

Setting up the Lease program.

First determine how you are going to group your cylinders for leasing. Example: All Hi-Pressure cylinders will be set up with a lease of \$45.00 a year with a renewal of \$35.00 a year. All Lo-Pressure will be \$35.00 a year with a renewal of \$25.00 a year. If you have cradles, you may want to have a set basic price for a 6 cradle of hi-pressure cylinders at \$120.00 a year with a renewal of \$100.00, and an 8 cradle of hi-pressure cylinders at \$160.00 a year with a renewal rate of \$145.00. (All my prices are picked out of the air.)

You need to set up a lease rate code. This will be a two letter code for each type rate you have determined you needed above. Example C6 could be for a 6 cylinder cradle, and C8 could be for an 8 cylinder cradle. Also, HP could be for hi-Pressure cylinders etc.....

Example of your list will be:

Lease Rate Code	Description	Sort desc.
C6	6 Cylinder Cradle	Cradle6
C8	8 Cylinder Cradle	Cradle8
HP	Hi-Pressure Cylinders	HP Cylind

ETC.....

ETC..... As many as you feel you need.

Now we need to set up two Item numbers for each one of the above codes. This is done in the Inventory maintenance (Menu: Master, #2, #13). You MUST use this item#: LEASE(Two digit number of years), & (Two character Lease Rate Code). You must also set up the same item # with an "R" on the end, to handle the renewal of your leases. If you wish, you can use different product groups to record the sales of your original leases you renewal leases.

Example:

LEASE01HP

LEASE01HPR

LEASE01C6

LEASE01C6R

LEASE01C8

LEASE01C8R

ETC.....

Now we need to go into each gas item# in the Inventory maintenance file and put the lease rate code that applies to that gas. (MENU MASTER, #2, #13).

Type the item# and hit <Enter>. This will bring up the gas item. Now do a cmd10/F10 and tab down to the "Lease Rate Code" field and place the code that applies to that item#. If you are not sure which one it might be you can use the question mark to bring up the list of lease rate codes and hit the <F1> to verify.

NOTE: Most of the time, when you use the question mark to view the help screen, we recommend that you use the cmd1/F1 key instead of the enter key in order to verify your data before entering it back into your files.

After you have completed the above steps you are now ready to start selling leases. When you sale a lease you will go into order entry (MENU MASTER, #3, #1) and fill in an order for that customer using LEASEyy as your Item#. Where "yy" is the number of years the lease covers. If you are providing this customer with a special lease price then put a Y in the special price field. The next screen will ask you for the gas Item# of the cylinder being leased. The system then retrieves the lease code for that item and appends it to the LEASEyy item you entered to produce the actual item # that you will use to bill the customer.

This should have either confused you to death or will lend some assistance in figuring out the rest of the procedure.

Take a look at the Weldlibr documentation book under tab "Cylinder Lease Menu". It should walk you through the set-up procedures.

Discussion

This file contains a record for every cylinder leased by your customers. The number of cylinders on lease is stored in the record along with the date that the lease was written and the invoice number on which it was billed. A record gets added to the file automatically whenever an item number beginning with the characters "LEASE" is billed during invoice entry. The item number should also contain the number of years that the lease is for, as well as a two digit lease rate code. You should assign a code for every lease rate you charge. For example, if you have 2 standard lease rates, one for small cylinders and another for large, you would need 2 codes such as "SC" and "LC" for "small cylinder" and "large cylinder" respectively. Other codes might be "LL" for "large liquid", "CL" for 12 cylinder cradles, "CS" for 6 cylinder cradles, etc. For example, a 1 year lease for 251 cubic foot Oxygen cylinder might be billed using the item # "LEASE01LC". Keep in mind that each lease item number should have a renewal item number created in the inventory master file, such as "LEASE01LCR". The system automatically scans the lease file at the end of each month and bills for the renewal of all leases that expire in the upcoming month, and also prints a list of those leases that expire 2 months from that point, thus giving you the upcoming month to review the list to see if the lease really should be renewed.

DIRECTORY

Seq:

To work with an existing item number-lease sequence, you may key the sequence number of the item as displayed on the directory. Use <ENTER> to update or <F4> to delete.

***Position to/Item # - Lease seq to ADD:**

If a new lease is to be added, place the cursor in the first field, key in the item number and press <F6>. You may also search for an item number by placing a "?" in this field and pressing either <F1>=Verify or <F6>=Add. You may work with an existing lease by entering both the item number and the lease sequence. Use <ENTER> to update or <F4> to delete.

OPTIONS

Enter = Continue: update the selected lease.

F1 = Verify: verify data keyed before accepting.

F3 = Exit: end maintenance program and do not accept changes.

F4 = Delete: flag a record for deletion.

F6 = Add: enter a new lease.

F7 = Return: return to search display and do not accept screen.

F11 = Show Deleted: include deleted item on the directory.

F11 = Omit Deleted: omit deleted items from the directory.

Customer Number:

Pre-fills with customer selected from screen 1.

***Item Number (10) (Alphanumeric)**

Enter the gas item number that is on lease.

Lease Sequence (3.0) (Numeric)

Since it is possible to have more than one lease on a given size and type of cylinder taken out on different dates, the sequence number is used to identify the different leases. When leases are added, the next available sequence number is assigned by the system.

Number of cylinders (5.0) (Numeric)

Enter the number of cylinders of this size/type that are on lease.

Original lease term: (years) (2.0) (Numeric)

Valid entries are 01-99 (99 year leases are programmed to never renew)

Original Lease date: (6.0) (Numeric-MMDDYY)

This field contains the date that the lease was first written.

CLMMNTFM HELP

Original Invoice # (6) (Numeric)

This field contains the invoice number on which the lease was originally billed

Renewal Override (2.0) (Numeric)

If the lease should renew for a different number of years than originally billed, enter the number of renewal years in this field.

Last Renewal Date (6.0) (Numeric-MMDDYY)

Date that the system renewed the lease. If this field contains a date, the system uses it to determine if the lease is up for renewal. Otherwise the lease start date is used

Last Renewal Invoice # (6) (Numeric)

When the system renews a lease it inserts the invoice number it assigned into this field. Note that the system uses the same series of invoice numbers that it uses for rent/demurrage bills when billing the lease renewal

No Renewal (N):

Enter an "N" in this field if this lease should not renew. On the month in which the lease is scheduled to renew, the lease will be flagged with a "D" for delete in the next field

Delete (1): (Alpha)

A "D" in this field to flag for deletion, or remove "D" to reinstate.

OPTIONS

Enter = Continue: accept the added record or updates.

F1 = Verify: verify information keyed before accepting.

F3 = Exit: end maintenance and do not accept changes.

F4 = Delete: delete an existing record or reinstate a deleted record.

F5 = Refresh: return the data to the status prior to any changes keyed.

F12 = PrevScrn: return to the directory without accepting the current record.

Roll keys: scroll through customer leases without updating.

APPENDIX B

Cylinder Leases

The system is designed to automatically invoice for renewal of customer's expiring leases each month. It will also automatically create a lease record for a customer whenever a new lease is billed during invoice entry.

Before the system can actually begin invoicing and renewing leases, necessary data must be established and entered into the computer.

Following the steps outlined in this appendix will help you understand and set up your leases in the system

I. RELATED CODES TO ESTABLISH

In order to set up LEASES you will need to establish the following group codes for leases. Locate the related maintenance files in the documentation for further details.

Product Group Code

Establish a three position product group code for leases. You can use letters or numbers (i.e. LSE). Enter the code and description in the Product Group Master File.

Manufacturer Code

Establish a three position manufacturer group code for leases. You can use the same code that you established for the product group. Enter the code in the Manufacturer Master File.

Purchase Group Code

Choose a number from 950-998 to use as your purchase group code for leases. Enter the code in the Purchase Group Master File.

II. LEASE RATE CODES

You need to establish 2 position rate codes for each standard lease rate you charge.

Examples of rate codes:

SC = small cylinder

LC = large cylinder

LL = large liquid

CL = 12 cylinder cradles

CS = 6 cylinder cradles

Lease Rate Codes are used in the following maintenance files.

1. Cylinder Lease Master File (see documentation for details)

2. Inventory Master File

Lease Rate Codes should be entered for gas items. Enter the lease rate code that corresponds to the lease rate that you charge for that cylinder type and size.

When you invoice a customer for a lease, the system prompts you to enter the gas item number of the cylinder being leased. The system checks the lease rate code contained in the "LEASE" item number against the code you have entered for the gas item number being leased. It will not allow you to bill the lease if the codes do not match.

For example, if item number AC5 has a lease rate code of "LC" and the lease item number being billed is "LEASE01SC", the system will sound an alarm and not allow that lease to be billed. In that case you would cancel the line item being billed and reenter the line using line item number

"LEASE01LC"

You can also let the system do the work for you. To bill a lease, key in: LEASEyy (where yy = number of years that the lease is for), then press <ENTER>. The system then prompts for the gas item number being leased, then uses the lease rate code found in that item's inventory master record to "build" the item number it should use by appending the code to what the operator keyed (i.e. LEASEyycc, where cc = lease rate code.)

III. SETTING UP LEASE ITEMS AND RATES

You should establish two inventory items for every standard cylinder lease, one for the original lease and one for lease renewals. Follow the steps outlined below to enter each LEASE item in the Inventory Master File.

The following fields need to be completed for each LEASE item.

Item Number

Positions 1-5 = LEASE

Positions 6-7 = number of years the lease is for

Positions 8-9 = lease rate code

Position 10 = lease renewal code (R) (for renewal item #'s) (every lease item should have a corresponding renewal item number)

Example:

LEASE01LC This lease item is for a one year lease of a large cylinder.

LEASE01LCR This is the renewal item number for the same kind of lease.

Description

Enter the description for the lease that you would want to appear on the lease invoice.

Price

In this field, enter the rate for the lease item number. This will become your standard list price for this kind of lease.

Product Group Code

Enter the product group code you established for leases.

Manufacturer Group Code

Enter the manufacturer code you established for leases.

Purchase Group Code

Enter the purchase group code you established for leases.

"N" for taxes

If leases are never taxed, enter N's in the LEASE Tax Table in the Customer Master File. If leases are taxed, enter the appropriate table code.

IV. SPECIAL LEASE RATES

If any customer should receive a special lease rate, a record needs to be set up in the Hardgoods Special Pricing File. See documentation for setting up these files.

V. CYLINDER LEASE MASTER FILE

This file contains a record for every cylinder leased by your customers. These records are created in one of two ways:

1. Manually

When initially setting up leases in the system, you would enter all of your customer's cylinder lease records in this file. If you needed to update an existing lease record, you would also use this file.

2. Automatically

Cylinder lease records are added automatically by the system whenever an item beginning with the characters "LEASE" is billed during invoice entry (see Cylinder Lease Master File for more details.)

VI. BILLING LEASE ITEMS

New leases are invoiced during billing using the LEASE item numbers established in the Inventory Master File. The characters "LEASE" at the beginning of the item number signals the system to automatically add a lease record in the Cylinder Lease Master File.

A separate LEASE line item should be billed for each size and type of gas that a customer is taking out on lease. For example, if a customer is being billed for 3 oxygen and 3 acetylene cylinders, a lease item would be billed for each of the two gases.

After entering a lease item number, the system prompts you to enter the gas item number of the cylinder being leased. The system checks the lease rate code contained in the "LEASE" item number against the code you have entered for the gas item number being leased. It will not allow you to bill the lease if the codes do not match.

Reversing an Entry

If an invoice for a lease item has been entered incorrectly you can make a reverse entry to offset it.

For example, if LEASE01LC was billed during invoice entry with quantity 2, enter a second invoice with the same data except enter quantity 2 <Field ->. This will offset the incorrect invoice. Later, delete both lease records in the Lease Master File. To delete, display the lease record in the update mode then <CMD4>. The record will be marked for deletion.

HOW LEASE RENEWALS WORK

Once all of the lease related information is set up, the system is ready to bill lease renewals automatically. As part of the MONTH-END CLOSE procedure, the system automatically scans the lease file and bills for the renewals of all leases that expire in the upcoming month.

In addition, a list of those leases that expire in two months will also be printed. This gives you the upcoming month to review the list to see if the leases should be renewed and/or the customer's rate should be changed.

CHECKLIST FOR SETTING UP LEASES

1. Set up a product group code, manufacturer code and purchase group code for leases.
2. Establish lease rate codes.
3. Enter lease rate codes in gas item records.
4. Set up lease items with rates in the Inventory Master File.
5. Set up special rated leases in the Hardgoods Master File.
6. Set up leases in the Cylinder Master File.
7. Set up the appropriate tax table for each customer in the Customer Master File.

Revised: 2/92

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