EXERCISE

MM 1: Create Purchase Order

Exercise Use the SAP Easy Access Menu to create a purchase order.

Task Create a Purchase Order (PO) for the Road and Off-road helmets. Submit the PO to the vendor, Olympic Protective Gear. When received and accepted by the vendor, the PO creates a legally binding contract between the two parties.

In order to create a purchase order, follow the SAP Easy Access menu path:

**Logistics ► Materials Management ► Purchasing ► Purchase Order ► Create ► Vendor/Supplying Plant Known**

In the Vendor field, press F4 to find the number for Olympic Protective Gear in Atlanta. On the Vendors (General) tab, enter your three-digit number (###) as Search term and Atlanta in the City field. In the result list, double-click on the vendor number to select it.

Back on the Create Purchase Order screen, open the header data by clicking on **Header**. Select or enter US00 for Purchasing Org, N00 for Purch. Group, and US00 for Company Code. Then click on 

Open the item list by clicking on **Item Overview**. You have to enter the following materials and information (as shown below). You may use the F4 help to search and select both helmets (off-road and road). In order to do so, use the Material by Material Type search tab, select Trading Goods as Material Type and enter *### (e.g. *012 if your number is 012) as Material. Then, double-click the respective helmet to select it.

<table>
<thead>
<tr>
<th>Material</th>
<th>PO Quantity</th>
<th>Delivery Date</th>
<th>Net Price</th>
<th>Currency</th>
<th>Plnt</th>
</tr>
</thead>
<tbody>
<tr>
<td>OHMT1###</td>
<td>60</td>
<td>(two weeks from today)</td>
<td>25.00</td>
<td>USD</td>
<td>MI00</td>
</tr>
<tr>
<td>RHMT1###</td>
<td>150</td>
<td>(two weeks from today)</td>
<td>25.00</td>
<td>USD</td>
<td>MI00</td>
</tr>
</tbody>
</table>

Click on the Enter icon 
If you receive a system message whether the delivery date can be met accept it with Enter for both line items.
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Go to Conditions tab in the Header section and record the total value of the purchase order: ______________ (5,250.00 USD).

Then go to the Conditions tab in the Item Detail section and record the value of both line items. You switch between items by using the and icons.

OHMT1###: ______________ (1,500.00 USD)
RHMT1###: ______________ (3,750.00 USD)

Click on to save the purchase order. A message will appear. To view the system messages, choose . The following message should appear.

The message tells you that you are creating a purchase order, but have not generated any output to notify the selected vendor. Select to continue. Then click on again. This time we will save past the message indicating that no output device (i.e. Printer, FAX, EDI) was found to communicate this PO to the vendor. Select

Note that SAP will assign a purchase order document number (bottom-left of the screen).

The purchase order screen is again blank, ready for another purchase order to be entered. Click on the exit icon to return to the SAP Easy Access Menu.
MM 2: Create Goods Receipt for Purchase Order

**Exercise** Use the SAP Easy Access Menu to create a goods receipt.  

**Time** 5 min

**Task** Receive into inventory the stock items ordered from Olympic Protective Gear in the previous exercise. A goods receipt document will be created referencing our purchase order thereby ensuring that we receive the products ordered within the timeframes requested and in quality condition. Goods on hand will be increased and an accounting document will be generated recognizing the value associated with these goods.

To create a goods receipt, follow the menu path:

Logistics ► Materials Management ► Inventory Management ► Goods Movement ► Goods Receipt ► For Purchase Order ► GR for Purchase Order (MIGO)

This will produce the following screen.

Make sure that the Movement type (top-right corner) is set to GR goods receipt 101. Enter your **PO number** from the previous exercise. If you do not have the number, find it by using the F4 help (Purchasing Document per Vendor tab or Purchasing Document for Material tab). Then press Enter.

If a line is grayed out minimize the Item Detail Data by selecting (Close Detail Data). Ensure that the box in the OK column is checked for each item. Checking it indicates that you want to adopt it into the goods receipt document.

In the SLoc column, enter storage location **TG00** (Trading Goods) for both line items. Then click on to save your goods receipt.

Note that the SAP system will assign a unique number for this new goods receipt document. This number will appear in a message at the lower-left corner of the screen. Click on the exit icon to return to the SAP Easy Access Menu.
MM 3: Create Invoice Receipt from Vendor

**Exercise** Use the SAP Easy Access Menu to create an invoice receipt. **Time 5 min**

**Task** Enter an invoice received from Olympic Protective Gear for **5,250.00 USD** associated with the recent PO and goods receipts. This invoice will be posted to an existing G/L expense account in your Chart of Accounts and saved as an Accounts Payable to Olympic Protective Gear. It will be settled by issuing a check to Olympic Protective Gear at a later date. The invoice is presented below in order to support you making the necessary journal entry.

<table>
<thead>
<tr>
<th>ITEMS</th>
<th>QUANTITY</th>
<th>PER</th>
<th>PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>OHMT1####</td>
<td>60</td>
<td>25.00</td>
<td>1,500.00</td>
</tr>
<tr>
<td>RHTM1####</td>
<td>150</td>
<td>25.00</td>
<td>3,750.00</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>5,250.00</td>
</tr>
</tbody>
</table>

To enter an invoice, follow the menu path:

**Logistics ► Materials Management ► Logistics Invoice Verification ► Document Entry ► Enter Invoice**

This will produce the following screen.

Enter **today’s date** as Invoice Date (you may use F4 to display the calendar and press Enter to select today’s date). Then, in the Amount field enter the **total amount** from the invoice document above and select Tax Code **XI** (drop-down field right of Tax amount field). As Text, enter ‘**INVOICE 00123-###**’ (replace ### with your number). Check if your screen looks like shown below.
Then choose **Purchase Order/Scheduling Agreement** in the bottom dropdown list and enter your **PO number** from the first exercise in the text field next to it. Again, to find it you may use F4 and helpful search criteria such as vendor. Click on 

If the transaction is entered correctly (in respect to Debits and Credits), we will have a green light with a $0 balance.

We want to view what the actual postings will look like in the general ledgers. It is here that we can ensure that the Debit/Credit posting is correct and that the accounts are affected correctly. Use the **Simulate** button to see whether the postings are correct.

Press **Post** to save the invoice receipt. The system will again create a unique document number.

Click on the exit icon to return to the SAP Easy Access Menu.
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**MM 4: Post Payment to Vendor**

**Exercise** Use the SAP Easy Access Menu to post a payment to a vendor.  
**Time** 5 min

**Task** Issue a payment to Olympic Protective Gear to settle the Accounts Payable. A journal entry is made to Accounts Payable for Olympic Protective Gear and to the bank checking account in the G/L.

To post a payment to a vendor, follow the menu path:

**Menu path**

1. Accounting ► Financial Accounting ► Accounts Payable ► Document Entry ► Outgoing Payment ► Post

First, enter **today’s date** as Document Date. If requested, enter Company Code **US00** and Currency/Rate **USD**. In the Bank data field group, for Account use F4 to find and select **100000** (Bank Account) and enter the amount you are going to pay (**5,250.00**).

In the Open item selection field group, search for the account number for your Olympic Protective Gear (use search term **###** and populate it into the Account field. All other settings remain unchanged. Make sure that your screen looks like the one shown below.

Select **Process open items**. The following screen will appear.
If the Not Assigned field on the bottom of the screen is not equal 0.00 USD, then double-click on your invoice amount (USD Gross). Then, the invoice selected will turn blue. Review the Not assigned balance on the bottom of the screen. Click on to post your payment. Again, the system creates a unique document number.

The Post Outgoing Payments screen is again blank, ready for another payment to be entered. Click on the exit icon to return to the SAP Easy Access Menu and as no data will be lost accept the SAP warning message with Yes.
**EXERCISE**

**MM 5: Display Vendor Line Items**

**Exercise** Use the SAP Easy Access Menu to display vendor line items.  
**Time** 5 min

**Task** Display and confirm the activity and associated balance for the Accounts Payable for Olympic Protective Gear. You should see both a credit and debit posting indicating the receipt of the invoice and the issuance of a payment to settle this balance due to Olympic Protective Gear.

To do this, follow the menu path:

**Accounting ➤ Financial Accounting ➤ Accounts Payable ➤ Account ➤ Display/Change Line Items**

In the Vendor field, search for the number for your Olympic Protective Gear supplier (use search term ###). Enter US00 as Company Code and select All items in the Line Item Selection section. Then, click on . A similar screen to the one shown below should appear.

You can see that all of the postings made to our vendor have been cleared. Double-click on the Invoice Line (RE). Select to view the G/L line items.

Click on to go back to the invoice line items, and double-click on the Vendor Payment Line (KZ). Select to view the G/L line items.

Click on the exit icon three times to return to the SAP Easy Access Screen.