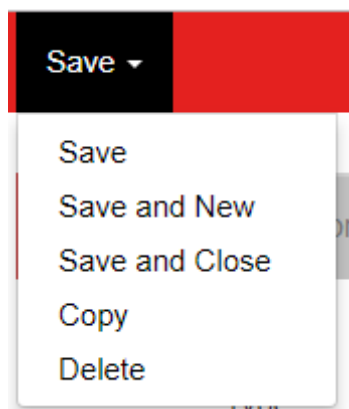# Purchased Item Record

Modified on: Thu, Jan 24, 2019 at 9:49 AM

To begin the process of adding a new inventory item to Restaurant365, hover over the 'Item' menu in the top ribbon and select 'New Purchased Item'. The 'New Purchased Item' form will load in a new tab.

An Item Record should be created for each Inventory Item you use in your Restaurants. Items may include ingredients, spices, supplies, paper, packaging etc. Once an Item has been created, it can be counted on Stock Counts, used as Ingredients in Recipes, and reported on in My Reports.

Save & Copy Options

As you work on your Purchased Item records, be sure to Save periodically to protect your data. The three save options are the standard save options throughout R365.

In addition to saving, you can use the 'Copy' feature to create a duplicate of the existing Purchased Item record in a new tab. Copied Purchased Items will prepend '[COPY]' to the Purchased Item Name as shown below:

All relevant Purchased Item information will be copied over to the new record, however the following information will <u>not</u> be copied:

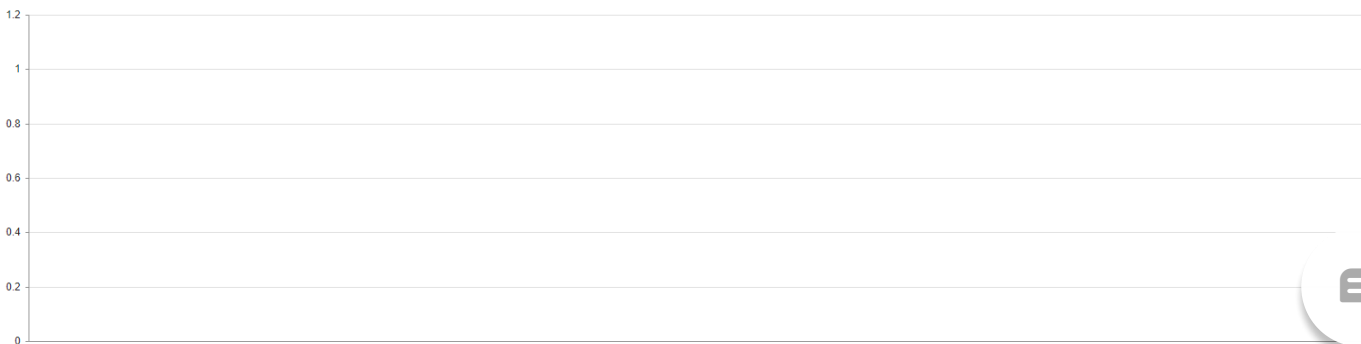- Vendor Items
- Recipes On
- Item Locations
- Transactions

General Tab

Enter the Name, Number, and Description for each item.In the 'General Tab' enter the 'Name' of the item, 'Type' should remain as 'Purchased'. You can enter an Item 'Number' and an Item 'Description' if needed. If you will selling this item on an AR Invoice, check the 'Available in AR Invoice' check box.

Inventory Cost Tab

Next, select the Inventory Cost tab. Enter the 'Cost Account' (The Cost Account is the expense account that will be adjusted on the Profit and Loss report or Prime Cost report. For example, if my item is Milk, this might be 'Dairy Cost'). Next, enter the 'Inventory Account' (The Inventory Account is the asset account used to value this account at the end of a period. It is displayed on the Balance Sheet. For example, if my item is Milk, this might be 'Food Inventory'). Next, enter the 'Inventory U of M' (this is the unit of measure you consider to be one full unit of this item when counting), and 'Inventory Cost' (This is not necessarily the unit price you pay to your vendor for this item but rather it is the price you pay for the unit of measure you entered in the Stock Count U of M field. So if you purchase by the case but are counting by the cans, make sure you convert the purchase price from per case to per can. Then enter the per can cost here. You will update these prices manually as your vendors make price adjustments. Inventory is always valued using the unit price in this field times the quantity on hand when a stock count is made). You may also add a 'Waste Account' if you plan on using the Waste Log functionality.

Purchasing Tab

General	Inventory Cost	Purchasing	Item Category	U Of M Equivalence	Transactions	Recipes On	Vendor Items	Item Locations

Default Purchase U of M *	Select Unit of Measure ▼	Par Qty		Yield Percent	
Cost Update Method	Auto Update From Invoice ▼	Brand			

Next, select the Purchasing tab. Enter the 'Default Purchase U of M' (How it is received from the vendor), Select the appropriate 'Cost Update Method' (Manual, Auto Update From Invoice, Auto Update Avg Last 3 invoices). You may enter the optional fields as well, Par Qty, Brand, and Yield Percent.

If your 'Default Purchase U of M' and 'Inventory U of M' are different types then you will need to update the 'U of M Equivalence' tab. For example If your Purchase U of M is '4/1 Gal' (a Volume U of M) and your Inventory U of M is Jug (an Each U of M), you will need to tell the system how many Jugs are in the Purchase U of M. For this example, 'Volume Qty' would be 1, Volume U of M would be '4/1 Gal' and 'Each Qty' would be 4, 'Each U of M' would be 'Jug'. This will tell the system that there are 4 Jugs in the 4/1 Gal package.

Item Category Tab

General	Inventory Cost	Purchasing	Item Category	U Of M Equivalence	Transactions	Recipes On	Vendor Items	Item Locations

Item Category 1	Select Category 1 ▼	Key Item ☐
Item Category 2	Select Category 2 ▼	
Item Category 3	Select Category 3 ▼	

Custom Item Categories can be created to classify the Item for sorting as well as reporting.

Reports that utilize Item Categories include:

- AvT Analysis - Actual vs Theoretical efficiency with full drill by Item Category

- <u>Item Category Theo Variance</u> - $ variance over time in any category per Location (see trends of variances)
- <u>Item Price Change Analysis</u> - see received cost fluctuations over time for each Item
- <u>Item Theo Cost Analysis</u> - precursor to AvT Analysis
- <u>Item Theo Variance</u> - drill down from Item Category thoe variance - shows item by item total variance $ trends

U of M Equivalence Tab

General	Inventory Cost	Purchasing	Item Category	U Of M Equivalence	Transactions	Recipes On	Vendor Items	Item Locations

XX Weight = XX Volume = XX Each

Weight Qty		= Volume Qty		= Each Qty	
Weight U of M	Select Unit of Mea: ▼	Volume U of M	Select Unit of Mea: ▼	Each U of M	Select Unit of Measure ▼

Click here for more information on **U of M Equivalencies**
(http://help.restaurant365.net/support/solutions/articles/12000039183-unit-of-measure-equivalence)

Transactions Tab

General	Inventory Cost	Purchasing	Item Category	U Of M Equivalence	Transactions	Recipes On	Vendor Items	Item Locations

Transaction Type	Number	Date	Company	Unit Of Measure	Quantity	Each Amo...	Total	Location Name

|◁ ◁ 0 ▷ ▷| No items to display

This tab will contain each of the Transactions (AP Invoice, AP Credit Memo, Stock Count etc.) where this Item has appeared

Recipes On Tab

Recipe		Comment		Qty		U of M	

No items to display

If this Item is included on a Recipe as an Ingredient, that Recipe will be listed here. For your core ingredients, this list will be a quick look at all of the Recipes that depend on this Item

Vendor Items Tab

Vendor		Purchasing U of M		Split U of M		Vendor Item Name		Vendor Item Number	

No items to display

This tab will contain a link to each of the Vendors Items that has been created for the Item. Depending on the Vendor, the Vendor Item can have it's own Purchase U of M and Split U of M

Item Locations Tab

Location		Cost		Inventory U of M		Par Qty	

No items to di

Item Locations exist to keep the Location Cost of an Item separate from the Location Cost of other Locations. Review this tab to see each of the Item Locations for the Item as well as their most up to date cost (per AP Invoice entry, or manual update of Item Locations)