

# **NETWORK BUSINESS SYSTEMS**

## **SOFTWARE SYSTEM DOCUMENTATION**

### **BACKORDER RETRIEVAL**

#### **FEATURES**

- Automatic processing of backorders from original order
- Allows changing a part description on all backorders
- Allows changing of a price on all backorders
- Unlimited backorder releases from original order
- Feeds ship date of items back to original order
- Order viewing displays order as follows:
  - Original/no Releases
  - Original w/Releases
  - Release From: (original order # will display)

#### **REPORTS**

- Review Orders for Date Wanted
- Back orders by part, customer, by user defined ranges

#### **INTEGRATED WITH:**

- Sales/Distribution System
- Inventory/MFG System
- Customer System
- Retail Point of Sale

#### **SYSTEM OVERVIEW**

Backordered/unshipped items are created when orders are taken and not shipped/invoiced, or when orders are shipped but not all items on the order have been shipped/invoiced. The inventory master file tracks all quantities of backordered/unshipped items in the field called "ASSIGNED". This number is adjusted as orders are taken and shipped/invoiced, automatically. It can also be recalculated at any time.

**NOTE:** Managing back orders are a critical function as all inventory needs consider this number. If there is any question as to the accuracy of this number, then you should recalculate the assigned quantity before you rely on the data. Overstated assigned could result in over purchasing, false stock outs, and overstated unshipped orders (future sales)! The backorder reports should be a part of the monthly financial review process and considered valuable information.

#### **BACKORDERED/UNSHIPPED ITEMS**

In both distribution and retail order processing, when you process an order you are placing what can be called a master order for one or many items. Orders can have up to 99 line items per order that can span multiple pages. Regardless of the stocking position of items ordered on the master order, you will initially ship/invoice from this order. This means you will attempt to fill all of the entire order or any portion of the order against the original master order. Any items not invoiced (backordered/unshipped) will have to be run through the backorder release program to allow shipping/invoicing.

Once an order has had items invoiced/shipped against, it cannot be shipped/invoiced again. The system specifically prevents you from doing this. However, you can release unshipped or back ordered items from master orders as many times as you want or need in order to fill the order.

All backordered goods will have to be released from the original order, which effectively creates a new order. The new back order release stores the master order number in it for reference. You can release as many times as needed against a master order, whether the same line item or different items. You cannot have back orders releases that continue to have backorders carry on them. The system will not allow this. When you run the backorder release program you will be required to release all quantities of goods that are available. You can remove items if you do not want them to ship, but whatever you release will be required to be shipped/invoiced in full. The program will warn you if you attempt to release items where the net stock is less than or equal to zero.

**NOTE:** If you attempt to alter ship a backorder release and only ship a partial, the system will not allow you to do this and will automatically increase the original order back ordered amount to reflect the balance not shipped on the release. Also, the shipping system will reduce the back order release to reflect the exact amount ordered and shipped as you alter shipped.

The backorder release program will allow you to transfer money from the original order to the backorder release. You can also accomplish using the "Order Modification/Cancel:CUSTSERV" program that allows money transfers.

You are provided with the utility programs that allow you to change the description and even the price of backordered items. This covers if you change a model and/or increase or reduce a price.

## **RELEASING BACK ORDERS**

The main program "Release Back orders:OEBCKRLS" works very similar to "Distribution Order Entry:ORDERS" except that you will be required to enter in the original order that you are releasing from. The release program will not allow you to release against a back order release.

When you complete the process of creating a back order release, you will be creating an entire separate order from the original order. This new order will store the number of the original order from where it came from. If the original order was prepaid, then you will need to transfer funds from the original order to the backorder release immediately following the release. You are also given the choice of entering in a payment during back order release, just as any other order. You are not limited to the amount of times you can transfer funds from the original order to any back order releases.

When the program confirms that you have entered in a valid original order that has back ordered items on it, you will proceed with releasing goods, either all available or selectively. You can release only those items that you wish to also. The program will prompt you with the current sales tax rate on file for the state of the customer.

## **DELETING BACKORDERS**

### **SINGLE ORDER DELETION**

The powerful order modification/cancel program is designed to provide full function order modification, including back order deletion. It deals with any overpayments that may be created when items are deleted from an order that was prepaid in full. You will want to read the program document "CUSTSERV" to get detailed information on deleting items that have not been shipped/invoiced.

### **AUTOMATIC BACK ORDER DELETION**

The IBS Sales and customer systems provide for global back order deletion, by customer group or by company. This means that you can select a range of customers by group or by company and delete all back ordered items throughout the system. Specifically, both programs will delete all items from any orders that have been shipped, but have unshipped items on them.

You can flag each customer in the customer master file to allow or disallow deletion of that particular customer's back orders. Each program also allows you to override the customer flag. Be careful when you make your choices, there is no undoing once done!

The IBS system setup file contains a default field for back order deletions, which is automatically loaded as any new customers are created. This will help assist in consistent setup in accordance with managements policy.

**NOTE:** When you globally delete backorders, be aware that you may be creating situations where orders were paid in full and now with items deleted from them an overpayment situation has occurred. You will want to get into the IBS accounts receivable system and find all shipped orders overpaid. You can use the program "Find Unpaid/Overpaid Orders:FINDCOD".

### **BASIC SYSTEM OPERATIONAL FLOW**

1. **Review Orders for Date Wanted:OEDTEWNT...**You should run this report as often as needed to follow up on upcoming orders. Remember, even though the order had a future date entered into the "Date Wanted" field, the inventory was still assigned and was available information to people responsible for inventory acquisition.

2. **Back Orders ready for Shipment:INBCKREL...**This report will tell you what orders can be shipped, based on what is available in inventory. The report lists the customer data and is in the order of oldest order first. Also included at the right side of each order is three indicator flags for expired license, past due, or over credit limit conditions.

3. **Order Retrieval Functions:SAFILECK...**Use this report to print or view all unshipped or backordered items, regardless of inventory stocking position. The report lists the customer data and is in oldest date order.

4. **Back Order Report by Part#:LINEUNSH, Back Order Report by Customer:OEUNSHIP...**Use these reports to be aware of back orders.

5. **Release Back Orders:OEBCKRLS...**This is the actual program that creates the new orders (back order releases) from any original orders that have been shipped any have unshipped items on them.

## **SYSTEM SETUP REQUIREMENTS**

The IBS Backorder System is a part of the IBS Inventory and IBS Sales/Distribution and/or IBS Retail Point of Sale systems. You must have these systems installed and operational which automatically make the backorder retrieval ready to use.

## **MENU STRUCTURE/PROGRAM DOCUMENTS**

- |  |         |
|--|---------|
| 2. SALES/CUSTOMER MGMT                       | MENU #1 |
| 3. BACKORDER RETRIEVAL                       | MENU #1 |
| 1. Print/View Backorders:SAFILECK            |         |
| 2. Release Bck Orders:OEBCKRLS               |         |
| 3. Change Description on Backorders:SADESCFX |         |
| 4. Change Price on Backorders:UPDTPRIC       |         |
| 5. Delete Backorders by Group:OEBCKDEL       |         |
| 6. Delete Backorders by Company:OEBCKCOM     |         |
| 7. BACKORDER REPORTS                         | MENU #1 |
| 1. Back Orders ready for Shipment:INBCLREL   |         |
| 2. Back Order Report by Part#:LINEUNSH       |         |
| 3. Back Order Report by Customer:OEUNSHIP    |         |
| 4. Review Orders for Date Wanted:OEDTEWNT    |         |
| 5. Unshipped International Orders:OEINTRNT   |         |