

# Purchasing Reports

Effective management results in better inventory control, faster delivery to your customers, and better cash flow.

Purchasing Reports help facilitate this and make it easier to keep track of your inventory.

This course focuses on four reports.

We show how the Order Point Report (ROP) optimizes stocking levels for your inventory.

We describe how to use the Suggested Order Report (RSO) to print suggested orders.

We show how to use the PO Format Report (RPO) to print or fax a PO.

We describe how to append up to 20 POs to a single PO with the Combine PO Report (BPO).

## Objectives

- Order Point Report (ROP)
- Suggested Order Report (RSO)
- PO Format Report (RPO)
- Combine PO Report (BPO)

## Order Point Report (ROP)

The Order Point Report (ROP) helps to optimize inventory stocking levels.

Open it from the browser under Inventory Reporting or by typing ROP in the launch bar.

This report uses accumulated sales history, including demand, lead time, and cost, to determine the optimum stocking levels, or order points, for items.

Run this report regularly, since sales history is constantly changing.

A Best Practice is to queue one or more ROP reports to run weekly.

The different reports address different item categories.

To understand how this report checks for, calculates, and updates order points, we'll examine the underlying data contained in several of the fields found in Inventory Maintenance.

Start on the Stocking Tab.

The system automatically calculates the value in the Order Point field from the Order Point Report.

Once established, the system bases suggested orders on this field and other factors.

While this calculation is typically automatic, you can set the order points manually.

Keep in mind that an order point fluctuates since it is based on sales history.

The Minimum Order Point is a manually updated field.

If you enter a value here, the Order Point will not drop below this number; it may fluctuate but will never fall below this point.

The system doesn't typically use Maximum Stock Level with true order point calculation.

If you establish a Maximum Stock Level, the suggested order quantities bring the quantity on hand back to this level on each order.

This can have an adverse effect on your stocking level because it ignores sales history.

Finally, there's a field for Safety Stock.

Enter the quantity that you want to have in stock in case the demand is higher than expected.

For example, you might want to enter one for ceiling fans or refrigerators, but you may want to enter a higher number for something like snow shovels in the winter.

When running the Order Point Report, the system adds the safety stock to the calculated order point to determine the new order point.

For example:

Enter a safety stock of one for a particular ceiling fan.

When running the Order Point Report, the system calculates a regular order point of four, then adds the safety stock to that for a final order point of five.

Any time you manually change the Safety Stock field, run the Order Point Report to update the Order Point field.

Otherwise, the Suggested Order Report will not use the new order point in the suggested order calculation.

Another key field is the ROP Protect flag on the Codes Tab.

If this field is set to Yes, the system will not change the order point field when running the Order Point report.

In other words, setting this option to Y means that an item's order point remains constant, regardless of sales activity.

Now that we have discussed the Inventory Fields that relate to the order point, let's look at some of the options available on the Order Point Calculation Report.

Be aware, the system can run this report without changing the Order Point.

This allows for a WHAT IF analysis before running the report with Option F to set the Order Point in the inventory record.

You can either include or exclude promotional sales from the calculation. Including promotional sales may overstate sales if you are not planning the same promotion this year.

You have the option of changing items with a 0 or 1 value already established.

One idea is that items with an Order Point of zero or one are secure.

You may not want these order points changed for selected items.

A Best Practice would be to use the ROP protect field in IMU and allow the system to recalculate Order Point for zero or one items for the rest of your Inventory.

You never know when to expect the next fad-type item.

At some point, sales may indicate a zero Order Point because the fad has faded.

With the options decided, now tell the system what to look at for supply.

This is the number of weeks and the duration of any lead time.

Choices here plus sales history play heavily in determining the Order Point.

Use the OP Weights page to tell the system how much emphasis to put on the history for a given period.

Order Point Calculation is adept at keeping the Supply consistent with the Demand.

## **Suggested Order Report (RSO)**

The Suggested Order Report uses the order points generated by the Order Point Report to calculate the new quantities to order.

Schedule the Order Point Report to run on a weekly basis.

Along with this process, think about automating the suggested orders as well using the RSO which saves time.

To learn more about scheduling these processes in your system, refer to these Training on Demand courses: Automating Order Point Updates and Automating Suggested Orders.

The Suggested Order report offers several types of options to customize the report, including those that determine how the system calculates the order and determines which items it includes, plus other options.

The system calculates the current quantity by adding Quantity on Hand plus Quantity on Order and subtracting the quantity committed through orders and layaways.

If this total is less than the Order Point, the system suggests ordering the quantity that brings the total back to the order point, rounding by the order multiple or standard pack.

However, if the system has a Maximum Stock Level specified, it increases the amount to order, so that the item returns to the Maximum Stock Level.

It's possible to convert the Suggested Order report to a Purchase Order using Option F to finalize a PO or Option W to create a temporary PO.

During this process, the system considers vendor's minimums.

If planning to use the suggested order report to create a PO, be sure to select PO Header and enter the required information.

## **PO Format Report (RPO)**

With a Purchase Order reviewed and maintained, you can print or fax it via the Purchase Order Report (RPO).

Use it to print any type of PO needed, including Open, Temporary, Receiving in process, or Partially received.

The From/To page specifies which POs to print. Use this also to limit what prints on the report.

Access the Purchase Order Report directly from the Purchasing and Receiving screen or through the Purchasing Reports Menu.

To review the overall process, we began by using inventory data to calculate order points with the Order Point Report.

Then we ran the Suggested Order Report to create a suggested order based on current stock levels and the order points.

Finally, we print the created purchase orders with the PO Format Report.

## Combine PO Report (BPO)

The Combine Purchase Order Report (BPO) enables combining multiple POs for the same vendor into one purchase order.

The POs must be the same type (normal, credit, defective, etc.) to combine them on this report.

If the status is different, it's still possible to combine them, although there are some limitations.

For more information, refer to Online Help.

To run the report, select Combine Purchase order from the Purchasing and Receiving Reports menu, or type BPO in the launch bar and press Enter.

On the Options page, enter the PO number to which you want to append up to 20 other POs.

Then, select the POs to merge into this report.

Run this report immediately or add it to an End of Day Queue.

As with any report, save it with these settings to use as the default for BPO.

## Recap

In summary, robust purchasing reports include order point calculation coupled with the suggested order report and the ability to print, fax, email, and combine POs.

This is an efficient and streamlined ordering process.

By maintaining the integrity of your inventory file through correct Point of Sale, Ordering, and Receiving Procedures, your system has the tools to create accurate order points and in turn suggested orders based on your sales history and your industry's forecasted demand.

This course focused on four reports.

We showed how the Order Point Report (ROP) optimizes stocking levels for your inventory.

We described how to use the Suggested Order Report (RSO) to print suggested orders.

We showed how to use the PO Format Report (RPO) to print or fax a PO.

And we described how to append up to 20 POs to a single PO with the Combine PO Report (BPO).

The contents of this document are for informational purposes only and are subject to change without notice. Epicor Software Corporation makes no guarantee, representations or warranties with regard to the enclosed information and specifically disclaims, to the full extent of the law, any applicable implied warranties, such as fitness for a particular purpose, merchantability, satisfactory quality or reasonable skill and care. This document and its contents, including the viewpoints, dates and functional content expressed herein are believed to be accurate as of its date of publication. The usage of any Epicor software shall be pursuant to the applicable end user license agreement and the performance of any consulting services by Epicor personnel shall be pursuant to applicable standard services terms and conditions. Usage of the solution(s) described in this document with other Epicor software or third party products may require the purchase of licenses for such other products. Epicor, the Epicor logo, and are trademarks of Epicor Software Corporation, registered in the United States and other countries. All other marks are owned by their respective owners. Copyright © 2021 Epicor Software Corporation. All rights reserved.

---

## About Epicor

Epicor Software Corporation drives business growth. We provide flexible, industry-specific software that is designed around the needs of our manufacturing, distribution, retail, and service industry customers. More than 40 years of experience with our customers' unique business processes and operational requirements is built into every solution—in the cloud, hosted, or on premises. With a deep understanding of your industry, Epicor solutions spur growth while managing complexity. The result is powerful solutions that free your resources so you can grow your business. For more information, [connect with Epicor](#) or visit [www.epicor.com](http://www.epicor.com).



### Corporate Office

804 Las Cimas Parkway  
Austin, TX 78746  
USA

Toll Free: +1.888.448.2636  
Direct: +1.512.328.2300  
Fax: +1.512.278.5590

### Latin America and Caribbean

Blvd. Antonio L. Rodriguez #1882 Int. 104  
Plaza Central, Col. Santa Maria  
Monterrey, Nuevo Leon, CP 64650  
Mexico

Phone: +52.81.1551.7100  
Fax: +52.81.1551.7117

### Europe, Middle East and Africa

No. 1 The Arena  
Downshire Way  
Bracknell, Berkshire RG12 1PU  
United Kingdom

Phone: +44.1344.468468  
Fax: +44.1344.468010

### Asia

238A Thomson Road #23-06  
Novena Square Tower A  
Singapore 307684

Singapore  
Phone: +65.6333.8121  
Fax: +65.6333.8131

### Australia and New Zealand

Suite 2 Level 8,  
100 Pacific Highway  
North Sydney, NSW 2060  
Australia

Phone: +61.2.9927.6200  
Fax: +61.2.9927.6298