ServiceLedger

Getting Started Guides

Getting Started with the
Inventory Manager

This guide will document how to use the ServiceLedger Inventory Manager to track inventory to multiple inventory locations, use serialized inventory and edit inventory quantities and other inventory transactions.

Introduction:

The Inventory Manager is where you will create items that you will quote or sell to customers on quotes, work orders or invoices and track inventory for inventoried items including tracking by multiple warehouses, bins or trucks. ServiceLedger also allows for serialized inventory if you wish to track inventory by serial number.

Note: At a minimum, you must create item records for any item you will quote or sell to accounts on quotes or invoices. The inventory tracking features are optional and not required by ServiceLedger.

Benefits of Using ServiceLedger Inventory Manager:

Using the inventory control feature is optional and not necessary in ServiceLedger, however if you need to track inventory, including serialized inventory, you will need to specify the items you want to track inventory on. With the exception of labor items, all parts and equipment can be tracked for inventory available and quantities on hand.

Creating Items:

ServiceLedger allows you to create five types of items. It is important to know about each type before you start creating items in ServiceLedger. Each type is defined by the **Item Type** field and certain rules apply to each item.

1. **Labor Items** – these items are for the services you perform and generally related to the service or labor you provide to your customers.
2. **Part Items** – these items refer to parts and material that you sell to your customers and may or may not be inventoried.
3. **Equipment Items** – these items refer to items that you will create equipment records for your accounts. You must set the item up as **Equipment** if you wish to create equipment records for the item for equipment service history tracking.
4. **Recurring Items** and **Service Plan Items** – these items are the same and are used for your service agreements. If you plan on using the **Service Agreement Manager**, you must create **Recurring** or **Service Plan Items** for the invoicing of those agreements.

You may have additional item types available to you if you use either the QuickBooks Link or Peachtree Link. These items types like Discount, Freight, etc. are used by their respective accounting systems when you create the items in ServiceLedger, however ServiceLedger doesn't have any special rules applying to these items.

To create an item, Click on **Inventory | Items** to open the **Item List** and view existing items in the system. By default, there will be a minimum of five items created for you called **Default Labor, Default Part, Default Equipment, Default Service Plan** and **Default Recurring**. These items are used to provide at least a single item of each **Item Type** for proper use of the system and can be edited or deleted as necessary.

Click on the ⊞ **Add New Record** button to add a new item.

1. Select the **Item Type** for the item you are creating. **Item Type** is important in ServiceLedger and it is critical that you use the correct item type for the item when you create the item.
2. Enter a unique **Item ID** for the item. This is the unique identifier used by ServiceLedger when you are looking up an item.
3. Enter a **Description** for the item.
4. If the item is a sub-item of a master item, you can select the **Parent Item** checkbox and then select the master item for the item you are creating.
5. The **Item Status** will default to **Active**. Only active items can be quoted or sold on invoices.

6. Enter the **Price** of the item. This will be the default price, however can be overridden in the system later on quotes or invoices.
7. Enter the **Cost** of the item. This will be the default cost, however can be overridden in the system later on invoices or purchase orders.
8. If the item is taxable, click on the **Taxable** checkbox to mark that the item is taxable. If the item is not taxable, leave the **Taxable** checkbox unchecked.
9. Enter a **Warranty Period** for the item in days. For example, one year would be 365 days.
10. If you want to inventory the item, click on the **Inventory Item** checkbox. This will flag ServiceLedger that you are inventorying the item and need to track quantity available, committed, etc.
11. If the item is serialized, click on the **Serialized** checkbox. This will flag ServiceLedger that the item is serialized.
12. If the item is a kit, click on the **Item Kit** checkbox. This will flag ServiceLedger that the item is a kit.
13. If you want ServiceLedger to automatically reorder the item when its quantity available falls below a certain point, you can click on the **Automated Reorder** checkbox. This will flag ServiceLedger to reorder the item when its quantity falls below the **Minimum Qty** amount.
14. Update ServiceLedger with the **Minimum Qty** amount that will flag ServiceLedger when the quantity falls below that amount.
15. Enter the **Reorder Amount** of quantity of items you want to reorder when the item falls below the **Minimum Qty** amount.
16. Click **Save t**o save the item.

Should You Track Inventory?

Tracking inventory is an important part of accurate inventory control. If you require accurate inventory counts and need to track the availability of any item, you should set the item up for **Inventory Tracking**. Tracking inventory has many benefits you should consider including tracking quantity available by location, bins or truck.

Many accounting programs will not allow you to sell an item on an invoice if the item is not currently available. ServiceLedger does not impede or get in the way of you creating jobs/work orders or invoices for items that are not available. ServiceLedger allows **Negative Inventory** (except for serialized items) so that you can quickly get invoices out to your customers without having to wait for your inventory to be updated.

Note: If you are going to be tracking inventory in your accounting program, it is suggested that you do not use the ServiceLedger Inventory Control function as it is difficult to reconcile two separate inventory systems and may require duplicate data entry in both systems.

Should You Serialize Inventory?

Serialized inventory refers to tracking the individual serial numbers on items you receive from vendors and sell to customers. It has many benefits, but also requires more inventory management. Careful consideration should be made before you implement serialize inventory and you should have someone responsible for updating and maintaining serial numbers so that you do not backlog completed jobs/work orders or invoices waiting for serial numbers before they can be completed, invoiced and posted.

Serialized inventory requires you to enter serial numbers for each item you receive from a vendor and each item you sell to a customer. Because tracking the serial number is so important for serialized inventory, ServiceLedger does not allow you to receive a serialized item without a serial number or sell a serialized item without selecting one of the existing serial numbers.

Should You Create Item Kits?

Item kits refer to master items that are made up of sub-items in ServiceLedger. For example, you may build computers and you want to list all the components of the computer as sub-items of the computer. ServiceLedger offers basic item kit functionality so that you can set an item up as an item kit and list its components and then use the **Assembly** window to record the number of kits you have built. When you build the kit, all inventory is depleted from the sub-items and the kit quantity is increased based upon the number you built via the **Assembly** window.

Should You Setup Automatic Reorder?

If you are tracking inventory on an item, you have an option to have ServiceLedger flag you to reorder the item when its quantity falls below a certain point. This feature is useful if you need to maintain minimum inventory quantity and need to have ServiceLedger alert you when the inventory quantity is running low. Automatic reorder ties into the **Purchase Manager** and allows you to use the **Automatic Purchasing List** to view items that need to be purchased. The default vendor for the item can be selected to help expedite the inventory purchasing process.

Updating Manufacturer Info:

The Manufacturer Info tab allows you to track information specific to the item manufacturer. It is useful for equipment items that will automatically populate the type, manufacturer and model on equipment records.

1. Select the **Equipment Type** using the drop-down box or add your own **Equipment Type** on-the-fly by clicking on the **Equip. Type** hyperlink.
2. Select the **Manufacturer** using the drop-down box or add your own **Manufacturer** on-the-fly by clicking on the **Manufacturer** hyperlink.
3. Select the **Model** using the drop-down box or add your own **Model** on-the-fly by clicking on the **Model** hyperlink.
4. Enter a **Manufacturer's Warranty Period**. This field is for information purposes only and is not used by ServiceLedger.
5. For your service agreements, you can have ServiceLedger update the price of a service agreement based upon equipment renewal rates. If you are going to use this feature, you can put the **Annual Contract Renewal Rate** in this field. See Getting Started with the Agreement Manager for more information.

Viewing Inventory Quantity:

If the item you are viewing is checked for **Inventory Tracking**, you can click on the **Inventory** tab to view the existing quantity of the item in stock. The quantity will be broken down by **Inventory Location** allowing you to view what location the item is available in.


1. **On Hand Quantity** is the quantity you have on hand ready to sell.
2. **Committed Quantity** is the quantity that is currently committed to other jobs/work orders or unposted invoices.

3. If you are using **Bins** as **Inventory Locations**, you have the option to expand or collapse bins. If you check the **Collapse Bins** checkbox, it will roll all inventory quantity for the bin into the master location.
4. **Total Qty On Hand** is the total of all quantity across all inventory locations.
5. **Total Qty On PO** is the total quantity you have on open purchase orders that have not been received.

Viewing Serialized Inventory Information:

If the item you are viewing is checked for **Serialized Inventory**, you can click on the **Serial #** tab to view existing serial numbers available for the item in stock. You have the option to click the In **Stock** button to view all serialized numbers for the items in stock or click the **Sold** button to view all serialized numbers for the item you have sold.
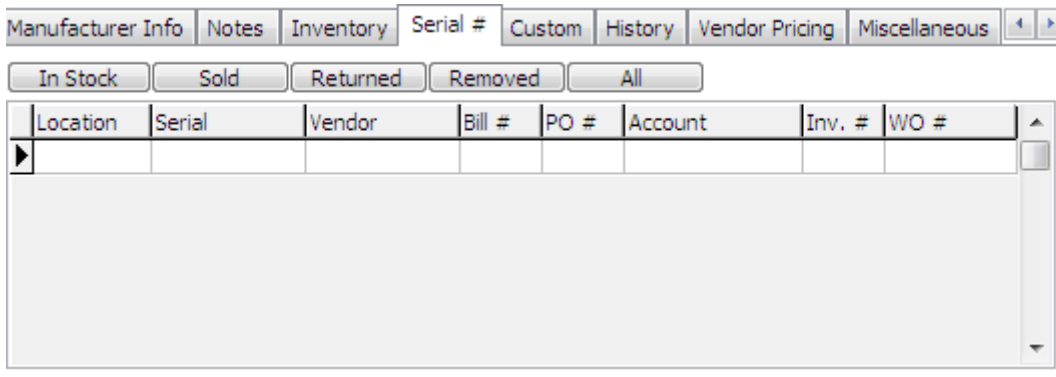
Setting Default Commission Percentages for Technicians:

You can set default commission percentages for technicians by entering the default commission percentage in the **Miscellaneous** tab. You have the option to enter up to four different percentages; however most customers only use one. The additional percentage options are useful if you need to track different levels of commissions for special purposes.

When using commissions, you can also overwrite the default from the resource record and have the ability to overwrite the commission percentage on the work order. *Note: This commission only applies to commissions you pay your technicians on jobs/work orders.*

Creating Inventory Locations:

ServiceLedger provides you with the ability to track inventory to multiple inventory locations. An inventory location can be a warehouse, a bin of a warehouse or a truck. You have the option to define different inventory locations to extend your inventory control and track availability and quantity of any item down to the inventory location level.

Click on **Inventory | Item Locations** to open the **Location List** and view existing locations. By default, there is always a **Main** added for you.

Click on the ⊞ **Add New Record** button to add a new inventory location.

1. Enter a unique **Location ID** that will identify this location in ServiceLedger.
2. Select the **Location Type** for the location (see below for more information on **Location Types**).
3. Select the **Link to Branch** or **Link to Tech** option based upon the **Location Type**.
4. Click the **Save** button to save the location.

Understanding Location Types:

Location Types allow you to differentiate between different types of inventory locations in ServiceLedger. For example, you may have trucks setup as locations and they need to be linked to a technician, or you may have sub-locations (or bins) setup as locations and they need to be linked to branches (or master locations).

1. **Arbitrary Locations** are locations where you define a separate address of where the location is at. Typically, it is used when you want to track

inventory at 3rd Party Sites. You will need to enter the address information for the location if you select the **Location Type = Arbitrary**.

2. **Branch Locations** are your warehouses or master locations.
3. **Sub Locations** are the locations within your warehouses where the item can be found. They are most often referred to as **Bins**. You will need to link the **Sub Location** to a **Branch** (or master location).
4. **Technicians** are the trucks your technicians drive. This allows you to track inventory down to the trucks you have in the field. You will need to link the **Technician Location** to a **Technician**.

Viewing Location Inventory:

From an **Inventory Location** record, you can view a listing of all items at that site in the list at the bottom of the record. This is useful if you want to see what items you have available for a specific location.

Creating Item Kits:

Item Kits are defined as items that will consist of multiple sub-items and require you to assemble the items before you sell the item kit.

To setup an item kit you must do the following when creating the item:

- Set the **Item Type** of the item to either **Part** or **Equipment**.
- Check the **Item Inventory** checkbox for the item.
- Check the **Item Kit** checkbox for the item.

This will provide you with a new tab called **Kit Components** on the item that will allow you to define the components that make up the kit.

1. Click the **Add** button from the **Kit Components** tab to add a new sub-item.
2. From the **Item #** drop-down box, click the sub-item.
3. Enter a **Quantity** of the item required for the assembly.
4. Click the **Save** button to save the sub-item to the kit.
5. Repeat the process until all items have been included.

Assembling the Item Kits:

Click on **Inventory | Kit Assembly** to open the **Item Kit Assembly** window.

1. Select the **Item Kit** you want to assemble.
2. Enter the **Qty To Assemble** amount. This is the number of kits you are assembling.
3. Click the **Assemble & Close** button to build the assembly and update ServiceLedger with the quantity of the item kit available for sale.

Understanding Inventory Transactions:

There are three separate inventory transactions available in ServiceLedger: 1) **Item Adjustment** where you are adjusting items quantities manually, 2) **Item Transfer** where you are transferring items from one location to another and 3) **Item Receipts** where you are receiving the items from a vendor.

Item Adjustments:

If you require adjusting any quantity available for an item, you can use the **Item Adjustment** transaction to adjust the quantity. This will allow you to enter a starting quantity, or update the quantity if a physical count of inventory shows more or less than what you have available in ServiceLedger.

Click on **Inventory | Item Transactions** to open the **Inventory Adjustment Transaction** window.

1. The **Transaction ID** is the identifier for the transaction.
2. The **Type** is the type of inventory transaction and will default to **Adjustment** for **Item Adjustments**.
3. Click the **Add** button to add an item adjustment.
4. From the **Item** drop-down, select the item to adjust. *Note: The item must be setup for Inventory Tracking in order to adjust quantity.*
5. From the **Location** drop-down, select the location where you are adjusting the item quantity.
6. For **Quantity**, enter the adjustment in either a positive number to add items available or negative number to delete items available.
7. Click the **Save** button to save the item adjustment.
8. Repeat the process for all items that require adjustment.
9. Click the **Save & Close** button when completed to finalize the item adjustment transaction.

Item Transfers:

If you have multiple inventory locations, you will want to transfer items from one location to another using the **Item Transfer** feature. This allows you to track the items from one location to the other in ServiceLedger.

Click on **Inventory | Item Transactions** to open the **Inventory Transfer Transaction** window.

1. Click the **Add** button to add an item to transfer.
2. From the **Item** drop-down box, select the item you wish to transfer.
3. On the **From Location** drop-down box, select the location you are transferring the item from.
4. On the **To Location** drop-down box, select the location you are transferring the item to.
5. Enter the **Quantity** you are transferring.
6. Click the **Save** button to save the item transfer.
7. Repeat the process until all transferred items are entered.
8. Click the **Save & Close** button to save the transaction.

Item Receipts:

If you are using ServiceLedger to purchase items via purchase orders, all **Item Receipts** should be handled from the **Item Receipts** on **Purchase Orders**. If you are not purchasing items via purchase orders, you can update **Item Receipt** transactions by clicking on **Inventory | Item Transactions** and clicking on the ⊞ **Add New Record** button to add a new receipt transaction.

The instructions for adding **Item Receipts** is the same as **Item Adjustments** except that the **Type** should be **Sale** or **Receipt**.

1. The **Transaction ID** is the identifier for the transaction.
2. The **Type** is the type of inventory transaction and should be set to **Sale** or **Receipt**.
3. Click the **Add** button to add an item receipt.
4. From the **Item** drop-down, select the item to receive.
5. From the **Location** drop-down, select the location where you are receiving the item quantity.
6. For **Quantity**, enter the number of the item received.
7. Click the **Save** button to save the item receipt.
8. Repeat the process for all items you are receiving.
9. Click the **Save & Close** button when completed to finalize the item receipt transaction.