

## Purchasing Customer Owned Inventory

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### **Purchasing Customer Owned Inventory**

A program is considered customer owned when the customer pays for the inventory up front when the inventory comes into your warehouse. In the Fulfillment order entry option, enter a prebill order to order the merchandise and bill the customer. The prebill order creates an inventory purchase order that can be received against to update the on hand quantity of each item. A Fulfillment order is then created to record the shipping of the merchandise out of your warehouse. Typically the Fulfillment order will contain charges for shipping and handling, but the merchandise is shipped at no charge. Following is the procedures that ASICS recommends for processing customer owned inventory.

1. Set up the program master(s). Generally two program masters will be set up for a customer owned program. One for ordering in the merchandise and charging the customer up front and the other for shipping the merchandise out of your warehouse. This allows you to print reports that contain only prebill orders or Fulfillment orders. Program masters are used to define order entry defaults and reporting abilities. When setting up program masters some considerations need to be made regarding reporting goals. Depending on your reporting requirements, multiple programs may be required. For detailed field information please see the "Programs Master Maintenance" section.
2. Set up all the items that belong to this program. The item will be owned by Customer. For detailed field information please see the "Item Master Maintenance" section.
3. To order this merchandise into your warehouse, enter a Fulfillment Prebill order. The item type will automatically change to DS in order entry. This is necessary to create the inventory purchase order to send to the vendor and receive against when the merchandise comes in. For detailed information related to prebilling order entry please see the "Prebilling Procedure" section.
4. Transfer Drop Ship purchase orders. This option creates an inventory purchase order. A journal will display showing the inventory purchase order number that was created. Print this report so you can reference the inventory purchase orders that were created.
5. Print the prebill order. It will not create a packing list, only a manifest will print. This is used as your copy of the order or can be used as an acknowledgment to the customer.
6. In the inventory module, under purchase orders, edit the purchase order that was created to add any instructions to the vendor. You can also change cost, per and description. Other modifications such as deleting a line, changing the quantity ordered or vendor # will need to be done in prebilling order entry. The exception to this rule is for "OP" items. Modifications to the OP screen is allowed to any field in purchase order maintenance. Modifications to the OP screen are allowed to any field in purchase order

maintenance.

7. Print the inventory purchase order. The vendor copy is sent to the vendor, the office copy goes into a job jacket to be filed and the receiving copy is sent to the warehouse to be used for receiving the merchandise.

8. Once the merchandise arrives, the warehouse counts and writes the quantity on the receiving copy. The merchandise gets received on the computer.

9. When the vendors invoice arrives, vouch against the inventory purchase order.

10. After merchandise is in your warehouse and the vendors invoices have been vouched complete - Bill the prebill order by going into Fulfillment, Bill/Ship Customer orders.

11. To ship the merchandise out to customers, enter a Fulfillment order. The price and cost will default in as zero.

12.  Process the pick ticket. This can be done during "print on demand of the fulfillment order or in Inventory, Transactions, Picklist Processing.

13. After the order is entered, print the order. Two copies of the packing list are sent to the warehouse so the items can be shipped. One copy goes in the box to the customer and the other copy gets freight written on it and is sent back to the accounting department.

14. Once the copy of the packing list comes back from the warehouse with the shipping costs, the order needs to be billed. In Bill/Ship customer orders add any shipping charges and change any quantities shipped.

15. Print the Bill/Ship report and use as an edit list. If any corrections need to be made go back into Bill/Ship and make the corrections.

16. If everything is correct, Transfer to Billing. This option then transfers your order to Order/Billing so you are able to print an invoice.

17. Go into print invoices. Print the invoices in the normal manner.