join this record type to your dataset to recreate this search.

The following table lists key differences in fields between the saved search and the dataset:

Field Name in Saved Search	Record Location in SuiteAnalytics Workbook	Join Path in SuiteAnalytics Workbook	Field Name in SuiteAnalytics Workbook
Type	Transaction	(none)	Type
Date	Transaction	(none)	Date
Main Line	Transaction Line	Transaction > Transaction Line	Main Line
Tax Line	Transaction Line	Transaction > Transaction Line	Tax Line
Quantity	Transaction Line	Transaction > Transaction Line	Quantity

Dataset Configuration

The Purchases (Billed) dataset combines fields from two record types and multiple criteria filters. To edit the dataset, see the help topic Defining a Dataset.

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Consider the following information before you edit the dataset:

- If you use Multi-Book Accounting, you can use the Accounting Book field in a criteria filter to view data for specific accounting books. To access the Accounting Book field, use the join path Transaction > Transaction Line > Transaction Accounting Line.

- Users assigned to the Sales role do not have access to the Account record type in SuiteAnalytics Workbook, which is required to edit this dataset. If you want users with the Sales role to work with the dataset, give them access to the Account record type.

Root Record Type	Joined Record Type(s)	Custom Formula Field(s)	Data Grid	Criteria Filters
Transaction	Transaction Line	(none)	The following field are included in the dataset. Transaction: - Entity - Date - Status - Total Amount (Transaction Currency) Transaction Line: - Item: Full Name - Amount (Transaction Currency) - Quantity	The following criteria is used to filter the dataset: - **Transaction: Type** is Bill - **Transaction: Date** is On or after start of the month - **Transaction Line:** Main Line is False - **Transaction Line:** Tax Line is False - **Transaction Line: Quantity** is Not empty

Purchases (Ordered) Dataset

This dataset combines fields from the Transaction and Transaction Line record types. It lets you analyze the status of purchase orders from the last month. It forms the source data for the Purchases (Ordered) Workbook.

Key Field Differences

If you create a saved search to obtain this information, all the required fields are available through the Transaction record in the Saved Search application. However, in the SuiteAnalytics workbook, some required fields are only available through the Transaction Line record. You must join these records to your workbook to recreate this search.

The following table lists key differences in fields between the saved search and the dataset:

Field Name in Saved Search	Record Location in SuiteAnalytics Workbook	Required Join in SuiteAnalytics Workbook	Field Name in SuiteAnalytics Workbook
Type	Transaction	(none)	Type
Date	Transaction	(none)	Date
Main Line	Transaction Line	Transaction > Transaction Line	Main Line
Tax Line	Transaction Line	Transaction > Transaction Line	Tax Line
Quantity	Transaction Line	Transaction > Transaction Line	Quantity

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Dataset Configuration

The Purchases (Ordered) dataset combines fields from two record types and multiple criteria filters. To edit the dataset, see the help topic Defining a Dataset.

Consider the following information before editing the dataset:

- If you use Multi-Book Accounting, you can use the Accounting Book field in the workbook criteria filter to view data for specific accounting books. To access the Accounting Book field, use the join path Transactions > Transaction Line > Transaction Accounting Line.

- Users assigned to the Sales role do not have access to the Account record in SuiteAnalytics workbook, which is required to properly edit this workbook. If you want the users with the Sales role to work with the workbook, provide these users with access to the Account record.

Root Record	Joined Record	Custom Formula Field	Data Grid	Criteria Filters	Pivot Tables
Transaction	Transaction Line	(none)	Add the following fields to the grid from the Transaction record: - Entity - Date - Status - Total Amount (Transaction Currenty) Add the following fields to the grid from the Joined Transaction Line record: - Item: Full Name - Amount (Transaction Currency - Quantity	- Transaction: Type — Purchase Order - Transaction: Date — On or after start of this month - Transaction LIne: Main Line — False - Transaction Line: Tax Line — False - Transaction Line: Quantity — Not empty	The following pivot tables are predefined in the Purchases (Ordered) workbook: - Pivot by Item - Pivot by Vendor

For information about workbooks and datasets, see the following help topics:

- Workbook and Dataset Templates
- Custom Workbooks and Datasets
- Defining a Dataset
- Joining Transaction Line and Transaction Accounting Line in a Dataset
- Creating a Workbook

Purchases Workbook Templates

The following standard SuiteAnalytics Workbooks are available:

- Purchases (Billed) Workbook
- Purchases (Ordered) Workbook

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Purchases (Billed) Workbook

The Purchases (Billed) Workbook includes predefined criteria and pivot tables to show you the status of bills received during the last month. These transactions are grouped and pivoted by item and vendor in the corresponding Pivot by Item and Pivot by Vendor tables.

Key Field Differences in SuiteAnalytics Workbook

If you create a saved search to obtain this information, all the required fields are available through the Transaction record in the Saved Search application. However, in the SuiteAnalytics Workbook, some required fields are only available through the Transaction Line record. You must join these records to your workbook to recreate this search. In this workbook, the required fields have the same names in the SuiteAnalytics Workbook as in the Saved Search. The following table lists key differences in fields between the saved search and the corresponding workbook:

Field Name in Saved Search	Record Location in SuiteAnalytics Workbook	Required Join in SuiteAnalytics Workbook	Field Name in SuiteAnalytics Workbook
Type	Transaction	(none)	Type
Date	Transaction	(none)	Date
Main Line	Transaction Line	Transaction > Transaction Line	Main Line
Tax Line	Transaction Line	Transaction > Transaction Line	Tax Line
Quantity	Transaction Line	Transaction > Transaction Line	Quantity

Workbook Configuration

The source data used in the Purchases (Billed) workbook combines fields from two record types and multiple criteria filters. The workbook also includes two predefined pivot tables. You can edit each of these components on the corresponding tab of the workbook user interface (for more information, see the help topic Defining a Dataset.)

Consider the following information before editing the workbook:

- The Purchases (Billed) workbook has been designed to avoid the duplication of data. The workbook joins the Transaction Accounting Line record from the Transaction Line record. If you join both the Transaction Line and Transaction Accounting Line records directly from the Transaction record, it can duplicate the data. To avoid data duplication while working with the Transaction Line record, see the help topic Joining Transaction Line and Transaction Accounting Line in a Dataset.

- If you Multi-Book Accounting, you can use the Accounting Book field in the workbook criteria filter to view data for specific accounting books. To access the Accounting Book field, use the join path Transactions > Transaction Line > Transaction Accounting Line.

- Users assigned to the Sales role do not have access to the Account record in SuiteAnalytics workbook, which is required to edit this workbook. If you want the users with the Sales role to work with the workbook, provide these users with access to the Account record.

Root Record	Joined Record	Custom Formula Field	Data Grid	Criteria Filters	Pivot Tables
Transaction	Transaction Line	(none)	Add the following fields to the grid	- Transaction: Type –Bill	The following pivot tables are

Root Record	Joined Record	Custom Formula Field	Data Grid	Criteria Filters	Pivot Tables
			from the Transaction record: ▪ Entity ▪ Date ▪ Status ▪ Total Amount (Transaction Currency) Add the following fields to the grid from the Joined Transaction Line record: ▪ Item: Full Name ▪ Amount (Transaction Currency) ▪ Quantity	▪ Transaction: Date – On or after start of this month ▪ Transaction Line: Main Line – False ▪ Transaction Line: Tax Line – False ▪ Transaction Line: Quantity – Not empty	predefined in the Purchases (Billed) workbook: ▪ Pivot by Item ▪ Pivot by Vendor

> **ⓘ Note:** When you first open the workbook, you must click the refresh icon ↻ to generate each pivot table and chart.

Purchases (Ordered) Workbook

The Purchases (Ordered) Workbook includes predefined criteria and pivot tables to show you the status of purchase orders from the last month. These transactions are grouped and pivoted by item and vendor in the corresponding Pivot by Item and Pivot by Vendor pivot tables.

Key Field Differences in SuiteAnalytics Workbook

If you create a saved search to obtain this information, all the required fields are available through the Transaction record in the Saved Search application. However, in the SuiteAnalytics workbook, some required fields are only available through the Transaction Line record. You must join these records to your workbook to recreate this search. In this workbook, the required fields have the same names in the SuiteAnalytics workbook as in the Saved Search. The following table lists key differences in fields between the saved search and the corresponding workbook:

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> **ⓘ Note:** When you first open the workbook, you must click the refresh icon ⟳ to generate each pivot table and chart.

For information about workbooks and datasets, see the following help topics:

- Workbook and Dataset Templates
- Custom Workbooks and Datasets

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- Defining a Dataset
- Joining Transaction Line and Transaction Accounting Line in a Dataset
- Creating a Workbook

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