Recalculate Freight

PROGRAM NAME: YEFRTCLC
MENU OPTION TITLE: Recalculate Freight
MAIN MODULE: PARTS/RPTS FINANCIAL
HELP KEY ACTIVE: YES

PROGRAM OVERVIEW

This program is used to support the freight percentage distribution method, one of two methods of applying freight to inventory. The other method is the direct method, which requires the inventory master file flag NOFREIGHT to <Y>. These methods are thoroughly discussed in the program document {INPRGTUT}.

This program is based on true freight cost divided by purchases without freight included for the percentage. Therefore, you need to direct your payables for freight on inventory purchases to a freight account in the general ledger separate from but next to the corresponding inventory purchases account. You can then take a reasonable period of time and determine a percentage to apply against all goods. The reason you are doing all this is to maintain the true inventory parts cost, not including freight.

In the System Setup File, there is a field where you input a percentage amount to calculate freight charges per part. This charge is based on the RAW COST of a purchased part. This means the flag PURCH/MANUF is set to <P> in the parts master file and the NOFREIGHT flag is set to <N>. This program will ignore any parts with the PURCH/MANUF flag set to <M>. It will store that figure in the inventory system FREIGHT part master file. In the event freight charges change, this percentage amount would need to be changed. So, once the System Setup File percentage has been changed, run this program to update freight charges for all affected parts.

PROGRAM OPERATION

PRESS RETURN TO BEGIN: