

Purchase Order FAQ

Q: What are the most common errors that happen with Purchase Orders?

A: The most common errors have to do with receiving Items and include

- Received an Item at the wrong cost
- Received the wrong Item
- Received the Item to the wrong site
- Received from the wrong vendor
- Received with the wrong Purchase Unit of Measure
- Received on accident
- Not sure how an Item was received.

Q: What should I do if one of the above happened?


A: If any of the issue above occurred, first research if any transactions have happened since the PO receipt. If yes, follow the steps to correct the WAC. If no, follow this process,

- Find the Closed Purchase Order
- Print or Save the receiving report
- Clone and create a reverse PO
- Receive this PO
- Create a PO that corrects the error. For example, if an Item was received at the wrong cost or for the wrong Site, create a PO with the correct cost or Site.
- Receive this PO

Q: How do I find a closed PO?

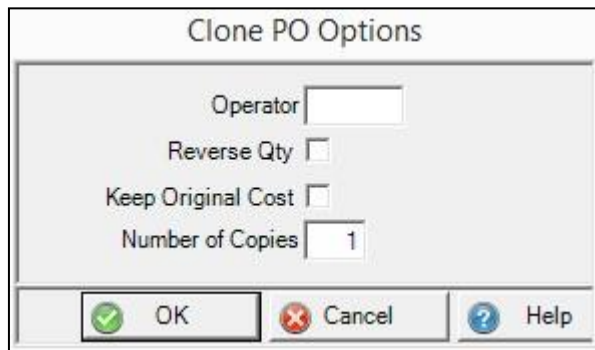
A: Two options exist, use the PO Quick Find if you know the number or select Access Closed Purchase Orders from the PO menu.

Q: I found the closed PO, but when I clicked the Print PO button, I didn't see an option to print a Receiving report. Where do I find this report?

A: Click on the Receipts tab in the PO and on the left side of the grid, click the Print Receipt report icon, .

Q: How do I create a reverse PO?

A: Locate the PO in the Access Closed POs or using the PO Quick Find. Once open, at the top of the window, click the Clone button which will open the Clone PO Options window.

A screenshot of the 'Clone PO Options' dialog box. It contains four fields: 'Operator' with a text input box, 'Reverse Qty' with an unchecked checkbox, 'Keep Original Cost' with an unchecked checkbox, and 'Number of Copies' with a text input box containing the number '1'. At the bottom, there are three buttons: 'OK' with a green checkmark icon, 'Cancel' with a red X icon, and 'Help' with a blue question mark icon.

Enter your Operator ID

Select the Reverse Qty checkbox

Select the Keep Original Cost checkbox

The Number of Copies should stay at 1 Click OK.

Q: Is there anything I need to do on the Reverse PO?

A: Yes, on the Summary tab in the Notes field, enter the Original PO# and indicate this is a correction. Your note may look like "Correction PO# 123456".

Q: Should I back out just the wrong Items or the whole PO?

A: EFC Systems recommends backing out the entire PO.


Q: So now I need to receive this reverse PO, do I need to do anything different?

A: No, select the Receive button and follow the receive process normally.

Q: I attached an invoice to the wrong PO, what do I do?

A: It all depends on the status of the PO. If the PO is complete, in Merchant Ag FIN, enter a negative invoice but do not select any PO in the PO Application grid and when you select Add, select the PO Closing account as the offset when the GL Distribution window appears.

If the PO is not complete, enter a negative invoice and select the PO that was attached incorrectly in the PO Application grid and select Add. Re-enter the Invoice and select the correct PO in the PO Application grid.

 When a invoice with a negative amount is entered, it will show on the Transactions tab of the AP Vendor account with the Transaction Type, CM, for credit memo.

Q: When I review a Closed POs, I see a Complete button and I also see that button when I open Browse PO Accrual. What does that mean?

A: Marking a PO as Complete can be done when entering the invoice in Merchant Ag FIN as well as individually through Access Closed POs or Browse PO Accrual. This method is used when no additional Items will be received or invoices for items or freight entered for the PO. Any amount of variance will be written off to the PO Closing account.

Q: When I'm working in Browse PO Accrual, I notice there's a large Net Variance on one of my POs, what could be the cause?

A: This could be expected if not all Items have been received or invoices entered. If all Items are received and invoices entered, there are three reasons a variance typically occurs.

1. The cost for Items on the Purchase Order is wrong.
2. The invoice was entered incorrectly.
3. The PO is missing freight or SAC charges that were included on the invoice.

To correct these issues, the status of the PO, whether or not it has been marked Complete determines what steps to take.

Corrections for POs not marked complete

Correct Issue #1

In Merchant Ag PM, locate the PO using the PO Quick Find option or Access Closed POs and open the PO.

Navigate to the Receipts tab and select the line item in question and click the Edit button. Using the Adjust Unit Cost of Item window, enter the New Unit Cost of the Item, select Post and close the PO.

Correct Issue #2

In Merchant Ag FIN, select Enter Unpaid from the AP menu and enter a reverse invoice, which means to enter the invoice amount as a negative amount and select the PO in the PO Application grid.

Select Add which will post the invoice to the AP Vendor as a credit memo.

Enter the invoice correctly and select the PO again in the PO Application grid and click Add.

Correct Issue #3

If the Freight or SAC is missing from the PO, there are several steps that will need to be followed.

First, both the Invoice and the PO will need to be reversed.

Next, enter a new PO correctly with freight or SAC added and follow the process of receiving the PO.

Enter the invoice correctly referencing the new PO in the PO Application grid.

Select Add to finalize the transaction.

Corrections for POs marked Complete

Correct Issue #1, #2 and #3

In the instance where the PO is marked Complete, follow the steps to reverse both the PO and invoice.

Enter a new PO with the correct Item cost and any additional freight or SAC charges.

Receive the new PO.

Enter the invoice correctly referencing the new PO in the PO Application grid.

Select Add to finalize the transaction.

Following this longer process insures that the weighted average cost on Items is correct.

Q: While in Browse PO Accrual, I mistakenly selected a PO and marked it complete and I shouldn't have. What can I do to correct this?

A: When the invoice is entered, leave the PO Application grid blank and click Add. Select the PO Closing account in the GL distribution window.