

Parts Needs for Man Forecast

PROGRAM NAME: FOREQMNF

MENU OPTION TITLE: Parts Needs for Man Forecast

MAIN MODULE: MRP

HELP KEY ACTIVE: YES

PROGRAM OVERVIEW

This program calculates and reports the purchasing requirements based on entries into the Master Production Forecast. These parts are referred to as "forecasted parts". The primary purpose of this report is to be able to take the Master Production schedule of forecasted parts that are produced and sold by your business, and have this program break them down into those subparts or subassemblies to their lowest level, for the purpose of coordinating purchasing and/or manufacturing. Prior to running this program you will need to run the program "Breakdown parts on hand/FONHANDP" first.

The report will show the detailed information for 12 months on a perpetual basis. This means that it will show data for 12 months ahead of the current month you are in. So, if you are in the month of April, then March would be for the next year. As you roll into each month, the prior month becomes the end of the 12 month period. NOTE: it is also very important to be aware of the date of scheduled parts entered into the Master Sales or Master Production forecast. If you have entered in scheduled sales or production with a date prior to the date you are running the program, then the program will skip those entries. For example, if you have an entry in the Master Production forecast on the 1st of the month and you run the calculations after that date, the entry on the 1st will not be included in the report.

As the program calculates the parts needs, it will consider inventory on hand; assigned; on order per purchase order; on order from work orders; and the breakdown flag in each part. Costs come from the raw cost in the part. The system does support blanket purchase orders.

When the program looks at each scheduled part, as it determines the needs for all the subparts and subassemblies it will deduct from those needs the quantity on hand of the scheduled part starting from the first month of the schedule. For example, if you have a scheduled part that is forecasted to produce 100ea for the next 6 months and you have 150ea on hand, then the system will deduct 100ea from the first month on the schedule and 50ea from the next month, leaving a balance of 50ea short the second month. Again, these deductions will be from the subparts and/or subassemblies that make up the scheduled part. Additionally, it will add the assigned quantity of the scheduled part to the first month of calculated needs for all subparts and/or subassemblies. It is assuming that you want these assigned parts asap.

Further, when the system calculates the needs of the subparts and/or subassemblies based on the quantity of the forecasted part, it will also deduct from those calculated needs any parts on hand as well. Additionally, it will add the assigned needs also.

BREAKDOWN FLAG

One of the most important components of the MRP system is the breakdown flag in the parts file. All inventory parts that are going to be scheduled in the Master Sales or Master Production Forecast's must have the breakdown flag set to "N" in order for the system to include that part in the forecast. It will be excluded in this report if the flag is set to "Y", even if the part is forecasted.

Next, any parts that are part of the bill-of-materials (referred to as a subpart or subassembly) of the forecasted part must be flagged as "Y", if the part has it's own bill-of-materials. What will happen is the report will show this part with no data in the detail part of the report, but will show any needs based on the assigned value. If the part is assigned, then the part will print out on this report with no needs and no shortages and therefore no extended cost in the monthly section of the report. The summary of the part will include the value of the shortage (quantity times raw cost), and the report summary will include this shortage. This will show the user that you have orders for this part and will need to adjust your purchasing accordingly. In addition to this, the report will breakdown the subassembly to its subparts and show demand according to the projected needs of the forecasted part.

If you set the flag to "N" in the subassembly, then the part will not be shown on the report. However, the subassembly will break down according to its subparts and show demand according to the projected needs of the forecasted part. At this time it is not recommended to do this.

ASSIGNED INVENTORY

Assigned inventory is another major consideration in the MRP system. If there is a work order for a scheduled part, this will show up as Work in Process of that part. When this report runs it will breakdown that assigned value per the bill-of-materials of the scheduled part and show on the report. However, assigned values will not be included in any of the monthly figures for each part, but are included in the total for each part. They are also not included in the summary of needs per each part in the summary section at the end of the report, but are included in the grand total at the end of the report. The reason for this is that the system is not going to assume where you are in your planning process in the whatever current month you are working in. In other words, the assigned values of any part if they are to be included into the needs of the scheduled part for the purposes of determining parts needs will need to be added to the scheduled part quantity in the Master Production forecast.

Regarding work orders, if a part is assigned to a work order and also is in stock, the system will make the part available in this report. The assigned value would also figure in the totals as described above. However, if you move the part into the work order (thereby dropping the assigned value) then the part will still be available in the report, and the assigned will drop by the quantity you moved into the live work order. This will show a lower summary total for the individual part and a lower report total.

PROGRAM OPERATION

Press RETURN to begin, ESC to abort

Enter Part Number to Print, RETURN for all: You can choose only one master part to work with or print all of the parts in the master production schedule.

How many months do you want to print <1-12>? The report will start from the month that you currently are in, and go as far as up to the next 12 months for parts needs.

Do you want to print summary after this report? Y: This prints a one line needs summary per part, after the detailed data is printed out.

Print <S>hort ONLY, <O>ver ONLY, or <A>ll parts? A: You can choose to print out only parts that you are short, parts that you are long, or all parts.

<I>nclude or <E>xclude ONORDER Quantities? You can choose to include any quantities on order or not.

O.K. to begin report <Y/N>?

PROCESSING, PLEASE WAIT