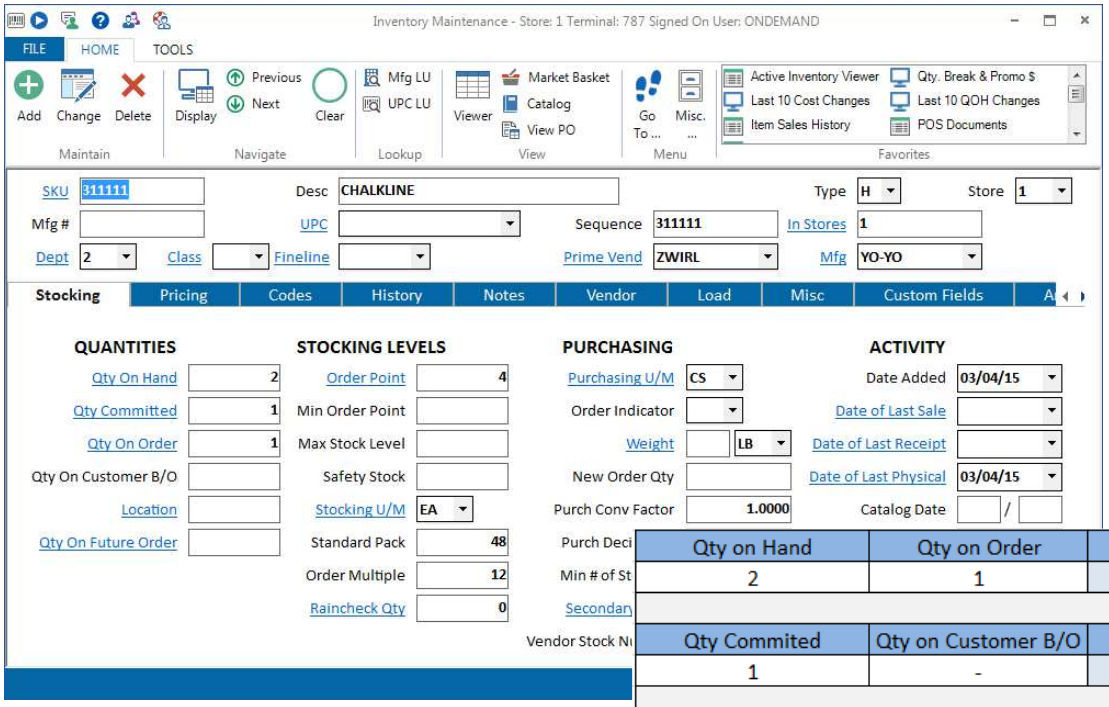
Suggested Ordering

Use the Order Point field on the Stocking tab of the Inventory Maintenance window to indicate the point at which you should reorder an item. You can manually enter this quantity or use the Order Point Report (ROP) to calculate it based on sales history and additional factors. **Best Practice would be to allow the ROP to calculate its value in the majority of cases.**

The Eagle system uses the following equation to calculate how many units to order:

(Quantity On Hand + Qty On Order) - (Committed Qty + Cust Backorder)

- If the result is ***Greater Than*** the Order Point: system does not suggest that you order the item.
- If the result is ***Less Than*** the Order Point: system suggests that you order the item (in some multiple of the Order Multiple or Standard Pack).

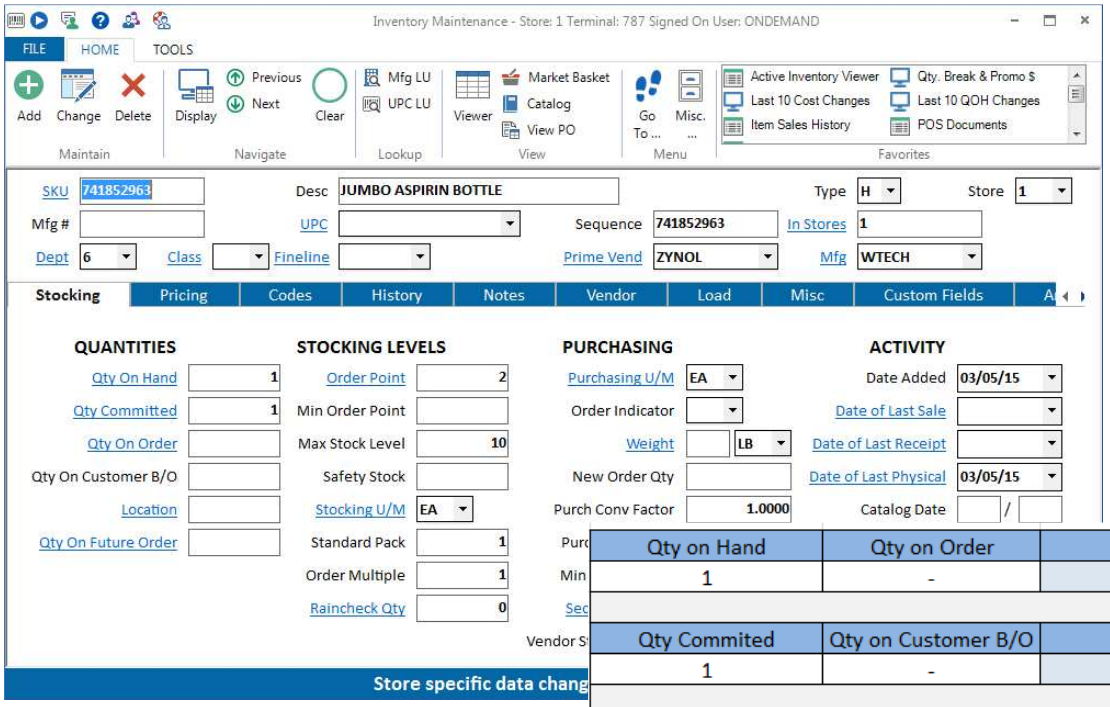


Qty on Hand	Qty on Order		Total 1
2	1		3
Qty Commited	Qty on Customer B/O		Total 2
1	-		1
(Total 1 Minus Total 2)	Order Point	New Order Qty	Max Stock Level
2	4	-	-
Order Multiple	Standard Pack	Stocking U/M	Purchase U/M
12	48	EA	CS
Results			
Prime Vend	ZWIRL	12 EA	1 CS
Mfg	YO-YO	48 EA	4 CS

Min/Max Ordering

Any time the Quantity on Hand is less than the Order Point, the system suggests an order of enough units (rounded by the Order Multiple or Standard Pack) to make the Quantity on Hand equal to or greater than the Maximum Stock Level field. **This method of reordering is not a Best Practice and can result in overstock.**

The example below illustrates where the system has calculated an Order Point of 2 based on sales history but due to the presence of a Max Stock Level value of 10, the Suggested Order has increased the number of units in order to meet this level.



Qty on Hand	Qty on Order		Total 1
1	-		1
Qty Commited	Qty on Customer B/O		Total 2
1	-		1
(Total 1 Minus Total 2)	Order Point	New Order Qty	Max Stock Level
0	2	-	10
Order Multiple	Standard Pack	Stocking U/M	Purchase U/M
1	1	EA	EA
Results			
Prime Vend	ZYNOL	10	EA
Mfg	WTECH	10	EA

RSO Related Field Help

Qty On Hand: The quantity on hand that is physically in the store and is counted in the Stocking Unit of Measure. In the example below there are 8 EA on hand.

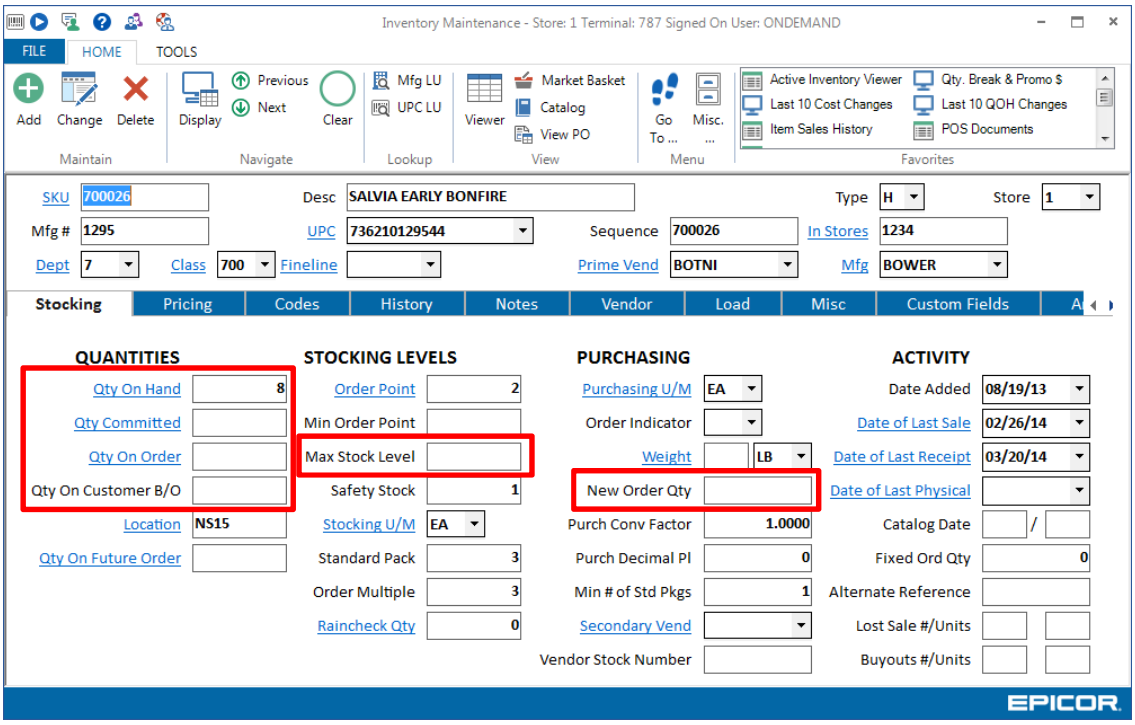
Qty Committed: This is the quantity (in Stocking U/M) that customers have ordered in POS through an Order or Special Order but have not yet received.

Qty On Order: The quantity (in Stocking U/M) on all current purchase orders containing this item. The Receiving Report (RRP), Option F decreases this field.

Qty on Customer B/O: This is the quantity (in Stocking U/M) on backorder. The system does not update this field. Therefore, if you want to use this field, you must manually maintain it.

New Order Qty: The quantity (in Stocking U/M) that you want to be ordered on the next purchase order (PO). If you manually enter a quantity, the system uses it on the next suggested order. If left blank, the system uses the Suggested Order quantity on the next PO. The Purchasing and Receiving window and the Suggested Order Report (RSO) clear this field.

Max Stock Level: If you enter a number here this item is using a minimum/maximum ordering scheme. Any time the Quantity on Hand is less than the Order Point, the system suggests an order of enough units (rounded to the nearest order multiple or standard Pack) to make the Quantity on Hand equal to or greater than the Maximum Stock Level.

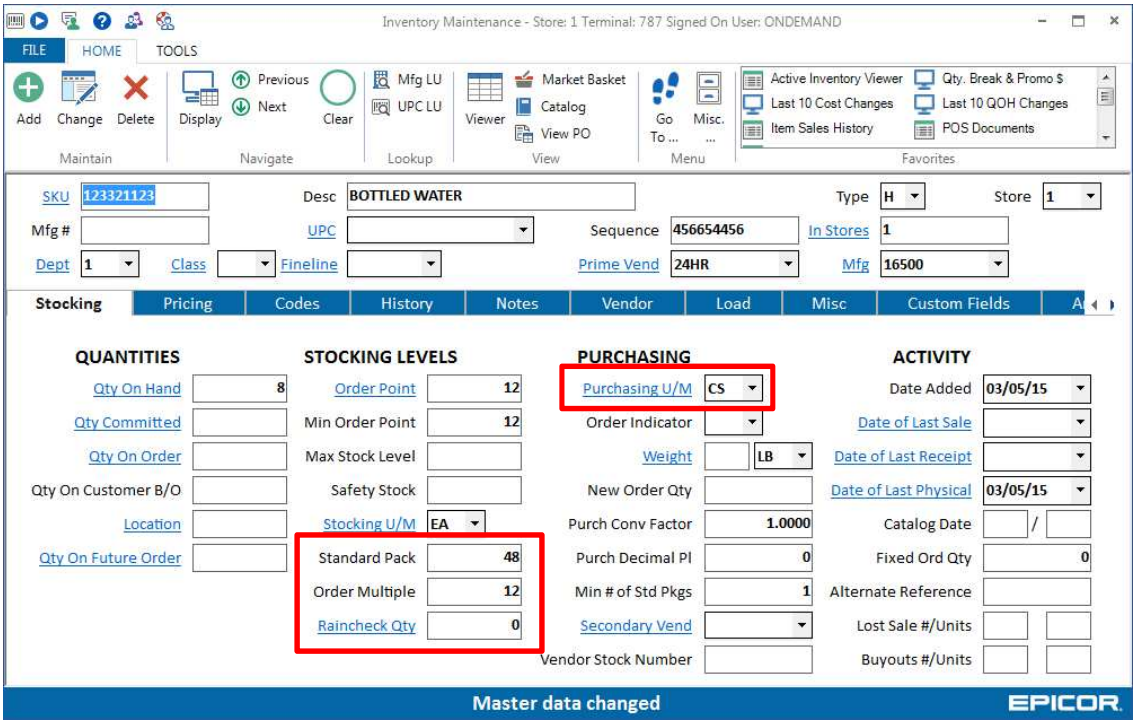


Stocking U/M: This is the unit of measure that describes how you stock an item. For example, the item below is stocked by the EA and represented by the letters 'EA' in the Unit of Measure table. The Quantity on Hand reflects 8 'Each'.

Purchasing U/M: This is the unit of measure that describes how you purchase an item. For example, the item below is purchased by the Case and is represented by the letters 'CS' in the Unit of Measure table. When the item is placed on a purchase order you will determine how many Cases will be requested from the vendor.

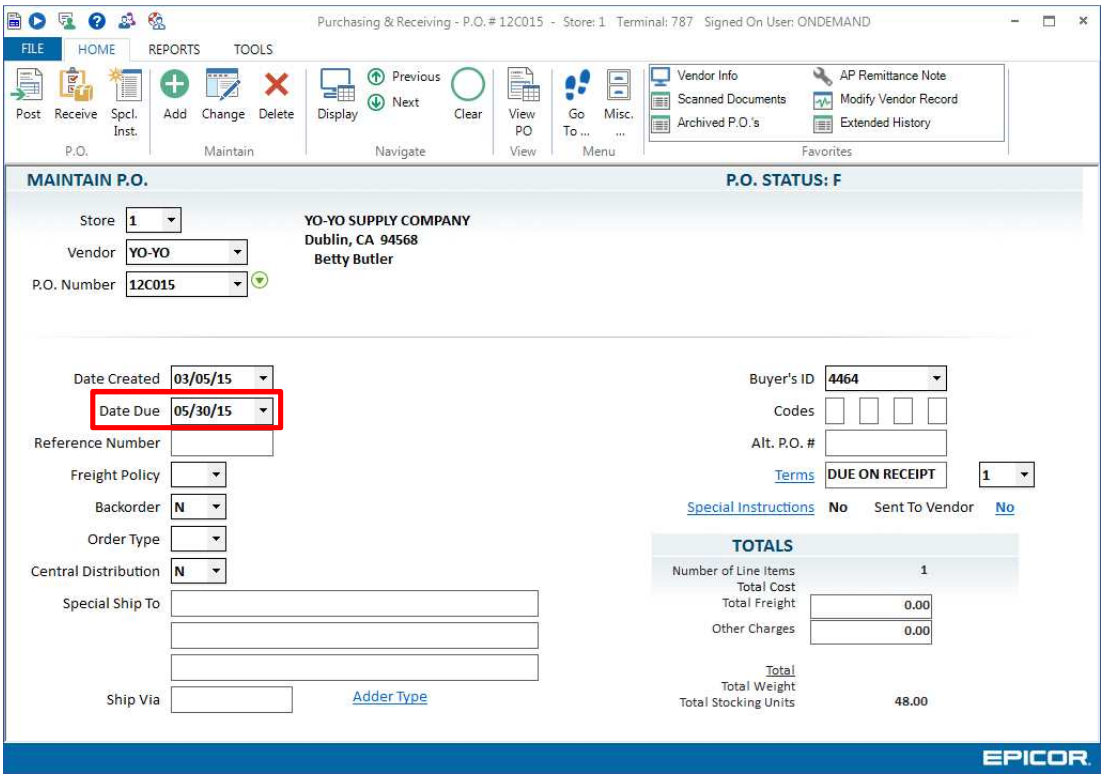
Order Multiple: This is the *number of Stocking Units that are contained within the Purchase Unit*. This is the smallest Stocking U/M quantity allowed when ordering items from the Primary Vendor (Prime Vend). In the example below there are 12 EA (Each) in every CS (Case) of Bottled Water. When a Suggested Order is created for the Prime Vendor, the Eagle system will round any calculated number of units to a multiple of the Order Multiple – 12, 24, 36, etc.

Standard Pack: This is the smallest Stocking U/M quantity allowed when ordering this item from the Manufacturing Vendor (Mfg). In this example you must order 48 EA (or 4 CS) from the Mfg Vendor. When a Suggested Order is created for the Mfg Vendor the Eagle system will round any calculated number of units to a multiple of the Standard Pack – 48, 96, 144, etc.



Qty on Future Order: This is the quantity (in Stocking U/M) on Future Purchase Orders. Future amounts are determined by the Due Date field in MPO and by Option ID#104. This option identifies how many days (before the due date) that a Future PO becomes current. Future Order amounts are not used in RSO calculation. This is often utilized for market orders or orders that will not be received into inventory for several months.

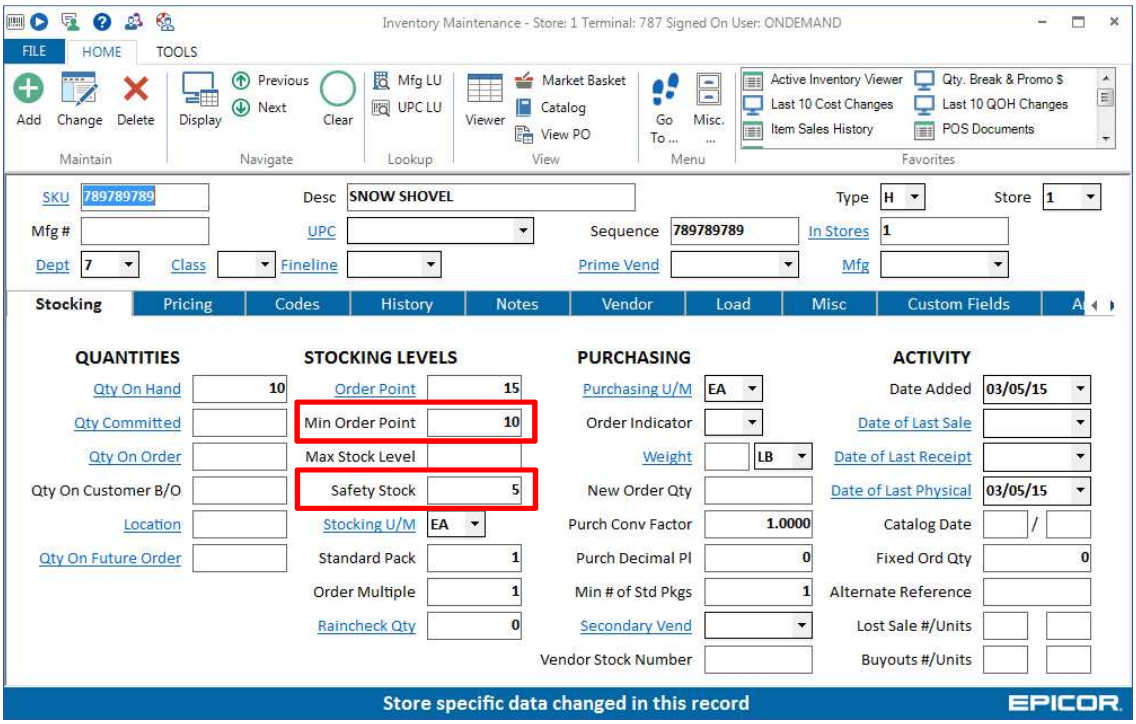
For example, if option ID# 104 is set to 14 days, and today is 3/10/15, the items on this purchase order will **not** be included in the RSO calculation as it is not yet 14 days before they are due to arrive. The Due Date is 5/30/15.



ROP Related Field Help

Safety Stock: When you run the Order Point Report (ROP), the system adds the safety stock to the order point it calculates to determine the new order point. You may want to use this field for SKUs in which you use one as a display.

Min Order Point: Use this field on the Stocking tab of the Inventory Maintenance window to specify the minimum order point for the SKU. When you run the Order Point Report (ROP), the system uses this field to determine the lowest possible new order point. You can set this for items that you want to be sure to stock enough of such as snow shovels during the winter.



Options

You will want to review the following Option settings in your Eagle Options Configuration prior to running the ROP report to set Order Points and the RSO report to run a Suggested Order.

ID#52 - Always enforce order multiple in Purchasing.

ID# 104 - Number of Days Before Future PO Quantity Becomes Current?

ID# 117 - Use Customer Backorder in Suggested Order?

ID# 2841 – Queued Suggested Order Report (RSO) uses same or new PO number.

ID# 3055 - Consider “Unusual Usage” (in ITR) in order point calculation.

ID# 3056 – Consider “Lost Sales” (in ITR) in order point calculation.

ID# 3057 – Consider “Transfers-In” in ITR) in order point calculation.

ID# 8115 – Reorder when Quantity On Hand is Less Than Order Point

ID# 8289 New Order Quantity > 0 Overrides PO Season

ID# 8859 – ROP Max Stock Level (Opt C) behavior when calc’d OP > Max

ID# 9823 - Change future PO’s to Normal PO’s once they become Current?