

Preparation for using the Equipment Rental Program

1. Set up a Purchase Group number above 950.
2. Set up a Manufacturer and Product group number for Equipment Rent.
3. Before using the Equipment Rental options, you will need to establish an item number in the Inventory Master File for every piece on rent. Each piece of equipment should be entered with it's own unique Item# to be recognized by the system. You may consider using the Ser# as the item number. An explained adjustment must be done to add "1" on hand to stock.
4. In Inventory Master File set up each item with an item class of "E".
5. Leave the "Ordering Cost Override" at zero (0) (for accumulated revenue). When you put an item out on rent and revenue is billed for this item, the Ordering Cost Override will maintain the total amount this item and earned the company while being rented.
6. The list price field should contain the minimum charge for rent.
7. The bracket fields should be used as follows:

List Price = The lease amount you must get for this item.

Bracket 1 = price 1 (rate per day or daily rate)

Example \$10.00 a day. $\$10 / 1 = \10.00

Bracket 2 = price 2 (rate per day on a weekly basis) RPD / 7

Example \$50.00 a week. $\$50 / 7 = \7.142

Bracket 3 = price 3 (rate per day on a monthly basis) RPD / 30

Example \$150.00 a month. $\$150 / 30 = \5.00

The program will always charge the customer the lower rate. Example: If a customer returned an item on the 6th day, the system will multiply the days times rate = \$60. It then looks at the weekly rate and says, Hay, weekly is only \$50 so I will charge the customer only \$50. Therefore, to obtain the rate I will divide the \$50 by 6 which is a rate of \$8.333 a day. When the weekly rate goes beyond \$150 it will then do the same computations with the monthly figure.

Don't forget to do an explained out of inventory adjustment from the current inventory item number and an explained into inventory adjustment to the new RENT item number.

Once you have set-up the item you go into order entry and select the "E" option and proceed as normal.

This program assumes that you have a rental agreement that the customer will sign agreeing to your terms of the rental agreement. These agreements should be numbered sequentially.

You will not receive any paperwork when you put the rental into the system. You will receive a packing slip when the item is returned showing what was returned and paid or signed for.

Note: If you want a customer to have a special rent rate for this item you need to add it to his hardgoods special pricing. Enter the daily rate.

Billing: Close will produce a bill for all your rental that has been out on rent since your last close. Example: If you rent an item on January 2, and you run close on Jan 31st, you will not bill this rent item. When you run close on Feb. 28/29 a bill will be produced for Jan 2 through Feb. 1. If the item is returned on Feb. 15th, a bill will be produced at the time of return for Feb. 2 through Feb. 15. You may run your rental bills on command by going to Order Entry and Billing menu, Print Monthly Equipment Rent Bills and it will produce a monthly bill for any item that has been out on rent for one month. Example: Using example above, If you run "Print Monthly Equipment Rent Bills" on Feb. 5, a bill will be produced for this item. Some of our customers may want to run this program every Friday or every Wed to catch the monthly rentals in a more timely manor.