

“No Cost” Item Setup

Items that are not “real” inventory (like Delivery Charges, Rentals, Coupons) usually do not incur any cost at the time of sale. The sale needs to be booked to a G/L account but nothing else. Here is the steps for setting up these types of items:

Set up a category:

1. Find an unused category number by running SU-5 printout – some customers like to keep these number organized to some degree; you may want to pick the new category number carefully.
2. Create/find a G/L sales (or income) account to use to book the sales of the item. Some customers use the same account for multiple, similar items. This is done by using the same category for the any items that book to a particular G/L account.
3. In SU-6:
 - a. Add the new category by typing in the new category number and answering “Y” when asked if you want to add the category.
 - b. Use the account (from #2) as the category sales account.
 - c. For the CGS & Inventory accounts, use a “filler” account (create a G/L expense account as needed). The reason is that these two accounts will not be used when this “no cost” item is setup up properly. Also note that the Auditable flag is “N”. Like this:

COMPANY CATEGORY TABLES ▯

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Category #: 183000
1. Description: DELIVERY-SPREADING
2. Sales: 734000 DELIVERY INCOME
3. CGS: 999998 ZERO INVENTORY ACCT (FILLER)
4. Inventory: 999998 ZERO INVENTORY ACCT (FILLER)

8. Auditable? N
9. No Cost Display in Sales Tickets? N
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Configure the item:

1. The item needs to be set up in a specific way in IN-1-4. It is generally better to start with a new item than to re-use one that was setup and used incorrectly. But an item can be reused but the history of the item may look incorrect for the cost used.
2. The item should have:
 - a. "Cost Type" = 3
 - b. "Audit Type" = N

(like this:)

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INVENTORY EDIT PROGRAM

1. Inventory Item: 14441 ST:14441
2. Description: DELIVERY CHARGE PER TON
3. Size:
4. Manufacr Number: *NOT ON FILE*
5. Category/GL Code: 183000 DELIVERY-SPREAD
6. Vendor Unit: EAC
7. Warehouse Unit: EAC
8. Customer Unit: EAC
9. Minimum Sale Qty: 1
10. Minimum Sale Div: 1
11. Cost/Priced Per: 1
12. WC Per: 1
13. Cost Type: 3-No Cost Item
14. Cost % (Margin): n/a
15. Audit Type: N-No Audit
16. Descript. Flag: A
17. Non-Stock Item: N
18. Quantity Code: 1-Normal (Any Qty)
19. Pricing Method: M-MANUAL
20. Manual Cost Flag: N

Any Change ? ___
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(the Quantity Code & Pricing Method are as needed)