PeopleSoft®

EnterpriseOne B73.3.1 Advanced Pricing PeopleBook

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Overview

Advanced Pricing Overview

It can be a market advantage to be able to refine or replace pricing strategies swiftly and effectively in response to changing market conditions. Companies that react slowly give the competition an unearned advantage. To react quickly to changing pricing conditions, a company needs a flexible price adjustments system.

The benefits of implementing a flexible price adjustments system include:

- Improving profitability and competitiveness through more accurate pricing by market sectors and product characteristics
- Allowing sales and marketing organizations the freedom to develop pricing strategies to target different market sectors
- The ability to react promptly and effectively to your competitor's pricing strategies and to marketing conditions

J.D. Edwards allows you to adjust your base pricing using one of two price adjustment solutions:

- The standard price adjustment module, which is available with the Sales Order Management system. You should use standard price adjustments if your pricing procedures do not require the features offered by the advanced pricing system.
- The Advanced Pricing system, which is an additional software system that is integrated with the base price architecture.

Advanced Pricing Features

Because pricing is probably one of the most complex aspects of your business, it may take you a considerable amount of time to plan, set up, and maintain pricing information. The Advanced Pricing system streamlines pricing setup and maintenance. The advanced pricing setup is straightforward and requires minimal maintenance.

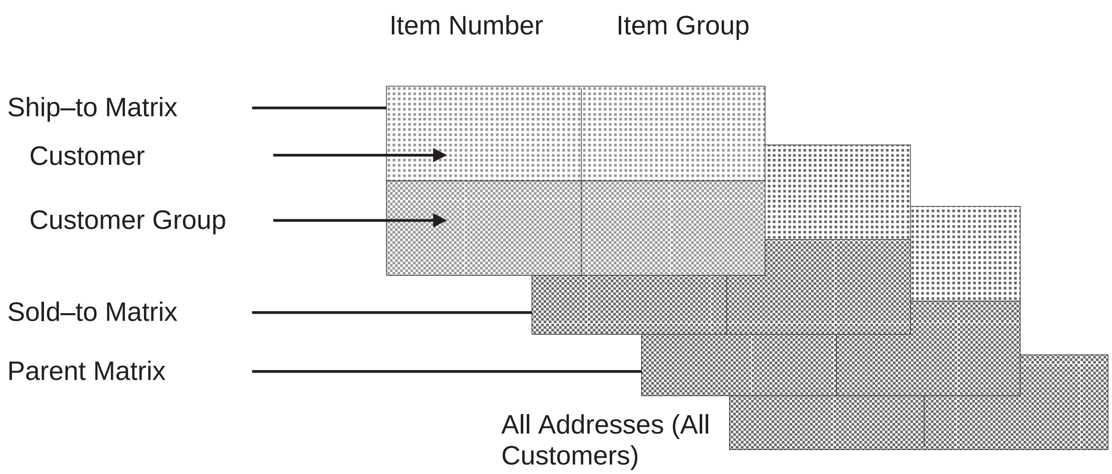
The Advanced Pricing system provides flexibility when defining pricing. You can easily adjust prices for each promotion or deal and then combine the adjustments into a pricing structure or schedule. Within each schedule, you can define unlimited price adjustments. You can also combine regular discounts and promotions within the same schedule, which allow you to apply multiple adjustments to each sales order line.

Customer and Item Groups

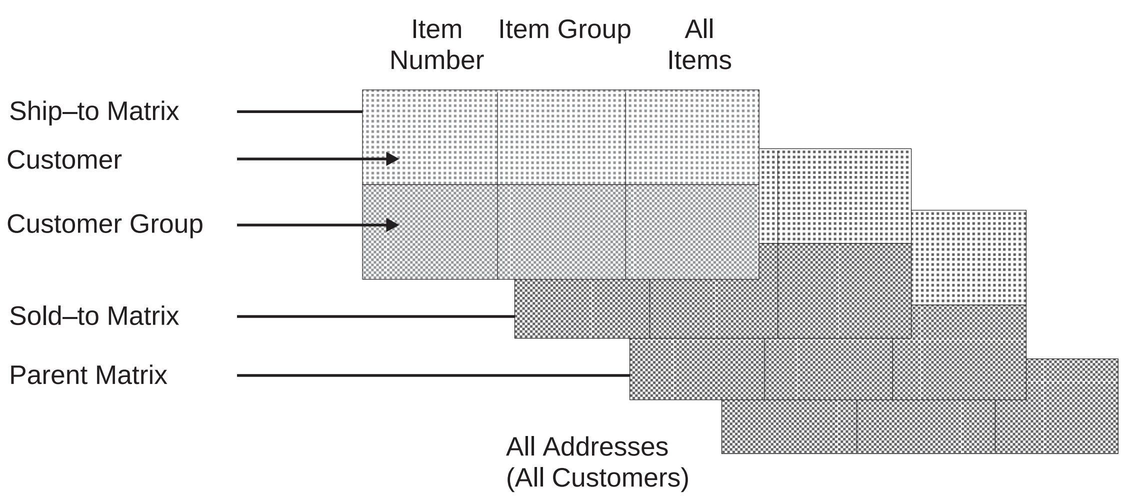
By grouping customers and items, you can accommodate vastly different market sectors and product lines. Using customer and item groups frees you from the tedious task of setting up price adjustment information for each item and customer.

Advanced Pricing provides additional flexibility for working with pricing groups. You can create adjustments for single items, single customers, groups of items, or groups of customers. Customers can be identified by Sold To, Ship To, or Parent addresses.

Base Pricing Matrix Preference Hierarchy 51



Advanced Pricing Matrix
User Defined Hierarchies



Adjustment Accruals

You can have the system accrue the amount of an adjustment instead of applying the adjustment to the order line. You might want to do this for:

- Advertising allowances and cooperative allowances
- Commissions
- Royalties based on product or customer

Types of Price Adjustments

Adjustments allow you great flexibility in defining your pricing schedules. You can adjust the price in the following ways:

- By a specified percentage of the base price.
- By a percentage of the current net price.
- By a percentage dollar amount of your cost.
- By a specific amount.
- Based on a formula. For example, you can create formulas that:
  - Reference a field in sales order detail.
  - Pull data from variable tables if you need to create pricing for items with prices that fluctuate frequently.
- Based on a price override. You can override a price by creating an adjustment that replaces the base price with the price you defined in the override adjustment.
- Based on one of your company's custom programs.

Limited Time Offers

For each adjustment, you can define an effective from date and an effective through date. For example, for pricing a promotion during the month of May, you can define an effective date range of May 1 through May 31.

Multi-Currency Pricing

You can set up and maintain pricing by currency. If you sell in multiple currencies, the system can retrieve the currency from the base price file and retrieve the advanced pricing adjustments based on the currency of the sales order. If no pricing adjustments are found for the currency of the order, it will use the base currency.

See *Creating New Price Records in the Euro* in the *Euro Implementation Guide* for information about pricing in the euro, or other alternate currency.

Free Goods

Free goods are often items that help promote, display, or accompany the product being ordered. For example, for certain products you may want the free goods to be the display case, posters, or additional promotional items used to highlight a sale.

When you define an adjustment, you define how the system applies the free goods. You can tie any adjustment to free goods.

Level Breaks

You can reward customers who buy in volume by providing price discounts based on order quantity, weight, or total price. When you define adjustment types, you specify the level-break type you want to use.

Accruals

Automatic Accounting Instructions (AAIs) allow you to set up liability accounts for royalties, commissions, and rebates. Accruals do not affect the price of the order, but appropriate expense/liability entries are created when using the Sales/Update program.

Rebates

You can define rebate thresholds to establish rules for generating credit orders.

Flexible Invoice Print Detail

The adjustment type definition determines whether the system prints adjustment information on invoices.

Reprice Adjustments

You can accumulate quantities, weights, or amounts on an order and discount based on the total quantity, weight, or amount.

Online Price Negotiation

While taking a customer’s order, you can negotiate prices and review the results. You can change the price calculation until both you and the customer are satisfied. The system automatically updates the profit margin as you make changes, which gives you the ability to verify that you stay within established guidelines.

Price Approvals

When you need to create or change prices, you can set up a process to automatically send out the new or changed prices for approval. Price approvals are routed through JDEdwards’ Enterprise Workflow Management system.

Advanced Pricing in Procurement

Advanced Pricing is designed around key concepts that support a wide variety of the pricing strategies ranging from simple product promotions to highly sophisticated customer deals. Integrating the Advanced Pricing features with the Procurement system provides more details to the customer about the price breaks that your suppliers extend to you, the customer. You can maintain rates and adjustment details.

The Advanced Pricing features that are integrated with the Procurement system, include:

- Multiple adjustments per line item
- Detailed adjustment feature definition
- Hierarchical adjustment search sequences
- Order–specific pricing characteristics
- Free goods processing
- On–line review of adjustment history

The sections that require specific actions for purchase order adjustments are denoted in “Using Advanced Pricing for Procurement.”

Setup

System Setup

You can set up the Advanced Pricing system to meet your company's needs. The Advanced Pricing system integrates with the Sales Order Management system for efficiency and accuracy.

Setting up Advanced Pricing includes the following tasks:

- ❑ Setting up system constants
- ❑ Setting up pricing constants
- ❑ Setting up AAIs for advanced pricing

Advanced Pricing has the following setup features.

System constants

Constants provide the system with the following types of information:

- System constants determine default information for the entire system.
- Pricing constants determine pricing information.
- Batch control constants determine whether an application requires management approval and batch control.
- Branch/plant constants control day-to-day transactions within a branch/plant.
- Location format determines how you identify item storage places in a branch/plant.
- Item availability defines how the system calculates the number of items that each branch/plant contains.

Automatic accounting instructions (AAIs)

AAIs provide the Sales Order Management system with accounting information and general ledger relationships for interacting with the General Accounting system.

The following Advanced Pricing features must be set up in other systems, such as the Inventory Management, Procurement, Sales Order Management, and General Accounting systems:

Address Book Revisions	You can enter category codes with which you create customer groups.
Item Master	You can define the sales and purchase levels. You can define prices for sales orders at the item level, the item/branch plant, or a location within the branch/plant. For purchase orders, the system uses the purchase price level to identify whether the system retrieves the unit cost from the Item Cost Ledger table (F4105) or the Supplier/Item table (F41061).
Item Branch/Plant Information	You can enter category codes with which you create item groups.
Customer Billing Instructions	You can set up the customer information that the system uses as a price default, such as the Adjustment Schedule or customer group.
Supplier Instructions	You can set up the supplier information that the system uses as a pricing default, such as the Adjustment Schedule or supplier group.
Landed costs	You can set up landed costs to specify the costs that exceed the purchase price of an item, such as delivery charges, broker fees, and so forth.
Standard units of measure	You can set up the standard units of measure for all items across all branch/plants to convert to the specified pricing unit of measure.

See Also

- *Working with Address Book Records* in the *Address Book Guide*
- *Entering Item Master Information* in the *Inventory Management Guide*
- *Entering Branch/Plant Information* in the *Inventory Management Guide*
- *Defining Supplier Purchasing Instructions* in the *Procurement Guide*
- *Setting Up Landed Costs* in the *Procurement Guide*
- *Setting Up Standard Units of Measure* in the *Inventory Management Guide*

Setting Up System Constants

Set up system constants to determine which functions to perform. For example, if you have several branch/plants and you use different units of measure for the items in each branch/plant, you can set a system constant to automatically convert units of measure by branch. System constants apply to all branch/plants. You cannot customize system constants for each branch/plant.

For Advanced Pricing, the system constants define how the system retrieves prices for sales and purchase order adjustments. When you set up base prices and adjustments, you can use various units of measure and effective date ranges. The system retrieves the unit cost for a purchase order detail line based on either the transaction unit of measure, the purchasing unit of measure, or the primary unit of measure. Additionally, you can retrieve the price based on specific dates in the order process. For example, you can base the sales price on the date that the item is shipped versus the date that the order is entered in the system.

Using Advanced Pricing for Procurement

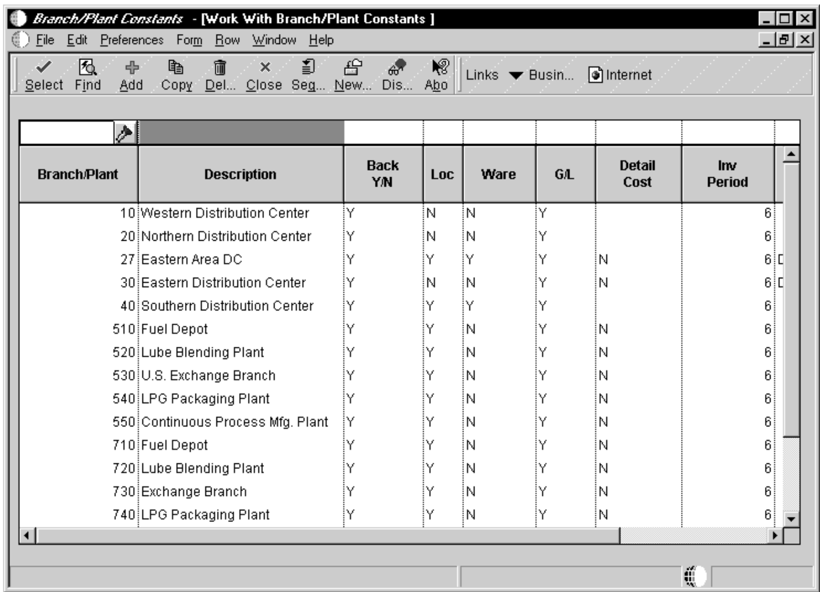
You can use the system constant, Sales Price Based on Date, to determine what date the system uses to retrieve a valid base price or adjustment for your purchase order. You can base the price on the system date, the order or transaction date, the requested date, or the date on which the items are received. In Procurement, the ship date is actually the day on which you receive the goods, or the Receipt Date, and you cannot use the Invoice Date.

If you use Advanced Pricing for Procurement, you can use the system constant, Sales Price Based on Date, to determine what date the system uses to retrieve a valid base price or adjustment for your purchase order. You can base the price on the system date, that order or transaction date, the requested date, or the date on which you receive the items. In Procurement, the system the ship date is actually the day on which you receive the goods, the Receipt Date and you can not use the option, Invoice Date.

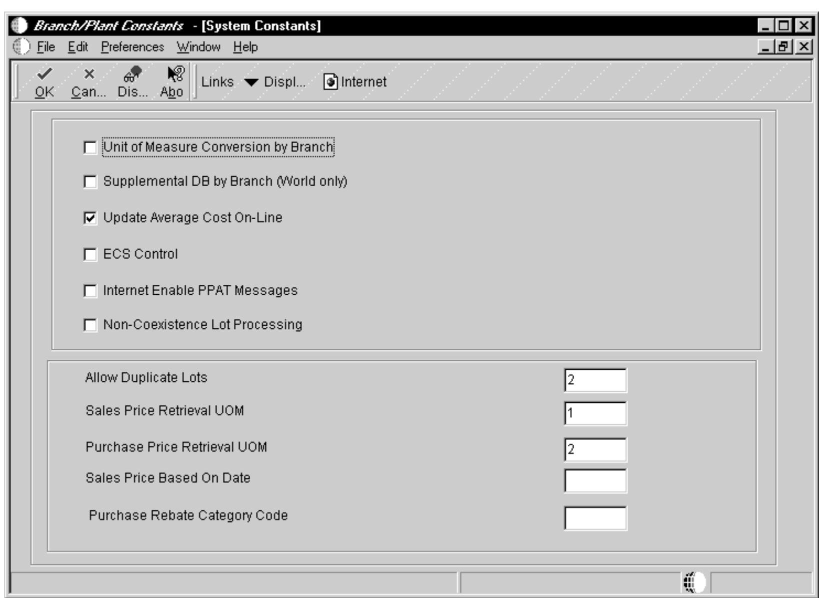
▶ To set up system constants

From Sales Order Management (G42), choose System Setup. From System Setup (G4241), choose Branch/Plant Constants.

On Work With Branch/Plant Constants



1. From the Forms menu, choose System Constants.



2. For sales order adjustments, complete the following fields:

- Sales Price Retrieval UOM
- Sales Price Based On Date

3. Optionally, if you use Advanced Pricing for Procurement, complete the following fields:
   - Purchase Price Retrieval UOM
   - Purchase Rebate Category Code
4. Click OK.

Field	Explanation
Sales Price Retrieval UOM	A value that specifies the unit of measure that the system uses for retrieving base prices and price adjustments during sales order processing. The system allows you to define your base prices in the Base Price table (F4106) and price adjustments in the Adjustment Detail table (F4072) in various unit of measures. If you specify the Transaction or Pricing UOM and the system does not find a record in that unit of measure, the system repeats the process using the primary UOM of the item.
Sales Price Based On Date	A value that determines how the system updates the Price Effective Date in the Sales Order Header (F4201) and Detail (F4211) tables. In the Sales Order Management system, the system uses the Price Effective Date to retrieve the base price from F4106 and price adjustments from F4072.
Purchase Price Retrieval UOM	A value that represents the unit of measure that the system retrieves for the purchase base price (F41061) during purchase order processing. If you specify the Transaction or Purchasing UOM and the system does not find a record in that unit of measure, the system repeats the process using the primary UOM of the item.
Purchase Rebate Category Code	A number in the system constants that determines which category code the system uses in the criteria for inclusion comparison.

See Also

- *Setting Up Constants* in the *Inventory Management Guide*

Setting Up Pricing Constants

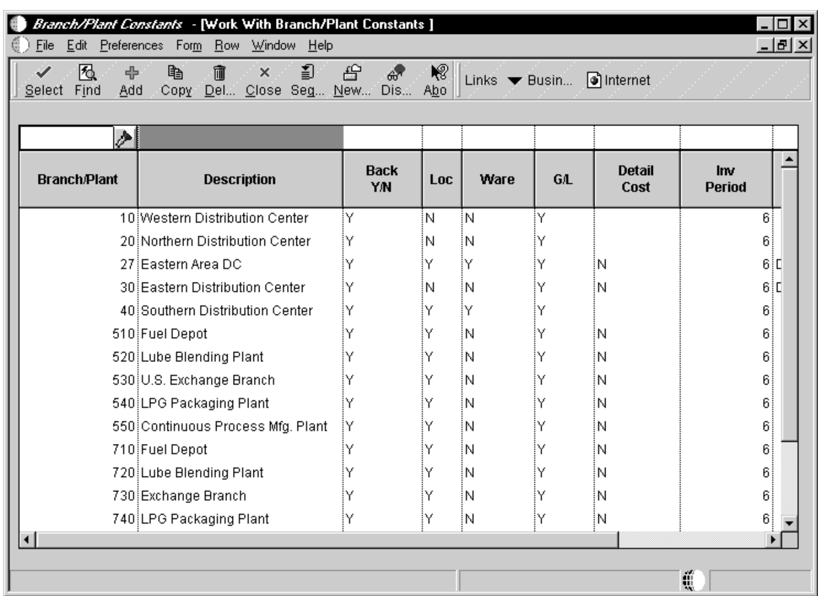
The system uses pricing constant information to control which systems, Sales Order Management and/or Procurement, use Advanced Pricing. Additionally, you assign the special characters used in the price formulas for sales or purchase order adjustments. You can also specify whether you want pricing approvals applied.

Like system constants, pricing constants apply to all branch/plants. You cannot customize the settings for each branch/plant.

▶ To set up pricing constants

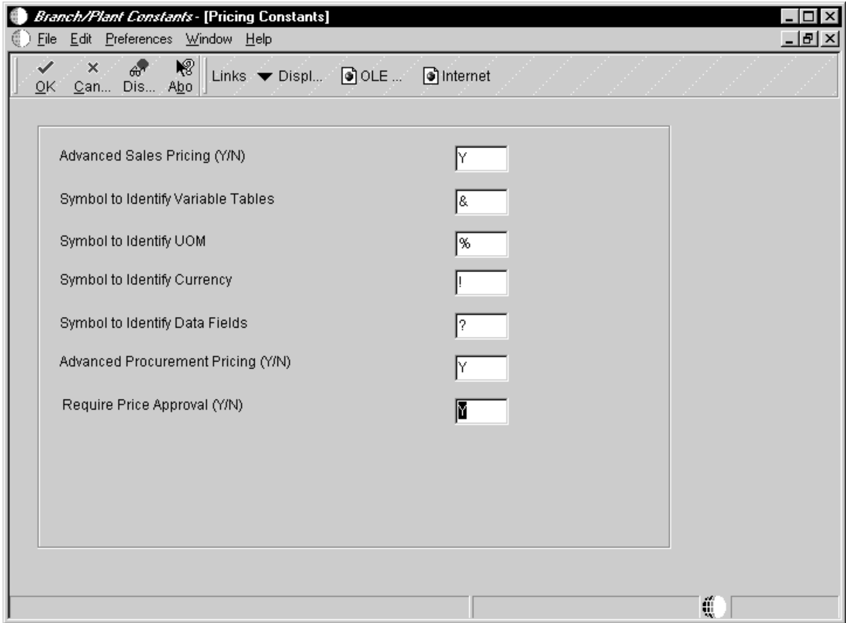
From Sales Order Management (G42), choose Sales Order Management Setup. From Sales Order Management Setup (G4241), choose Branch/Plant Constants.

On Work With Branch/Plant Constants



Branch/Plant	Description	Back Y/N	Loc	Ware	G/L	Detail Cost	Inv Period
10	Western Distribution Center	Y	N	N	Y		6
20	Northern Distribution Center	Y	N	N	Y		6
27	Eastern Area DC	Y	Y	Y	Y	N	6
30	Eastern Distribution Center	Y	N	N	Y	N	6
40	Southern Distribution Center	Y	Y	Y	Y		6
510	Fuel Depot	Y	Y	N	Y	N	6
520	Lube Blending Plant	Y	Y	N	Y	N	6
530	U.S. Exchange Branch	Y	Y	N	Y	N	6
540	LPG Packaging Plant	Y	Y	N	Y	N	6
550	Continuous Process Mfg. Plant	Y	Y	N	Y	N	6
710	Fuel Depot	Y	Y	N	Y	N	6
720	Lube Blending Plant	Y	Y	N	Y	N	6
730	Exchange Branch	Y	Y	N	Y	N	6
740	LPG Packaging Plant	Y	Y	N	Y	N	6

1. From Form menu, choose Pricing Constants.



2. On Pricing Constants, complete the following fields:
   - Advanced Sales Pricing (Y/N)
   - Symbol to Identify Variable Tables
   - Symbol to Identify UOM
   - Symbol to Identify Currency
   - Symbol to Identify Data Fields
   - Advanced Procurement Pricing (Y/N)
   - Require Price Approval (Y/N)
3. Click OK.

   After you set or change the pricing constants, you must exit OneWorld in order for the changes to take effect.

Field	Explanation
Advanced Sales Pricing (Y/N)	Indicates how the system determines the price of items within your system. If your system includes the advanced pricing module, you may use this feature. Y The system will use advanced pricing. N The system will NOT use advanced pricing.
AdvancedPurchasePricing (Y/N)	Use this field to specify whether to apply advanced pricing to the purchase price. Valid values are: Y Apply advanced pricing to the purchase price. N Apply standard price adjustments to the purchase price.

Field	Explanation
Symbol to Identify Variable Tables	A character that you want to use to identify a variable table in advanced pricing in your system. When you enter a table name preceded by this character, the system recognizes the name as a table name for formula pricing calculations. Alphabetic, numeric, and mathematical function (for example, +,-,*,/) values are not valid in this field.
Symbol to Identify UOM	A character that you want to use to identify a unit of measure in advanced pricing formulas. When you enter a unit of measure preceded by this character, the system recognizes the entry as a unit of measure for formula pricing calculations. Alphabetic, numeric, and mathematical function (for example, +,-,*,/) values are not valid in this field.
Symbol to Identify Currency	A character that you want to use to identify a currency code in advanced pricing formulas. When you enter a currency code preceded by this character, the system recognizes the entry as a currency code for formula pricing calculations. Alphabetic, numeric, and mathematical function (for example, +, -, *, /) values are not valid in this field.
Symbol to Identify Data Fields	Character that you want to use to identify database fields in advanced pricing formulas. When you enter a database field preceded by this character, the system recognizes the entry as a database field for formula pricing calculations. Alphabetic, numeric, and mathematical function (for example, +, -, *, /) values are not valid in this field.
Require Price Approval (Y/N)	A value that specifies whether the user wants all price changes provided through price approval workflow. Y Apply price approval workflow. N Do not apply price approval workflow.

Setting Up AAIs for Advanced Pricing

Automatic accounting instructions (AAIs) provide the rules the system uses to create G/L entries automatically. Each program that posts to the General Ledger uses AAIs.

For distribution systems, you must create AAIs for each unique combination of company, document type, and G/L class that you anticipate using. Each AAI points to a specific G/L account consisting of a cost center, an object, and a subsidiary.

After you define AAIs, the system can appropriately record transactions. When you run a sales update, the system creates entries to inventory accounts, to expense accounts of cost of goods sold, and to revenue accounts for orders. You may also offset accounts for freight, taxes, or any other charges associated with orders.

AAIs allow you to direct how various journal entries are created by sales order transactions. Each AAI contains combinations of:

- Company
- Document type
- G/L class code
- G/L account

You can create various combinations to direct journal entries to different offset accounts. For example, phone-in orders may affect different G/L accounts than over-the-counter orders.

For Advanced Pricing for Procurement, AAIs are not used for purchase order adjustments. For example, the system does not create entries for the additional discounts that are applied to the unit cost when you match a voucher to a receipt.

AAIs Used in the Advanced Pricing System

4270 Price Adjustments	Specifies the sales discount account for entries created by the Update Customer Sales program.
4280 Discounts Payable	Specifies accrued accounts for offset entries.

After you review and revise the existing AAIs for your business needs, you might need to set up additional AAI items.

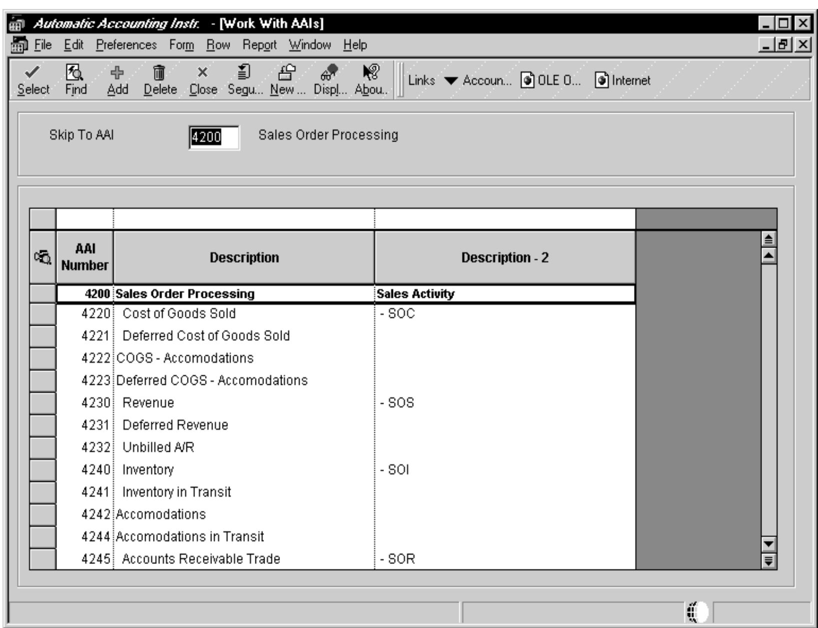
Before You Begin

- ❑ Verify that account master information is set up.
- ❑ Verify that companies are set up.
- ❑ Verify that transaction types are set up.
- ❑ Verify that document types are set up.
- ❑ Verify that G/L class codes are set up.
- ❑ Determine the account numbers for recording transactions.

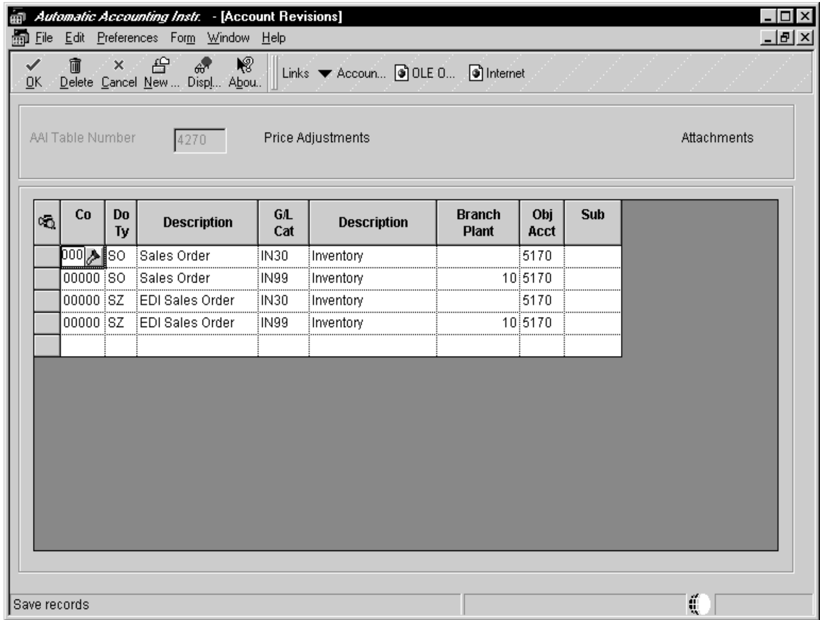
▶ To set up AAIs

From Sales Order Management (G42), choose Sales Order Management Setup. From Sales Order Management Setup (G4241), choose Automatic Accounting Instructions.

On Work With AAIs



1. Locate the AAI and click Select.



2. On Account Revisions, complete the following fields:
   - Co
   - Do Ty
   - G/L Cat
   - Branch Plant
   - Obj Acct
   - Sub
3. Enter memo text for each AAI table, if needed, by choosing Attachments from the Form or Row menu.
4. Click OK to revise the account.

The G/L class code used for the AAIs defaults from the value in the G/L Offset field in the Adjustment Definitions form. If the G/L Offset field is blank, the G/L class code value from the sales order is used.

If the adjustment is an override adjustment, the advanced pricing AAIs (4270 and 4280) are not used.

Field	Explanation
Co	A code that identifies a specific organization, fund, entity, and so on. The company code must already exist in the Company Constants table (F0010) and must identify a reporting entity that has a complete balance sheet. At this level, you can have intercompany transactions. NOTE: You can use Company 00000 for default values, such as dates and automatic accounting instructions (AAIs). You cannot use Company 00000 for transaction entries.
Do Ty	A user defined code (system 00/type DT) that identifies the origin and purpose of the transaction. J.D. Edwards reserves several prefixes for document types, such as vouchers, invoices, receipts, and timesheets. The reserved document type prefixes for codes are: P Accounts payable documents R Accounts receivable documents T Time and Pay documents I Inventory conversion issues O Ordering document types The system creates offsetting entries as appropriate for these document types when you post batches.
G/L Cat	A user defined code that identifies the G/L offset that you want the system to use when it searches for the account to which it will post the transaction. If you do not want to specify a class code, you can enter **** (four asterisks) in this field. The table of Automatic Accounting Instructions (AAIs) allows you to predefine classes of automatic offset accounts for the Inventory, Purchasing, and Sales Order Management systems. The system can generate accounting entries based upon a single transaction. As an example, a single sale of a stock item can trigger the generation of accounting entries similar to these: Sales–Stock (Debit) xxxxx.xx A/R Stock Sales (Credit) xxxxx.xx Stock Inventory (Debit) xxxxx.xx Stock COGS (Credit) xxxxx.xx

Field	Explanation
Branch Plant	An alphanumeric field that identifies a separate entity within a business for which you want to track costs. For example, a business unit might be a warehouse location, job, project, work center, branch, or plant. You can assign a business unit to a voucher, invoice, fixed asset, employee, and so on, for purposes of responsibility reporting. For example, the system provides reports of open accounts payable and accounts receivable by business units to track equipment by responsible department. Security for this field can prevent you from locating business units for which you have no authority. Note: The system uses the job number for journal entries if you do not enter a value in the AAI table. . . . . *Form-specific information* . . . . If you leave this field blank, the system uses the business unit that you entered on the work order, in the Charge to Cost Center field.
Obj Acct	The object account portion of a general ledger account. The term “object account” refers to the division of the Cost Code (for example, labor, materials, and equipment) into subcategories (for example, dividing labor into regular time, premium time, and burden). If you are using a flexible chart of accounts and the object account is set to 6 digits, J.D. Edwards recommends that you use all 6 digits. For example, entering 000456 is not the same as entering 456, because if you enter 456, the system will enter three blank spaces to fill a 6-digit object.
Sub	A subdivision of an object account. Subsidiary accounts include more detailed records of the accounting activity for an object account. . . . . *Form-specific information* . . . . If you leave this field blank, the system uses the value you entered on the work order in the Cost Code field.

Base Price Review

Base Price Review

When you enter a sales or purchase order, the system retrieves the price for the item based on characteristics, such as the branch/plant, the customer, the supplier and the quantity. Before the system processes any type of advanced price adjustment to the sales or purchase order, it must retrieve a base price from which to apply the advanced price adjustments. After the system retrieves the base price, it verifies that Advanced Pricing is turned on. If Advanced Pricing is turned on, the system bypasses the standard price adjustments, such as inventory pricing rules, and searches for applicable schedules and adjustments in the Advanced Pricing system.

The system uses three types of pricing:

- Base Pricing
- Standard price adjustments, which is a means of adjusting the base price without Advanced Pricing
- Advanced price adjustments, which is a means of adjusting the base price with Advanced Pricing programs

Any price that you enter in either the sales or purchase order overrides the base price that is retrieved by the system. You can use either standard pricing or advanced pricing to create adjustments to the base price. Base Price Review includes the following:

- ❑ Understanding base pricing in Sales Order Management
- ❑ Understanding price approvals
- ❑ Understanding pricing in Procurement

For sales orders, you can set up customer groups and item groups and assign prices to combinations of items, item groups, customers, and customer groups. The pricing hierarchy determines how the system searches for prices. The system always uses the Base Price Preference hierarchy (51) to retrieve base prices. The hierarchy structure must be flexible enough to accommodate the pricing that you set up for various combinations of items and customers.

Changes or additions to base prices and advanced price adjustments and schedules can be set up to route through an approval system. JDEdwards' Enterprise Workflow Management system automates the process of approving prices.

For purchase orders, you can set up supplier groups and item groups and assign prices to combinations of items and suppliers. The system retrieves the unit cost in the purchase order based on your purchase price level and, if applicable, the supplier catalog. The system does not use Base Price Preference hierarchy to retrieve pricing information for purchase orders.

See Also

- *Creating New Price Records in the Euro* in the *Euro Implementation Guide* for information about creating new base and advanced price records in the euro, or other alternate currency.

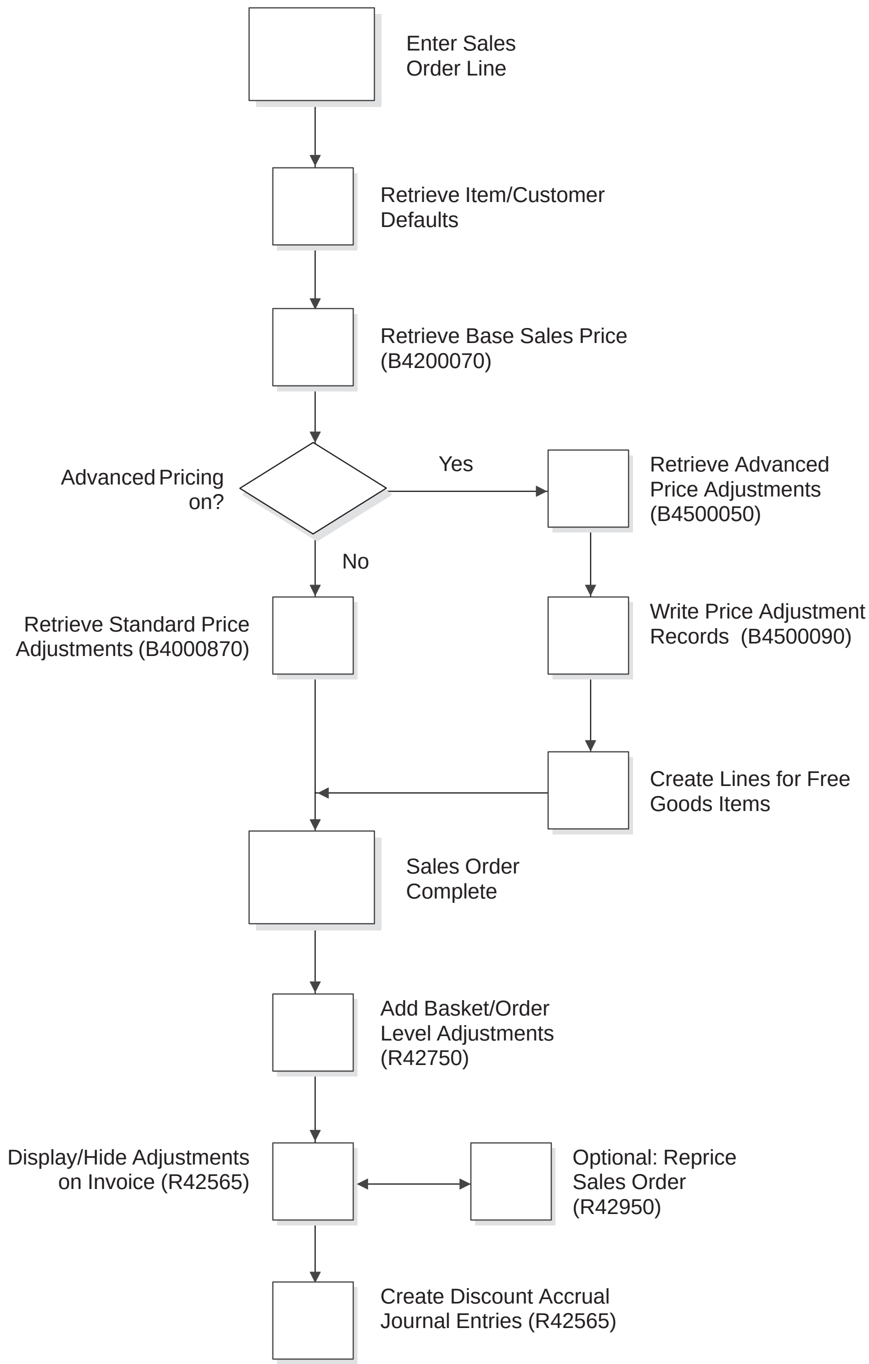
Understanding Base Pricing in Sales Order Management

When you enter a sales order, the system retrieves the price for items based on characteristics, such as the branch/plant, the customer, and the quantity. After the system retrieves the base price, it verifies that Advanced Pricing is turned on. If Advanced Pricing is turned on, the system bypasses the standard price adjustments, such as inventory price rules, and searches for applicable schedules and adjustments in the Advanced Pricing system.

Understanding base pricing in Sales Order Management includes the following tasks:

- Reviewing price levels
- Reviewing the base price preference hierarchy
- Creating item and customer price groups
- Defining base prices

The following graphic illustrates how the system calculates prices for sales orders.



Reviewing Price Levels

When you enter an item in the Item Master Revisions form (P4101), you must enter the sales price level. The sales price level determines how you define the base price for an item. For example, will you determine the base price by item or by item and branch? You can define prices at the following levels:

Item level	Define one overall price for an item. You cannot include branch/plant, lot, or location information.
Item/Branch level	Set up different prices for each item/branch combination. You cannot include location and lot information.
Item/Branch/Location level	If you define pricing by location and lot, you can also define branch/plant information.

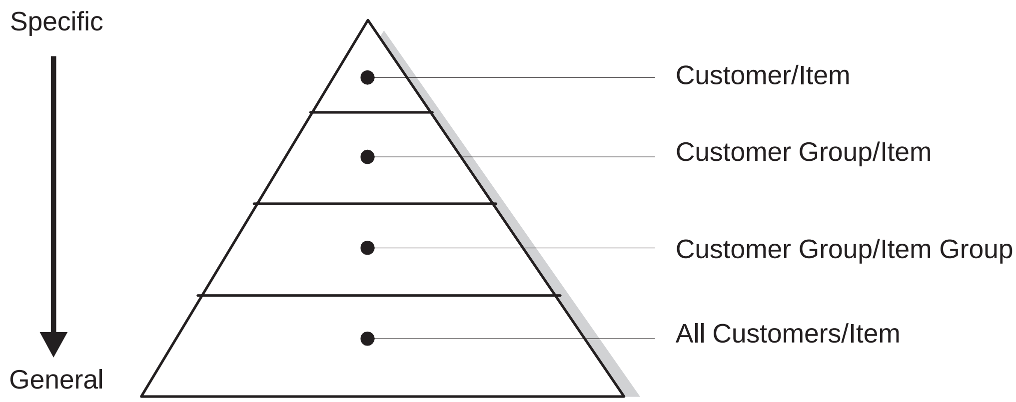
See Also

- *Creating New Base Price Records* in the *Euro Implementation Guide* for information about creating price records in the euro, or other alternate currency
- *Entering Sales Price Information* in the *Inventory Management Guide* for more information about setting up pricing at the item, item/branch or item/branch/location level

Reviewing the Base Price Preference Hierarchy

When the system retrieves the base price, it uses the hierarchy that you set up for the Base Price Preference (51) to determine the search sequence for base price records. The base price hierarchy is a matrix comprised of combinations of customers and items and customer groups and item price groups. You use the intersection of the rows and columns to determine your hierarchy sequence.

J.D. Edwards recommends that you set up your pricing hierarchy from most-specific to most-general. Most specific is usually as shown in the following illustration.



During sales order entry, the system searches the combinations based on the hierarchy that you have defined. For example:

- Item and customer
- Item and customer group
- Item group and customer
- Item group and customer group
- Item group only
- Item only

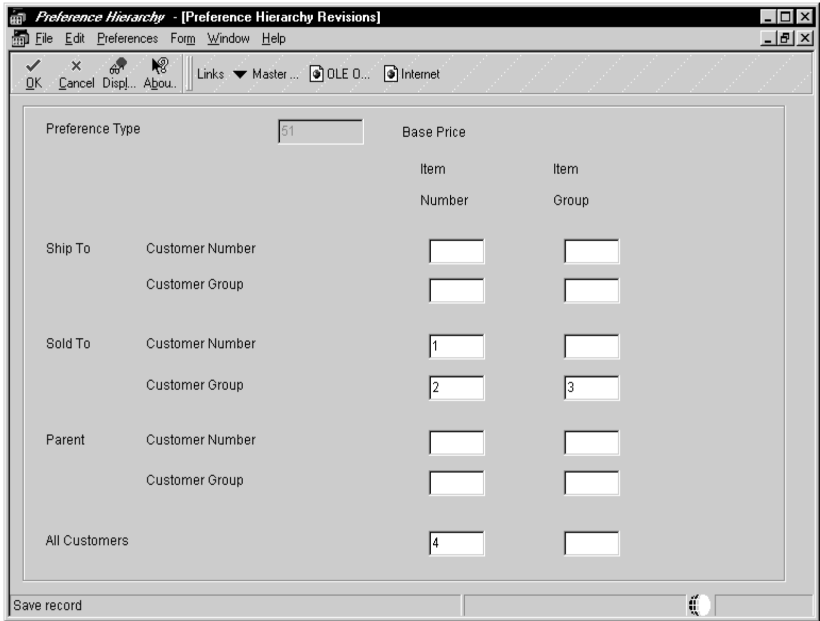
In base pricing, it is possible to enter as many as 14 numbers in the pricing hierarchy. However, you should limit your pricing hierarchy to three or four, because each number represents a search by the system through the Base Price table (F4106) and each number that you add to the pricing hierarchy increases system processing time.

▶ To review the base price preference hierarchy

From the Sales Order Management menu (G42), choose Periodic Processing. From the Periodic Processing menu (G4220), choose Price Management (G4222). From the Price Management menu, choose Preference Hierarchy.

On Work with Preference Hierarchy

1. To access the Base Price Preference Hierarchy Revisions, click Find.
2. Choose Preference Type 51, Base Price.



3. On Preference Hierarchy Revisions, type consecutive numbers at the intersections of rows and columns to define the base pricing hierarchy (51).

See Also

- *Defining the Pricing Hierarchy* in the *Sales Order Management Guide* for more information

Creating Item and Customer Price Groups

Price groups are an optional way of organizing your pricing schemes. You can set up customer price groups to enter and update price information for multiple customers and items at once rather than individually. For example, you can create a customer price group, named PREFER, for preferred customers, who can purchase a bike for $20.00 less than other customers. You can set up item price groups to enter and update price information for multiple items rather than individually. For example, you can group similar bikes with different colors, named BIKES, and define one price for this group.

You can set up simple and complex price groups. A simple price group is identified by a user defined code. For items, you set up price group name as the user defined code (40/PI) and assign the item to the group name in the Item Branch/Plant Information. For customers, you set up price group name as the user defined code (40/PC) and assign the customer to the group in the Customer Billing Instructions.

To allow for greater flexibility in your pricing structure, you can define complex customer and item price groups. Within each complex customer price group or complex item price group, you can create subgroups based on specific address book and item category codes. With complex price groups, customers can belong to the same group but have different prices based on category codes, such as geographic location.

See Also

- *Working with Complex Price Groups* for more information
- *Setting Up Base Prices* in the *Sales Order Management Guide* for more information about defining the structure that the system uses to retrieve the base price for sales orders

Defining Base Prices

You can add prices for items in your domestic currency and as many other currencies as necessary. For example, you can set up base prices for an item in both U.S. dollars and French francs.

Currency code and unit of measure are both keys to the Base Price Revisions table (F4106). If you use multi-currency, the system searches for a price in the following sequence:

- Customer's currency and the user-specified unit of measure
- Customer's currency and the item primary unit of measure
- Domestic currency and the user-specified unit of measure
- Domestic currency and the item primary unit of measure

If the system does not find a match, it moves to the next level in the pricing hierarchy structure and searches in the same sequence.

Before You Begin

❑ Verify that the pricing hierarchy has been defined. See *Defining the Pricing Hierarchy*.

❑ Verify that the sales price based-on date has been specified in the system constants. See *Setting Up Constants* in the *Inventory Management Guide.*

See Also

- *Generating New Base Prices in a Different Currency* in the *Sales Order Management Guide* for information about a generation program that creates new base price records, based on existing records

▶ **To define base prices**

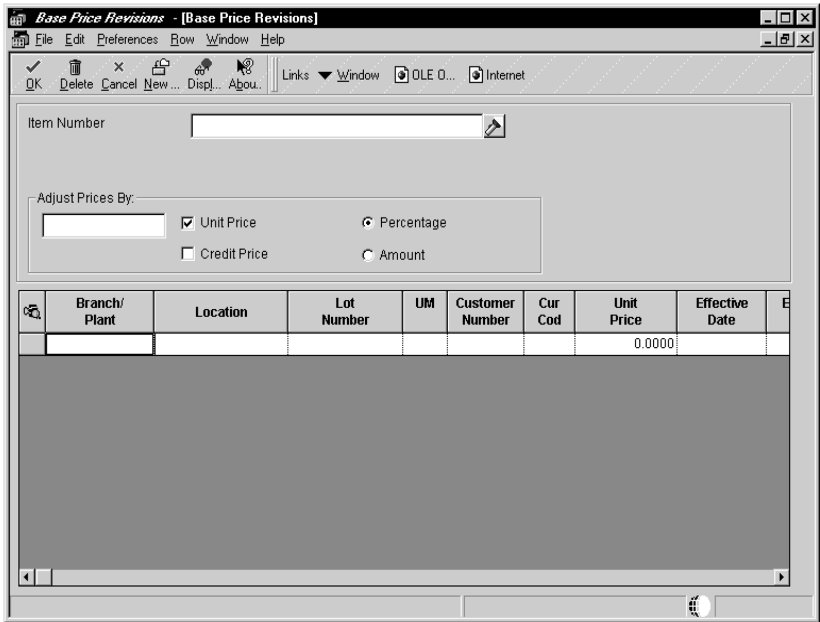
From the Price Management menu (G4222), choose Base Price Revisions.

On Work with Preference Base Price

1. Click Add.

   The choices in the preference hierarchy selection are based on the set up of the base price preference hierarchy.

2. On the Preference Hierarchy Selection, choose the hierarchy for which you want to define a price.



3. On Base Price Revisions, complete the following fields:
   - Item Number
   - Branch/ Plant
   - Customer Number
   - Cust. Price Group
   - Item Price Group
   - Effective Date
   - Expired Date
   - Item Number
   - Unit Price
4. To enter credit prices, turn on the following option:
   - Credit Price

Understanding Price Approvals

You can automatically notify people within your organization when a price is changing. This notification requires the recipient to review and approve or reject changed prices. The prices are created as pending and are not used to price orders until the approval process is complete. Price approvals are routed through the JDEdwards Enterprise Workflow Management system.

The following prices are routed through the price approval process:

- Base prices (for sales)
- Adjustment details
- Price variables
- Price formulas
- Rebate thresholds

Price approvals are intended for use with sales-based pricing and schedules but are not available within supplier pricing or Advanced Pricing for Procurement. When prices are approved, they are made available to the order entry programs to use on subsequent orders. When prices are rejected, the prices are withheld from use on any orders.

Price approvals are an additional feature of the Sales Order Management and Advanced Pricing systems. The process must be turned on within Pricing Constants and is applied system wide.

To understand price approvals, you should be familiar with the following concepts:

- Activating pre-existing prices
- Pending prices and active prices
- Price approval workflow
- Reviewing approval requests
- Revising workflow setup

Batch price maintenance programs will not activate the workflow process. Prices created by these programs are automatically approved.

Coexistence issues

If you use both OneWorld and World Software systems, you must make changes within the following OneWorld programs or tables when price approval workflow is turned on:

P4106	Base Price Revisions
P4072	Price Adjustment Detail Revisions
P4075	Price Variable Table
P4076	Price Formula Window
P4077W	Rebate Threshold Maintenance

Before You Begin

- ❑ Activate the Price Approvals option on the Pricing Constants form.
- ❑ Run the Price Approvals Conversion program (R45210) to ensure that all existing prices remain in the system.

Activating Pre-Existing Prices

Once the Price Approvals option is activated on Pricing Constants, you must convert pre-existing prices and adjustments by running the Price Approvals Conversion program (R45210).

Running the Price Approvals Conversion program automatically sets all of the selected prices to an active status. JDEdwards recommends that you run the report in proof mode first to validate the number of prices that will be converted. Then, run the report in final mode to actually convert the prices. The data-selection should be left clear so that all prices are converted.

You must run this program in order for your prices to become active. Failure to run the program will result in the system assuming all pre-existing prices to be inactive. In other words, your pre-existing prices will not be in effect.

Pending Prices and Active Prices

An approval status is assigned to every price that is entered into the system. Price approval status codes are visible on the Base Price and Advanced Pricing tables and are stored in user defined code table 45/AS.

The following price approval status codes are available:

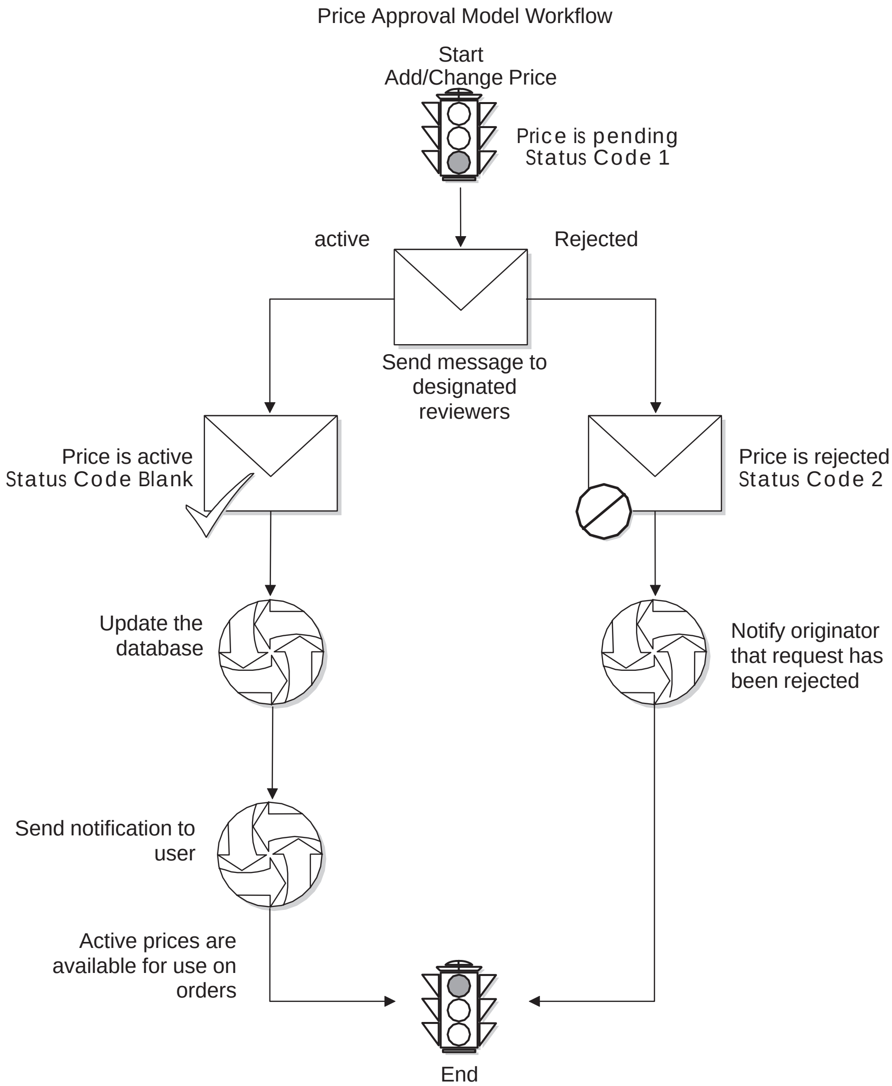
Pending	A new or changed price has an approval status set to pending upon creation. The approval status code for pending prices is 1.
Active	When all reviewers approve a new or changed price, the status of the price changes to active. Once the status changes to active, all price retrieval functions will apply to the new price. The only prices that are applied to orders are those that have an active status. Prices with any other status are ignored and are not used to price orders. A blank approval status code signifies an active price change.
Rejected	If a price is rejected by at least one reviewer, the price status changes to rejected and is not applied to any orders. Additionally, a workflow message is sent to the originator of the price change to notify them of the rejection of the price. The approval status code for rejected prices is 2.
Pending Delete	Prices can be removed from the system by a delete function. Prices with a Pending Delete status remain active until the request for deletion is approved. When a pending delete price is approved, the price is marked as canceled.
Superceded	If a price change becomes active and directly overrides an existing price, the original price is marked as superceded and is withheld from use by order entry.

Price Approval Workflow

Once the Price Approval process has been activated, the system can detect when a OneWorld user changes a base price or adjustment schedule. When a change in price is detected, the Workflow process automatically routes a message to the appropriate people for their approval or rejection.

When a user creates or changes a price, the system displays a message box that notifies the user that the changes have been submitted for approval. The system does not reflect the new or changed price on orders until the requested change is approved by all designated parties.

The following graphic illustrates the process that new or changed prices go through during the workflow process:



The price approval process does not change the original price separate from the new or changed price. This process allows for the continued use of the standing price while the changed price is awaiting approval.

For example, if an item needs to be changed for the next promotional period, you can change the price within the Base Price Revisions or the Price Adjustment Detail Revisions form and click OK. Upon inquiring again on the same price, two prices would exist, the original, active base price, and the new, pending price.

More than one price can exist for the same effective period. Prices that exist in the system when you activate Price Approvals are automatically approved. All status codes for pre-existing prices will be set to the blank, active status code.

See Also

- *Creating Workflow Processes* in the *Enterprise Workflow Management Guide* for more information on the Workflow process

Reviewing Approval Requests

You can use either of the following programs to review and approve requests for price changes:

- Employee Queue Manager
- Speed Price Approval

The person who reviews the change (the approver) receives a message in the Employee Queue Manager or within Speed Price Approval. The message indicates that the price change is pending approval.

Employee Queue Manager

To approve or reject the change within the Employee Queue Manager, the approver clicks the "Price Adjustment Was Changed" message, then clicks the Workflow Approval icon. A form appears for the approver to use to approve or reject the message. This form also allows the approver to add supplemental information about the approval or rejection action for audit purposes.

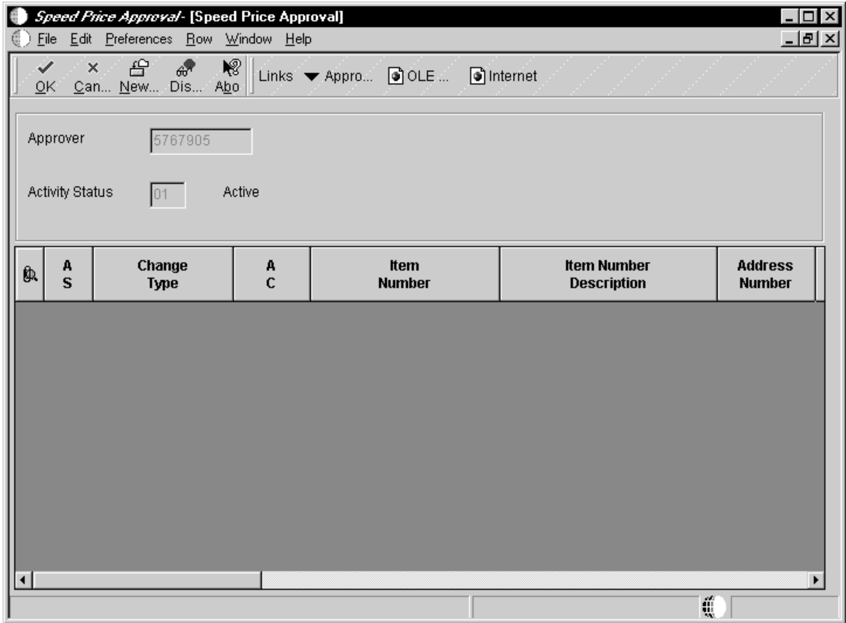
If the approver rejects the price, the system clears the message from the queue, which completes the workflow activity. The system retains the original price information and sends a message to the originator informing them of the rejection. If the approver approves the price, the system updates the database with the new price and deactivates any previously used price.

At this point, the workflow system sends a message to the originator of the new or changed price indicating that the price has been approved.

Speed Price Approval

Speed Price Approval is an alternative to the Employee Queue Manager and streamlines the approval process. Use the Speed Price Approval program when you need to approve more than one price change at one time. When an approver accesses Speed Price Approval, all messages for a given approver appear so that they can be approved or rejected collectively, enabling large numbers of price changes to be approved in a more time-effective manner.

The Speed Price Approval program is available from the Advanced Price and Adjustments menu (G42311). From Speed Price Approval, on the Price Change Review form, you can approve or reject each price change. To approve or reject a price change, enter the approval status directly into the grid row or highlight one or more grid rows and choose Approve or Reject from the Row menu.



You can also view price history and other additional information on a price change from the View Details row exit on the Price Change Review form. Additionally, you can set a processing option to have the approval codes load upon entry to the program.

Revising Workflow Setup

The price approval process is coded to send all messages to a predefined distribution list (4548 – Price Approvals) on the Group Revisions form in the Workflow Management system. This distribution list can be modified to include the actual employee numbers of the people who approve price changes.

You set up distribution lists to group approvers into categories for the price approval routing process. Within the Workflow Management system, you use Work With Distribution Lists (P02150) to add distribution list parents (such as managers) and to add children (such as employees who work for those managers) to those parents.

When working with workflow distribution lists, remember the following:

- Make sure that all members you want to include in the distribution list have been entered into the address book. You must also set up the distribution list's address number in address book before you set up the distribution list structure.
- Understand the two structures in which distribution lists can be set up. See *Understanding Distribution Lists* and *Working with Distribution Lists* in the *Enterprise Workflow Management Guide* for more information.

You might want to override the message approval process if a message has not been answered by a recipient in a lower level.

Note that the Overrides option is enabled if one or more of the following conditions is met:

- The approver exists in the Address Book.
- The approver is a member of a higher level group than the recipient the message was intended for.
- The message is unopened.
- The message has an active shortcut.

The JDEdwards process identifier for Price Approvals is JDEPRAPPR.

See Also

- *Monitoring Process Activity* in the *Enterprise Workflow Management Guide* for more information on reviewing process activity and reviewing attachments to an activity

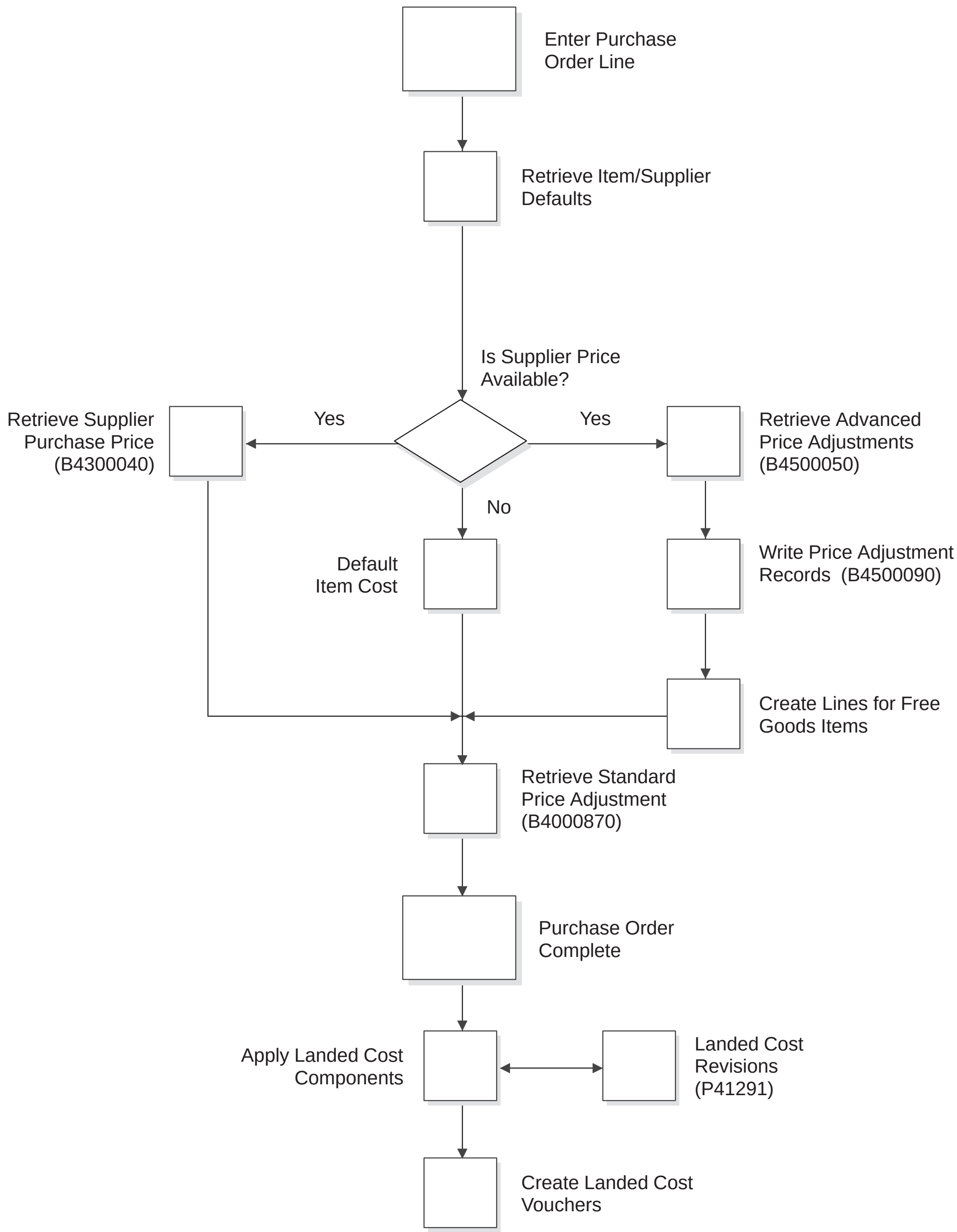
Understanding Pricing in Procurement

When you enter a purchase order, the system retrieves the unit cost for the item based on characteristics, such as the branch/plant, the supplier, the quantity and the item. Before the system processes any type of advanced price adjustment to the purchase order, it must first retrieve the unit cost. Depending on the purchase price level for the item, the system retrieves the unit cost from either the Purchase Price table (F41061) or the Item Cost Ledger table (F4105). After the system retrieves the unit cost, it verifies that Advanced Pricing is turned on. If Advanced Pricing for Procurement is turned on, the system bypasses the standard price adjustments that you set up in the Procurement system and searches for applicable schedules and adjustments in the Advanced Pricing system.

Understanding pricing in Procurement includes the following tasks:

- ❑ Reviewing purchase price levels
- ❑ Reviewing inventory cost
- ❑ Retrieving supplier prices

The following graphic illustrates how the system calculates prices for purchase orders.



Reviewing Purchase Price Levels

When you enter an item in the Item Master form, you must enter the purchase price level. The purchase price level determines how you define the base price for an item. The base price is the unit cost on a purchase order. You can define the purchase price level as one of the following:

Supplier/Item level	Define one overall price for an item from a supplier. The system retrieves the supplier cost from the Purchase Price table (F41061).
Supplier/Item/Branch level	Set up different prices for each supplier, item, and branch combination. The system retrieves the supplier cost from the Purchase Price table (F41061).
Inventory Cost level	Set up the cost based on the the inventory cost level and the purchase cost method you specify for the item. The system retrieves the inventory cost from the Inventory Cost table (F4105). If you do not set up prices for suppliers, the system uses the inventory cost as the default for the purchase order.

See Also

- *Generating New Supplier Records* in the *Euro Implementation Guide* for information about pricing in the euro, or other alternate currency.
- *Entering Sales Price Information* in the *Inventory Management Guide* for information about setting up pricing at the item, item/branch or item/branch/location level.

Reviewing Inventory Cost

You must specify the cost method that the system uses to determine an item's cost for:

- Sales and costs of goods sold
- Purchase orders

For example, you can use the weighted average cost method to determine the cost of goods sold for an item, and the last-in cost method to determine the item's unit cost for purchase orders.

You can define your own cost methods with user defined codes, although J.D. Edwards reserves cost methods 01–19. The system provides the following eight predefined cost methods:

- 1 Last In
- 2 Weighted Average
- 3 Memo
- 4 Current
- 5 Future
- 6 Lot
- 7 Standard
- 8 Purchasing – Base Cost No Additions

You establish costs for an item by entering an amount for each cost method. When you review costs for the item, the system displays only those methods for which you entered an amount.

If you do not enter an item cost for the the cost methods that you assign to sales, inventory, or purchasing, the system displays a warning message. If you ignore the warning, the system assigns a zero cost for the cost method.

See Also

- *Entering Item Cost Information* in the *Inventory Management Guide*

Retrieving Supplier Prices

You can set up prices for an item based on the supplier from whom you purchase the item. Then, when you enter a purchase order, the system can retrieve the unit cost for an item for the supplier. You must set up the purchase price level so that the system retrieves unit costs for purchase orders based on suppliers. If you maintain supplier prices at the branch/plant level, you must enter a branch/plant when you add an item to a catalog. You can enter a different branch/plant for each item in a catalog.

A catalog is a group of items along with the price for each item. Each catalog is unique to a supplier. You must enter supplier prices by catalog. You can enter all of the items that you purchase from a supplier in one catalog or you can create multiple catalogs to classify a supplier's items by seasonal changes, different product lines, and so on. You can enter the same item at a different prices in multiple catalogs, with different effective dates for each price. Additionally, you can specify price breaks based on the quantity purchased.

If you enter item prices for a supplier without specifying the name of a catalog, the system automatically creates a default catalog for the supplier. You might want to use default catalogs if you plan to maintain only one catalog for each supplier. When you enter an item on a purchase order, the system searches the supplier catalogs to retrieve the unit cost. It searches the default catalog first (if it exists), and then all other catalogs in alphabetical order. After the system locates a unit cost, it verifies the effective dates. If the current date falls within the effective dates, the system enters the unit cost on the purchase order.

See Also

- *Setting Up Supplier and Item Information* in the *Procurement Guide*
- *Generating New Supplier Prices in a Different Currency* in the *Procurement Guide* for information about a generation program that creates new supplier price records, based on existing records

Schedules and Adjustments

Schedules and Adjustments

An adjustment is a set of information that describes a pricing plan or promotion. In Sales Order Management, you can use adjustments to monitor promotions that you extend your customers. If you use Advanced Pricing for Procurement, you can use adjustments to monitor promotions that your suppliers offer you.

After you create adjustments, you can combine the adjustments into an adjustment schedule. Adjustment schedules contain the information used to calculate prices. Each adjustment schedule can contain an unlimited number of adjustments. You must define the adjustment and complete the adjustment details for each adjustment.

You can review adjustment details after you define the adjustment. From adjustment details, you can define special processing such as free goods, pricing formulas, or variable tables. The pricing hierarchy defines the order that the system uses the adjustments listed in the adjustment detail.

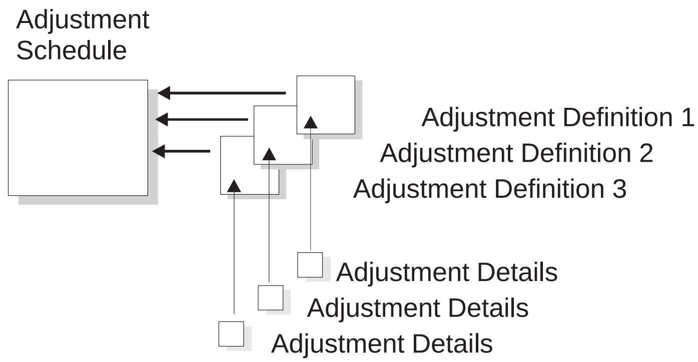
Setting up adjustment schedules and adjustments include the following tasks:

- ❑ Setting up advanced pricing hierarchies
- ❑ Setting up adjustment definitions
- ❑ Building adjustment schedules
- ❑ Setting up adjustment details
- ❑ Generating new price adjustments in a different currency

Before you can add an adjustment to a schedule, you must create an adjustment definition by specifying:

- A pricing hierarchy that controls the order the system searches for adjustments in the adjustment detail
- Whether the adjustment will print on invoices; whether it is for basket or order repricing; or whether it is an override price based on quantity, amount, or weight
- Designation of the general ledger account offset through the use of AAIs

The following graphic illustrates how you set up a schedule from multiple adjustments.



You can define mandatory price adjustments for required price components such as surcharges and special taxes. A price adjustment might be mandatory for specific items during a sale, transfer, direct ship order entry, or to accommodate surcharges and special taxes. If a price schedule contains mandatory adjustments that is not defined for the sales order to the specified customer and item, the system issues an error and you can not process the order detail line.

Before You Begin

- ❑ Verify that base prices are set up. See *Defining Base Prices* in the *Sales Order Management Guide*.
- ❑ Verify that supplier prices or inventory costs are set up. See *Defining Supplier Prices and Discount Rules* in the *Procurement Guide.*

Illustration: Advanced Pricing System Flow

The use of sales order adjustments and adjustment schedules is illustrated in the following Advanced Pricing system graphic.

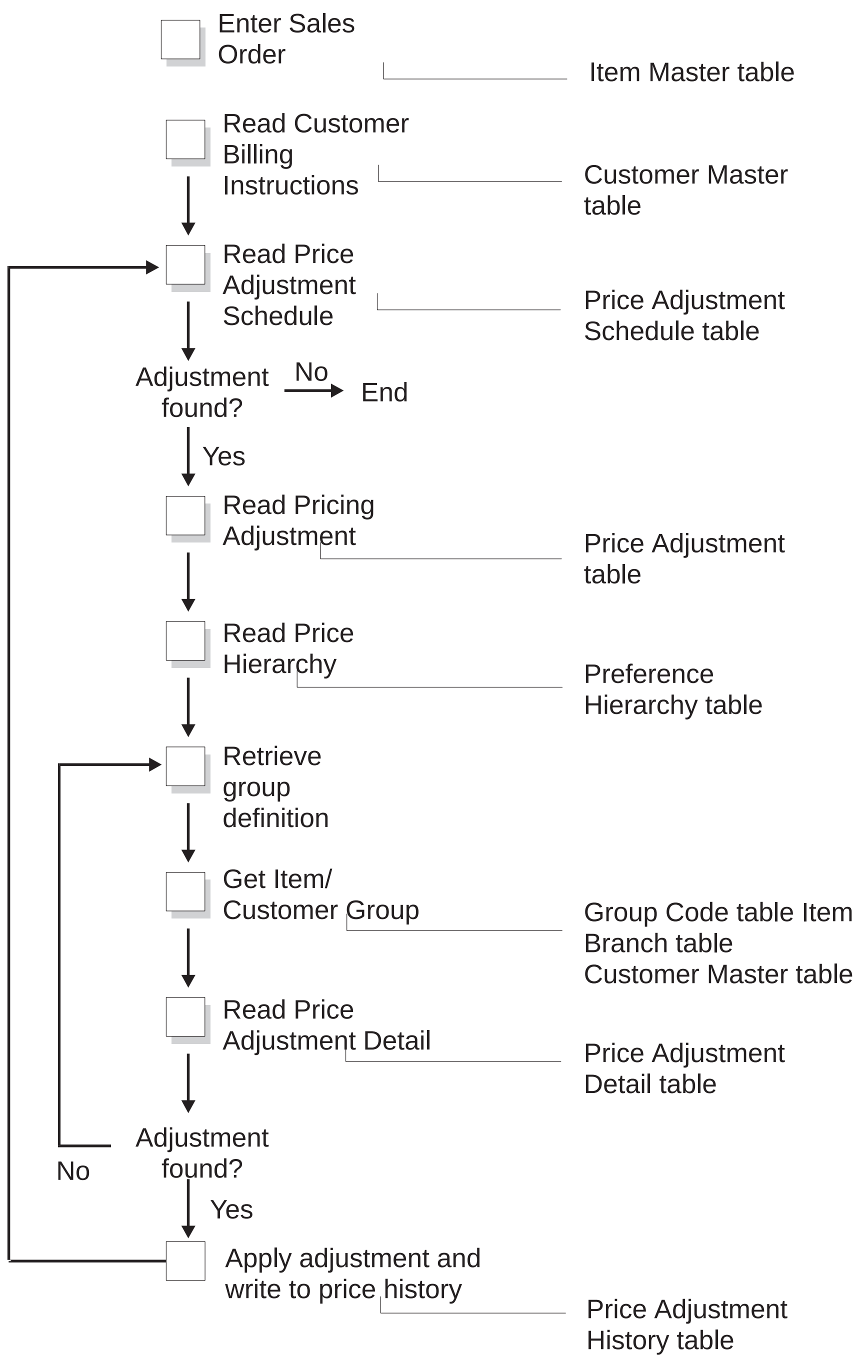
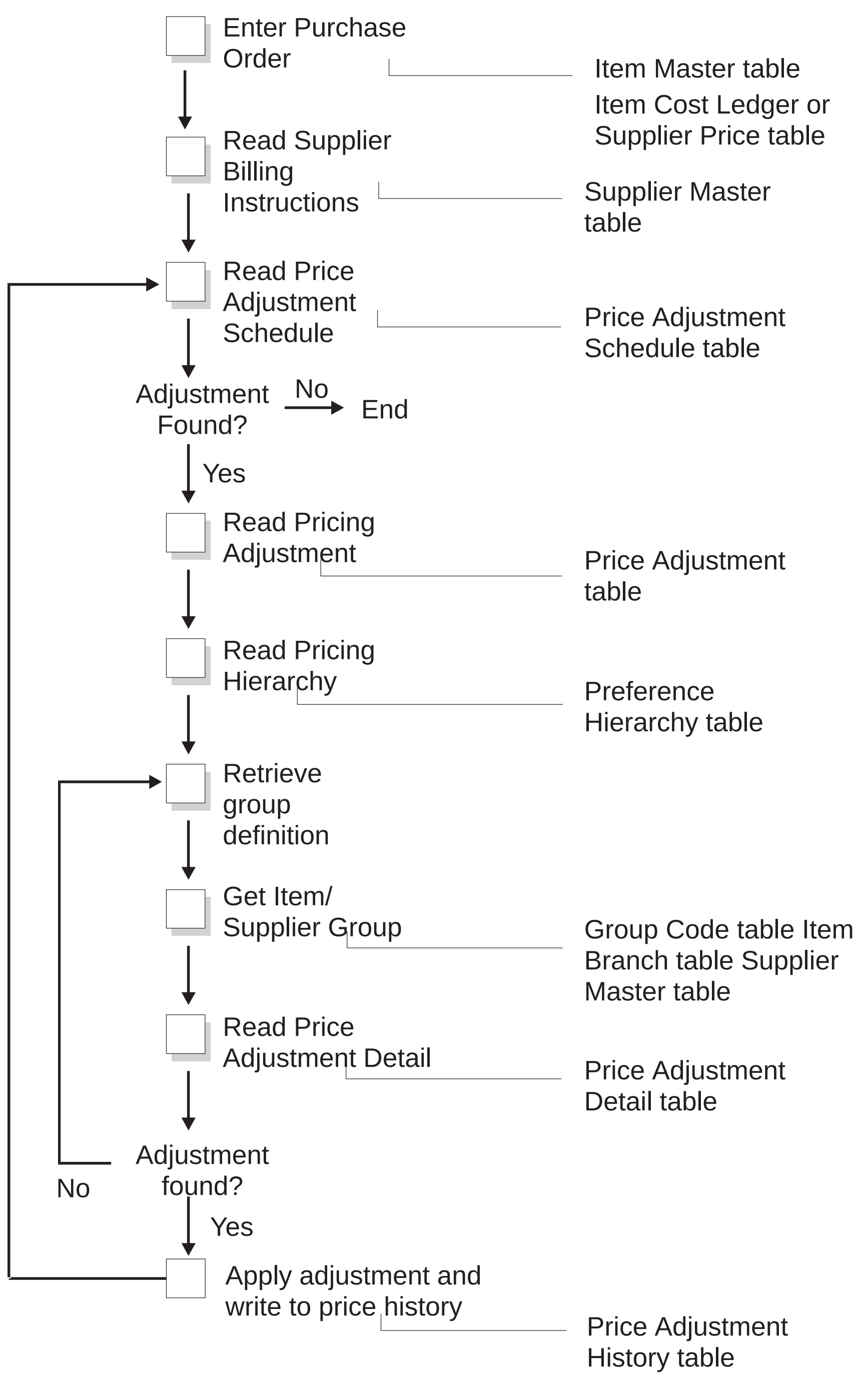


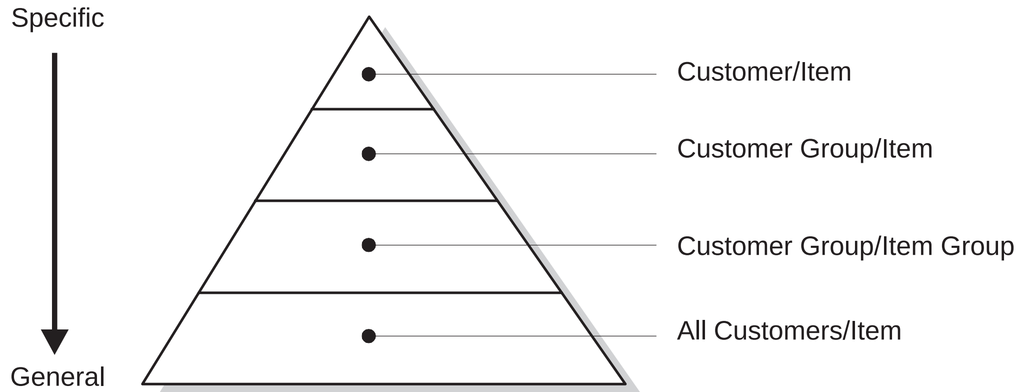
Illustration: Advanced Pricing for Procurement System Flow

The use of purchase order adjustments and adjustment schedules in Procurement is illustrated in the following Advanced Pricing system graphic.



Setting Up Advanced Pricing Hierarchies

The system applies pricing adjustments to sales order prices in the order you determine on the pricing hierarchy. The system uses this pricing structure to retrieve base prices and to calculate price adjustments and updates. For this reason, you should set up your hierarchy to search from specific combinations to general combinations.



For example, for a seasonal promotion, you could define the sequence so that any customer that orders the item receives the discount. However, if you set up a slightly lower price for customers based on geographic location, you can set up the hierarchy so that the system searches for the more specific information first. In this case your sequence could be:

- Customer Group/Item
- All Customers/Item

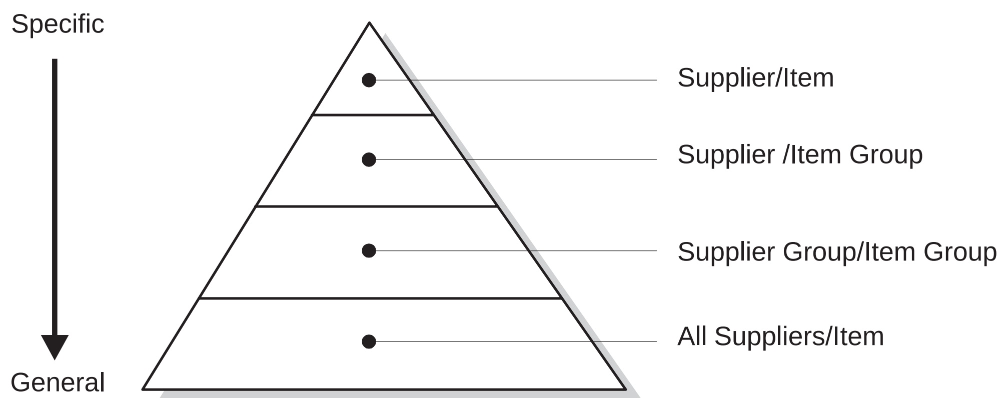
Complete the following tasks to set up advanced pricing hierarchies:

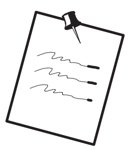
❑ Setting up a preference master

❑ Defining a pricing hierarchy

Using Advanced Pricing for Procurement

Based on the preference hierarchy, the system applies the pricing adjustments to the unit cost in the purchase order. The system uses this pricing structure to retrieve unit cost and to calculate adjustments and updates. You should set up your hierarchy to search from specific combinations to general combinations.





If you have activated Advanced Pricing for Procurement, you enter purchase order adjustments on the same forms and in the same manner as you would for sales order adjustments. However, the system processes information in the Customer and Customer Group fields as Supplier and Supplier Group.

You can set up the preference hierarchy so that when you enter a purchase order, the system first searches for a specific supplier for that item. If the system finds an adjustment for the supplier and item, then it applies the adjustment to the unit cost. If not, the system can then search for a price adjustment for this specific supplier and the item group to which this item might belong. For you preference hierarchy for purchase order adjustments, your sequence could be:

- Supplier/Item
- Supplier/Item group
- All Suppliers/Item

Setting Up a Preference Master

Before you define each pricing hierarchy, you must create a master record for that hierarchy which is known as the preference master. In Base Pricing, you are limited to using one preference hierarchy (preference hierarchy #51). In Advanced Pricing, you can create as many different preference hierarchies as you need.

You define the hierarchy and then attach it to an adjustment definition. You can create a hierarchy for each adjustment definition or you can use one hierarchy for many adjustment definitions. J.D. Edwards recommends that you set up a few hierarchies that can be used for multiple adjustment definitions.

When using the Preference Master to define the master record for the hierarchy, the following fields do not apply to pricing:

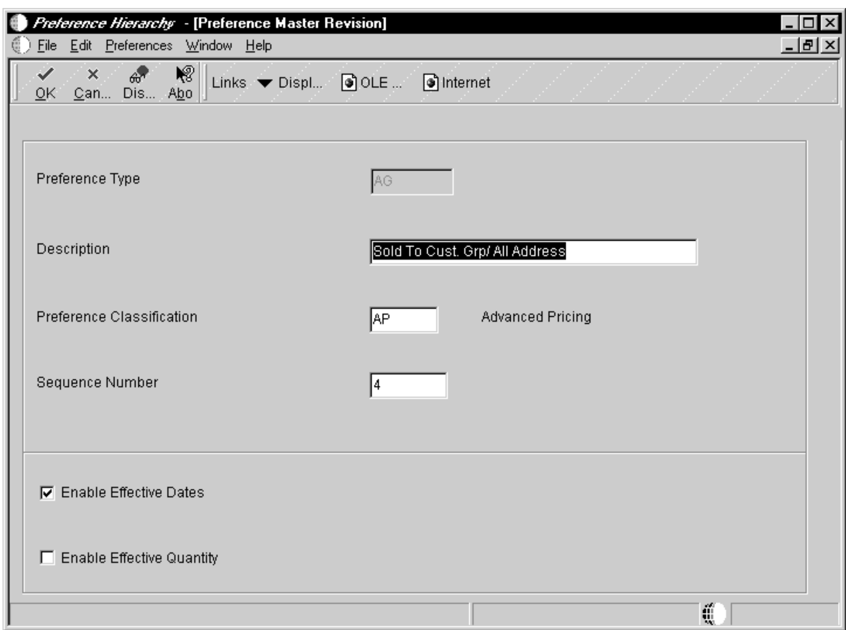
- Preference Classification
- Sequence Number
- Enable Effective Dates (Y/N)
- Enable Effective Quantity (Y/N)

▶ To set up a preference master

From Price Management (G4222), choose Preference Hierarchy.

On Work with Preference Hierarchy

1. Click Add to enter a new preference hierarchy.
2. On Preference Hierarchy Revisions, choose Master Revision from the Form menu.



3. On Preference Master Revisions, complete the following fields:
   - Preference Type
   - Description
   - Preference Classification
   - Sequence Number
4. Click OK.

Field	Explanation
Preference Type	A user defined code (system 40/type PR) that identifies a preference type or a price adjustment hierarchy. When you review the fold area of user defined code table 40/PR, a 1 in the first space of the Special Handling Code field identifies a preference that J.D. Edwards supports. This field is hard coded for each preference.
Description	A user defined name or remark.

Defining a Pricing Hierarchy

Use the Preference Hierarchy form to specify the order in which pricing adjustments are applied. You enter the order that adjustments are applied on the Preference Hierarchy form. The form contains rows identifying customers and customer groups and columns identifying items or item groups. You identify the pricing hierarchy sequence by typing numbers at the intersections of the rows and columns. The pricing search begins at the intersection where you type 1 and looks for records defined for that customer and item combination. If no adjustment details are found for that combination, then the system moves to the next combination in the hierarchy, identified by the number 2 in the intersection, and so forth.

The system automatically selects the first combination encountered during a search; therefore, you should you set up the most specific method of pricing first in your hierarchy and continue defining the hierarchy to the most general pricing.

Although you can enter as many as 21 numbers, you should limit your hierarchy to three or four numbers. Each number represents a system search and increases system processing time.

Before You Begin

- ❑ Verify that a master record has been created for the preference hierarchy.

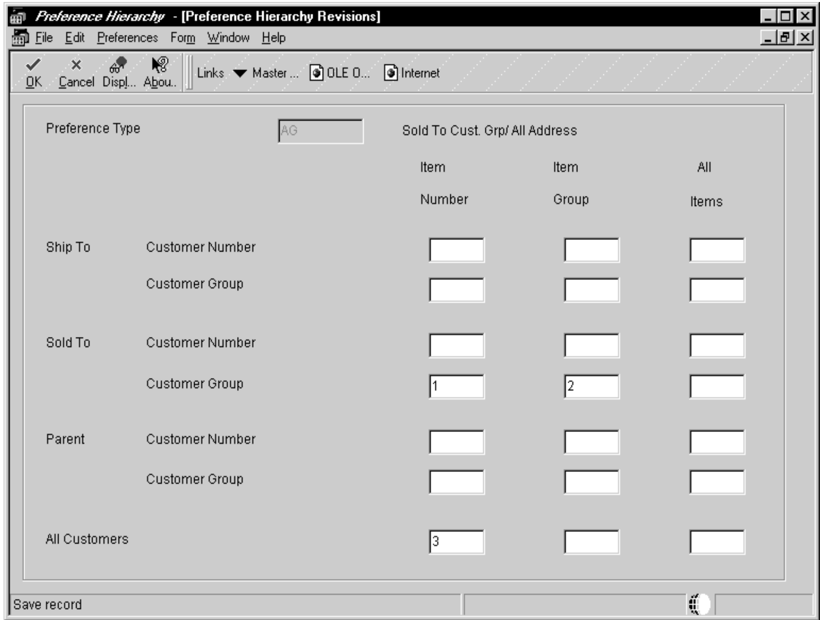
▶ To define a pricing hierarchy

From Sales Order Management (G42), choose Price Management. From Price Management (G4222), choose Preference Hierarchy.

On Work with Preference Hierarchy

1. Click Find to locate existing preferences.
2. Choose the row.

   To create a new pricing hierarchy, click Add.



3. On Preference Hierarchy Revisions, complete the following field:
   - Preference Type
4. Beginning with 1, enter numbers in the intersections to indicate the search order. When you define the pricing hierarchy, start with 1 and do not skip any numbers.
5. Click OK.

Field	Explanation
Preference Type	A user defined code (system 40/type PR) that identifies a preference type or a price adjustment hierarchy. When you review the fold area of user defined code table 40/PR, a 1 in the first space of the Special Handling Code field identifies a preference that J.D. Edwards supports. This field is hard coded for each preference.

Setting Up Adjustment Definitions

An adjustment is a record that describes a special pricing situation, such as a pricing plan or promotion. Before you can add an adjustment to a schedule, you must create adjustment definitions to specify the characteristics of the adjustment. These characteristics determine the following:

- The sequence the system searches for prices
- Whether the adjustment prints on invoices
- Whether the adjustment applies to basket-level, order-level price adjustments, or line adjustments
- Whether the adjustment is based on the quantity, amount, or weight
- Whether the adjustment is an override price
- A specific G/L offset that directs the Advanced Pricing entries to the appropriate G/L accounts based on AAIs
- Whether this price adjustment is mandatory, that is, it must be applied to all sales order attached this schedule

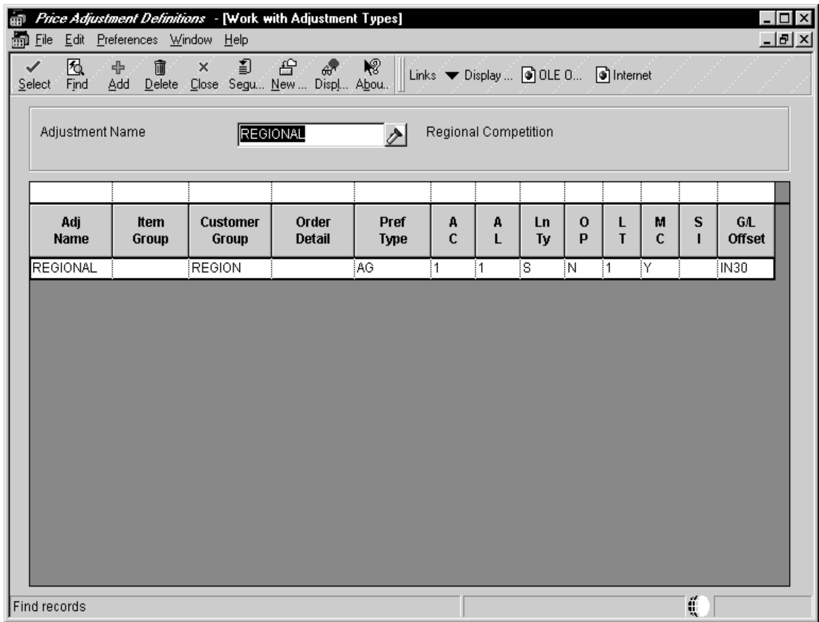
Mandatory price adjustments are defined for required price components, such as surcharges and special taxes. A price adjustment might be mandatory for specific items during a sale, transfer, direct ship order entry, or to accommodate surcharges and special taxes.

If a price schedule contains a mandatory adjustment that is not defined for the sales order to the specified customer and item, the order line is highlighted as an error and the order is not accepted. If you receive an error message, review the information in the order detail area. You may detach the sales order line item from the adjustment schedule or enter information to make your customer eligible for all adjustments so the mandatory adjustment applies.

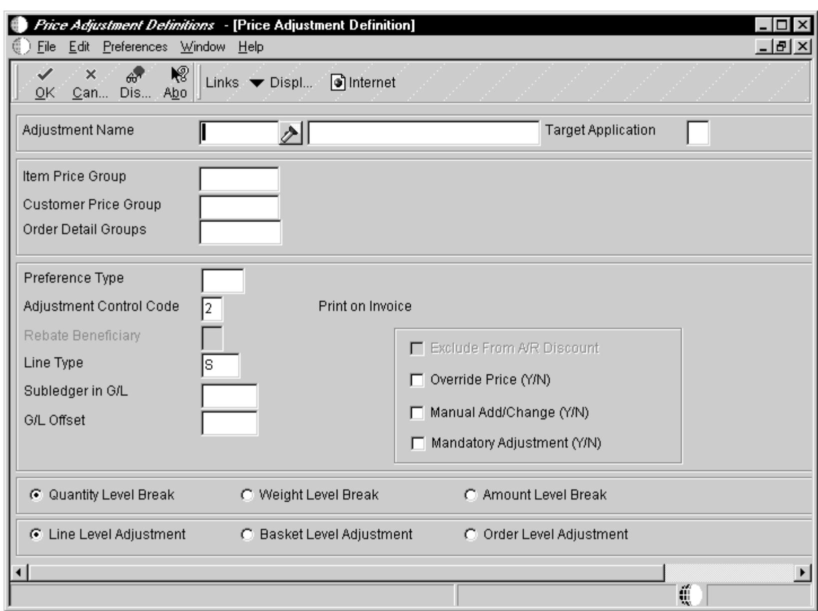
► To set up adjustment definitions

From Price Management (G4222), choose Advanced Price and Adjustments. From Advanced Price and Adjustments (G42311), choose Price Adjustment Definitions.

On Work with Adjustment Types



1. Click Add.



2. On Price Adjustment Definition, complete the following fields:
   - Adjustment Name
   - Preference Type
   - G/L Offset

3. On Price Adjustment Definition, complete one or more of the following fields to have the adjustment apply only to a specific price group. Leave these fields blank to set up details for other price groups:
   - Item Price Group
   - Customer Price Group
   - Order Detail Groups
4. To set up a mandatory price adjustment, click the Mandatory Adjustment option.
5. You may enter information in the additional fields on the Price Adjustment Definition form, as necessary. If you do not enter information, the system supplies default information.
6. Click OK to set up the adjustment definition.

Field	Explanation
Adjustment Name	A user defined code (system 40, type TY) that identifies an adjustment definition. You define adjustments on Price Adjustment Definitions.
Item Price Group	A user defined code (40/PI) that identifies an inventory price group for an item. Inventory price groups have unique pricing structures that direct the system to incorporate discounts or markups on items on sales and purchase orders. The discounts or markups are based on the quantity, dollar amount, or weight of the item ordered. After you assign a price group to an item, the item uses the same pricing structure that was defined for the inventory price group. You must assign an inventory price group to the supplier or customer, as well as to the item, for the system to interactively calculate discounts and markups on sales orders and purchase orders.
Customer Price Group	A user defined code (system 40, type PC) that identifies a customer group. You can group customers with similar characteristics, such as comparable pricing.
Order Detail Groups	A user defined code (system 40, type SD) that identifies a sales order detail group, which you can use to create pricing that is based on a field in the Sales Order Detail file (F4211). . . . . *Form-specific information* . . . . A user defined code (system 40, type SD) that identifies a sales order detail group, which you can use to create pricing that is based on a field in the Sales Order Detail table (F4211). If you enter a code in this field, the system uses this adjustment only for orders with details that match the criteria of the order detail group.

Field	Explanation
Preference Type	A user defined code (system 40/type PR) that identifies a preference type or a price adjustment hierarchy. When you review the fold area of user defined code table 40/PR, a 1 in the first space of the Special Handling Code field identifies a preference that J.D. Edwards supports. This field is hard coded for each preference.
Adjustment Control Code	A code that specifies how the adjustment appears on the invoice and whether you want the system to create a separate line in the Sales Order Detail table (F4211). Valid values are: 1 The system adds the adjustment amount into the unit price and records the adjustment detail to the Price Adjustment History table (F4074). The system does not print the adjustment on the invoice. 2 The system adds the adjustment amount to the unit price and records the adjustment detail to the Price Adjustment History table (F4074). It prints the adjustment on the invoice. 3 The system creates a separate detail line in the Sales Order Detail table. It does not add the adjustment into the unit price or record it to the history table. The system does not include this type of adjustment when it calculates the current net price. 4 The system records the adjustment to history and posts it to the general ledger during a sales update. It does not add the adjustment into the unit price or print it on the invoice. Use Control Code 4 to create an accrual adjustment. 5 The system records the adjustment to history and posts it to the general ledger during a sales update. The system also accumulates each order line’s quantity, weight, and amount to rebate history (F4078). It does not add the adjustment into the unit price or print it on the invoice. Use Control Code 5 to create a rebate adjustment. . . . . *Form-specific information* . . . . For OneWorld: 3 The system supports Adjustment Control Code 3 only for order-level adjustments. 5 Code 5 is not supported in OneWorld. If you use adjustment control 3, the Adjustment Line Type must have an inventory interface value of N. 6 The system processes the adjustment amount and the unit price separately during sales update. The amounts are recorded separately as G/L and A/R entries. It prints the adjustment on the invoice.

Field	Explanation
Subledger in G/L	A user defined code (system 40, type SI) that identifies the type of information that you want the system to use to update the Subledger field in the General Ledger file (F0911) when you use this adjustment type to price a sales order.
G/L Offset	A user defined code that identifies the G/L offset that you want the system to use when it searches for the account to which it will post the transaction. If you do not want to specify a class code, you can enter **** (four asterisks) in this field. The table of Automatic Accounting Instructions (AAIs) allows you to predefine classes of automatic offset accounts for the Inventory, Purchasing, and Sales Order Management systems. The system can generate accounting entries based upon a single transaction. As an example, a single sale of a stock item can trigger the generation of accounting entries similar to these: Sales–Stock (Debit) xxxxx.xx A/R Stock Sales (Credit) xxxxx.xx Stock Inventory (Debit) xxxxx.xx Stock COGS (Credit) xxxxx.xx
Quantity Level Break	A code that indicates how level breaks occur in the Price Adjustment Detail table (F4072), based on one of three types of level breaks. • Quantity: The system determines the correct adjustment based on the quantity ordered in the sales order. You can set up different adjustment breaks for different units of measure. • Weight: The system uses the weight of the line to retrieve the proper adjustment level break. • Amount: The system uses the extended amount of the sales detail line to retrieve the proper adjustment level break. When Currency Conversion is turned on, all amount level breaks are stored and displayed based on the floating decimals of the currency code. For WorldSoftware, valid codes are: 1 Quantity 2 Weight 3 Amount For OneWorld, turn on one of the following options: • Quantity Level Break • Weight Level Break • Amount Level Break
Override Price (Y/N)	A code indicating how the adjustment affects the price of a sales order line. Valid codes are: Y The adjustment price overrides the base price. N The adjustment is used to calculate a discount or markup to the base price.

Field	Explanation
Manual Add/Change (Y/N)	Specifies whether the adjustment type can be manually added to or changed from the Price Adjustments form (P4074W) when you enter sales orders.

Building Adjustment Schedules

An adjustment schedule contains one or more price adjustment types for which a customer or an item might be eligible. An adjustment schedule consists of an adjustment definition and an adjustment detail.

You assign customers to adjustment schedules so the system can calculate prices. In the adjustment schedule, you specify the sequence that the system uses to apply price adjustment types to sales order prices. You assign customers to an adjustment schedule through the customer billing instructions. When you enter a sales order, the system copies the schedule attached to the Sold To address into the order header.

Each adjustment schedule can contain an unlimited number of price adjustments. You can add adjustments or change existing adjustments at any time. You can override the adjustment schedule at the detail line level, if needed.

Using Advanced Pricing for Procurement

You assign adjustment schedules to suppliers so the system can calculate prices. In the adjustment schedule, you specify the sequence that the system applies the price adjustment types to purchase order prices. You assign an adjustment schedule to a supplier through the supplier instructions. When you enter a purchase order, the system copies the schedule attached to the supplier address into the order header.

Before You Begin

- ❑ Determine whether one adjustment schedule with many adjustments fits your needs or whether several adjustment schedules that contain fewer adjustments would be better. You can assign only one adjustment schedule to each customer.

  If you are using Advanced Pricing for Procurement, you can assign only one adjustment schedule to each supplier.

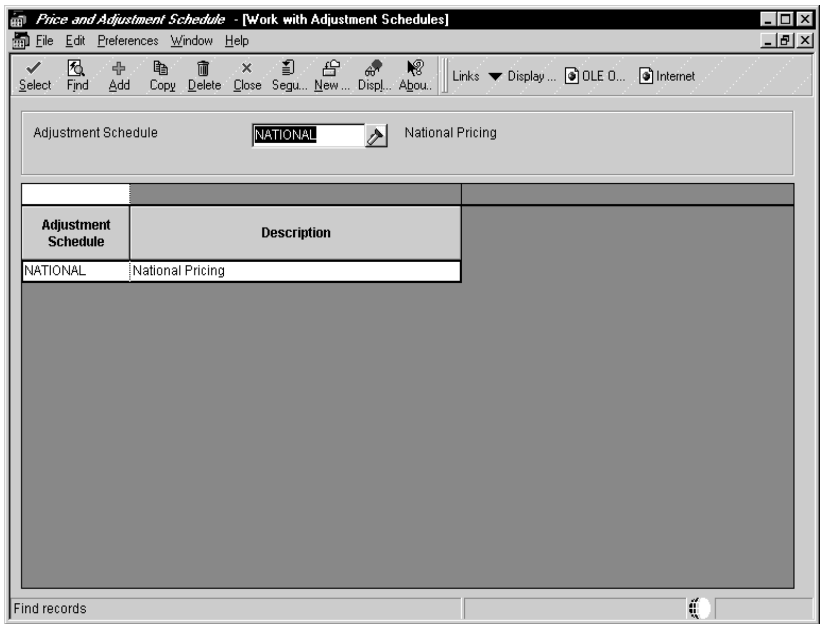
- ❑ Create price adjustments.

- ❑ Set up adjustment definitions.

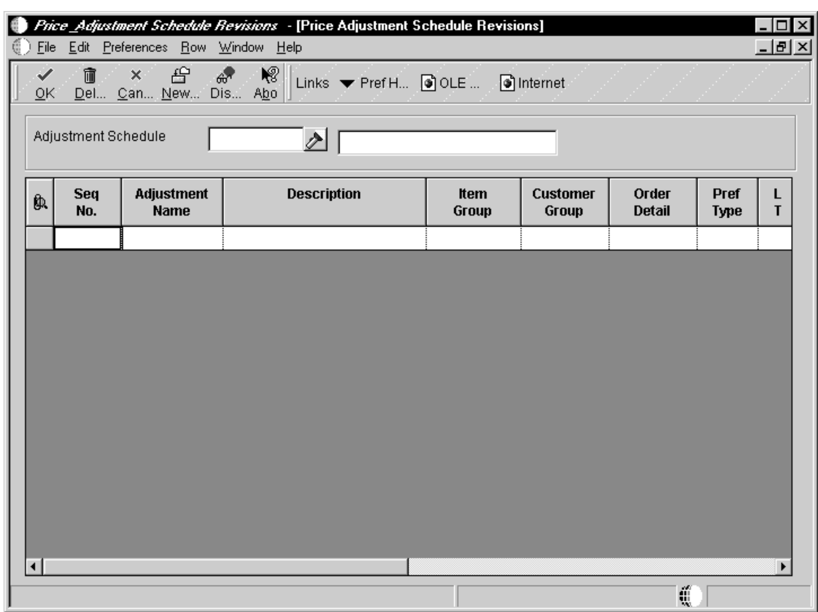
▶ To build adjustment schedules

From Price Management (G4222), choose Advanced Price and Adjustments. From Advanced Price and Adjustments (G42311), choose Price & Adjustment Schedule Revisions.

On Work with Adjustment Schedules



1. Click Add.



2. On Price Adjustment Schedule Revisions, complete the following fields and click OK to build an adjustment schedule:
   - Adjustment Schedule
   - Seq No.
   - Adjustment Name
3. Change the adjustment details or adjustment definition, if needed, by choosing the Details or Definition options from the Row menu.

Field	Explanation
Adjustment Schedule	A user defined code (system 40, type AS) identifying a price and adjustment schedule. A price and adjustment schedule contains one or more adjustment types for which a customer or an item might be eligible. The system applies the adjustments in the sequence that you specify in the schedule. You link customers to a price and adjustment schedule through the customer billing instructions. When you enter a sales order, the system copies the schedule attached to the sold to address into the order header. You can override this schedule at the detail line level. For Agreement Management, this is the Penalty Adjustment Schedule. A penalty adjustment schedule, user defined code (system 40, type AS), contains one or more adjustment types for which a customer or an item might be eligible. The system applies the adjustments in the sequence that you specify in the schedule. You link customers to a price and adjustment schedule through the customer billing instructions. When you enter a sales order, the system copies the schedule attached to the sold to address into the order header. You can override this schedule at the detail line level.
Seq No.	For World, a sequence or sort number that the system uses to process records in a user defined order. For OneWorld, The sequence by which users can set up the order in which their valid environments are displayed. . . . . *Form-specific information* . . . . The value in this field represents the order in which the system processes the price adjustments. J.D. Edwards recommends that you leave spaces in your number sequence so you can add adjustments within the price adjustment schedule.
Adjustment Name	A user defined code (system 40, type TY) that identifies an adjustment definition. You define adjustments on Price Adjustment Definitions.

Setting Up Adjustment Details

Adjustment details provide the parameters for calculating price adjustments. Advanced pricing adjustment details contain basis codes that allow for added pricing flexibility. You can define adjustment details when you add adjustment definitions to adjustment schedules. Adjustment details allow you to define special processing such as free goods, pricing formulas, or variable tables. The pricing hierarchy defines in what order the system uses the adjustments listed in the adjustment details.

For all price adjustments using basis codes, you must enter information in the Basis Code, Factor Value, and Formula Name fields on the Price and Adjustment Detail form before the system can calculate the adjustments.

You can set up adjustment details with the following basis codes:

Percentage of Base Price

The system multiplies the base price by the factor value.

- In the Basis Code field, enter basis code of 1.
- In the Factor Value field, enter a positive number for markups or a negative number for discounts.

Percentage of Current Net Price

The system multiplies the current net price by the factor value.

- In the Basis Code field, enter basis code of 2.
- In the Factor Value field, enter a positive number for markups or a negative number for discounts.

Percentage of Cost

The system multiplies the item cost by the factor value. Before this combination can be calculated, you must identify the item cost in the Cost Method field in the detail area of Price Adjustment Detail.

- In Basis Code field, enter basis code of 3.
- In Factor Value field, enter a positive number for markups or a negative number for discounts.

Cost Plus Amount

The system adds the factor value to the item cost. Before this combination can be calculated, you must identify the item cost in the Cost Method column of the grid area.

- In the Basis Code field, enter basis code of 4.
- In the Factor Value field, enter a positive number for markups or a negative number for discounts.
- In the cost method field, enter the cost method code.

Add on Amount

The system adjusts the price by the factor value.

- In the Basis Code field, enter basis code of 5.
- In the Factor Value field, enter a positive or negative number, depending on the penalty parameters.

Add on Variable Amount

The system retrieves the adjustment amount from the price variable table. Set up variable prices when the price of an item varies frequently, even as often as daily. Use price variable tables to set up prices and effective dates.

- In the Basis Code field, enter basis code of 6.
- In the Formula Name field, enter the code or name that identifies the variable table.

You can access the Price Variable Table form by selecting the Variables option from any adjustment detail line.

If you plan to use the price in the variable table as a base price, make sure the adjustment to which you attach the table is an override adjustment. This ensures that you override any other price with the price from the variable table.

Add on Formula Amount

The system calculates the price adjustment using a formula. Each component must be identified by a special character. You define these characters during system setup in the pricing constants. The system evaluates formulas as standard algebraic notations: whatever is inside parentheses is evaluated first, then multiplication, division, addition, and subtraction. For example, the formula .90*&GOLD represents that the adjusted price of the item is 90% of the current price of gold.

- In the Basis Code field, enter basis code of 7.
- In the Formula Name field, enter the code or name that identifies the formula.

To return a field name to your formula, include a field from the Sales Order Detail table (F4211) by accessing the File Field Descriptions form. When you do this, the system automatically inserts the field name. It precedes the field name with the character you specified in the system constants to identify field names. You cannot use all fields of the Sales Order Detail table (F4211) in a formula.

Add on User Program Amount

The system calls a user defined program to calculate the price adjustment.

- In the Basis Code field, enter basis code of 8.
- In the Formula Name field, enter the program ID for the custom program.

J.D. Edwards is not responsible for providing custom programs and does not provide support for custom programs.

Using Advanced Pricing for Procurement

The basis codes for purchase order adjustment details are described below:

Percentage of Supplier Price or Inventory Cost

The system multiplies the supplier price or inventory cost by the factor value.

- In the Basis Code field, enter basis code of 1.
- In the Factor Value field, enter a positive number for markups or a negative number for discounts.

Percentage of Current Net Supplier Price or Inventory Cost

The system multiplies the current net price by the factor value.

- In the Basis Code field, enter basis code of 2.
- In the Factor Value field, enter a positive number for markups or a negative number for discounts.

Percentage of Cost

If you enter Basis Code of 3, the system issues an error. In Procurement, you must use basis code 1 to choose a percentage of the supplier price or cost.

Cost Plus Amount

If you enter Basis Code of 4, the system issues an error. In Procurement, you must use basis code 5 to add an amount to the unit cost.

Add on Amount

The system adjusts the supplier price or inventory cost by the factor value.

- In the Basis Code field, enter basis code of 5.
- In the Factor Value field, enter a positive or negative number, depending on the penalty parameters.

Add on Variable Amount

The system retrieves the adjustment amount from the price variable table. Set up variable prices when the supplier price or inventory cost of an item varies frequently, even as often as daily. Use price variable tables to set up prices and effective dates.

- In the Basis Code field, enter basis code of 6.
- In the Formula field, enter the code or name that identifies the variable table.

You can access the Price Variable Table form by selecting the Variables option from any adjustment detail line.

If you plan to use the unit cost in the variable table as a price, make sure the adjustment to which you attach the table is an override adjustment. This ensures that you override any other price with the price from the variable table.

Add on Formula Amount

The system calculates the price adjustment using a formula. Each component must be identified by a special character. You define these characters during system setup in the pricing constants. The system evaluates formulas as standard algebraic notations: whatever is inside parentheses is evaluated first, then multiplication, division, addition, and subtraction. For example, the formula .90*&GOLD represents the adjusted price of the item is that 90% of the current price of gold.

- In the Basis Code field, enter basis code of 7.
- In the Formula Name field, enter the code or name that identifies the formula.

To return a field name to your formula, include a field from the Purchase Order Detail table (F4311) by accessing the File Field Descriptions form. When you do this, the system automatically inserts the field name. It precedes the field name with the character you specified in the system constants to identify field names. You cannot use all fields of the Purchase Order Detail table (F4311) in a formula.

Add on User Program Amount

The system calls a user defined program to calculate the price adjustment.

- In the Basis Code field, enter basis code of 8.
- In the Formula Name field, enter the program ID for the custom program.

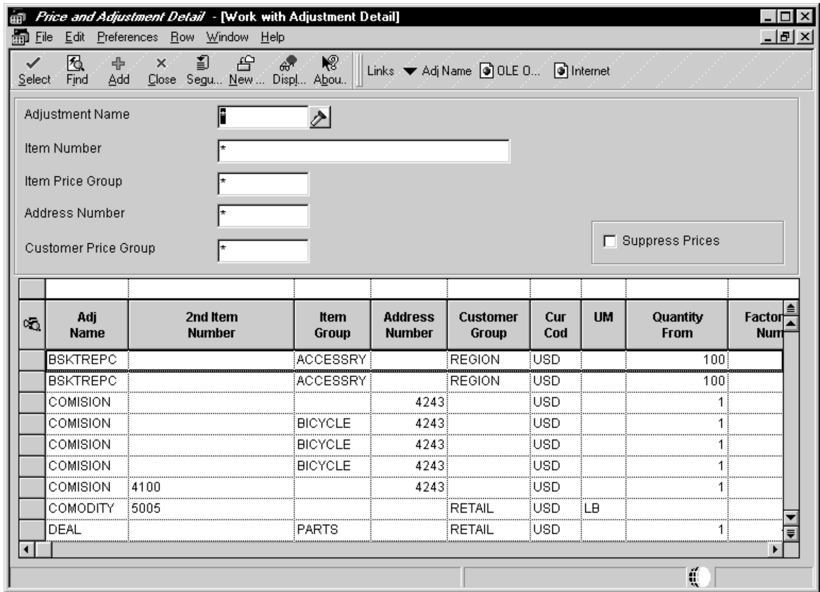
J.D. Edwards is not responsible for providing custom programs and does not provide support for custom programs.

If you are using Advanced Pricing for Procurement, you must enter a Supplier Group name instead of a Customer Group name.

To set up adjustment details

From Price Management (G4222), choose Advanced Price and Adjustments. From Advanced Price and Adjustments (G42311), choose Price & Adjustment Detail Revisions.

On Work with Adjustment Detail

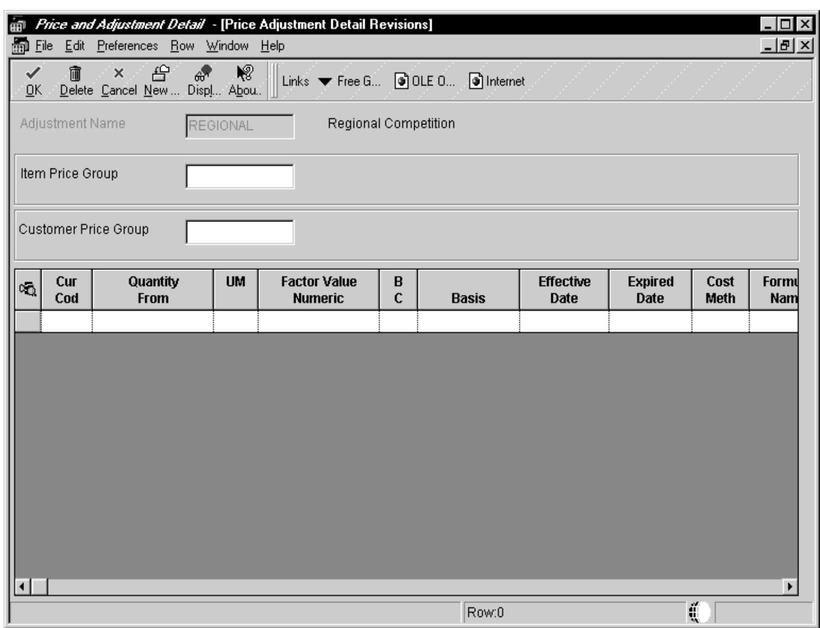


1. Choose an adjustment name and click Find.

   The system displays existing adjustments.

2. Click Add.

   Your choice on the Preference Hierarchy form determines the fields that appear on the Price and Adjustment Detail Revisions form.



3. On Price Adjustment Detail Revisions, complete the following fields:
   - Item Number
   - Item Price Group
   - Customer Price Group
4. If you use basis code 3 or 4, complete the following field:
   - Cost Meth
5. If you use basis code 6, choose Variables from the Row menu and complete the following fields:
   - Cur Cod
   - UM
   - Variable Table
6. If you use basis code 7, choose Formulas from the Row menu and complete the following field:
   - Formula Name

Field	Explanation
Adj Name	A user defined code (system 40, type TY) that identifies an adjustment definition. You define adjustments on Price Adjustment Definitions.
Item Number	A number that the system assigns to an item. It can be in short, long, or 3rd item number format.
Item Price Group	A user defined code (40/PI) that identifies an inventory price group for an item. Inventory price groups have unique pricing structures that direct the system to incorporate discounts or markups on items on sales and purchase orders. The discounts or markups are based on the quantity, dollar amount, or weight of the item ordered. After you assign a price group to an item, the item uses the same pricing structure that was defined for the inventory price group. You must assign an inventory price group to the supplier or customer, as well as to the item, for the system to interactively calculate discounts and markups on sales orders and purchase orders.
Address Number	A number that identifies an entry in the Address Book system. Use this number to identify employees, applicants, participants, customers, suppliers, tenants, and any other Address Book members.
Customer Group	A user defined code (system 40, type PC) that identifies a customer group. You can group customers with similar characteristics, such as comparable pricing.

Field	Explanation
UM	A user defined code (00/UM) that indicates the quantity in which to express an inventory item, for example, CS (case) or BX (box).
Formula Name Numeric	A code that indicates how to adjust an order line. This field works in conjunction with the Basis field (BSCD). How you define the Basis field determines whether you enter a number or a code in this field. If your basis code is 1–5 Enter a positive number for markups, for example, 10. Enter a negative number for discounts, for example, 10–. 6 You want to base the adjustment on a variable table. Enter the code that identifies the variable table. 7 You want to use a formula to calculate the price. Enter the code that identifies the formula. 8 You want to calculate the adjustment using a custom program. Enter the program ID.

Field	Explanation
B C	A code that identifies how the system uses the factor value to calculate the adjustment or penalty schedule. The Basis Code field works in conjunction with the Formula Name field. Valid codes for this field are: 1 The system multiplies the base price by the factor value. The adjusted price is a percentage of the base price. 2 The system multiplies the current net price by the factor value. The adjusted price is a percentage of the current net price. 3 The system multiplies the item cost by the factor value. The adjusted price is a percentage of the item cost. You can not use this basis code for a basket- or order-level adjustment. 4 The system adds the factor value to the item cost. You can not use this basis code for a basket- or order-level adjustment. Note: If you use basis codes 3 or 4, identify the item cost you want to use in the calculation in the Cost Method field (LEDG) in the fold area of the Price Adjustment Detail form. 5 The system adjusts the price by the factor value. If the value is positive, it increases the price by that amount; if the value is negative, it decreases the price by that amount. 6 The system retrieves the adjustment amount from the variable table. You specify the name or the variable table in the Formula Name field. 7 The system calculates the adjustment using a formula. You specify the name of the formula in the Formula Name field. 8 The system calls a user defined program to calculate the adjustment. You specify the program I.D. in the Formula Name field. Note: If you define an adjustment that uses a custom program, the program must be one you have developed for this purpose and that you are prepared to support. J.D. Edwards is not responsible for providing custom programs nor supporting those you have developed.
Effective Date	The date on which a transaction, text message, contract, obligation, or preference becomes effective.
Cost Meth	A user defined code (system 40, type CM) that identifies a cost method. Cost methods 01 through 19 are reserved for J.D. Edwards use.
Formula Name	A user defined code (system 40, type FM) that identifies a price formula. All price formulas are stored in the Price Formula table (F4076).

See Also

- *Entering Sales Price Information* in the *Inventory Management Guide*
- *Creating Free Goods Adjustments*
- *Creating Accrual Adjustments*
- *Creating Rebate Accrual Adjustments*

Generating New Price Adjustments in a Different Currency

You can use Advanced Pricing when you want to change the currency code and amount for multiple price adjustment records at one time. To change an individual price adjustment, you can manually change the currency code or enter the new amount on the Price Adjustment Detail form. You do not have to run this program.

The Advanced Price and Adjustment program does the following:

- Copies the original price adjustment record
- Calculates a new price adjustment, based on the currency code and exchange rate you specify
- Creates a new price adjustment record with the new currency, amount, or both

When the Advanced Price and Adjustment program creates a new price adjustment, it orders the record alphabetically along with the existing records.

To generate new price adjustments in a different currency, you specify the following:

- Date as of when you want to create new records
- Currency of the existing price records
- Currency in which you want to create new records
- Exchange rate to use to calculate the new amount
- Method (divide or multiply) to use to perform the exchange rate calculation

You can generate new price adjustments in a different currency for the following:

- Price adjustments with an actual amount
- Price adjustments without an actual amount

From the Advanced Price and Adjustments menu (G42311), choose Advanced Price and Adjustment.

See Also

- *R407201, Advanced Price and Adjustments,* in the *Reports Guide* for a report sample.

Price Adjustments with an Actual Amount

You can generate new price adjustments for advanced price records that have an actual amount, such as those with a basis code of 4 (cost plus) or 5 (add on). You can also generate new records for level breaks based-on amounts. You cannot generate new price adjustments for amounts with a basis code of 7 (formula).

For example, a price adjustment for 100 French francs (FRF) is assigned a basis code of 5 (add-on amount) and you want to generate a new price adjustment in the euro. The exchange rate is 6.55957 and the divisor method is used to convert the amount to the euro. The new price adjustment is 15.2449 EUR.

The Advanced Price and Adjustment program creates only one new price adjustment for each unit of measure. It does not create one price adjustment *for each currency.* If an adjustment exists in a certain currency, the program does not create another one in that currency. The exception to this rule is when currency codes associated with an item have different effective through dates. In this case, the program might create more than one new price adjustment.

Price Adjustments without an Actual Amount

For adjustment records that do not have an actual amount, such as those with a basis code of 1 (% of base price), the Advanced Price and Adjustment program creates a copy of the existing record, retains the factor value, and changes only the currency code.

For example, a price adjustment is 90% DEM of the base price. The new price adjustment is 90% EUR. The currency code is changed to the euro; but the factor value (.9) is not converted to the euro.

Processing Options for Advanced Price and Adjustment

```
Process

      1. Enter a '1' to run this program           ____________
      in final mode. If left blank, the
      program will run in proof mode.
      Final mode will update the file
      and produce an audit report. Proof
      mode will produce the audit report
      only.
      2. Enter the date used to                    ____________
      determine which price records will
      be generated. If the expiration
      date of a price is greater than or
      equal to the date entered, a new
      price record will be generated. If
      a date is not entered, the system
      date will be used.

Currency

      1. Enter Currency Code to convert            ____________
      to. (Required)
```

```
2. Enter Currency Code to convert          ____________
from. Currency Codes represent
Base Currency Code or Customer
Currency Code. (Required)
3. Enter the Exchange Rate.                ____________
(Required)
4. Enter a ’1’ to multiply the             ____________
current price by the exchange rate
or leave blank (default) to divide
the current price by the Exchange
Rate.
```

Data Selection for Advanced Price and Adjustment

Most clients will run the Advanced Price and Adjustment program by adjustment name; however, it can be run by any other value in the data selection.

Override Search Groups

Override Search Groups

To simplify the process of defining and maintaining base prices, you set up price groups for the customers and items with similar characteristics. A complex price group contains subgroups based on category codes, such as a specific item type, customer geographic location, line of business, or sales volume. An override search group is an other way of retrieving prices based on specific category codes for an adjustment definition.

You specify the distinct categories that you want to use by defining override search groups. You can use from one to four category codes. After you define the override price group, attach it to an adjustment definition. By using these fields to group customers, you have another method of defining pricing for a specific group.

When you enter an override price group as an adjustment definition, the override price group becomes the only price group that you can use for that price adjustment. You can define prices based on how you place items or customers into groups:

- For items, use the category codes in item/branch information
- For customers, use the category codes in customer master information
- For sales orders, use certain sales order detail fields and defaults from preferences

Override search groups include the following tasks:

- ❑ Working with complex price groups
- ❑ Defining order detail groups

When the system uses the adjustment definition, it searches the item or customer records for category codes that match the override group. If the system finds a match, it uses the adjustment definition defined for that category code. The search is based solely on category codes.

You can use order detail groups to create adjustment definitions for order lines based on information in certain sales order detail controls. You do not need to assign either customer or item price groups because the system searches based solely on category codes. This section presents setting up order detail groups.

For Sales Order Management, you can use groups in both Base Pricing and Advanced Pricing. The differences are:

Base Pricing

- You can use either simple or complex price groups
- You must attach each price group to an item and customer in the branch/plant record on Customer Billing Instructions

Advanced Pricing

- You can use only complex groups
- You can attach complex price groups within the price adjustment definition

Example: Using Override Search Groups for Sales Adjustments

You would like to offer a seasonal promotion to reduce inventory for last year's model of mountain bike items, that are identified by two category codes – type and model year. You have set up complex item groups to identify bikes by type, manufacturer, color, and model year.

You have set up complex price groups for your customers based on geographic region, division, sales person, and volume. Those customers who sell mountain bikes, defined as a division in your category codes, are eligible to benefit from this price adjustment.

You can set up override search groups for the item group and the customer group and attach these two override search groups to your SEASONAL price adjustment definition. When any of your customers who sell mountain bikes place an order for last year's model, the system retrieves this price adjustment.

Using Advanced Pricing for Procurement

When you attach an override price group to an adjustment definition, the override price group becomes the only price group that you can use for that price adjustment. You can define prices based on how you place items or suppliers into groups:

- For items, use the category codes in item/branch information
- For purchase orders, use certain purchase order detail fields
- For suppliers, use category codes in the supplier master
- For purchase orders, complex groups are not supported for the base price. Advanced Pricing for purchase orders does support complex item and supplier groups

You specify the categories that you want to use by defining override search groups. You can use one category or as many as four. After you define the override price group, attach it to an adjustment definition.

When the system uses the adjustment definition, it searches the item or supplier records for category codes that match the override group. If the system finds a match, it uses the adjustment definition defined for that category code. The search is based solely on category codes.

When you enter purchase orders, most of the detail information comes from system defaults, supplier master information, supplier instructions, and items. By using these fields to group suppliers, you have another method of defining pricing for a specific group.

Before You Begin

- ❑ Set up customer price groups. See *Setting Up Complex Customer Price Groups.*
- ❑ Set up item price groups. See *Setting Up Complex Item Price Groups*.

Working with Complex Price Groups

To simplify the process of defining and maintaining base prices, you set up price groups for the customers and items with similar characteristics. A complex price group contains the same combinations of information as a simple price group except that the subgroups are based on category codes, such as a specific item type, customer geographic location, line of business, or sales volume. You can set up complex customer price groups and complex item price groups.

Working with complex price groups includes the following tasks:

- ❑ Setting up complex customer price groups
- ❑ Setting up complex item price groups
- ❑ Generating price group combinations

Complex price groups can be used as override search groups. You establish the complex price groups and define them as override price groups by entering the price group name on the adjustment definition.

While you can use complex price groups for the sales order base price and price adjustments, you can only use complex price groups for purchase order adjustments if you are using Advanced Pricing in Procurement. You can not use complex price groups for purchase order unless you have set up purchase order adjustments in Advanced Pricing.

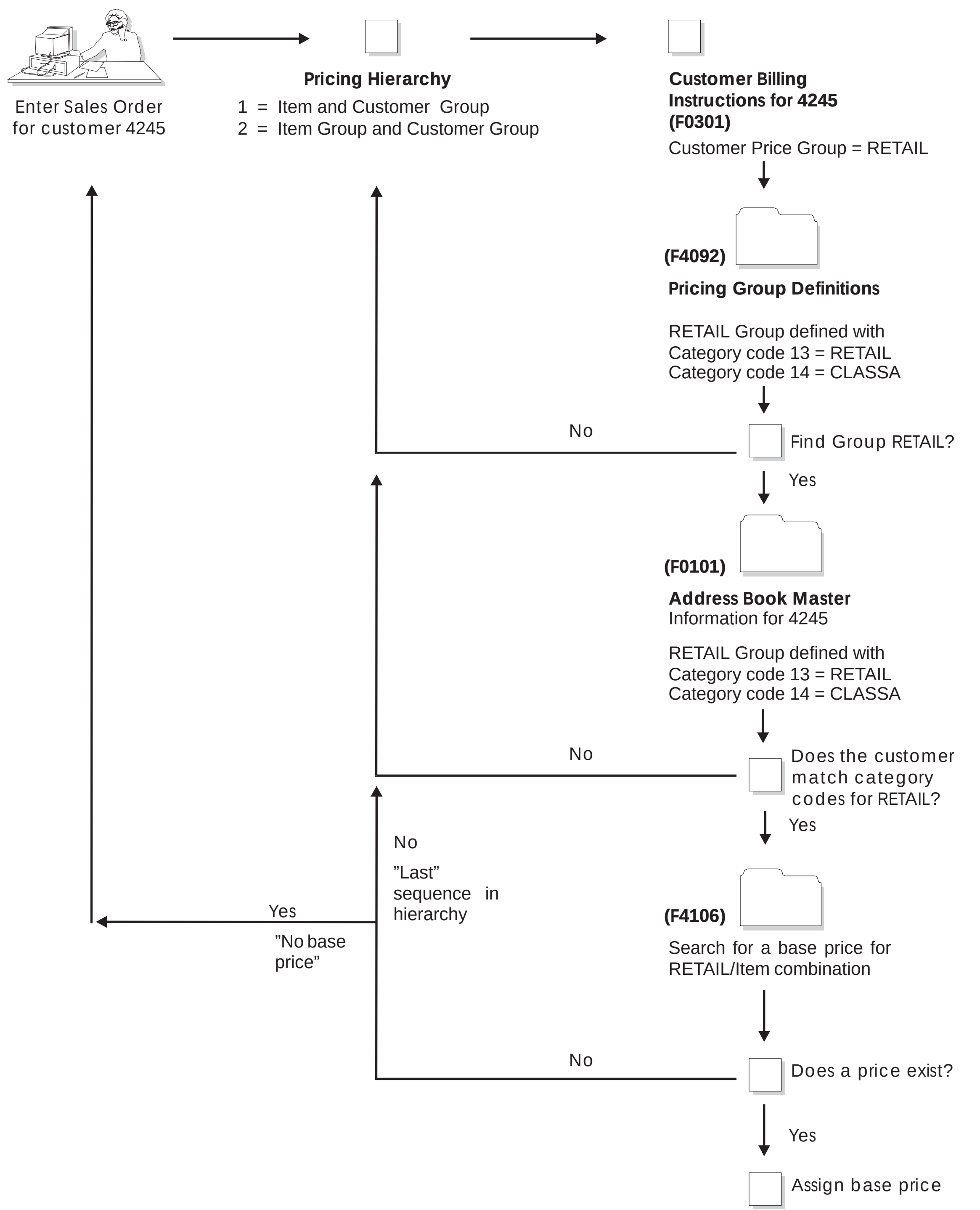
Setting Up Complex Customer Price Groups

You can use up to four category codes (or subgroups) to define complex customer price groups. You use category codes to create subgroups within your pricing groups to charge a different price. For example, within the customer group RETAIL, you can create subgroups using category codes to charge a different price to customers based on their line of business, geographic region, or sales volume.

A customer can belong to a customer detail group without being attached to that group in the Customer Billing Instructions form. A customer can belong to numerous groups, depending on the customer’s category codes.

The category code sequence you enter determines how the system displays the category code fields on the related forms. The order in which you choose category codes has no effect on how the system searches for prices.

Illustration: How Complex Customer Price Groups are Used to Determine the Price



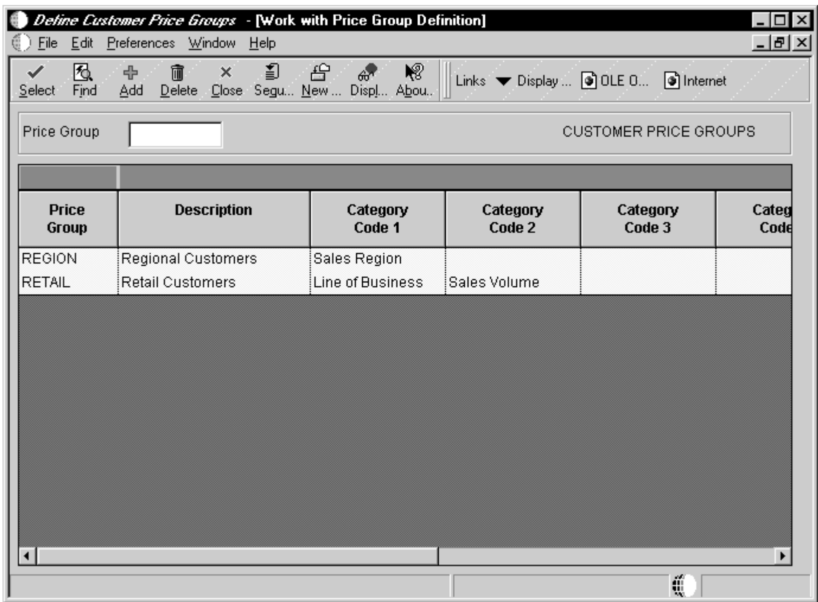
Before You Begin

❑ Verify that you have set up price group names in the user defined codes table (40/PC).

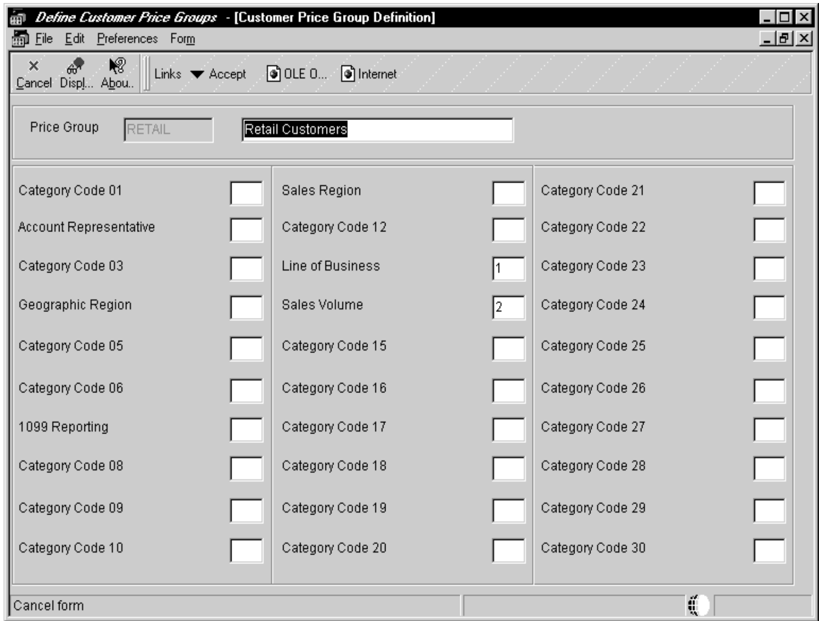
▶ To set up complex customer price groups

From Price Management (G4222), choose Define Customer Price Groups.

On Work with Price Group Definition



1. Click Add.



2. On Customer Price Group Definition, complete the following field:
   - Price Group
3. To identify subgroups used in a customer price group, complete as many as four of the following fields and choose Accept from the Form menu:
   - Category Codes 1–30

   After you create complex customer price groups, you must generate price group combinations. See *Generating Price Group Combinations*.

Field	Explanation
Price Group	A user defined code (system 40, type SD) that identifies a sales order detail group, which you can use to create pricing that is based on a field in the Sales Order Detail file (F4211).
Category Code 1	A user defined name or remark.

Setting Up Complex Item Price Groups

You can also set up complex item groups to allow for greater flexibility in your pricing structures. You can use up to four category codes to define complex item price groups.

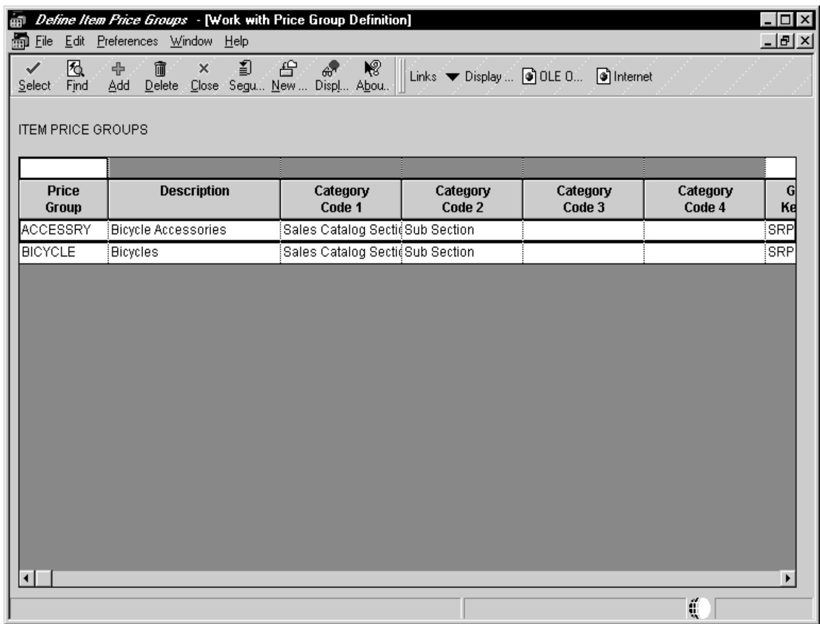
For example, if you have two types of pens (marker and ballpoint), within the group MARKER, you can specify prices for each type of pen. When you enter an order for pens, the system checks the category codes for the item to determine if the pen is a marker or a ballpoint and then retrieves the appropriate price.

The category code sequence that you enter determines how the system displays the category code fields on the related forms. The order in which you choose category codes has no effect on how the system searches for prices.

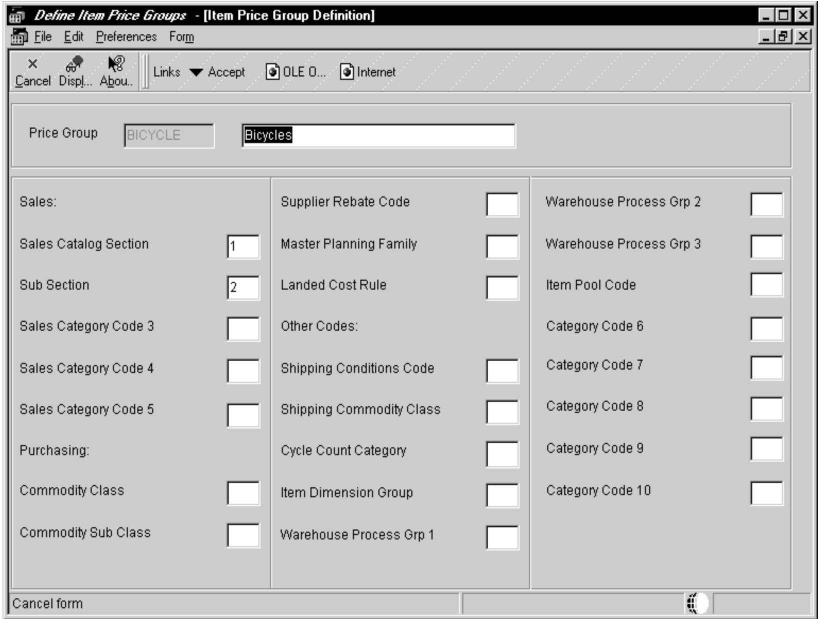
▶ To set up complex item price groups

From Price Management (G4222), choose Define Item Price Groups.

On Work with Price Group Definition



1. Click Add.



2. On Item Price Group Definition, complete the following field:
   - Price Group
3. To define subgroups in an item price group, complete from one to four of the following fields:
   - Sales Category Codes 1–5
   - Purchasing Category Codes 1–5
   - Other Category Codes 1–10
4. Choose the Accept option from the Form menu to set up the complex item price group.

   After you create complex item price groups, you must generate price group combinations. See *Generating Price Group Combinations*.

Generating Price Group Combinations

From Price Management (G4222), choose Customer Price Groups and Item Price Groups.

After you set up price groups and assign the group names to customers and items, you generate customer and item price group relationships. You generate price group relationships to define the possible combinations of customer and item groups that you can use for pricing. Generate price group combinations so that the customer and item group information that you created can be used for pricing.

Two batch programs generate price group combinations:

- Customer Price Group Generation
- Item Price Group Generation

These programs generate records in the Item/Customer Groups Combinations table. The Item/Customer Groups Combinations table contains the allowable combinations for customer or item groups and category codes. You can use data selection to specify up to five group codes for which detailed records are created. If you do not specify any codes, the system generates combinations for all groups.

Defining Order Detail Groups

You can use order detail groups to create adjustments to the pricing line of an order based on information from sales order detail fields. When you enter sales orders, some data in detail fields comes from system defaults, customer master information, customer billing instructions, items, and preferences.

The Define Order Detail Groups form shows several fields that do not display during order entry. These data in these fields default from the Preference Profile:

- Line of Business
- End Use
- Price Code 1
- Price Code 2
- Price Code 3
- From Grade
- Thru Grade
- From Potency
- Thru Potency

By using these fields when defining order detail groups, you have another method of defining pricing for a specific group.

Before You Begin

❑ Set the processing option to choose one of the following formats: Order Detail Groups, Purchase Order Groups, Customer Service Management System Order Detail Group.

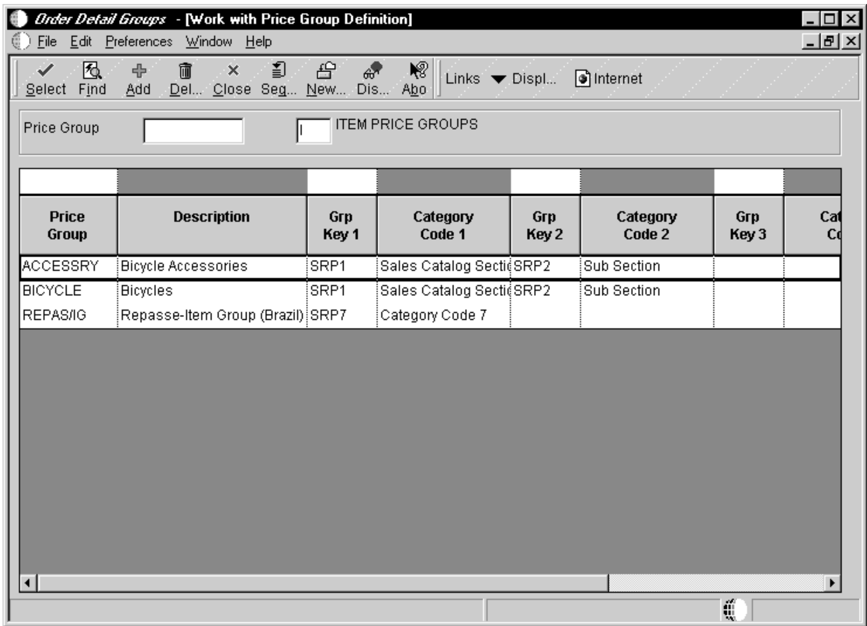
Using Advanced Pricing for Procurement

You can use order detail groups to create adjustments to the pricing line of an order based on information from purchase order detail fields. When you enter purchase orders, some data in detail fields comes from system defaults, supplier master information, purchasing instructions, and items.

▶ To define order detail groups

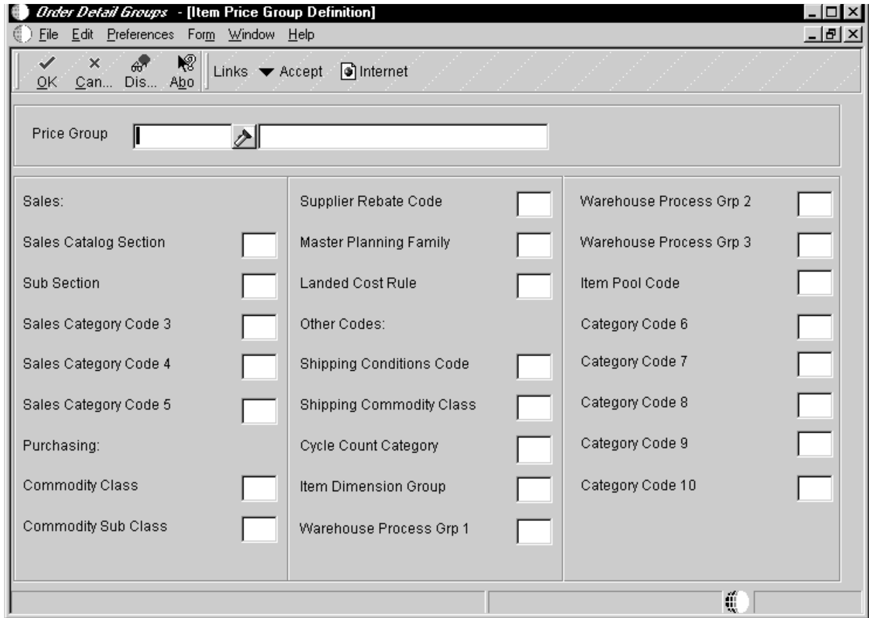
From Sales Order Management (G42), choose Price Management. From Price Management (G4222), choose Advanced Price and Adjustments. From Advanced Price and Adjustments (G42311), choose Order Detail Groups.

On Work with Price Group Definition



The system imports the price group type code based on your processing option selection. When you click Find, the system displays only those groups of that price group type code. To override the system default, type a new price group type code in the field and click Find or Add. The system retrieves the appropriate form based on this type code.

1. Choose a price group.
2. Click Add.



3. On Item Price Group Definition, indicate the category codes that you want to group by typing the numbers 1 through 3 next to three field names.

   You can use from one to three fields.

Field	Explanation
Price Group	A user defined code (system 40, type SD) that identifies a sales order detail group, which you can use to create pricing that is based on a field in the Sales Order Detail file (F4211).

Additional Adjustments

Additional Adjustments

You can create additional adjustments that provide sales incentives other than the traditional line-item price discount. For example, you can encourage sales by including free goods with a purchase or give a discount based on a total order amount (repricing). You can also accrue commissions on sales by creating an accrual adjustment.

Free goods are often items that help promote, display, or accompany the product that is ordered. For example, for certain products you may want the free goods to be the display case, posters, or additional promotional items, such as buttons, hats, or shirts to highlight a sale.

Accrual adjustments allow you to reserve monetary amounts through journal entries for such items as commissions and royalties. You can track the monetary amount but the order price does not change.

You can use additional adjustments to:

- Create free goods adjustments
- Create accrual adjustments
- Create rebate adjustments
- Working with repricing

Using Adjustments with Advanced Pricing for Procurement

For purchase orders, you might want to account for items that are offered by the supplier to promote, display, or accompany the product that you are ordering. You enter free goods adjustments for purchase orders in the same manner as you would for sales order adjustments.

You can only use accruals, rebates, and repricing in Advanced Pricing for sales orders. If you use Advanced Pricing for Procurement, you can not set up accruals for adjustments or reprice purchase order adjustments. To work with rebates in the Procurement system, see *Rebate Processing* in the *Procurement Guide.*

Creating Free Goods Adjustments

Free goods are often items that help promote, display, or accompany the product that is being ordered. For example, free goods can be the display case, posters, or additional promotional items such as buttons, hats, or shirts used by employees to highlight a sale.

You must create a valid adjustment to which you attach your free goods. When you set up the free goods criteria, you define how the system applies the price and quantity of the free goods. You also define how or if the system should factor the price of the free goods into the price of the products actually being sold.

The free goods do not have to be the same as the item on the sales detail to which the free goods adjustment is attached. For example, your company could offer a promotion that gives the customer one free case of motor oil when they buy ten cases of motor oil. Because the items do not have to be the same, you could offer customers a free oil filter when they buy ten cases of motor oil. You can specify multiple item numbers to be given as free goods and the quantity of each type, but the customer cannot choose from the list of free goods. All free goods must be applied to the orders. However, the resulting sales-order detail lines for free goods can be deleted later.

Any adjustment can have free goods associated with it. You specify:

- The quantity of free goods to be included.
- Whether the free goods is a stock or non-stock item.
- The unit price of the free goods, if desired. In most cases, this price will be zero. However, you can specify a reduced price for the item, such as when you offer a purchase-with-purchase promotion.

If you enter any of the price groups in the definition for a free goods adjustment, the price group defaults into the adjustment detail and cannot be changed.

If you have activated Advanced Pricing for Procurement, you can enter free goods adjustments for purchase orders. You might want to account for bonus items that are offered by the supplier to promote, display, or accompany the product that you are ordering. You enter free goods adjustments for purchase orders in the same manner as you would for sales order adjustments.

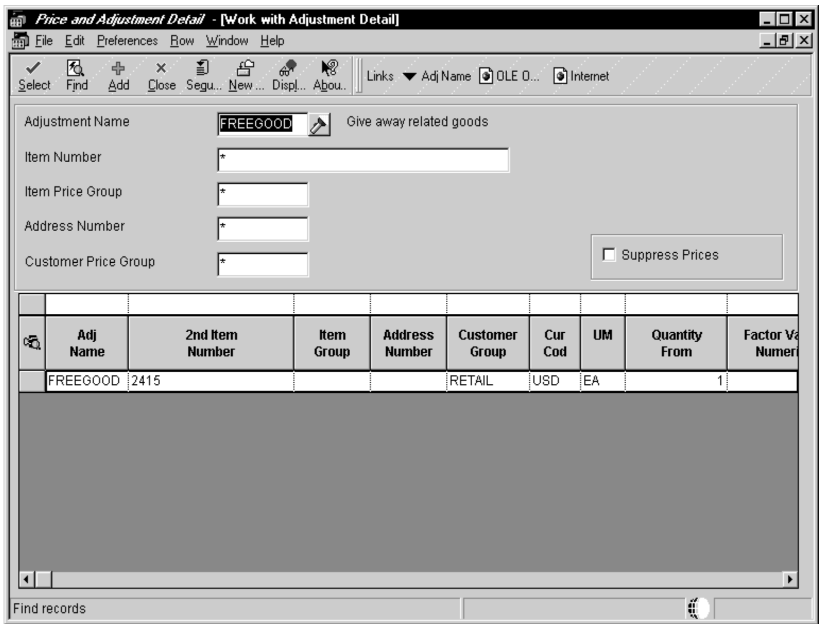
Before You Begin

❑ Define an adjustment. See *Working with Price and Adjustment Detail*.

▶ To create a free goods adjustment

From Price Management (G4222), choose Advanced Price and Adjustments. From Advanced Price and Adjustments (G42311), choose Price & Adjustment Detail Revisions.

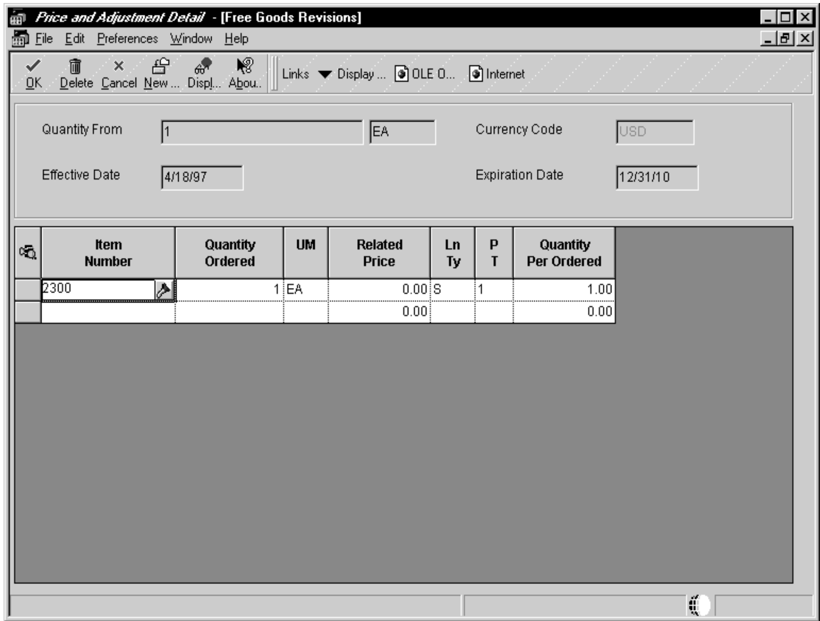
On Work with Adjustment Detail



1. Either enter a new adjustment or select the adjustment that has free goods.
2. On Price Adjustment Detail Revisions, review the adjustment information as necessary.

   See *Setting Up Adjustment Details* for more information.

3. Select the row and choose Free Goods from Row Menu.



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4. On Free Goods Revisions, complete the following fields:
   - Item Number
   - Quantity Ordered
   - Unit of Measure as Input
   - Related – Price
   - Line Type
   - Quantity Per Ordered
5. Click OK.
6. On Price Adjustment Detail Revisions, click OK to create Free Goods Adjustments.

Field	Explanation
Item Number	The system provides three separate item numbers plus an extensive cross-reference capability to alternate item numbers. These item numbers are: 1. Item Number (short) – An 8-digit, computer-assigned item number. 2. 2nd Item Number – The 25-digit, free–form, user defined, alphanumeric item number. 3. 3rd Item Number – Another 25-digit, free–form, user defined, alphanumeric item number. In addition to these three basic item numbers, an extensive cross-reference search capability has been provided (see XRT). Numerous cross-references to alternate part numbers can be user defined (for example, substitute item numbers, replacements, bar codes, customer numbers, or supplier numbers).
Quantity Ordered	The quantity of units affected by this transaction.
UM	A user defined code (00/UM) that indicates the quantity in which to express an inventory item, for example, CS (case) or BX (box).
Related – Price	The price of a related item in a pricing or discount policy. For example, with a policy of “Buy one, get one free,” the free item is the related item. Enter this price in the unit of measure of the related item quantity.
Line Type	A code that controls how the system processes lines on a transaction. It controls the systems with which the transaction interfaces (General Ledger, Job Cost, Accounts Payable, Accounts Receivable, and Inventory Management). It also specifies the conditions under which a line prints on reports and is included in calculations. Codes include: N Non-stock item F Freight M Miscellaneous charges and credits
Quantity Per Ordered	Indicates how many items the customer must buy over the quantity you entered in the Quantity From field of the Price Adjustment Detail form before you send free goods. The calculations the system uses are: Total Free Goods Quantity = Free Good Quantity (FGUORG) + (Free Good Quantity * Quantity Over Factor) Quantity Over Factor = (Quantity Ordered – Quantity From (ADMNQ)) divided by Quantity Over Ordered (FGFQTY) Quantity Ordered = Quantity Shipped (SDSOQS) + Quantity Backordered (SDSOBK)

Creating Accrual Adjustments

You can create adjustments so the system accrues the amount of an adjustment instead of applying the adjustment to the order line. You can use accrual adjustments to calculate and enter an adjustment for such items as commissions and royalties owing.

You identify an accrual adjustment by entering the Adjustment Control Code in Price Adjustment Definitions. The system does not roll the price adjustment into the unit price or print the adjustment on the invoice. Instead, the system records the adjustment to history and posts the adjustment to the General Ledger during the next sales update.

You can use the G/L Class Code field to designate the account to which the system records the transaction. The G/L account can be different for each adjustment definition. When the system uses the adjustment G/L class code to select an account, you can specify the ledger in the adjustment definition.

Optionally, you can use the Subledger in G/L field if you want to do subledger accounting. The code you enter in the Subledger in G/L field controls whether the subdivision takes place. You can subdivide the G/L account balance by parent, Ship To, or Sold To customer address; item number, adjustment, or salesperson.

! You can only use accrual adjustments for sales orders. If you use Advanced Pricing for Procurement, accruals do not apply to purchase order adjustments.

Before You Begin

- ❑ Verify that you have set up AAI 4270 and AAI 4280 with accruals.

See *Setting Up Automatic Accounting Instructions* in the *Sales Order Management Guide* for more information about setting up AAIs for adjustment accounts.

Example: Accruing Commissions and Royalties

You can use adjustments to accrue the possible amounts to be paid as commission or royalty. For example, your sales manager for the east coast earns a commission for any sale within the territory. When you enter a sales order for a customer in that territory, accounting entries are made. One of the entires is for the amount of the commission accrued by the sales manager. The accrued commission entry does not display on any customer order form.

Example: Posting an Accrual Adjustment

The difference between a regular journal entry and an accrual journal entry is shown in this example of posting credit and debit entries. The entry item has a base price of 100 and an adjustment of 10.

The regular entry would consist of three entries:

- Accounts Receivable 90
- Adjustments 10
    - Revenue 100

The accrual entry would consist of four entries:

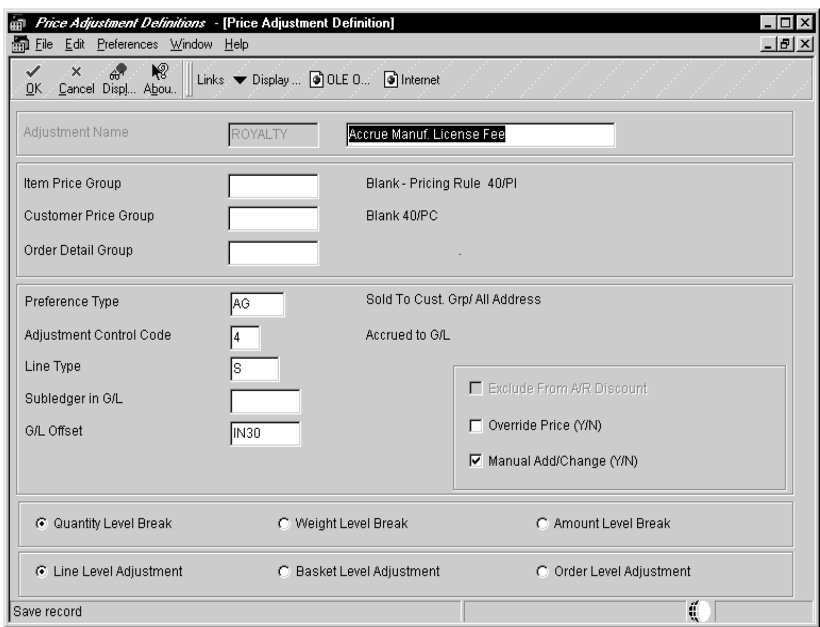
- Accounts Receivable 100
- Adjustments (commissions) 10
    - Revenue 100
    - Accrual (commissions payable) 10

► To create accrual adjustments

From Sales Order Management (G42), choose Price Management (G4222). From Price Management (G4222), choose Advanced Price and Adjustments. From Advanced Price and Adjustments (G42311), choose Price Adjustment Definitions.

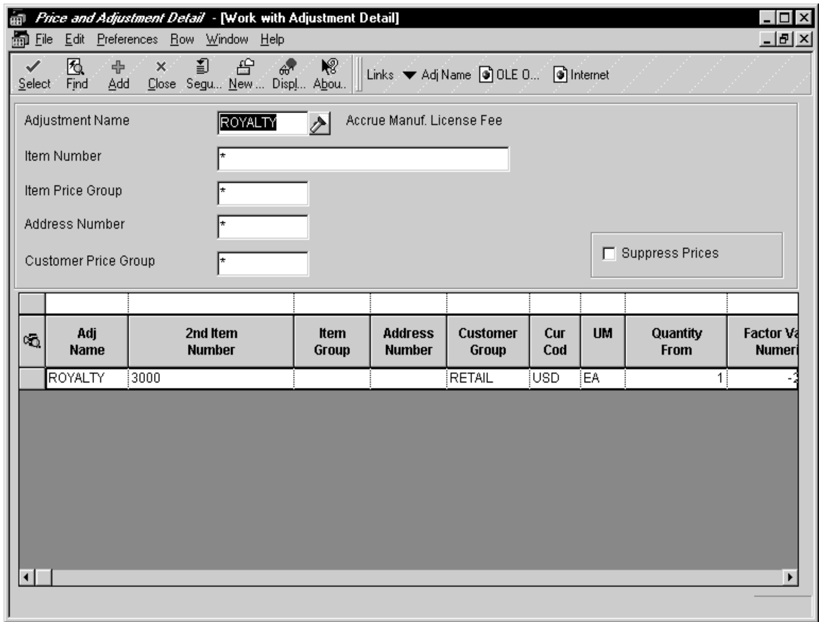
On Work with Adjustment Types

1. Click Add.

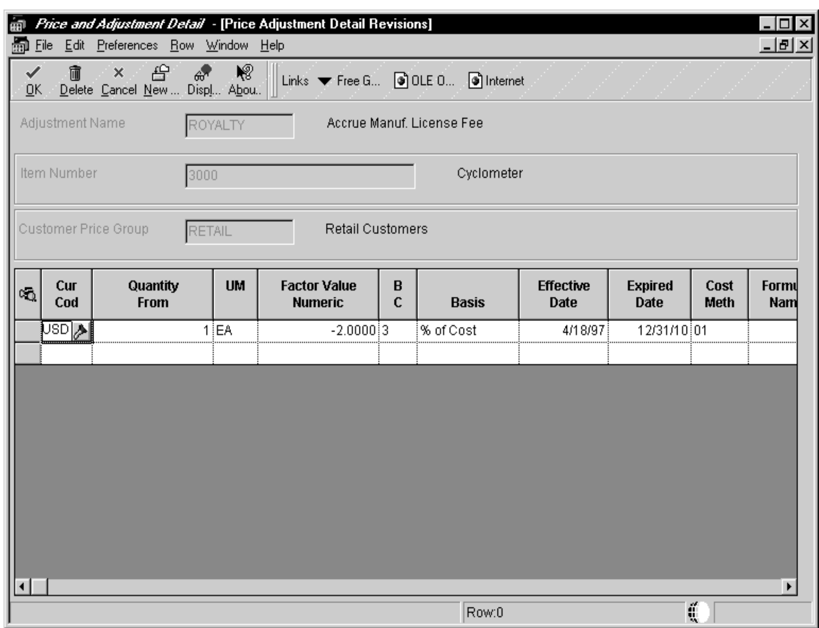


2. On Price Adjustment Definition, complete the following fields:
   - Adjustment Name
   - Preference Type
   - Adjustment Control Code
   - G/L Offset
3. Click OK.

4. From Advanced Price and Adjustments menu (G42311), choose Price and Adjustment Detail Revisions.



5. On Work with Adjustment Detail, choose the adjustment row.



6. On Price Adjustment Detail Revisions, complete the following fields:
   - From Level
   - B C
   - Factor Value Numeric

7. Click OK to create accrual adjustments.

Field	Explanation
Adjustment Name	A user defined code (system 40, type TY) that identifies an adjustment definition. You define adjustments on Price Adjustment Definitions.
Pref Type	A user defined code (system 40/type PR) that identifies a preference type or a price adjustment hierarchy. When you define pricing hierarchies, identify each table with this code. Later, when you create adjustments, you use this code to identify the hierarchy the system should follow for this adjustment.
G/L Offset	A user defined code that identifies the G/L offset that you want the system to use when it searches for the account to which it will post the transaction. If you do not want to specify a class code, you can enter **** (four asterisks) in this field. The table of Automatic Accounting Instructions (AAIs) allows you to predefine classes of automatic offset accounts for the Inventory, Purchasing, and Sales Order Management systems. The system can generate accounting entries based upon a single transaction. As an example, a single sale of a stock item can trigger the generation of accounting entries similar to these: Sales–Stock (Debit) xxxxx.xx A/R Stock Sales (Credit) xxxxx.xx Stock Inventory (Debit) xxxxx.xx Stock COGS (Credit) xxxxx.xx

Field	Explanation
Adjustment Control Code	A code that specifies how the adjustment appears on the invoice and whether you want the system to create a separate line in the Sales Order Detail table (F4211). Valid values are: 1 The system adds the adjustment amount into the unit price and records the adjustment detail to the Price Adjustment History table (F4074). The system does not print the adjustment on the invoice. 2 The system adds the adjustment amount to the unit price and records the adjustment detail to the Price Adjustment History table (F4074). It prints the adjustment on the invoice. 3 The system creates a separate detail line in the Sales Order Detail table. It does not add the adjustment into the unit price or record it to the history table. The system does not include this type of adjustment when it calculates the current net price. 4 The system records the adjustment to history and posts it to the general ledger during a sales update. It does not add the adjustment into the unit price or print it on the invoice. Use Control Code 4 to create an accrual adjustment. 5 The system records the adjustment to history and posts it to the general ledger during a sales update. The system also accumulates each order line's quantity, weight, and amount to rebate history (F4078). It does not add the adjustment into the unit price or print it on the invoice. Use Control Code 5 to create a rebate adjustment. . . . . *Form-specific information* . . . . For OneWorld: 3 The system supports Adjustment Control Code 3 only for order-level adjustments. 5 Code 5 is not supported in OneWorld. If you use adjustment control 3, the Adjustment Line Type must have an inventory interface value of N. 6 The system processes the adjustment amount and the unit price separately during sales update. The amounts are recorded separately as G/L and A/R entries. It prints the adjustment on the invoice.

Field	Explanation
Factor Value Numeric	A code that indicates how to adjust an order line. This field works in conjunction with the Basis field (BSCD). How you define the Basis field determines whether you enter a number or a code in this field. If your basis code is 1–5 Enter a positive number for markups, for example, 10. Enter a negative number for discounts, for example, 10–. 6 You want to base the adjustment on a variable table. Enter the code that identifies the variable table. 7 You want to use a formula to calculate the price. Enter the code that identifies the formula. 8 You want to calculate the adjustment using a custom program. Enter the program ID.

Field	Explanation
B C	A code that identifies how the system uses the factor value to calculate the adjustment or penalty schedule. The Basis Code field works in conjunction with the Factor Value field. Valid codes for this field are: 1 The system multiplies the base price by the factor value. The adjusted price is a percentage of the base price. 2 The system multiplies the current net price by the factor value. The adjusted price is a percentage of the current net price. 3 The system multiplies the item cost by the factor value. The adjusted price is a percentage of the item cost. You can not use this basis code for a basket- or order-level adjustment. 4 The system adds the factor value to the item cost. You can not use this basis code for a basket- or order-level adjustment. Note: If you use basis codes 3 or 4, identify the item cost you want to use in the calculation in the Cost Method field (LEDG) in the fold area of the Price Adjustment Detail form. 5 The system adjusts the price by the factor value. If the value is positive, it increases the price by that amount; if the value is negative, it decreases the price by that amount. 6 The system retrieves the adjustment amount from the variable table. You specify the name or the variable table in the Factor Value field. 7 The system calculates the adjustment using a formula. You specify the name of the formula in the Factor Value field. 8 The system calls a user defined program to calculate the adjustment. You specify the program I.D. in the Factor Value field. Note: If you define an adjustment that uses a custom program, the program must be one you have developed for this purpose and that you are prepared to support. J.D. Edwards is not responsible for providing custom programs nor supporting those you have developed.

Creating Rebate Adjustments

Businesses use rebates to encourage customers to purchase a greater volume of goods or services over a period of time. When their purchases reach a certain threshold level, you can issue a rebate to them.

You calculate rebates based on the total amount, total quantity, or total weight of multiple orders, which accumulate in a volume history file. You also accumulate a rebate amount in the general ledger to recognize the liability.

When a customer's total sales activity reaches a rebate threshold, the system calculates the rebate amount. At this point, you can generate a credit order to the beneficiary of the rebate amount.

You define the rebate adjustment to specify how much of each eligible sales order the system accrues to the general ledger.

Complete the following tasks to create rebates adjustments:

- ❑ Create rebate accrual adjustments
- ❑ Review rebate information

To work with rebates in the Procurement system, see *Updating Rebate Information* in the Procurement Guide.

Example: Creating a rebate accrual adjustment

You define a volume rebate for customer 4183 and item CLRD100.

- You define the rebate adjustment to accrue rebate information to the general ledger. You define the factor as 4% to indicate that you want to accrue 4% of each order detail line to the general ledger.
- You define rebate thresholds. The rebate is paid at 2% over 100,000 and 3% over 200,000. The currency is U.S. dollars. The rebate is effective from June 20, 2005 through December 31, 2005.

On June 30, 2005, you enter an order for customer 4183 and item CLRD100 in the amount of 50,000.

During sales update, the system updates sales volume history with sales quantity and amount information. Sales totals are compared with rebate thresholds to determine whether the system should calculate a rebate amount. The system also creates journal entries in the general ledger to recognize the potential rebate liability.

In this example, the order total is less than the first rebate threshold, so no rebate amount is calculated. Volume history is updated with the following information:

- Order history total = 50,000
- Rebate amount = 0

The system creates journal entries with a batch type of I to record the sale of goods:

- Debit accounts receivable = 50,000
- Credit sales = 50,000

It also creates journal entries to recognize the rebate liability (4% of the order amount):

- Debit accrual discount (4% x 50,000) = 2,000
- Credit rebate payable = 2,000

You define AAI table 4280 for the amount to point to the volume history rebate account.

You enter additional orders for customer 4183 and item CLRD100.

- July 15, 2005 for 100,000
- July 30, 2005 for 100,000

During sales update, the system updates volume history:

- Order history total = 250,000
- Rebate amount = 7,500

Because the customer reached the second rebate threshold, the system calculated the rebate amount at 3% of the order history total (250,000 x .03 = 7,500.00). Although the system has made general ledger entries, the user must submit a credit note before a credit order is issued.

To create the journal entries, the system still uses the 4% defined for the accrual adjustment. During sales update, the system creates the following journal entries for these two orders:

- Debit accounts receivable 200,000
- Credit sales 200,000
- Debit accrual discount 8,000

- Credit rebate payable 8,000

Note the total rebate payable in the general ledger is 10,000 (2,000 + 8,000), but the rebate payable amount in volume history is 7,500.

On August 1, you generate credit orders. Although the system has made general ledger entries, the user must submit a credit note before a credit order is issued. The credit orders are based on credit notes submitted. The system pulls the general ledger class code for the credit order from the adjustment so it knows which AAI to use. It uses the beneficiary from the adjustment as the Sold To address.

Next, you run Sales Update to create general ledger entries for the credit order.

- Debit revenue 7,500
- Credit accounts receivable 7,500

If you defined rebate thresholds to reset the rebate amount field, the system updates the volume history file as follows:

- Rebate amount 0
- Rebate paid 7,500

Creating Rebate Accrual Adjustments

You define the rebate adjustment to specify how much of each eligible sales order the system accrues to the general ledger.

When you set up an adjustment, you must indicate both that this adjustment is a rebate accrual and the beneficiary of the rebate. If you do not set up the adjustment definition for a rebate, you cannot access additional rebate information.

You define the details of the rebate accrual adjustment when you set up a price and adjustment schedule. The price adjustment detail for rebates determines the rate at which you can set aside funds into an accrual account, which covers the rebate amounts that you pay to customers who reach the threshold. In the Price and Adjustment Detail form, the information you enter in the Factor and Basis fields defines how you want to accrue and calculate rebate amount for each eligible sales detail line to the general ledger.

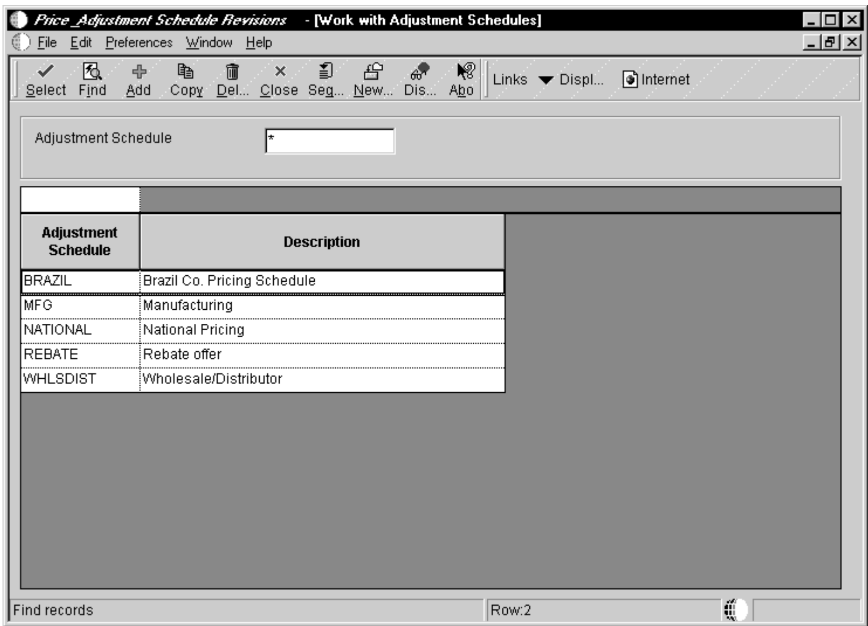
You use rebate thresholds to establish limits at which a customer is eligible for a rebate. Customer sales totals that you accumulate in volume history are compared against the thresholds to determine whether the customer is eligible for a rebate and at what level.

▶ To create a rebate accrual adjustment

From Sales Order Advanced_Technical Operations (G4231), choose Advanced Price & Adjustments (G42311). From Advanced Price and Adjustments (G42311), choose Price & Adjustment Schedule Revisions.

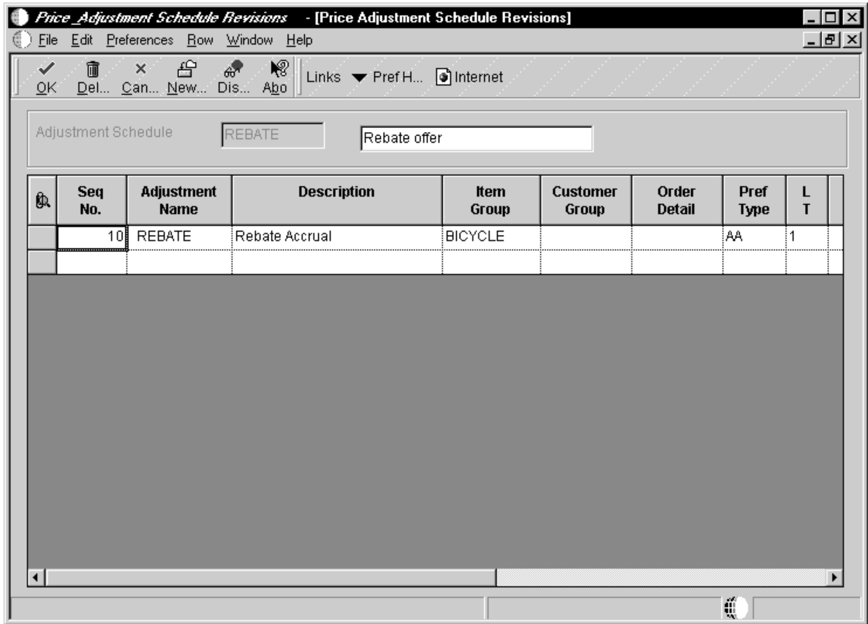
On Work with Adjustment Schedules

1. Click Find.

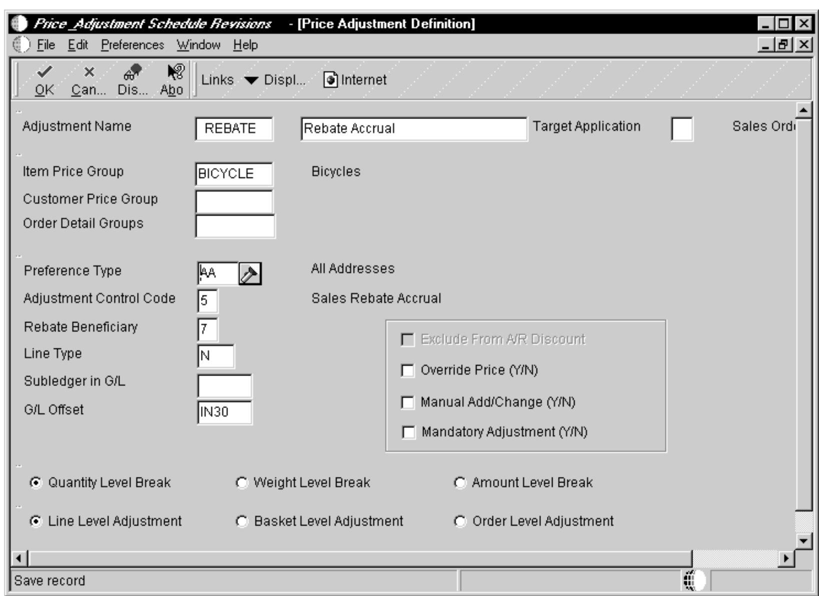


2. On Work with Adjustment Schedules, choose the adjustment schedule type you want to work with and click Select.

   See *Building Adjustment Schedules* for more information.



3. On Price Adjustment Schedule Revisions, choose the adjustment, and then choose Adjustment Name from the Row menu.



4. On Price Adjustment Definition, complete the required fields for a rebate adjustment:

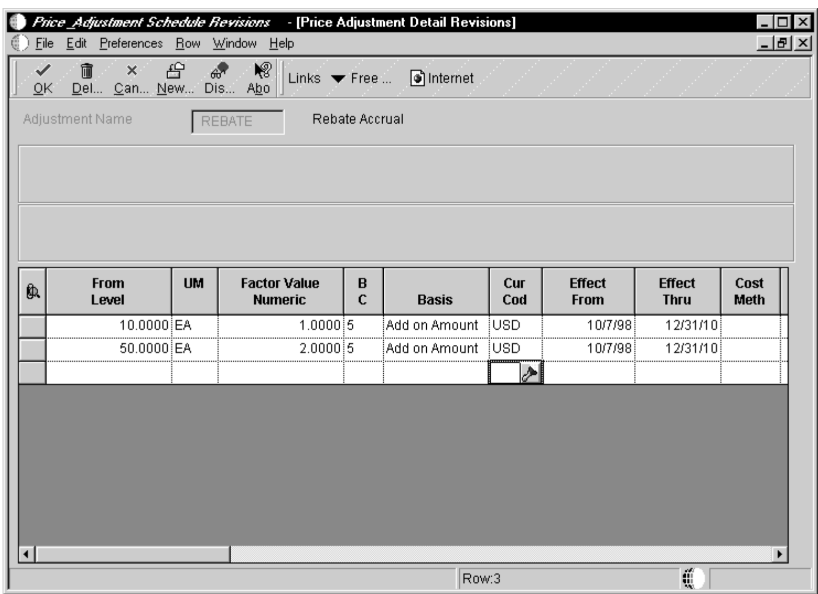
    - Adjustment Control Code

      When you choose the adjustment control code, Sales Rebate Accrual, the system displays the following required field:

    - Rebate Beneficiary

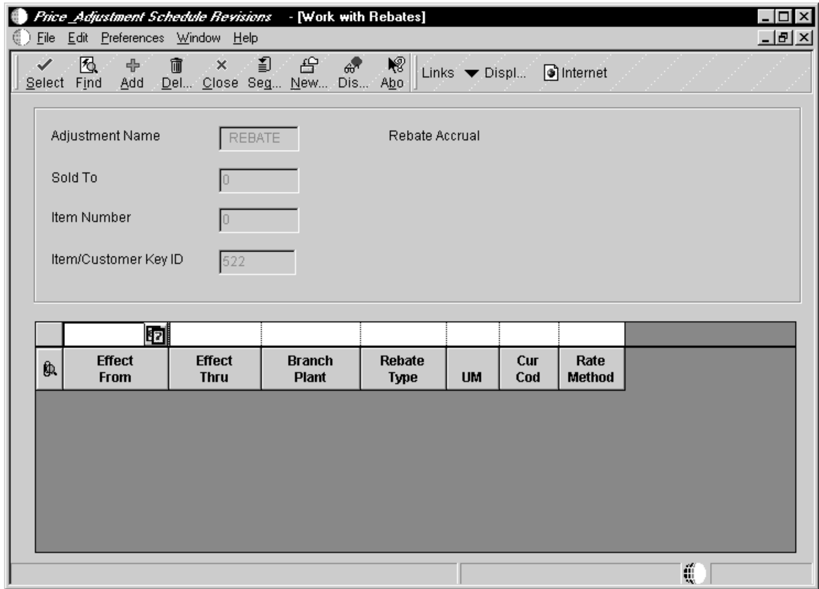
5. Complete additional price adjustment definition fields, as necessary. See *Setting Up Adjustment Definitions* for more information.
6. Click OK.
7. On Price Adjustment Schedule Revisions, choose the adjustment, and then choose Adjustment Details from the Row menu.
8. On Work with Adjustment Detail, click Find to locate the adjustment name or click Add to add a new adjustment.

   See *Setting Up Adjustment Definitions* for more information.

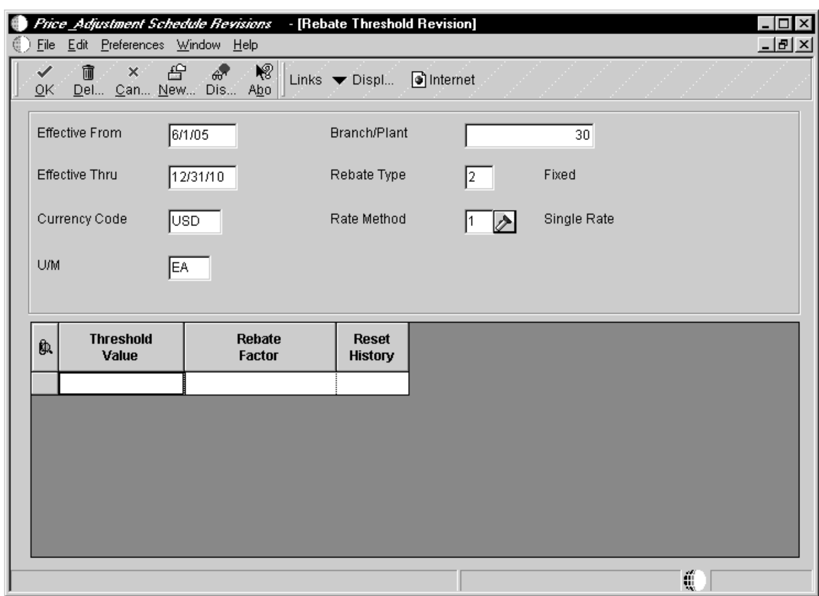


9. On Price Adjustment Detail Revisions, choose a row to add a rebate to an item and click Select.
10. On Price Adjustment Schedule Revisions, choose Rebates from the Row menu.

    You must have indicated that this adjustment is a rebate accrual in the Price Adjustment Definition in order to access this form.



11. On Work with Rebates, click Find to locate existing rebates for this item or click Add.



12. On Rebate Threshold Revision, complete the following fields:
    - Effective Date
    - Date – Expired
    - Business Unit
    - Rebate Type

- Currency Code
- U/M

13. Optionally, complete the following fields to set up thresholds:
    - Threshold Value
    - Rebate Factor
    - Reset History
14. Click OK.

Field	Explanation
Adjustment Control Code	A code that specifies how the adjustment appears on the invoice and whether you want the system to create a separate line in the Sales Order Detail table (F4211). Valid values are: 1 The system adds the adjustment amount into the unit price and records the adjustment detail to the Price Adjustment History table (F4074). The system does not print the adjustment on the invoice. 2 The system adds the adjustment amount to the unit price and records the adjustment detail to the Price Adjustment History table (F4074). It prints the adjustment on the invoice. 3 The system creates a separate detail line in the Sales Order Detail table. It does not add the adjustment into the unit price or record it to the history table. The system does not include this type of adjustment when it calculates the current net price. 4 The system records the adjustment to history and posts it to the general ledger during a sales update. It does not add the adjustment into the unit price or print it on the invoice. Use Control Code 4 to create an accrual adjustment. 5 The system records the adjustment to history and posts it to the general ledger during a sales update. The system also accumulates each order line’s quantity, weight, and amount to rebate history (F4078). It does not add the adjustment into the unit price or print it on the invoice. Use Control Code 5 to create a rebate adjustment. . . . . *Form-specific information* . . . . For OneWorld: 3 The system supports Adjustment Control Code 3 only for order-level adjustments. 6 The system processes the adjustment amount and the unit price separately during sales update. The amounts are recorded separately as G/L and A/R entries. It prints the adjustment on the invoice.

Field	Explanation
Quantity Level Break	A code that indicates how level breaks occur in the Price Adjustment Detail table (F4072), based on one of three types of level breaks. • Quantity: The system determines the correct adjustment based on the quantity ordered in the sales order. You can set up different adjustment breaks for different units of measure. • Weight: The system uses the weight of the line to retrieve the proper adjustment level break. • Amount: The system uses the extended amount of the sales detail line to retrieve the proper adjustment level break. When Currency Conversion is turned on, all amount level breaks are stored and displayed based on the floating decimals of the currency code. For WorldSoftware, valid codes are: 1 Quantity 2 Weight 3 Amount For OneWorld, turn on one of the following options: • Quantity Level Break • Weight Level Break • Amount Level Break
Adjustment Level	Specifies the level at which the adjustment is calculated: 1 Line Level: The system calculates the adjustment based on information in the sales detail line. 2 Basket Level: The system lets you group multiple sales detail lines and calculate the adjustment based on information accumulated from all the lines. You group items by Basket Pricing Group (RPRC) in Item Branch Information (F4102). 3 Order Level: The system lets you group sales order lines from the same order and calculate the adjustment based on information accumulated from all the lines. You group items by Order Pricing Group (ORPR) in Item Branch Information. P Trip level: The system calculates delivery pricing during delivery document printing if that option is chosen. You must specify “P” for trip-based pricing to work. If you are defining a repricing adjustment, leave the Item Group, Customer Group, and Sales Group fields blank.
Rebate Beneficiary	A code (system 40/type RA) that identifies the beneficiary of a rebate. The party you identify here becomes the recipient of the credit order you create when a customer reaches a rebate threshold. The customer and the beneficiary may or may not be the same address. The beneficiary becomes the Sold To Address of the create order.

Field	Explanation
Rebate Type	A code (43/RT) that indicates whether the rebate is a percentage of the quantity purchased or a fixed currency amount.
Threshold	A quantity that the system compares against accumulated sales volume to determine if a rebate should be awarded. You can define thresholds as quantities, weights, or sales amounts. Use the Level Break Type field in the adjustment definition to define the type of threshold.
Rebate Factor	A value you enter to indicate how you want to calculate the rebate amount. The code you enter in the Rebate Type field controls how the rebate is applied. For example, you could award a fixed amount or you could calcualte a percentage of accumulated sales.
Reset	A code that identifies how to handle future sales when a customer reaches a rebate threshold. Valid codes are: 1 Yes, reset sales history totals (F4078) and rebate paid to date to zero when you create a credit order for the given customer/rebate total. 0 No, do not reset sales history totals and rebate paid when you create a credit order, but leave them at their current values.

Reviewing Rebate Information

From Sales Order Management (G42), choose Price Management. From Price Management (G4222), choose Advanced Price and Adjustments. From Advanced Price and Adjustments (G42311), choose Print Rebate History Register.

You may retrieve rebate history for each customer. This provides you a tracking system for both past rebates and the current status or orders that qualify for rebates. The Volume History Register report lists customers and their sales that qualify for rebates.

Working with Repricing

You can set up adjustments to reprice sales orders. You reprice sales orders:

- To allow additional discounts or markups on groups of items
- To give different pricing to special items or customers
- To give global discounts based on the total quantity, weight, or amount of items within a product family

You set up repricing based on the amount of the order, weight of the items, or the total quantity of all items ordered. In the definition for each adjustment, you must specify whether you want to use the adjustment for basket or order repricing. To reprice an order line that has already been repriced, you set the processing option of the reprice program to allow order-detail lines to be repriced repeatedly.

Working with repricing includes the following tasks:

- ❑ Create basket-level adjustments
- ❑ Create order-level adjustments
- ❑ Reprice sales orders

You can only use reprice adjustments for sales orders. If you use Advanced Pricing for Procurement, you can not reprice purchase order adjustments.

Creating Basket-Level Adjustments

Basket repricing changes the price for items that belong to the same repricing group. The system searches the detail lines of a sales order to determine the items in a basket group. When it finds items that belong to the group, it updates the order line with the new price.

You reprice sales orders:

- Through a batch program after order entry. The system bases new prices on the price in the original sales order detail line. It performs basket repricing first and then order repricing.
- Interactively during order entry by choosing the appropriate option from Sales Order Entry Detail. The batch program performs basket repricing first and then order repricing.

- Automatically at order entry when you set up processing option of the Sales Order Entry Detail program.

When you enter an order for items included in the basket repricing group, the system applies the item base price with adjustments. To use the reprice adjustment, select the appropriate function to reprice the order. Changes to the base price reflect your repricing adjustment.

Example: Creating Basket-Level Adjustments

For example, you enter an order for the following items. Each item belongs to a basket group.

	Item Name	Unit Price	Group Name
Line 1	PEN	10.00	SUPPLIES
Line 2	RULER	2.00	SUPPLIES
Line 3	ERASER	1.00	SUPPLIES

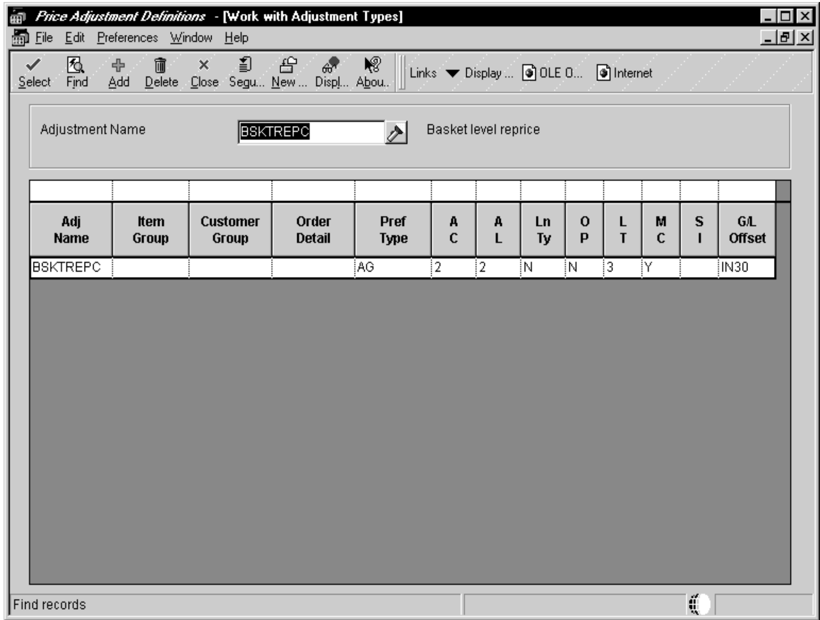
The system determines that the basket group SUPPLIES is eligible for a discount of 0.25 per item. It calculates the new prices:

	Item Name	Unit Price	Group Name
Line 1	PEN	9.75	SUPPLIES
Line 2	RULER	1.75	SUPPLIES
Line 3	ERASER	0.75	SUPPLIES

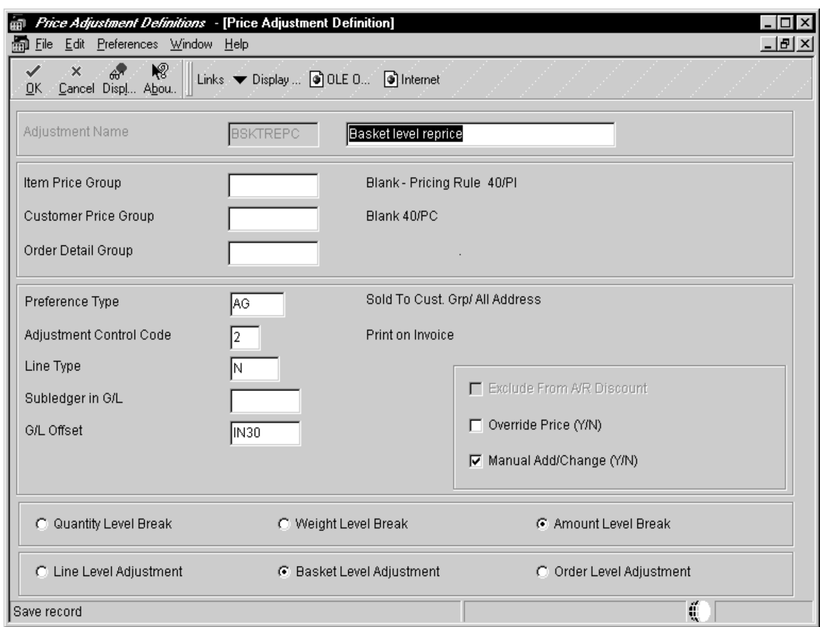
▶ **To create basket-level adjustments**

From Price Management (G4222), choose Advanced Price and Adjustments. From Advanced Price and Adjustments (G42311), choose Price Adjustment Definitions.

On Work with Adjustment Types



1. Click Add.



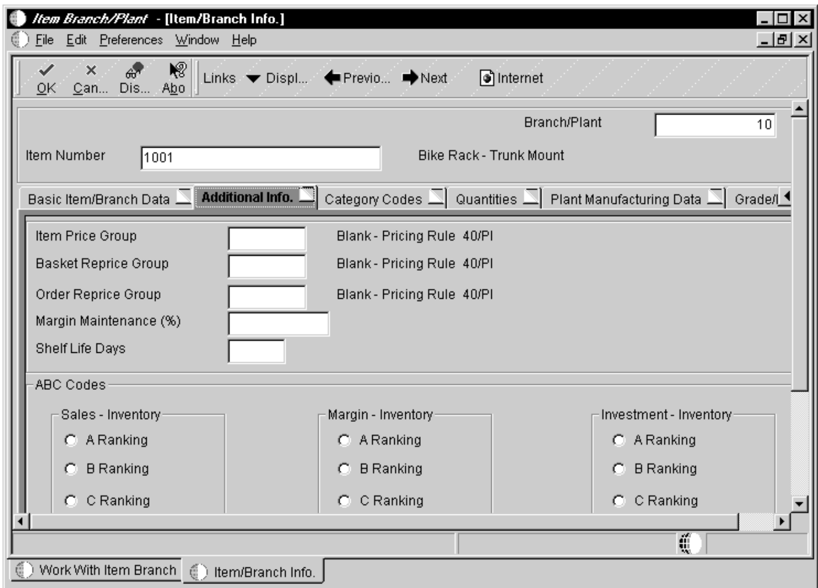
2. On Price Adjustment Definition, complete the fields for a typical adjustment definition.

   You must specify a Preference Type in the Adjustment Definition form. The preference type must have a preference hierarchy that includes item groups.

3. Complete the following field with a code of 1 or 2:

   - Adjustment Control Code

4. Choose the following option:
   - Basket Level Adjustment
5. Click OK.
6. To attach the item, access the Work with Item Branch form from Inventory Master/Transactions (G4111).
7. On Work with Item Branch, click Find.
8. Choose the item and click Select.



9. On Item/Branch Information, click the Additional Information tab and complete the following field:
   - Basket Reprice Group
10. Click OK.
11. On Item Branch Revisions, click OK to attach the item to the basket level adjustment.

Field	Explanation
Preference Type	A user defined code (system 40/type PR) that identifies a preference type or a price adjustment hierarchy. When you review the fold area of user defined code table 40/PR, a 1 in the first space of the Special Handling Code field identifies a preference that J.D. Edwards supports. This field is hard coded for each preference.

Field	Explanation
Adjustment Control Code	A code that specifies how the adjustment appears on the invoice and whether you want the system to create a separate line in the Sales Order Detail table (F4211). Valid values are: 1 The system adds the adjustment amount into the unit price and records the adjustment detail to the Price Adjustment History table (F4074). The system does not print the adjustment on the invoice. 2 The system adds the adjustment amount to the unit price and records the adjustment detail to the Price Adjustment History table (F4074). It prints the adjustment on the invoice. 3 The system creates a separate detail line in the Sales Order Detail table. It does not add the adjustment into the unit price or record it to the history table. The system does not include this type of adjustment when it calculates the current net price. 4 The system records the adjustment to history and posts it to the general ledger during a sales update. It does not add the adjustment into the unit price or print it on the invoice. Use Control Code 4 to create an accrual adjustment. 5 The system records the adjustment to history and posts it to the general ledger during a sales update. The system also accumulates each order line's quantity, weight, and amount to rebate history (F4078). It does not add the adjustment into the unit price or print it on the invoice. Use Control Code 5 to create a rebate adjustment. . . . . *Form-specific information* . . . . For OneWorld: 3 The system supports Adjustment Control Code 3 only for order-level adjustments. 5 Code 5 is not supported in OneWorld. If you use adjustment control 3, the Adjustment Line Type must have an inventory interface value of N. 6 The system processes the adjustment amount and the unit price separately during sales update. The amounts are recorded separately as G/L and A/R entries. It prints the adjustment on the invoice.

Field	Explanation
Basket Level Adjustment	Specifies the level at which the adjustment is calculated: 1 Line Level: The system calculates the adjustment based on information in the sales detail line. 2 Basket Level: The system lets you group multiple sales detail lines and calculate the adjustment based on information accumulated from all the lines. You group items by Basket Pricing Group (RPRC) in Item Branch Information (F4102). 3 Order Level: The system lets you group sales order lines from the same order and calculate the adjustment based on information accumulated from all the lines. You group items by Order Pricing Group (ORPR) in Item Branch Information. P Trip level: The system calculates delivery pricing during delivery document printing if that option is chosen. You must specify “P” for trip-based pricing to work. If you are defining a repricing adjustment, leave the Item Group, Customer Group, and Sales Group fields blank.

Creating Order-Level Adjustments

You use order repricing to reprice items based on order groups. The system uses information in each detail line of an order to determine items in an order group. For items that belong to the group, the system creates an adjustment for the order as a whole and writes a new order detail line with the amount of the adjustment.

Order-level repricing is often used to add a line for freight costs. The weight, number, or some other variable of the entered items determines the amount of the additional line item. The added line adds freight costs.

When you enter an order for items included in the order repricing group, the system applies the item base price with adjustments. To use the reprice adjustment, select the Reprice Order option from the Form menu. Changes to the base price reflect your repricing adjustment. You can also apply the line item to order groups.

Example: Creating Order–Level Adjustments

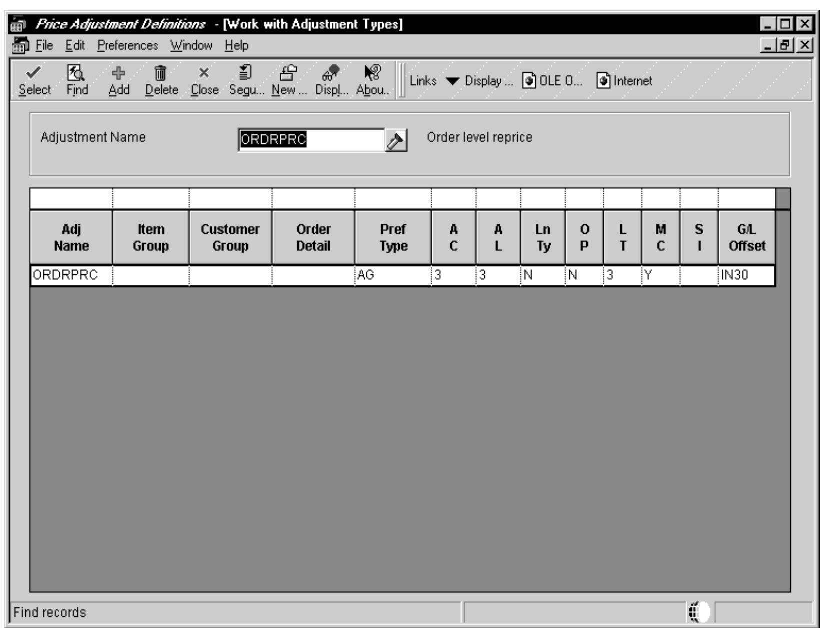
When you apply the line item to an order group, you enter an order using the same items as in the basket repricing example. The items all belong to an order repricing group called SUPPLIES. The system determines that the group SUPPLIES is eligible for a discount of 0.25. It does not recalculate prices but adds a new line to the order to reflect the order discount.

	Item Name	**Unit Price**	**Group Name**
Line 1	PEN	10.00	SUPPLIES
Line 2	RULER	2.00	SUPPLIES
Line 3	ERASER	1.00	SUPPLIES
Line 4	Discount	<0.25>	

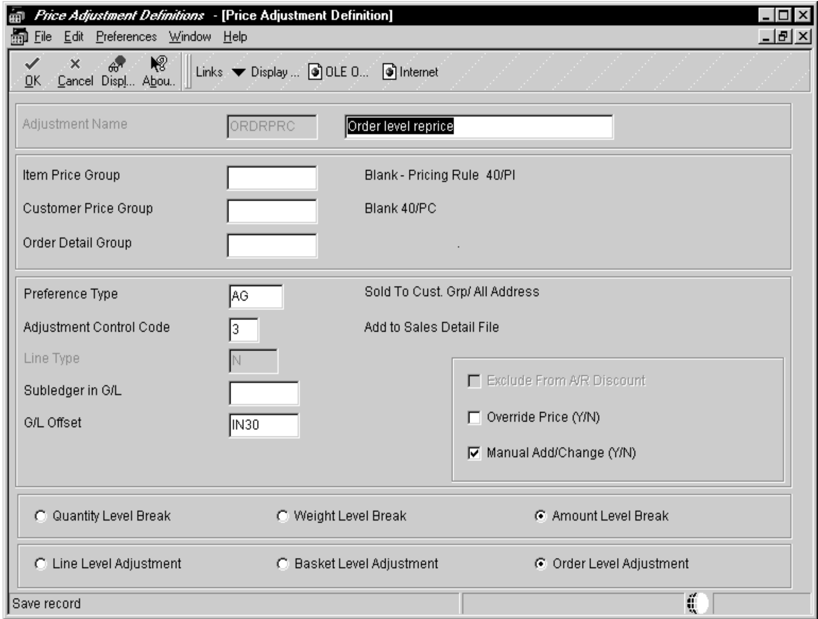
▶ To create an order-level adjustment

From Price Management (G4222), choose Advanced Price and Adjustments. From Advanced Price and Adjustments (G42311), choose Price Adjustment Definitions.

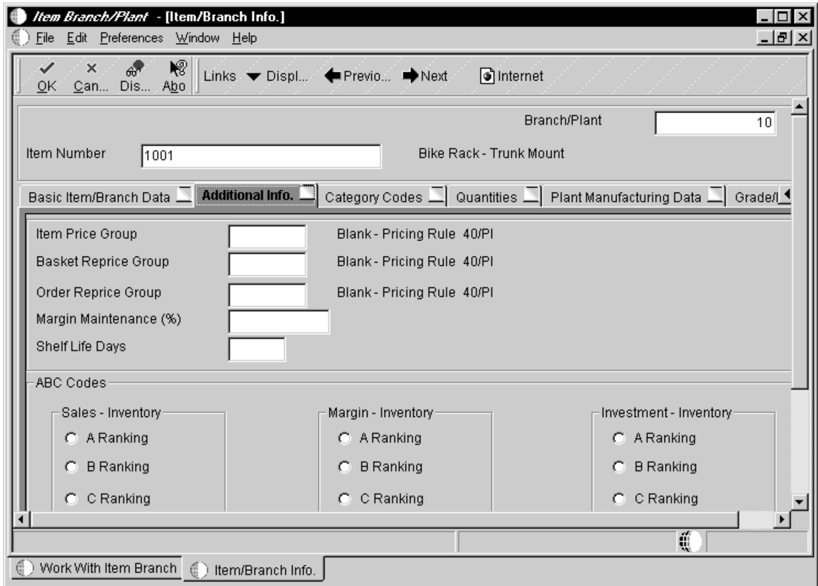
On Work with Adjustment Types



1. Click Add.



2. On Price Adjustment Definition, complete the fields for a typical adjustment definition:
3. Enter code 3 in the following field:
   - Adjustment Control Code
4. Choose the following option:
   - Order Level Adjustment
5. Click OK.
6. To attach the item, access the Work with Item Branch form from Inventory Master/Transactions (G4111).
7. Choose the item and click Select.
8. On Item Branch Information, choose Additional Information from the Row menu.



9. On Item/Branch Information, click the Additional Information tab and complete the following field:
   - Order Reprice Group
10. Click OK.

Repricing Sales Orders

You can provide a discount for your customer by repricing sales orders. You can reprice the order using one of three methods:

- Reprice after inquiring on an order
- Reprice at basket or order level
- Reprice automatically

Reprice After Inquiring on Order

After accepting the order and re-inquiring on the order, click Form and then Reprice Order.

Reprice at Basket or Order Level

Run the Advanced Order/Basket Reprice program from the Advanced Price and Adjustments (G42311) menu.

Reprice Automatically

Reprice automatically after the order is accepted. Set the processing option at sales order entry level.

Adjustment Revisions

Adjustment Revisions

Adjustment revisions allow you to make additional adjustments and to revise adjustments to purchase and sales order adjustments.

Complete the following tasks for adjustment revisions:

- ❑ Review and change prices during order entry
- ❑ Review price and adjustment changes

Before You Begin

- ❑ Set up a sales order that contains price adjustments.

Reviewing and Changing Prices During Order Entry

Pricing and availability of inventory items is crucial for placing a sales order. Use the Work with Price and Availability form to review pricing and availability of inventory items. Using this form, you can quickly review the price adjustments the system applied to an order line for a specific item.

You can also review the quantity breaks defined for an adjustment type or specify a different quantity break for the current order. To access Adjustment Quantity Break during sales order entry, the form must be accessed through the Work with Price and Availability form.

You can access the Work with Price and Availability form from the Sales Order Entry form or from the Sales Order Management menu. If you use Advanced Pricing. you must enter a version of Advanced Check Price and Availability (P4074) in the processing options.

Reviewing and changing price adjustments includes the following tasks:

- ❑ Adding adjustments during order entry
- ❑ Changing price-level breaks during order entry
- ❑ Reviewing customer rebate information

When making a change, you must also enter a code to provide a reason for the change.

Using Advanced Pricing for Procurement

For purchase orders, you can use Check Price and Availability to check price adjustments before entering a purchasing order. Use the Work with Price and Availability form to review pricing of inventory items. Using this form, you can quickly review the price adjustments the system applied to an order line for a specific item.

You can also review the quantity breaks defined for an adjustment type or specify a different quantity break for the current order. To access Adjustment Quantity Break during purchase order entry, the form must be accessed through the Work with Price and Availability form.

You can access the Work with Price and Availability form from the Purchase Order Entry form or from the Purchasing Inquiries menu.

Before You Begin

- ❑ Set the Advanced field to yes in the Pricing Constants form.
- ❑ Set processing options to allow price changes.
- ❑ Set processing options so prices appear.

Adding Adjustments during Order Entry

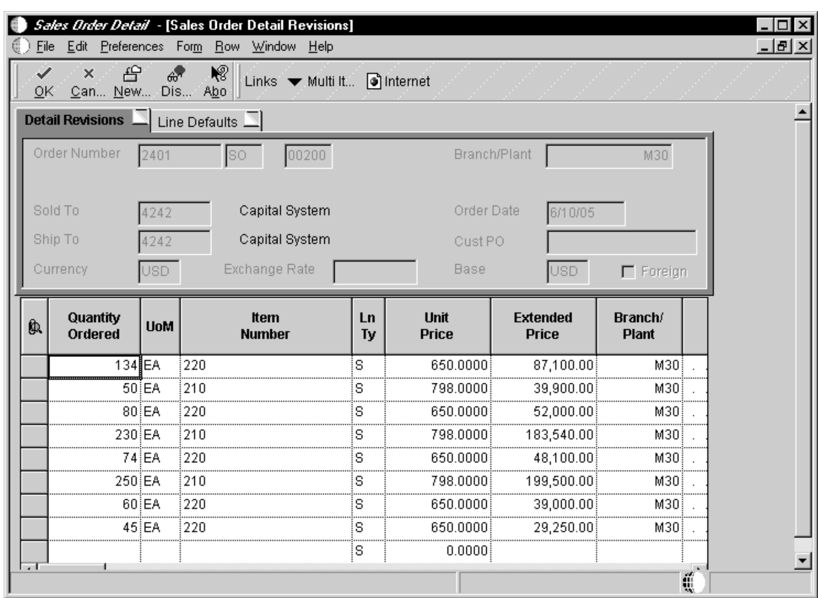
You can add an adjustment that applies to the current order detail line. You might do this in response to a negotiated discount and you can create a manual adjustment for any amount.

▶ To add adjustments during order entry

From Sales Order Management (G42), choose Sales Order Processing. From Sales Order Processing (G4211), choose Sales Order Detail.

On Customer Service Inquiry

1. Locate the order you want to receive the price adjustment and then choose Select.
2. From the Row menu, choose Order, then choose SO Detail Revisions.



3. On Sales Order Detail Revisions, choose Price History from the Row menu.

4. On Check Price and Availability, review the adjustment information.
5. Choose Insert Adjustment from the Row menu to set up an adjustment that applies to this order.
6. Complete the following fields:
   - Seq No.
   - Adj Name
   - Factor Value Numeric
   - Unit Price
   - B C
   - Reason Code
7. Click OK.

Changing Price-Level Breaks During Order Entry

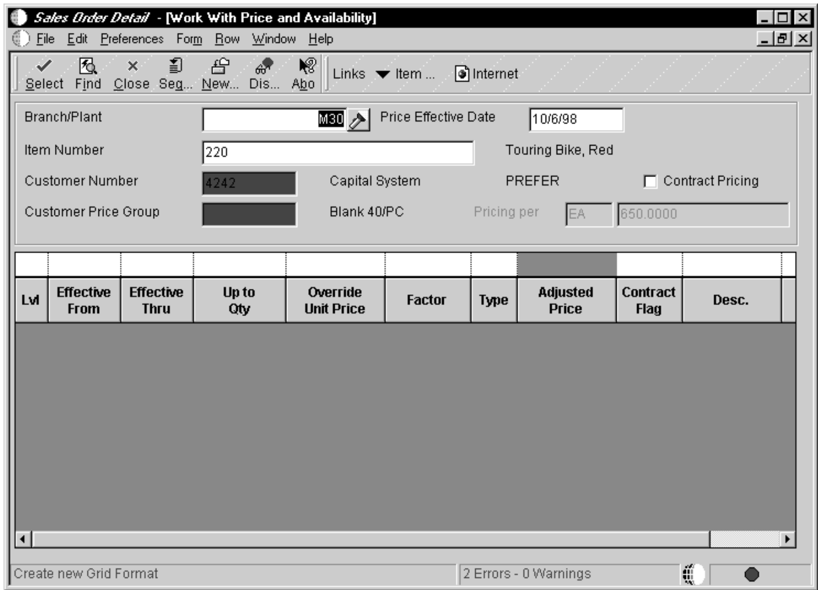
During sales order entry, you can change the level of discount a customer receives for an order. The price-level change applies only to the price level for individual adjustments for the current order.

▶ To change price level breaks during order entry

From Sales Order Management (G42), choose Sales Order Processing. From Sales Order Processing (G4211), choose Sales Order Detail.

On Customer Service Inquiry

1. Locate the order you want to receive the price adjustment and choose Select.
2. On Sales Order Detail Revisions, choose Check Price from the Row menu.



3. On Work with Price and Availability, review and edit the adjustment information.
4. Choose Quantity Break from the Row menu to enter new price-level information.
5. Click OK.

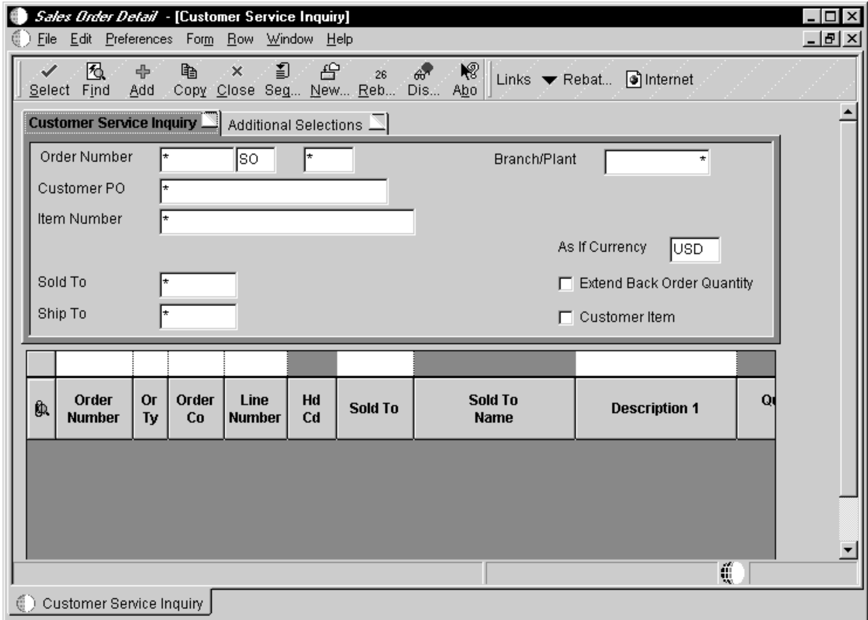
Reviewing Customer Rebate Information

Based on your rebate accrual adjustment definition, the system calculates rebates based on the total amount, quantity, or weight of multiple orders, which accumulate to a volume history file. During order entry, you can access the volume history file to provide additional information to your customer.

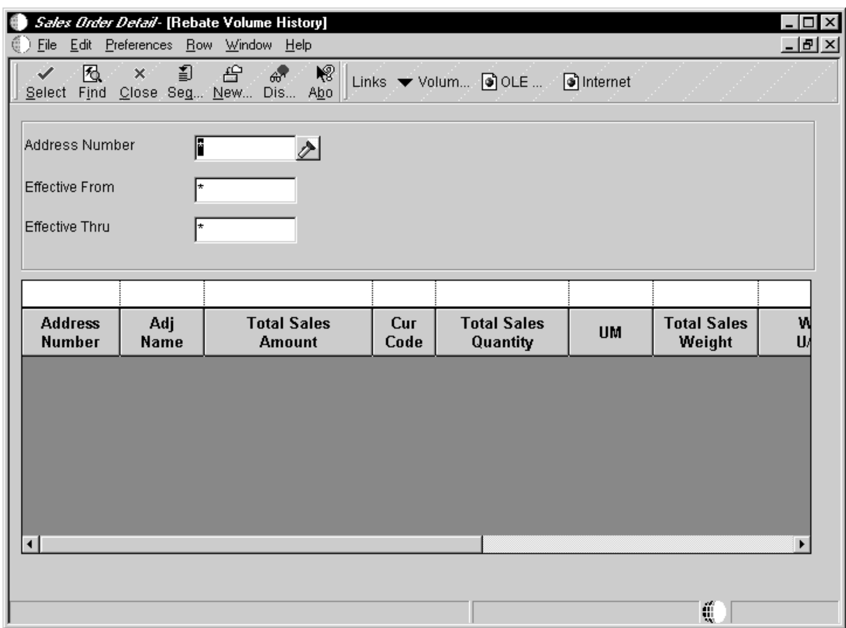
▶ To review customer rebate information

From Sales Order Management (G42), choose Sales Order Processing. From Sales Order Processing (G4211), choose Sales Order Detail.

On Customer Service Inquiry



1. Complete the search fields to locate the order or click Find.
2. From the Form menu, choose Rebate History.



3. On Rebate Volume History, complete the following fields or click Find:
   - Address Number
   - Effective Date
4. Choose the row and click Select.

5. On Volume History by Sales Details, review the rebate history for the Sold To address.
6. Click OK.
7. On Rebate Volume History, choose the row, and then choose Thresholds from the Row menu to review thresholds and factor values for the adjustment.

Reviewing Price and Adjustment Changes

From Sales Order Management (G42), choose Price Management. From Price Management (G4222), choose Advanced Price and Adjustments. From Advanced Price and Adjustments (G42311), choose Price and Adjustment Revision.

You can review price and adjustment changes by using the Price and Adjustment Revisions program for the following tasks:

- ❑ Printing the Price Adjustment Report
- ❑ Printing the Price Adjustment Revisions Report
- ❑ Printing the Future Adjustment Additions Report
- ❑ Reviewing Orders Affected by Price Change

The reports list all adjustments and the changes made to the adjustments. The reports also include any new adjustments, their effective dates, and new factor values.

Note that when running the adjustment reports, you must include the unit of measure field in data selection so that the update or addition adjustment value is applied consistently.

You can run the Price and Adjustments Revisions program in proof or in final mode. Run the program in proof mode to review the report and make changes before you run the program in final mode. You can run this program in proof mode as many times as necessary.

When you set up the version of the Price and Adjustments Revisions program, you can choose fields that the system should select from the ”based-on” table. Choosing specific fields is especially helpful if you do not want to print or update all of the information.

You can also print the Orders Affected by Price Change integrity report to review orders that could potentially be changed by changes to adjustments.

Printing the Price Adjustment Report

When you run the price adjustments report program, the system prints only existing adjustments for each record that it selects. It does not make changes or updates. To run this version, leave all processing options blank.

See Also

- *R41840, Batch Price and Adjustment,* in the *Reports Guide* for a report sample.

Printing the Price Adjustment Revisions Report

You can make individual changes to adjustments using the Price and Adjustment Schedule form. Alternately, you can change adjustments or add adjustments using the Price and Adjustment Revisions program. The system bases new adjustments on the current adjustment selected by the report writer.

You choose the Price Adjustments Revisions version of this report. You can run this version in proof or final mode.

When you run this program, the system prints a report that shows the old and new factor values for each adjustment. You create this version by entering an adjustment factor and setting up processing options.

Printing the Future Adjustments Additions Report

To create new adjustments, you choose the Future Adjustments Additions version, where the system writes new adjustment records to the Price Adjustments table. You create this version by entering the effective dates of the new adjustments in the processing options.

The system bases new adjustments on the existing adjustment with the most recent expiration date. It assumes that the adjustments you want to create will be effective on a future date. To avoid possible problems, do not create adjustments for past dates. Do not change the sequencing for versions that create new adjustments. Changing sequencing causes the system to use the incorrect record.

You can change the new adjustment before the system writes it to the table. To do this, enter the adjustment type and factor in the processing options. The system uses this information to change the new adjustment.

If you leave the adjustment type and factor blank, the system copies the adjustments from the current adjustment. It does not create a new adjustment. You must specify a “from” and a “through” date or the system does not process the information.

Proof mode prints a listing of the additions that occur if you process these adjustments. Final mode lists the additions made when you select final.

Reviewing Orders Affected by Price Change

The Orders Affected by Price Change integrity report lists the orders that could potentially change based on changes to adjustments, variables, or formulas since the date the orders were created.

Print the Orders Affected by Price Change for sales orders only.

See Also

- *R40823, Orders Affected by Price Change,* in the *Reports Guide* for a report sample.

Processing Options for Orders Affected by Price Change

```
Process

1. Enter the date range of Price
    Adjustment changes that are to be
    processed in the report. Blank will
    default the System Date.

            Start Date                    ____________
            End Date                      ____________
      2. Enter the new Price Effective    ____________
      Date to be used to retrieve the
      new adjustments. If left blank,
      the existing Price Effective Date
      of the Sales Order line will be
      used.
      3.  Enter a value of ’1’ to update  ____________
      price.  Any other value will cause
      the report (R42950) not to run.
      4.  If you have entered a ’1’ for   ____________
      the previous selection, please
      enter the version.  Sales Price/
      Cost Update Version (R42950).
```

Glossary

Glossary

AAI. See automatic accounting instruction.

ABC classification. Classification of a group of items in decreasing order of annual dollar volume (price multiplied by projected volume) or other criteria. The A group usually represents 10% or 20% of items in inventory, but 50% to 70% of dollar volume. The B group usually represents approximately 20% of items and 20% of dollar volume. The C group usually represents 60% to 70% of the items and approximately 10% to 30% of the volume.

account site. In the invoice process, the address to which invoices are mailed. Invoices may go to a different location or account site, than the statement.

account status. The state or condition of a customer's accounts receivable transaction account.

Accounts Payable (A/P). The value of goods and services acquired for which payment has not yet been made.

Accounts Receivable (A/R). The value of goods shipped or services rendered to a customer on which payment has not yet been received.

acknowledgement. The acceptance of an order by the supplier or customer. 1) In Procurement, a communication by a customer to advise a purchaser that a purchase order has been received. 2) In Sales, a communications to the customer to advise that an order has been shipped.

activity. 1) Work performed within an organization. 2) In Enterprise–wide Profitability Solution, an aggregation of actions performed within an organization that is used in activity-based costing.

activity driver. A measure of the frequency and intensity of the demands placed on activities by cost objects. An activity driver is used to assign costs to cost objects. It represents a line item on the bill of activities for a product or customer. An example is the number of part numbers, which is used to measure the consumption of material-related activities by each product, material type, or component. The number of customer orders measures the consumption of order-entry activities by each customer. Sometimes an activity driver is used as an indicator of the output of an activity, such as the number of purchase orders prepared by the purchasing activity. See cost object.

activity–based costing. A methodology that measures the cost and performance of activities, resources, and cost objects. Resources are assigned to activities, then activities are assigned to cost objects based on the their use. Activity-based costing recognizes the causal relationship of cost drivers to activities.

adjustment. A set of information that describes a pricing plan or promotion.

adjustment definition. A record that describes the characteristics of a special pricing situation, such as a pricing plan or promotion.

adjustment details. Rules that provide the parameters for calculating price adjustments and allow you to define special processing such as free goods, pricing formulas, and variable tables.

adjustment schedule. A list that contains one or more price adjustment types for which a customer or an item might be eligible.

aging schedule. A date schedule used to determine whether a payment is delinquent and the number of days the payment is delinquent.

aisle. In a warehouse, the space used to accommodate the movement of people, material and equipment.

allocation. In Distribution, the classification or quantities of items that have been assigned to specific orders but have not yet been released from the stockroom.

allocation, cost. 1) An apportionment or distribution. 2) A process of assigning cost to an activity or cost object when a direct measure does not exist. For example, assigning the cost of power to a machine activity by means of machine hours is an allocation because machine hours are an indirect measure of power consumption. In some cases, allocations can be converted to tracings by incurring additional measurement costs. Instead of using machine hours to allocate power consumption, for example, a company can place a power meter on machines to measure actual power consumption. See tracing.

allocation, product. The amount or proportion of a product allotted to a customer or customer group over a specific period of time. Product allocation lets you set a maximum ceiling on the amount of a product the customer can order. Contrast with sales targeting. See also allocation.

alphanumeric character. A combination of letters, numbers, and symbols used to represent data. Contrast with numeric character and special character.

alternate route. A substitute series of operations used in receipt routing.

application. In the computer industry, the same as an executable file. In OneWorld, an interactive or batch application is a DLL that contains programming for a set of related forms that can be run from a menu to perform a business task such as Accounts Payable and Sales Order Processing. Also known as system.

approval route. A person or series of people that authorize the purchase of items and services.

archive. To store historical data for possible future reference.

as of processing. A process that is run at a specific point in time to summarize item transactions.

assignment scheduling. The process of planning loads and assigning orders to active vehicles. Orders cannot be split and product must fit into available compartments. If an order is on hold for credit reasons, a vehicle cannot be assigned.

audit trail. The detailed, verifiable history of a processed transaction. The history consists of the original documents, transaction entries, and posting of records, and usually concludes with a report.

automatic accounting instruction (AAI). A code that refers to an account in the chart of accounts. AAIs define rules for programs that automatically generate journal entries, including interfaces between Accounts Payable, Accounts Receivable, Financial Reporting, General Accounting systems. Each system that interfaces with the General Accounting system has AAIs. For example, AAIs can direct the General Ledger Post program to post a debit to a specific expense account and a credit to a specific accounts payable account.

available-to-promise (ATP). The uncommitted portion of inventory and planned production used to support customer order promising. The ATP quantity might include on-hand inventory less customer orders that are due and overdue.

average cost. A calculated cost of all receipts at the actual cost for the period averaged with last period's average cost. Primarily used for setting the value of raw materials.

backorder. An unfulfilled customer order or commitment. The demand for an item when inventory is insufficient to satisfy the demand.

balance forward. The cumulative total of inventory transactions used in the Running Balance program. The system does not store this total. You must run this program each time you want to review the cumulative inventory transactions total.

bar code. A series of alternating lines and spaces printed on parts, containers, labels, that represent encoded information which is read by electronic readers.

base price. The company's beginning price for an item.

basket repricing. A rule for specifying how to calculate and display discounts for a sales order. Typically used for a group of items. Discounts can be calculated and displayed as either a separate sales order detail line by discount category, or the system can discount the price of each item on a line-by-line basis within the sales order.

batch control. The verification of the number of transactions and the total amount in each batch entered into the system.

batch header. The information that identifies and controls a batch of transactions or records.

batch input. A group of transactions loaded from an external source.

batch job. A task or group of tasks you submit for processing that the system treats as a single unit during processing, for example, printing reports and purging files. The computer system performs a batch job with little or no user interaction.

batch number. A system-assigned identification number for the accounting entries for a group of transactions.

batch processing. A method by which the system selects jobs from the job queue, processes them, and sends output to the outqueue. Contrast with interactive processing.

batch status. A code that indicates the posting status of a batch. For example, A indicates approved for posting, P indicates posting in-process, and D indicates posted.

batch type. A code assigned to a batch job that designates to which J.D. Edwards system the associated transactions pertain, thus controlling which records are selected for processing. For example, the Post General Journal program selects for posting only unposted transaction batches with a batch type of O.

beginning inventory. A statement of the inventory count at the end of the last period, most properly based upon a physical count. Sometimes referred to as inventory level.

bill of lading. The contract and receipt for goods that the carrier agrees to transport from one place to another and to deliver to a designated person. In case of loss, damage, or delay, the bill of lading is used for filing freight claims.

bill of material (BOM). A listing of all the subassemblies, parts, and raw materials that go into the assemble of the parent item, kit or configured item.

bill-to-address. In the invoice process, the address to which an invoice is mailed.

bin. A storage device or shelving unit designed with physical dividers separating storage locations.

blanket order. 1) In Sales, a long term agreement with a customer for materials against which short term releases will be generated to satisfy requirements. 2) In Procurement, a long term commitment to a supplier for materials against which short term releases will be generated to satisfy requirements.

blanket release. The authorization to ship and produce against a blanket order.

BOL. See bill of lading.

Boolean Logic Operand. In J.D. Edwards reporting programs, the parameter of the Relationship field. The Boolean logic operand instructs the system to compare certain records or parameters. Available options are:

EQ	Equal To
LT	Less Than
LE	Less Than or Equal To
GT	Greater Than
GE	Greater Than or Equal To
NE	Not Equal To
NL	Not Less Than
NG	Not Greater Than

branch/plant. An entity within a business for which you want to track items and costs. This might be a warehouse, job, or project. Sometimes referred to as a business unit.

branch/plant constants. A set of codes that allows you to customize the processing of transactions for each branch/plant.

budget. 1) A projected amount of cost or revenue for an activity or organizational unit covering a specific period of time. 2) Any plan for the coordination and control of resources and expenditures.

business unit. The basic unit of responsibility in an organization for which costs are accumulated.

cardex. The item ledger table (F4111). The table contains transaction history for each of the items in inventory.

carrying costs. The cost of holding, storing, insuring, controlling, and handling raw, intermediate, or finished inventory. Often expressed as a percentage of standard unit cost per year. Sometimes referred to as Inventory Holding.

category code. In user defined codes, a temporary title for an undefined category. For example, if you are adding a code that designates different sales regions, you could change category code 4 to Sales Region, and define E (East), W (West), N (North), and S (South) as the valid codes. Sometimes referred to as reporting codes.

change order. In J.D. Edwards, an addendum to the original purchase order that reflects changes in quantities, dates, or specifications in subcontract-based purchasing. A change order is typically accompanied by a formal notification. In J.D. Edwards, a change to a stock-based purchase order is known as Inventory Holding.

chart of accounts. The structure for general ledger accounts. It lists specific types of accounts, describes each account, and includes account numbers and posting edit codes.

commitment. The number of items that are reserved to fill demand.

consigned stock. Product that is owned by your company and held by another company. The stock might be stored in a consigned warehouse.

consolidated invoice. An invoice that contains multiple orders. The system does not summarize information on the consolidated invoice.

constants. Parameters or codes that you set and the system uses to standardize information processing by associated programs. Some examples of constants are: validating bills of material online and including fixed labor overhead in costing.

contract. See subcontract.

contract price. The price of a product is covered by a contractual agreement existing for a period of time between a buyer and seller. Contract prices protect buyers during a period of rising prices by limiting the price increases over the period of the contract.

core. The central and foundation systems of J.D. Edwards software, including General Accounting, Accounts Payable, Accounts Receivable, Address Book, Financial Reporting, Financial Modeling and Allocations, and Back Office.

cost accounting. The management discipline responsible for ascertaining product/process costs. See activity-based costing.

cost allocations. See allocation, cost.

cost assignment. The tracing or allocation of resources to activities or cost objects. See allocation and tracing.

cost center. See business unit.

cost driver. A factor that determines effort and work load required to perform an activity. An event or activity that incurs cost.

cost object. Any customer, product, service, contract, project, or other work unit for which a separate cost measurement is desired.

costing elements. The individual classes of added value or conversion costs. These are typically materials, such as raw and packaging, labor and machine costs, and overhead, such as fixed and variable. Each corporation defines the necessary detail of product costs by defining and tracking cost categories and sub-categories.

costs of goods sold (COGS). An accounting classification that is used for determining the amount of direct materials, labor, and allocated overhead that is associated with the products sold during a given period of time.

credit checking. The process of reviewing the credit worthiness of the organization. This typically entails a review of the organization's Accounts Receivable balance, including its size and its relative age, as well as the net equivalent balance of any loan or borrow arrangements. Credit checking may include a method of checking credit limits of the parent company (the company a product is sold to, that might be different from the company a product is shipped to).

credit memo. A negative amount used to correct a customers statement when they are overcharged.

credit message. A code used to display information about a customer's account status, such as Over Credit Limit.

credit order. An order used to reflect products or equipment that are received or returned. It may be viewed as a sales order with negative amounts. Credit orders might add the product back into inventory.

cumulative price. The price determined by some combination of these prices: internal list price, base price, contract price, and promotional price.

currency code. A code used to assign a country's monetary denomination to an amount, customer, supplier, bank account, company, or ledger type.

customer. An individual or organization receiving a product or service.

customer business line. Describes the nature of a companies work and can be used to control the relationship with that customer, including such things as product pricing.

customer ledger. The record of transactions for a particular customer.

customer payment. The payment your company receives from a customer for products and services.

customer pricing rules. In Procurement, the inventory pricing rules assigned to a supplier. In Sales, inventory pricing rules that are assigned to a customer.

cycle billing. A billing method where the customer receives an invoice on a specific date for all sales within a specified date range (invoicing is not done per delivery, but per sales period). For example, a customer may request that all sales between the first and the 15th of the month be invoiced on the

25th. When a invoice is not sent with the delivery, a delivery ticket is sent instead. Delivery tickets do not show prices or due dates. Also called periodic invoicing, invoice cycles. See also delivery ticket.

cycle counts. An audit technique where a particular part of the inventory is counted on a regular, predefined schedule rather than once a year.

data dictionary. A database table consisting of the definitions, structures, and guidelines for the usage of fields, messages, an help text. The data dictionary tables does not contain the actual data itself. Also known as a glossary.

data types. Supplemental information attached to a company or business unit. Narrative type contains free-form text. Code type contains values, such as dates or amounts.

database. A continuously updated collection of all information a system uses and stores. Databases make it possible to create, store, index, and cross-reference information online.

debit memo. A form, issued by a customer, requesting an adjustment of the amount owed to the supplier.

default. A code, number, or parameter value that is assumed when none is specified.

default variance location. A code that identifies the location that the system uses during putaway confirmation when you confirm a smaller quantity than the suggested quantity.

delivery date. The date the customer receives the product.

delivery notes. A document that accompanies a shipment and is used by delivery personnel to verify the items delivered.

delivery ticket. An itemized list of goods shipped that is sent with the product to the ship-to customer location. It is like an invoice except it may not have prices or due dates listed. Invoices may go to a different address than the product. Delivery tickets are used when the customer does not want prices shown, when the customer wants to pay against a periodic invoice, or when the product quantity is not known until after delivery. Several delivery tickets can roll up into a single invoice, with either separate line items or aggregate amounts shown.

detail. The specific pieces of information and data that make up a record or transaction. Contrast with summary.

detail information. Information that primarily relates to individual lines in a sales or purchase order.

direct cost. A cost that is traced directly to an activity or a cost object. For example, the material issued to a particular work order and the engineering time devoted to a specific product are direct costs to the work orders or products. See tracing.

direct ship orders. A purchase order issued to a third-party supplier that designates the destination as the customer. A direct ship sales order is also created for the customer. Direct ship orders occur when a product is not available from a company-owned or company-operated source, so the system creates an order to ship the product from a third-party source directly to the customer. Also known as drop ship, back-to-back ship, third-party supply.

discount. An allowance or deduction granted by the seller to the buyer. A quantity discount is an allowance determined by the quantity or value of the purchase. A cash discount is an allowance extended to encourage payment of an invoice on or before a stated date. A trade discount is a deduction from an established price for items or services made by the seller to those engaged in certain businesses.

display field. A field of information on a form that contains a system-provided code or parameter that you cannot change. Contrast with input field.

display sequence. A number that the system uses to reorder a group of records on the form.

disposition. A process of removing an item from a receipt route. Items might be removed because they are returned, scrapped, rejected, reworked, or adjusted.

document number. A number that identifies the original document, such as voucher, invoice, unapplied cash, journal entry, and so on.

document type. A code that identifies the origin and purpose of the transaction. For example, a sales order is SO and purchase order is OP.

drop ship. See direct ship orders.

EDI. A method of transferring business documents, such as purchase orders, invoices, and shipping notices, between computers of independent organizations electronically. Also know as Electronic Data Interchange.

effective date. The date upon which an address, item, transaction, or table becomes effective. Examples include the date a change in address becomes effective or the date a tax rate becomes effective.

ending inventory. A statement that shows on-hand quantities at the end of a period. Ending inventory is often verified by a physical inventory.

exit. 1) To interrupt or leave a computer program by pressing a specific key or a sequence of keys. 2) An option or function key displayed on a form that allows you to access another form.

facility. 1) A separate entity within a business for which you want to track costs. For example, a facility might be a warehouse location, job, project, work center, or branch/plant. Sometimes referred to as a business unit.

field. 1) An area on a form that represents a particular type of information, such as name, document type, or amount. See input field and display field. 2) A defined area within a record that contains a specific piece of information. For example, a supplier record consists of the fields Supplier Name, Address, and Telephone Number.

FIFO (first in, first out). A method of inventory valuation for accounting purposes. The assumption is that the oldest inventory, first in, is the first to be used, first out.

file. 1) In AS/400 environments, a collection of related data records organized for a specific use and electronically stored by the computer. Also known as file. 2) In database environments, a two-dimensional entity made up of rows and columns. All physical data in a database are stored in tables.

finished goods. Products ready for sale. Also used as an accounting classification of inventory for valuation and reporting – SYN. end item.

fiscal year. A company's accounting year. Retained earnings are generally calculated at the end of a fiscal year. A fiscal year can be different than a calendar year. For example, a fiscal year may be the period October 1 through September 30.

fixed costs. A cost element of an activity that does not vary with changes in the volume of cost drivers or activity drivers. The depreciation of a machine, for example, may not be direct to a particular activity, but it is fixed with respect to changes in the number of units of the activity driver. The designation of a cost element as fixed or variable may vary depending on the time frame of the decision in question and the extent to which the volume of production, activity drivers, or cost drivers changes.

flash message. A user defined code that describes the credit status of a customer. Examples include over credit limit, COD only, bad credit risk, and requires a purchase order.

flexible account numbers. In Distribution, the format of account numbers for journal entries. The format you set up must be the three segments that consist of business unit, object, and subsidiary.

Freight (charge). Costs incurred for the transportation of product between two points, as well as any charges for related services.

future commitment. The quantity of items on order whose requested shipment date is beyond the standard commitment period specified in the branch/plant constants for that branch.

G/L offset. 1) In J.D. Edwards, the G/L offset account used by the post program to compensate for the voucher expense or invoice revenue entered as a one-sided entry during voucher or invoice entry. This can be an A/P or A/R trade account. 2) A G/L offset code representing a method to locate an account used by the post program to create automatic accounting entries.

general ledger. A ledger that contains all the accounts needed to prepare an income statement and a balance sheet.

grade. Labeling items to identify particular composition and to separate one lot from other lots of the same item.

GTS. Goods and services tax. A tax assessed in Canada.

hard commitment. The number of items reserved for an order from a specific location and lot.

header. Information at the beginning of a table or form. This information is used to identify or provide control information for the group of records that follows.

header information. In J.D. Edwards, information that pertains to the entire order.

hidden selections. Menu selections you cannot see until you enter HS in a menu's Selection field. Although you cannot see these selections, they are available from any menu. They include such items as Display Submitted Jobs (33), Display User Job Queue (42), and Display User Print Queue (43). The Hidden Selections window displays three categories of selections: user tools, operator tools, and programmer tools.

holding costs. See carrying costs.

incremental costs. 1) The cost associated with increasing the output of an activity or project above some base level. 2) The additional cost associated with selecting one economic or business alternative over another, such as the difference between working overtime or subcontracting the work. 3) The cost associated with increasing the quantity of a cost driver. Also known as differential cost.

indirect costs. The cost allocated to an activity or a cost object. These are costs that are not directly incurred by a particular job or operation. For example, the costs of supervision or heat may be allocated to an activity on the basis of direct labor hours.

input. Information you enter in the input fields on a form or that the computer enters from other programs, then edits and stores in tables.

input field. An area on a form, distinguished by underscores (_ _), where you type data, values, or characters. A field represents a specific type of information, such as name, document type, or amount. Contrast with display field.

inspection. The process of measuring, examining, testing, or gauging one or more characteristics of a product or service and comparing the results with specified requirements to determine whether conformity is achieved for each characteristic.

integrity test. A process used to supplement a company's internal balancing procedures by locating and reporting balancing problems and data inconsistencies.

interactive processing. Processing actions that occur in response to commands you enter directly into the system. During interactive processing, you are in direct communication with the system, and it might prompt you for additional information while processing your request. See also online. Contrast with batch processing.

interbranch sales order. A sales order used for transactions between branch/plants other than the selling branch/plant.

interbranch transfer order. An order used to ship inventory between branch/plants within your company and to maintain an accurate on-hand inventory amount. An interbranch transfer order creates a purchase order for the shipping location and a sales order for the receiving location.

interface. A link between two or more computer systems that allows these systems to send information to and receive information from one another.

invalid account. A G/L account that has not been set up in the Account Master table (F0901).

inventory pricing rules. A discount method that is used for purchases from suppliers and sales to customers. The method is based on effectivity dates, up to quantities, and a factor by which you can mark up or discount the price or cost.

inventory turn. The number of times that the inventory cycles, or turns over, during the year. A frequently used method to compute inventory turnover is to divide the annual costs of sales by the average inventory level.

invoice. An itemized list of goods shipped or services rendered, stating quantities, prices, fees, shipping charges, and so forth. Companies often have their invoices mailed to a different address than where they ship products. In such cases, the bill-to address differs from the ship-to address.

invoice cycles. See cycle billing.

invoice match. A receipt application method where the receipt is verified against specific invoices. A discount can be allowed or disallowed using invoice match.

ISO 9000. A series of standards established by the International Organization for Standardization, designed as a measure of product and service quality.

issue. To remove items from inventory.

item availability. The on-hand inventory balance minus allocations, backorders, and quantities withheld for quality problems.

job queue. A group of jobs waiting to be batch processed. See also batch processing.

job queue. A form that lists the batch jobs you and others have told the computer to process. When the computer completes a job, the system removes the job's identifier from the list.

journal entries. Business transactions that are stated in terms of equal debits and credits to accounts in the chart of accounts. Most journal entries are based on source documents such as vouchers or invoices.

kits. In J.D. Edwards, the group of items associated with a parent item in the bill of materials.

language preference. An address book code used to specify a language to use when displaying information.

latitude. In J.D. Edwards, the X coordinate of a location of an item in the warehouse. The system can use latitude, longitude, and height when suggesting locations for putaway and picking.

lead time. A span of time required to perform a process or series of operations. For example, the time from the receipt of an order to the delivery of the product.

leading zeros. A series of zeros that certain facilities in J.D. Edwards systems place in front of a value you enter. This normally occurs when you enter a value that is smaller than the specified length of the field. For example, if you enter 4567 in a field that accommodates eight numbers, the facility places four zeros in front of the four numbers you enter. The result appears as: 00004567.

ledger type. The type of transactions recorded in a particular ledger. For example, all transactions are recorded in the AA (actual amounts) ledger type in their domestic currency. The same transactions may also be stored in the CA (foreign currency) ledger type.

level of detail. 1) The degree of difficulty of a menu in J.D. Edwards software. The levels of detail for menus are as follows:

A	Major Product Directories.
B	Product Groups.
1	Basic Operations
2	Intermediate Operations
3	Advanced Operations
4	Computer Operations
5	Programmers
6	Advanced Programmers (Also known as menu levels)

2) The degree to which account information in the General Accounting system is summarized. The highest level of detail is 1 (least detailed) and the lowest level of detail is 9 (most detailed).

level of detail. 1) Identifies the relationship of parent and subordinate accounts in a hierarchy in the chart of accounts. Nine levels are available, with level one being the least detailed and level nine being the most detailed. 2) For locations, level of detail summarizes or classifies locations and provides a hierarchy of locations.

LIFO (last in, first out). Method of inventory valuation for accounting purposes. The most recently received, last in, is the first to be used or sold, first out. See also FIFO.

line item. See order detail line.

location. 1) A value that identifies the storage placement of goods in a warehouse or yard. 2) A value that defines where items are in a process flow, for example, the staging, inspecting, or receiving areas. Sometimes referred to as logical location.

logged vouchers. See voucher logging.

longitude. In J.D. Edwards, the Y coordinate of a location of an item in the warehouse. The system can use latitude, longitude, and height when suggesting locations for putaway and picking.

lot. A group of like like products identified by a lot number.

lot control. A method of assigning numbers to a group of like products.

margin. The difference between the cost and the selling price of goods produced and sold.

master table. A database table used to store data and information that is permanent and necessary to the system's operation. Master tables might contain data such as paid tax amounts, supplier names, addresses, employee information, and job information.

menu levels. See level of detail.

menu masking. A security feature of J.D. Edwards systems that lets you prevent individual users from accessing specified menus or menu selections. The system does not display the menus or menu selections to unauthorized users.

mode–currency. A code that specifies whether amounts are in the domestic or foreign currency.

next numbers. A feature you use to control the automatic numbering of such items as new G/L accounts, vouchers, and addresses. It lets you specify a numbering system and provides a method to increment numbers to reduce transposition and typing errors.

next status. A code that indicates the subsequent step in the order process.

non–inventory items. See non-stock items.

non–stock items. Items that the system does not account for as part of the inventory. For example, office supplies or packaging materials can be non-inventory items.

numeric character. Digits 0 through 9 that are used to represent data. Contrast with alphanumeric characters.

obsolete. A product or service that can no longer be bought or sold.

on–hand quantity. The number of units that are physically in stock. The on-hand quantity appears in the primary unit of measure.

online. Computer functions over which the system has continuous control. Users are online with the system when working with J.D. Edwards system provided forms.

operand. See Boolean Logic Operand.

order acknowledgements. 1) In Procurement, communication from a supplier to advise a purchaser that a purchase order has been received. 2) In Sales, communication to the customer to advise that an order has been shipped. An acknowledgement usually implies acceptance of the order by the supplier or customer.

order activity rules. Guidelines that establish the sequence of steps through which the system processes each detail line. These rules are defined in a line type and an order type combination. For example, enter, approve, print, and receive an order are steps in processing an order detail line.

order hold. A flag that stops the processing of an order because it has exceeded the credit limit, budget limit, or for another reason.

order line types. A code that defines how the system processes a transaction.

order repricing. 1) The process of setting up additional discounts or markups. 2) A method of recalculating sales orders.

order revision. In J.D. Edwards, a change to a stock-based purchase order.

output. Information that the computer transfers from internal storage to an external device, such as a printer or a computer form.

output queue. See print queue.

parameter. A number, code, or character string you specify in association with a command or program. The computer uses parameters as additional input or to control the actions of the command or program.

parent item. The assembled items of a kit. In J.D. Edwards, a parent item is not a stock item.

preference. Information that you define for a customer, item, or combination of customer/group and item/group.

preference groups. A group of items or customers to which the system automatically applies preference information.

preference hierarchy. The searching mechanism that indicates the order in which you want the system to apply preference information to orders based on customer/item combinations.

pricing hierarchy. The order in which the system applies pricing adjustments to sales order prices.

print queue. A list of tables, such as reports, that you have submitted to be written to an output device, such as a printer. The computer spools the tables until it writes them. After the computer writes the table, the system removes the table identifier from the list.

processing option. A feature of the J.D. Edwards system that allows you to supply parameters to direct the functions of a program. For example, processing options allow you to specify defaults for certain form displays, control the format in which information prints on reports, change how a form displays information, and enter beginning dates.

product life cycle. The period that starts with the initial product specification and ends with the withdrawal of the product from the marketplace. A product life cycle is characterized by certain defined stages, including research, development, introduction, maturity, decline, and abandonment.

profit center. An entity of the business (for example, a project, program, or business unit) that is accountable for both revenues and expenses.

program temporary fix (PTF). A representation of changes to J.D. Edwards software that your organization receives on magnetic tapes or diskettes.

purge. The process of removing records or data from a system table.

quantity breaks. A method of defining prices based on the number of items ordered.

quote orders. 1) In Procurement, a request from a supplier for item and price information from which you can create a purchase order. 2) In Sales, item and price information for a customer who has not yet committed to a sales order.

receipt routing. A series of steps used to track and move items. The steps begin when the ordered items leave the supplier's warehouse through the arrival into stock at the customer's warehouse. The steps might include in transit, dock, staging area, inspection, and stock.

repack code. A value that determines whether goods should be re-wrapped before putaway for a given unit of measure.

replenishment. The quantity of an item that specifies when you should reorder the item.

repost. In Sales, the process of clearing all commitments from locations and restoring commitments based on quantities from the Sales Order Detail table (F4211).

requisitions. An authorization that identifies the item and quantity required.

revenue business unit. The business unit to which you post revenue transactions.

routing/transit number. A number that uniquely identifies a bank. This number is assigned by the Federal Reserve board and consists to two parts: a routing and a transit number.

run. To cause the computer system to perform a routine, process a batch of transactions, or carry out computer program instructions.

safety stock. The quantity of stock kept on hand to cover unpredicted demand.

sales ledger. A table that contains order transaction history. The system writes order transactions to this table based on the order activity rules. You can determine at which point in the order process the system writes sales transactions to the table.

sales markup. For transfer or interbranch sales orders, it is the amount by which you increase the sales price to account for freight or additional charges.

sales order. A transaction in which a customer agrees to purchase an item from a seller.

sales tax. A fee calculated on the gross amount of the sale of goods. Customers who buy goods for their own use pay sales tax at the time of purchase. Customers who buy goods for resale do not pay sales tax.

selection. Found on J.D. Edwards menus, selections represent functions that you can access from a menu. To make a selection, type the associated number in the Selection field and press Enter.

ship confirm. The verification of items and shipping information that occurs after the warehouse personnel pick the items for an order and before the order is shipped.

ship–to. The address to which you send the shipment.

soft commitment. The number of items reserved for sales orders or work orders in the primary units of measure.

software. The operating system and application programs that tell the computer how and what tasks to perform.

sold–to. The address to which you send invoices for orders.

special character. A symbol used to represent data. Some examples are *, &, #, and /. Contrast with alphanumeric character and numeric character.

spool. The function by which the system stores generated output to await printing and processing.

spooled table. A holding file for output data waiting to be printed or input data waiting to be processed.

stock item. In J.D. Edwards, ready made products available for sale.

store and forward. In J.D. Edwards, a method used to entry transactions on a PC and upload them to a server at a later time. For example, this method might be used for remote sites without dedicated lines to the server or for creating sales orders during business hours and uploading them for processing during off-peak hours.

subfile. See detail.

submit. See run.

substitute. An item that can be replaced with another item.

subsystem. A secondary or subordinate system, usually capable of operating independently of or asynchronously with a controlling system.

summarize. The process of combining similar information. In sales invoicing, you can group item information if the item number, cost, and price of each line item is identical. In sales update, some accounting entries can be combined for an order number instead of being created for each order detail line.

summarized invoices. An invoice that contains combined line item information. This is possible only if the item number, cost, and price of each line item are identical on a sales order.

summary. The presentation of data or information in a cumulative or totaled manner in which most of the details have been removed. Many of the J.D. Edwards systems offer forms and reports that are summaries of the information stored in certain tables. Contrast with detail.

supplier. An individual or organization that provides products and services. Also known as a vendor.

system. See application.

system code. The code that identifies a J.D. Edwards system. For example, 01 for the Address Book system, and 31 for the Shop Floor Management system.

system constants. In J.D. Edwards, values that provide the basic framework for how the system works, based on the business needs. These are typically defined during initial system setup and not subsequently changed.

tag counts. A method of counting all items in a location. Typically, when you perform a tag count, you physically place a tag on all items and count all items twice by location. Two teams record data on two different parts of the tag. You compare each team's data and resolve variances.

three–way voucher match. The process of comparing receipt information to supplier's invoices to create vouchers. In a three-way match, you use the receipt records to create vouchers.

trace. To assign items to a lot.

tracking. To remove items from a lot.

trade discount. The percentage by which the system reduces the price of every line item ordered by a specific customer. If you define a trade discount in the customer billing instructions, this is the only discount that will be applied to the item price.

transfer order. An authorization to ship inventory between or within branch/plants to maintain an accurate on-hand inventory amount. The system processes a transfer order as a formal purchase and sale of goods.

transfers. Moving inventory from one location to another. The system processes a transfer as an inventory transaction, recorded immediately in the item ledger with costs and variances recorded in the general ledger.

two–way voucher match. The process of comparing purchase order detail lines to the suppliers' invoices to create vouchers. You do not record receipt information.

unit of measure. The quantity in which an inventory item is expressed, for example, cases or boxes.

user defined code type. The identifier for a table of codes with a meaning you define for the system, such as ST for the Search Type codes table in Address Book. J.D. Edwards systems provide a number of these tables and allow you to create and define tables of your own. User defined codes were formerly known as descriptive titles.

user defined codes (UDC). Codes within software that users can define, relate to code descriptions, and assign valid values. Sometimes user defined codes are referred to as a generic code table. Examples of such codes are unit-of-measure codes, state names, and employee type codes.

valid codes. The allowed codes, amounts, or types of data that you can enter in a field. The system verifies the information you enter against the list of valid codes.

vocabulary overrides. A feature you can use to override field, row, or column title text on forms and reports.

voucher logging. The process of entering vouchers without distributing amounts to specific G/L accounts. The system initially distributes the total amount of each voucher to a G/L suspense account, where it is held until you redistribute it to the correct G/L account.

window. See form.

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