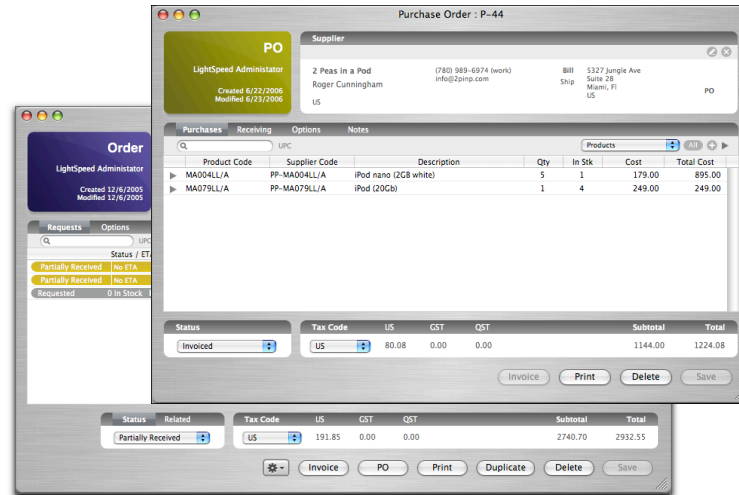# Ordering, Purchasing, Receiving, and Transfers

LightSpeed is designed to simplify the ordering process, whether it's Product coming in for a stock order, a Customer backorder, or for an SRO. Each sales document is able to request Product via an Order, and Purchase Orders can then be generated by Product, Supplier, or Order.

Orders are structured like other sales documents, in terms of adding Products and Customers and configuring Options. They also have a unique set of features that allow the User to intuitively request Product for a Customer. Integrated with Quotes, Invoices, and SROs, the Order feature of LightSpeed allows you a quick transition from one stage of the sales process to another, giving you an immediate overview of the status of real-time inventory levels.

Ordering

Orders may be thought of as requests for Product. They can begin life as a blank Order, to be populated from scratch, or they may originate as a backorder from an Invoice, Quote, or SRO. They may reserve Product that is in inventory, or they may be converted to a Purchase Order that brings stock in from a Supplier. Finally, they may be converted to an Invoice that sells the reserved Product to the Customer.

Stock Order
Choosing the New Stock Order option from the File menu allows you to request Product for your Inventory. A new Order will appear with your company information populated as the Customer. Stock Orders cannot have inventory reserved for them, but their status in the Main Browser will change to reflect their progression.

Customer Order

To create a blank Customer Order, click the Order button in the task bar. A Customer Order looks identical to a Stock Order, except that you choose the Customer in the Customer section.

Next, choose the Product you want, taking note of the quantities in the Inventory Status bar that appears on each line. You can cycle through these statuses by clicking the arrow icon. The choices are:

Total – Total inventory of your entire stock
Available – Inventory available to reserve or sell
Reserved – Inventory reserved for a specific Order
In Warehouses – Total inventory in Warehouses
Coming For Customers – Backorder tagged to a specific Customer Order
Coming For Stock – Backorder tagged to a specific Stock Order
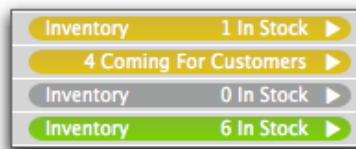
If there is Product available to sell, the status bar will appear green. If there is stock in inventory, but unavailable (reserved or in warehouses), the bar will appear orange. If there is no stock in inventory, but is ordered on a Purchase Order, it will appear gold. If there is no stock in inventory, and none ordered, the bar will appear grey.

If the bar appears red, the inventory total is negative. This can happen if available inventory for a Product was zero but inventory was sold because Product was physically available, either due to a miscount or because it was reserved on an Order or stored in a Warehouse but was not released/transferred. This can be corrected with Adjust Inventory in the case of the miscount or by releasing/transferring inventory using the Order or Transfer Inventory respectively in the second case.

Once a Product is assigned to an Order, a second status bar, the Product Reservation bar, will appear beside it. If there is inventory available for the Order, you may reserve it. To do this, save the Order, click the arrow icon in the Product Reservation bar, and choose the appropriate option. You may reserve available inventory for the line item or the whole Order, release reserved inventory or cancel the request altogether. You also have the option of marking the line or the entire order as Invoiced. Normally, this happens automatically when a Related Document, such as a Quote, invoices the Product. However, in cases where a sales document refers to a particular Order but is not necessarily "related" to it, you can manually indicate that the Product or Order have been Invoiced.

Note: When you save the Order, you will be asked if you want all available inventory reserved for the Order automatically.
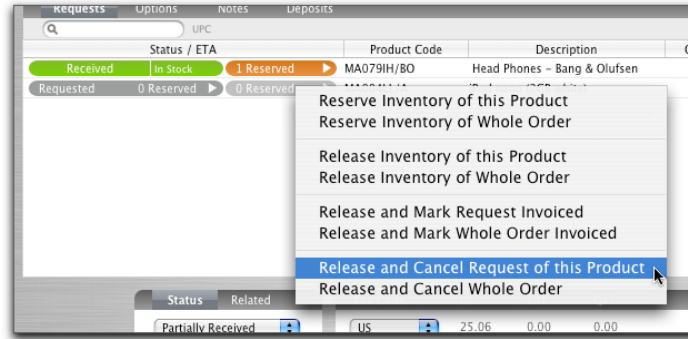
Reserving inventory takes it out of the available pool until it is released, and changes the Inventory Status bar to a green color, with a Received status. Releasing the Product will re-submit a Request for the stock. Canceling the Request will change the status bar to red and cancel the request permanently.

Once you have finished reserving available stock for your Order, click Save. If you decide to create a Purchase Order solely from this Order, click the PO button and choose your Supplier from the Suppliers you have created. In the case that you would like to sort and aggregate your Orders into PO's according to default Supplier, Product, or date requested, see *Purchasing* (below). You can also use the Invoice button to invoice any reserved Product on an Order. Once an Invoice created from an Order is saved, the Inventory Status bar changes to "Invoiced" status, becoming navy blue in color.

Product can also be ordered directly from sales documents (ie. Quotes, SRO's, and Invoices) using the Order button. On Quotes and SRO's, the Order button will transfer all Products to an Unsaved Order. Once a sales document has been converted to an Order, the Product may then be reserved or requested as above.

Statuses
The status of an Order reflects its progress in the advancement of the process. Once you have determined whether or not there is Product to be reserved, it will change to Processed. When only some of the Product is reserved for an Order, the status will change to Partially Received. Once all Product on the Order has been reserved, the status changes to Received. Creating and saving an Invoice from the Order will result in the status showing as Invoiced. Cancelling an Order will show the status as Cancelled.

Backorders
On an Invoice, the Order button is used when there are Products being backordered, and only those Products with quantities in the Backorder column will be placed on an Unsaved Order when the Order button is used. The Tracker may be configured to track all open backorders, including those that are outstanding, received, and reserved. (see Tracking in *Getting Started*)

Orders can be re-requested even when they have been Invoiced or Cancelled.

Purchasing

To view your Purchasing documents – Orders, PO's, and Supplier Invoices – click the Purchasing Browser icon located at the right side of the toolbar.

In the Requests tab of the Purchasing browser, you are able to view Product requests from Orders on a line-item basis, sorted by date created. Each line item will include an Inventory Status bar you can cycle through by clicking the arrow icon, as well as a pointer icon that links you to the original Order. If Product is available, you can click this pointer icon to be taken to the Order to reserve it. When the Requests tab screen is refreshed, you will notice that this Order has now dropped off the list of Requests for that Product. Purchase Orders can be generated by selecting one or several line items and clicking the Generate PO button at the bottom of the browser.

In the Actions tab, Product requests are sorted by default Supplier, Reorder POs, Drop Shipment POs, and GSX POs.

Generate POs by Default Supplier
Every Product requested that has in its profile a default Supplier indicated will be found under this heading, sorted by Supplier. By clicking Generate PO beside a Supplier, an unsaved Purchase Order will be created comprised of all the Products requested with that Supplier listed as the default. An arrow icon will appear beside each line item; clicking it will drop down a list of the Orders that had requested this Product, as well as any Quotes associated with that Order, along with the Customer information. Clicking the pointer icon on any Order listed will take you to that Order.
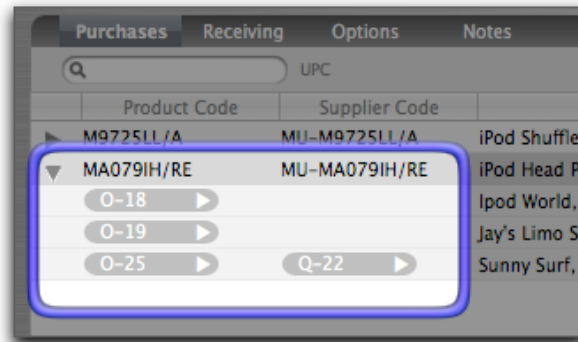
You may remove requests from your unsaved PO by selecting the line and clicking Delete. You will then be asked if you want to cancel the Order request completely, or re-request it for later approval.
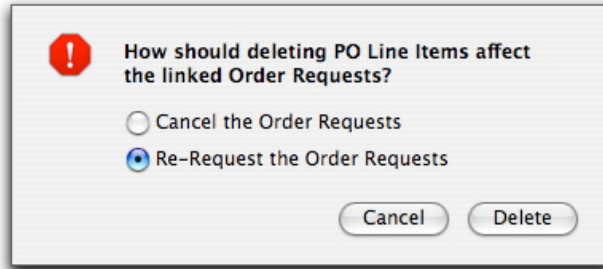
Click Save on the PO to assign it an ID number. This is the number you will give your Supplier as your PO number.

Reordering PO by Default Supplier
In the Inventory tab of each Product profile, you are able to set reorder quantities when your stock reduces to a certain point. When this point is reached, this Product will appear as a request for a Reordering PO. As with regular POs by default Supplier, generating a PO will aggregate reorder requests, but it will place them directly into an unsaved Purchase Order, bypassing Orders.

Drop Shipment POs
Clicking Generate PO for a Drop Shipment PO request will create an unsaved Purchase Order that includes both the Supplier information and the Customer information in the Drop Shipment tab. When you place this PO with your Supplier, the document will indicate to them that it's a drop shipment.

GSX POs
GSX POs are for Orders originating on SROs. The Customer information will appear in the GSX tab of the Purchase Order. Individual GSX POs are created for every SRO Order submitted, and are processed like other Orders, with Apple as the Supplier.

Receiving

Once the PO is processed, it is ready to have the Product marked as Received when it arrives from the Supplier. To receive Product, go to the original PO's Receiving tab and enter what you have received of the total order. If a Product is serialized, it is necessary to click the Product line to scan or enter the serial number of the Product. If you do not receive the total quantity of a Product that was initially ordered, just enter the amount you did receive. Click Save.

If only some of the Product is received for a Purchase Order, its status will be set to Partially Received. If you receive more Product from the Supplier on a particular Purchase Order, go to the original Purchase Order and click the Receiving tab. In the Qty Rcvd column, ADD the quantity you received that day to the quantity that had previously been received. For example, if you had ordered 10 iPod Nano 2gb Black, and 2 had been received on Monday according to the procedure outlined above, there should be a quantity of 2 in the Qty Rcvd column. Then, when 4 more arrive on Wednesday, the number you will enter in the Qty Rcvd column will be 6. If the Product is serialized, you will have to enter the 4 serial numbers. Click Save to enter any modifications.

Note: If the Product you're receiving does not have a UPC code in its profile, a grey U will appear. Clicking it will prompt a request for you to enter it, which saves it to the Product profile. If a red U appears, the UPC code is already in the profile, and can be modified by clicking the icon, if required.

Supplier Invoices
Once you receive an invoice from your Supplier for a shipment on a PO, you can create a Supplier Invoice reflecting this billing by using the Invoice button on your LightSpeed Purchase Order. This generates an invoice which will eventually be exported to your accounting software as a payable. The Supplier Invoice should be created each time you receive product from your Supplier, and will include only the product you received. That is, if 5 Nanos were ordered on a PO, and on Monday 2 were received, and a Supplier Invoice is created, a quantity of 2 will appear on the Supplier Invoice. Then, if another 3 were received on Thursday, a quantity of 3 will appear on the next Supplier Invoice you create from this PO. Click Save.
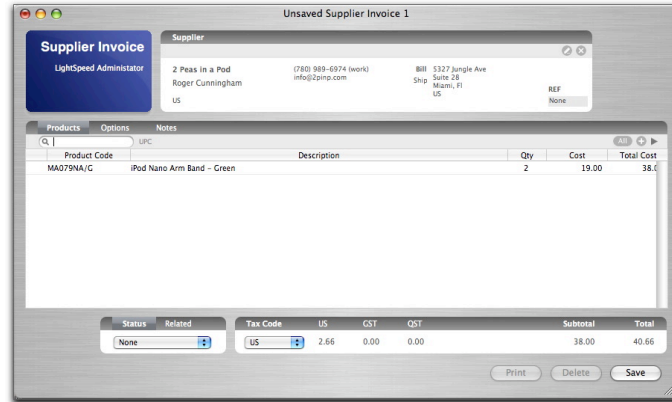
Note: You can create a Supplier Invoice each time you receive Product, or you may choose to wait until you receive an actual invoice from your Supplier before creating it so that your Supplier Invoice exactly reflects the billing of your Supplier. When your Supplier Invoice is Posted, a green "P" will appear at the bottom left of the window. When it is exported, that will change to a blue "E". Posted Supplier Invoices cannot be changed. (see chapter on *Accounting Exports*)

Statuses
As your Purchase Order advances through its various stages, its status is reflected at the bottom of the window. Once saved, the PO is "Processed". "Partially Received" indicates that some, but not all, of the Products on the PO have been received. Once they are all received, the status changes to "Received". The last 2 statuses are set manually – "Cancelled", in the event that the PO has been cancelled with the Supplier, and "Invoiced", which indicates that all Product has been received and all Supplier Invoices have been created for this PO.

Once a Supplier Invoice is saved, the status will change from None to Invoiced. When you pay your Supplier for a particular Invoice, you must change the status to Paid manually.

To use the Tracker to track your outstanding POs and Supplier Invoices, choose the All POs (various statuses) and the All Supplier Invoices (various statuses) and install them on your Tracker.

Drop Shipments
If the Product on an Order or a PO is being sent or delivered directly to the customer, and involves movement outside the regular channels of inventory, you are able to flag the Order or PO in the Options tab using the Drop Shipment checkbox, and by indicating the Shipping Method using the pull-down menu just below. Drop Shipment Customer information is then attached to your sales document. **Note**: Inventory shipped via a drop shipment must still be received into inventory and invoiced on an Invoice.

Transfers and Warehouses

LightSpeed is able to accommodate up to ten virtual warehouses, allowing you to be able to track stock that exists in your store but that you do not want to appear as part of your available inventory. To set up your warehouses, choose the Warehouses option of the Tools menu and select the Warehouse to rename it. You may wish to set up Warehouses for your RMA inventory, store demos, damaged product, or simply your stockroom.

Transfers
Once a Warehouse has been set up, you are able to transfer stock from your inventory to any of these virtual warehouses. In the profile of a Product, go to the Inventory tab and click the Transfer button. The Transfer Inventory window will appear, listing the current status of all existing inventory and Orders for that Product. Below the status section, there will be 2 pull-down menus indicating the origin and destination of the Product in question. Your available stock is known as "Inventory", and any Warehouses you've set up will appear here also. Choose the origin of the stock with the pull-down menu marked "From", and the destination of the stock with the pull-down menu marked "To". If the Product is non-serialized, simply enter the quantity of stock you want to transfer in the Qty field, and click Transfer. You will be notified that the transfer was successful. The available inventory will decrease, and the quantity will now appear in the Warehouses status (this status will total the stock in all Warehouses).
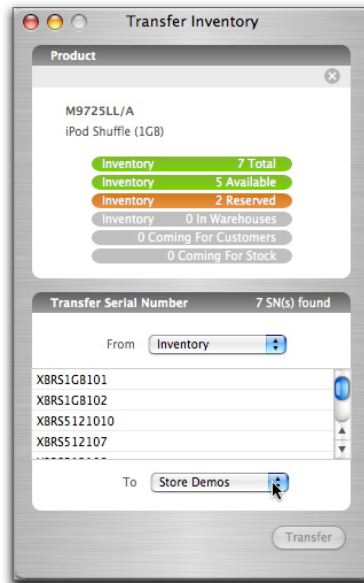
If the Product is serialized, all available serial numbers in the Product origin you've chosen will appear below. Choose the serial number(s) you wish to transfer, and click Transfer. You will be notified the Transfer was successful.

To view the Transfer History of any given Product, go to the History (With Transfers) tab in the Product profile. To have an overview of the stock in any Warehouse, go to the Inventory Valuation section of Reporting, and choose the Warehouse you want to

check. Click Preview or Print.
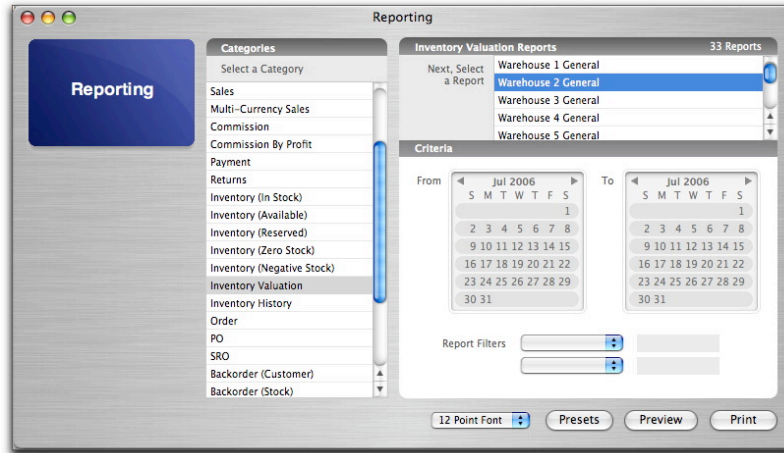
Adjusting Inventory

If you need to add inventory outside the normal channels of Invoicing and Purchasing, you are able to make manual adjustments to your inventory levels. Stock that must be written in because it has been found or balanced against another Product may be addressed using the Adjust button in the Inventory tab of the Product profile.
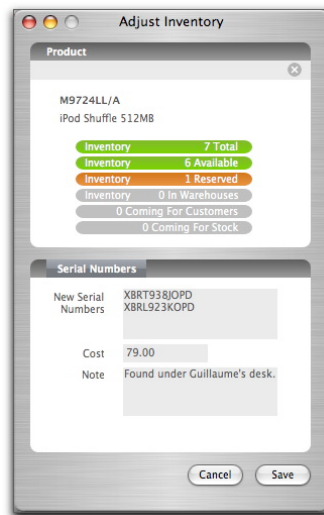
Non-serialized Products
Adjustment of non-serialized Products allows you the choice to set the total quantity you wish to adjust the inventory to, or to add a certain quantity to your existing inventory. There is also a field which allows you to set the cost of the quantity you're adjusting in, which will be calculated into the cost average total for that Product. There is also a Note field which allows you to enter information regarding the adjustment,

useful for later reference. Click Save to save your changes; you'll notice the Total and Available quantities change in the statuses listed above.

Once the adjustment is saved, you can go back to your Product History and see the change. If you saved a note with the adjustment, an indicator icon will appear which will display the note when clicked.

Serialized Products
Adjustments made to serialized Products are done by clicking the New button in the Adjust Inventory window, and entering the serial numbers you are adding in the New Serial Numbers field. As with non-serialized Product, you may then edit the system cost for the additions as well as a Note. Click Save and the totals will be adjusted. You will see the adjustments made to the Product's History are logged separately for each serial number, and a Note icon will appear beside each. Clicking on the Serial Numbers tab will display the new serial numbers you have added to inventory.