

The following document outlines the steps required to handle exchange parts and cores. A core is the "shell" that is returned to the dealer and is then rebuilt and sold as a remanufactured, rebuilt or exchange part. These cores are either rebuilt by the dealer or the manufacturer. If they are rebuilt by the dealer, they will carry a dealer's warranty; if rebuilt by the manufacturer, then they will carry the manufacturer's warranty. The reman part number and core part number must be setup as a part master record. The manufacturer will usually have a part master record for the core and will indicate on the record that it is a core. For example, Deere puts EX in the source field and has a prefix of CR on the part number to indicate that it is a core. Case puts CR in the source field. Komatsu uses a C prefix.

## 1. Attach Reman part to new part number

The first step is to attached the remanufactured part number to the new part number. This is done in Parts Profile on the Reman/Core tab. In our example the new part number is NEWPART and the reman part number is REMAN.

The screenshot shows the 'Reman/Core' tab in a software interface. The title bar includes tabs for Profile, Ordering Information, Long Description, Subs, Bins, Memos, Cross Reference, Reman/Core, and Alternate Supplier. The main content area is titled 'Reman/Core - NEWPART - New Part' and includes a search icon and the text 'Guelph'. Below this, there is a text input field for 'Reman Part Number' containing 'REMAN' and a link that says 'Click here to maintain cores.'. A section for 'Core Part Numbers' is present, with 'Primary' selected and a message: 'Sorry, but no information was found.'. At the bottom are 'Save' and 'Close' buttons.

## 2. Setup Core Inventory Account in Chart of Accounts Maint

The Core Inventory Account can be loaded on the core part number in the sale account field. An account example is 16625001 and will be setup as below.

The screenshot shows the 'Account Profile' window for account 16625001. The title bar is 'Account Profile' and the main title is 'Account Profile - 16625001'. The 'Name' is 'INVENTORY CORE ACCOUNT' and the 'Type' is 'Balance Sheet'. The 'Active for G/L' checkbox is checked. The 'Customer Sales History Type' is 'Not Assigned' and the 'Application Type' is 'PARTS'. Other fields include 'Asset or Liability: Asset', 'Memo Account: No', 'eServices - A/R: No', 'eServices - Equipment: No', 'Subledgered Account', 'Alias Account', and 'P/O Receipts'. A section titled 'Corresponding Accounts' contains fields for 'Inventory: 16625001', 'Cost Of Sales: 16625001', 'Cost Of Sales%: 0.0', 'Inventory Accrual', and 'Rental Write Down'. 'Save' and 'Close' buttons are at the bottom.

The inventory and cost of sale accounts will be the same because there will not be any costing done. The application type must be a P so that the vendor on the part master can be something other than 'GL'.

### 3. Add core part number

The system allows for multiple core part numbers to be entered but only one can be the primary core. We will just use one in our example. In order to run inventory value reports on the cores on hand, enter **EX** in the source field on the core part number master (Note: Deere will automatically load EX in the source field of core part numbers). Also, the sale account on this part should be the Core Inventory account and the vendor should be the true vendor so the part price tape updates this part master information.

**Profile** | **Ordering Information** | **Long Description** | **Subs** | **Bins** | **Memos** | **Cross Reference** | **Reman/Core** | **Alternate Supplier** >>

Select Part Number:  Go >> **Guelph**

Part#: CORE  
 Description: CORE CREDIT List Price: 100.00 Sale Account: 36601301  
 Vendor: 0119 Increase %: 60 List Cost Tax 1: No Tax Assigned  
 Bin: WH Sell: 160.00 Tax 2: No Tax Assigned  
 Search: CORE Cost: 83.00 Tax 3 Applies:   
 Machine: SYS ADD,KEY INVOICE Average Cost: 0.72 Tax 4 Applies:   
 Model: Parts / Package: 1 Discount: No Discount Assigned  
 Source: 00 Level 1: 0.00  
 Class: Level 2: 0.00  
 Type: Level 3: 0.00  
 Return: Level 4: 0.00  
 Weight: 0 Matrix:  
 Label: Update Type: Automatic  
 Comment:  
 Active:  Added: 05/12/1990 Modified: 07/15/2009

**Sales Summary**

	Current	Apr09	Mar09	Feb09	Jan09	Dec08	Nov08	Oct08	Sep08	Aug08	Jul08	Jun08	May08	L6	L12
Quantity	0	-2	-4	0	-5	-12	-7	-3	-6	-5	-7	-1	-5	-30	-57
Demand	0	-2	-4	0	-5	-7	-7	-3	-6	-5	-7	-1	-5	-25	-52
Trips	0	-2	-4	0	-5	-7	-7	-3	-6	-5	-7	-1	-5	-25	-52
Average	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Apr08	Mar08	Feb08	Jan08	Dec07	Nov07	Oct07	Sep07	Aug07	Jul07	Jun07	May07	LYR	2YR	
Quantity	-4	-1	-10	-7	-2	-6	-6	-2	-8	-8	-3	-5	-68	-61	
Demand	-4	-1	-5	-2	-2	-6	-6	-2	-3	-8	-3	-5	-53	-51	
Trips	-4	-1	-5	-2	-2	-6	-6	-2	-3	-8	-3	-5	-53	-51	
Average	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Inventory: 655  
 Allocated: 0  
 Reserved: 0  
 On Hand: 655  
 On Order: 0  
 In Transit: 0

Save Close

### 4. Link core part number to reman part number

Next, the core must be linked to the reman part number. This is done from the Parts Profile View/Update screen under the Reman/Core tab. Click on the option to maintain cores and add the core to the list (for simplicity in this case the part number is CORE)

Parts Profile - Windows Internet Explorer  
 http://207.6.57.17:81/CGI-BIN/LANSAWEB?WEBEVENT+L01189D81391614009EB1054+PRD

**Cores - REMAN - Reman part** Guelph Lines to Display: 10

Core Part Numbers	Primary
CORE	<input checked="" type="checkbox"/>
	<input type="checkbox"/>
	<input type="checkbox"/>
	<input type="checkbox"/>
	<input type="checkbox"/>
	<input type="checkbox"/>
	<input type="checkbox"/>
	<input type="checkbox"/>
	<input type="checkbox"/>
	<input type="checkbox"/>

(1 - 10 Of 10) Add >

Save Close

## 5. Reman link in Sales Orders

When you key in the new part number NEWPART on a sales order, the letters **REM** will appear in the Extended Price column. This indicates that there is a Reman part linked to this new part number.

Cash Code	Part Number	Ord	Iss	Ship	Inv	Description	OH Bin	OO OFC	Price	LDTTTTN	Extended Price
2	NEWPART	1	1	1		New Part	2	05	700.00	XXNN	REM

To find the Reman part number and select it, click on the on hand value to get the part availability window. In the availability window the price that is displayed is based on a table switch in the COTAB table. There are two options -- you can either have the price include the price of the core or you can have the price minus the core price. In this case I've set the table to leave the reman price as it is so it's showing as \$500.00 (see the system configuration manual for the COTAB table for more information on this option).

Location	Description	Price	On Hand	Order	L12 Sales	Source	Class	Type	Inv	Sto	Ci
Guelph (010101)	New Part	700.00	2								
<input checked="" type="checkbox"/> *reman	REMAN	500.00	3								
Paris (010102)	New Part	700.00	No Master								

To select the Reman part, check off the part you want to select (in this case part REMAN) This will place the reman part on the sales order screen on the 2nd line. Remove the new part number on the first line if no longer needed.

Cash Code	Part Number	Ord	Iss	Ship	Inv	Description	OH Bin	OO OFC	Price	LDTTTTN	Extended Price
										Yes	
2	REMAN	1	1	1		Reman part	2	05	500.00	XXNN	500.00

When the sales order is printed, the reman part number will be printed at the reman price less the core portion of the reman. Below it will be the CORE part. This will automatically print like this because the core is linked to the reman part number.

Part#	DESCRIPTION	Bin	ORD	ISS	SHP	B/O	UTT	Price	Amount
REMAN	Reman part		1	1	1			340.00	340.00
CORE	CORE CREDIT							160.00	160.00
TOTAL CASH									500.00

## 6. Giving a core credit on the sales order

When a customer purchases a reman part, he has the option to return a core for credit. To accomplish this, enter the core part number on the next line on the sales order with a qty of 1-. \*\*Note that the reman part on the invoice has 'rem' under the extended price to indicate it's a remanufactured part.



Customer		Details	Comments	Memos	Alternate Charge						
<b>Parts Invoicing Details</b>											
Order Number: 347415					Deanna Hardy						
					Location: Guelph						
Cash Code	Part Number	Ord	Iss	Ship	Inv	Description	OH Bin	OO OFC	Price	LDTTTTN	Extended Price
2	REMAN	1	1	1		⊕ Reman part	0	5	500.00	XXNN	rem
2	CORE	-1	-1	-1		⊕ CORE CREDIT	559 WH	0 7	160.00	XXYY	-160.00

This will issue a credit for the amount of the core and will add one to the on hand value for the core part number.

The invoice detail will look like this.

Part#	DESCRIPTION	Bin	ORD	ISS	SHP	B/O	UTT	Price	Amount
REMAN	Reman part		1	1	1			340.00	340.00
CORE	CORE CREDIT							160.00	160.00
CORE	CORE CREDIT	WH	1-	1-	1-			160.00	160.00CR
TOTAL CASH									340.00

### The Accounting Entries

a) Sale of a reman with the core:

Account#	Description	Reference#	Amount
36601301	Parts Counter	B99476 REMAN	500.00-
16600001	Parts Inventory	B99476 REMAN	470.00-
46601301	Parts Counter	B99476 REMAN	470.00
10102002	Case	B99476	500.00

b) Sale of a reman with a core credit:

Account#	Description	Reference#	Amount
36601301	Parts Counter	B99479 REMAN	500.00-
16600001	Parts Inventory	B99479 REMAN	470.00-
46601301	Parts Counter	B99479 REMAN	470.00
36601301	Parts Counter	B99479 CORE	160.00
16600001	Parts Inventory	B99479 CORE	.01
46601301	Parts Counter	B99479 CORE	.01-
10102002	Cash	B99479	340.00