# Setting Up Inventory Tracking

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This guide explains how to set up automated inventory tracking. It is intended for system administrators.

To set up inventory tracking, you must complete these three tasks:

- 1. Activate inventory integration.
- 2. Select the inventory management method.
- 3. Select default inventory GL Accounts.

## **Activate Inventory Integration**

- 1. Navigate from Main Menu > System Admin > Preferences > Fulfillment.
- 2. In the Inventory section, mark the flag to **Enable inventory integration**.

	System Preferences	
Company Preferences	Job Management	
My aACE	Schedule sub-jobs before the parent job.	
Order Management Order Entry	Manage job tasks sequentially.     Auto-open production jobs.     Xuto-ocose jobs when all tasks are complete.	
Billing	X Auto-close jobs when they are fully costed.	
Procurement	X Auto-apply inventory costs on receipt. "On receipt" includes both incoming shipments and purchases depending	on the transaction.
Fulfillment	X Auto-apply production cost on close. Send assignment notice on creation.	
Shipping	Send assignment notice on open.	
System Preferences Automation Schedules	X Auto-close order job. X Vold job costs on job vold.	
Database Management	Task Management	
Document Management	Notify assigner when task is completed.	
Menu Options	Mark as incomplete on start date. Select this to have new tasks default to this behavior. This behavior can be cha	nged on a task-by-task basis.
Shipping Setup		
Units of Measure	Time Management	
Value Lists	Generate time entries from call dialog. Allow time to be posted to closed jobs from Timesheets. The maximum hours for a timesheet is:	
	Inventory	
	X Enable inventory integration.	Default Inventory Replenishment Target
	Require bin selection in Shipping Log and Jobs.	Default Inventory Replenishment Threshold
	Validate available inventory balance.	beban, smerkery hepiteriannien, mittanika
	Validate bin inventory balance.	
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Commit Updates		
Re-Login		

3. Click Commit Updates.

### **Accounting Preferences**

The inventory management method and default inventory GL account settings are located

in the Accounting Preferences module. Navigate from Main Menu > Accounting > Preferences.

#### Select the Inventory Management Method

- 1. At the Accounting Preferences module, click **Data Entry**.
- 2. In the Inventory section, click the COGS Method dropdown list and select the appropriate option:
  - LIFO (last in / first out) May result in slightly reduced profits, but correspondingly lower tax rates.
  - **FIFO** (first in / first out) Typically results in additional profits, if the costs of items consistently increase.

Note: For special order, lot tracked, and serialized items, the COGS Method generally does not apply. Instead, specific items are received and shipped.

• • •			Accounting Preferences					
Accounting Preferences	Date Management			Check Processing				
Chart of Accounts	Update Order Date	e to today on open.		Checks Layout Check Direction				
Billing & Payment Terms	Update PO Date to			3-Part Top	Face Up			
Adjustment Codes	Update Shipment	Delivery Date to today when	shipped/received.	-				
	Update Purchase I	Date to Vendor Invoice Date.		Signature	Dimensioner, 3 757 wide bu	757 ball		
Currency Conversion	Update Receipt Da	ate to today on post.			Dimensions: 2.75" wide by File Format: JPEG or PNG	.75 tali		
Period Management	Update Invoice Da	te to Receipt Date on post.						
Data Entry	Update Disbursem	ent Date to today on post.		Use looged in te	am member's signature when printing	checks.		
both Life y	Post Date Limit			This can be found	in their team member record.			
ntegrations	30 Days			X Enable Positive	Pay.			
AvaTax								
	Multi-Office Preferences			Commissions	Commissions			
	Prevent multi-office cash transactions.		Enable commiss	ions. This will turn on commissions calculati	ons in orders.			
	Manage office gen	Manage office general ledgers separately.						
	Invoicing (Sales Ta	Invoicing (Sales Taxes)		Purchasing				
	Use tax rates from	Use tax rates from order when invoicing.		Auto-generate p	Auto-generate pending vendor credit memos for returns.			
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3. Click Commit Updates.

#### Select the Default Inventory GL Accounts

- 1. At the Accounting Preferences module, click Chart of Accounts.
- 2. In the Assets section, click the dropdown for **Default Inventory Account** and select a default account.

3. In the Liabilities section, click the dropdown for **Accrued Inventory** and select a default account.

• • •			Accounting	Preference	5		
Accounting Preferences	Note: Tran	nsactions assume this Chart of Accounts	is set up corre	ctly; the vali	dation processes do not valid	ate these acco	unts.
Chart of Accounts	Assets					Liabilitie	s
Billing & Payment Terms	Undeposite	ed Funds - Cash/Checks >	Accounts (	teceivable (A/	R) >	Accounts P	ayable (A/P) >
Adjustment Codes	1120	Undeposited Funds - Cash/Checks	1202	Account	Receivable	2101	Accounts Payable
Currency Conversion	Undeposite	d Funds - MC/Visa >	Default In	ventory Accou	nt >	Commissio	ns Payable >
Period Management	1121	Undeposited Funds - MC/Visa	1301	Uncateg	orized Inventory	2106	Commissions Payable
Data Entry	Undeposite	ed Funds - Amex >				Accrued In	wentory >
	1122	Undeposited Funds - Amex			(	2104	Accrued Inventory
Integrations	Undeposite	ed Funds - Debit Card >				Accrued W	ages >
AvaTax	1123	Undeposited Funds - Debit Card				2105	Accrued Wages
	Undeposite	ed Funds - E-Check >				Accrued Ex	penses >
	1124	Undeposited Funds - E-Check					
	Default Dis	bursement (Bill Payment) Account >					
	1115	Cash Checking (AI)					
		Sank Account >					
	1115	Cash Checking (AI)					
	E			(8-1)		0	
	Equity		Revenue (Sales)		Cost of Goods Sold (Cost of Sales)		
	3999	ar Earnings (Net Income) > Current Year Earnings	Default Revenue Account >           4001         Uncategorized Sales           Shipping Mark Up (Handling) >		Default Cost Account > 5001 Uncategorized Cost of Sales		
	Retained Ear					Acrued COGS >	
					Mark Up / Handling	5003	Accrued COGS
			4007				
	3900	Retained Earnings	4007	Shipping	Hark op / Handling	3003	14.000
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4. Click Commit Updates.