

Understanding Order Shipping

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This guide first explains the basic elements of the aACE shipping calculations, then highlights preferences you can leverage.

Shipping Price and Cost

During order entry, you can enter an estimated shipping *price* in the Totals section. This price is the amount you will charge the customer for shipping. In contrast, the shipping *cost* is the amount your organization will pay the carrier.

The screenshot below highlights the estimated cost field (on the left, for \$24.99) and the estimated price field (on the right, for \$49.99):

The screenshot displays the 'Orders' module for order 50359, 'Secaucus School District', dated 09/08/21. The 'Totals' section at the bottom right is circled in red, showing the following values:





Subtotal	6,000.00
Adjustment	0.00
Total	6,000.00
Shipping	24.99 49.99
Tax	OUT 0.00 Exempt
Grand Total	6,049.99
Payment Due	0.00

The recommended workflow is to enter the estimated shipping cost on the Order module. Later (e.g. when you receive the bill from the freight company) you can enter the actual shipping cost on Shipment module. This method helps you generate the most accurate profitability report (with estimated profitability split from actual profitability). This information can also help you check orders to see if they're accurate.

PSO (Prevent Shipping Override)


There are two scenarios for pricing shipping on an order. The first is to charge the customer based on what the carrier charges you – either a pass-through or with a markup applied. In these situations, aACE will continually update the price as shipments go out and your shipping costs are entered into the system.

The second scenario is to lock the shipping price on the order using the PSO flag:

Subtotal		16,800.00	
Adjustment	<input type="text" value="0.00"/>	0.00	
Total		16,800.00	
 Shipping	<input type="text" value="0.00"/>	25.00	<input checked="" type="checkbox"/> <i>PSO</i>
 Tax	<i>DEF</i>	0.00	<input type="checkbox"/> <i>Exempt</i>
Grand Total		16,825.00	
Payment Due		0.00	

When you manually enter an amount for the shipping charge or manually mark the PSO flag, aACE will *not* alter the order's current shipping price. In other words, the price estimated when the order is input will "stick". In contrast, the shipping cost will continue to update as shipments go out.

You can mark the PSO flag as the default setting for all new orders (Main Menu > System Admin > aACE Preferences > Order Entry > Prevent shipping override (PSO) by default).

You can remove PSO and have updates again applied to an order's shipping price. To do this, you must manually clear this flag, then also click the Shipping Info icon () and click Default. This restores the default order shipping amount logic.


Default Shipping Price

You can set a fixed shipping price that will be automatically applied to each order.

This value is drawn from the default LIC specified in the Accounting module (Main Menu > Accounting > Preferences > Data Entry > Misc Line Item Codes section > Shipping). Typically this LIC is a Misc type LIC titled "Shipping"; however, you can create and use a different LIC for this purpose.


On the default shipping LIC, you can specify the desired [Rate Type and Rate Value](#) (<http://aace5.knowledgeowl.com/help/overview-of-line-item-code-rates>). The settings you enter here will be applied to all orders (unless an override from other shipping price automation applies, as noted below).


Shipping Price Automation

When the PSO flag is *not* marked, aACE evaluates and updates the shipping price as modifications are made on the order or when related records are posted. Updates based on actual shipping costs are logged; you can review them by clicking the Information icon () in the lower-left corner of the order.

The estimated shipping price is calculated in this order:

1. Order Delivery Type – If this field is set to “Pick Up” or “Not Applicable”, then the shipping price is set to 0.00 and the PSO flag is marked.
2. Free-Shipping Threshold – If the order meets your organization's settings for free shipping (specified at Main Menu > System Admin > Preferences > Order Entry > Free Shipping field), then the shipping price is set to 0.00 and the PSO flag is marked.
3. Bill-To Company Shipping Rate Setup – If this customer has a predetermined shipping rate, then the shipping price will be set to that amount. You can specify a customer's shipping rate at Main Menu > CRM & Sales > Companies > specific company record > Customer Details > Billing Setup > Ship Rate Type and Value fields. If the company's Ship Rate Type is “Fixed Price”, then the PSO flag is marked; otherwise, it is *not* marked.
4. Shipping LIC Rate Setup – If the default Shipping LIC in your system has a predetermined shipping rate, then the shipping price will be initially set according to that calculation. The PSO flag will *not* be marked. You can change the default Shipping LIC (Main Menu > Accounting > Preferences > Data Entry > Misc Line Item Codes section > Shipping). You can also modify the Rate Type and Rate Value on the LIC record that is specified as the default.
5. Manual Input on Shipping Price Field – If you manually enter a shipping price, aACE considers it an override and that value will be retained no matter what other settings are configured. Simply deleting the current value will set the shipping price to a manually entered zero.

Note: To remove a manually entered shipping price, click the Information icon () next to the shipping fields and select Default.

To review the factors currently affecting the shipping price, click the Information icon () next to the shipping fields.

Shipping Cost Allocation

aACE can automatically combine shipments from multiple orders if they are being sent to a single customer at a single location. You can specify how the total shipping cost (and

therefore the price to the customer) for the combined shipment should be allocated across the various order invoices.

To use these features, your system administrator must configure two aACE settings.

Navigate from Main Menu > System Admin > Preferences:

- Order Entry – Click the field titled Allocate Shipping Cost By, then select the setting that best aligns with your company policies (e.g. Quantity, Value, Net Weight, or Gross Weight).

Note: If this field is left blank, the default setting is “Value”. If you will be using weight-based allocation, you must enter the weights for each [line item code](#)

(<http://aace5.knowledgeowl.com/help/overview-of-line-item-code-screens>).

- Shipping – Mark the flag to 'Append auto-generated items to pending shipments by location'.

For example, suppose a customer put in one order for several small items, and then later put in a second order for a single, larger item. Both orders need to ship to the same location. With the above Order Entry and Shipping settings, aACE would automatically add the larger item from the second order to the initial order's shipment. On that combined shipment, you would enter the total shipping cost. aACE would divide the shipping cost between the two invoices for the orders, based on the allocation criteria you have specified.

Shipping Scenarios

The following examples walk through some of the most common shipping price setups.

Examples of Default Shipping Logic

aACME Education Solutions receives a call from their customer at the SU Physics Department. The customer orders a new wall-mounted electronic whiteboard. This whiteboard LIC record has an initial shipping cost of \$24.99. The general Shipping LIC record has a default adjustment of Mark Up % at 10%. So the default shipping price for this order \$27.49.

Record: 13 of 13

Order: 50046 SU Physics Department 11/09/18 PENDING

Bill To: SU Physics Department, Grant Haroldson

Ship To: SU Physics Department, Grant Haroldson

Type	Line Item Code	Description	Qty	Unit Price	Extended Price	Total	Tax Profile
Technology	Tech-002	Electronic Whiteboard, mounted	1	4,362.73	4,362.73	4,362.73	DEF

Subtotal	4,362.73
Adjustment	0.00
Total	4,362.73
Shipping	24.99
Tax	0.00
Grand Total	4,390.22
Payment Due	0.00

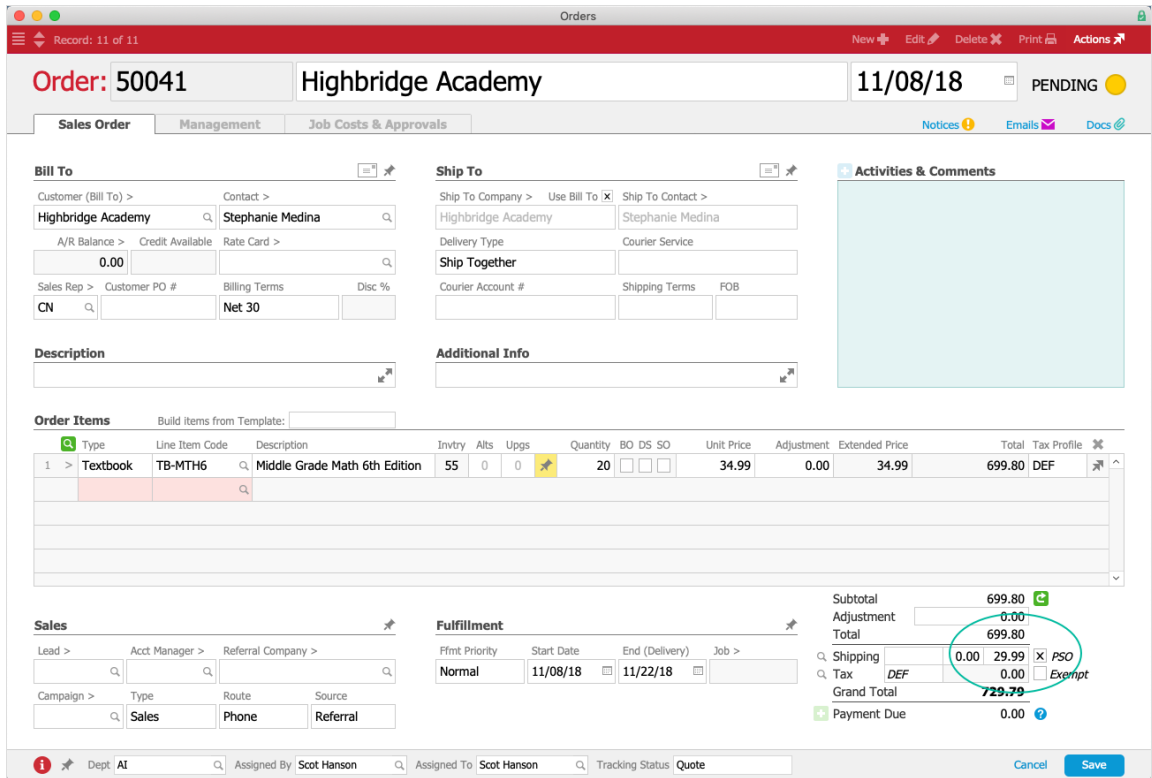
As another example, if the default shipping Mark Up % is at 10% and a shipment costs \$10.00, but the order requires five units to be shipped separately, then the total shipping cost charged to the customer would be \$55.00 (i.e. five shipments priced at \$11.00).

As a contrasting example, if you set the default shipping Rate Type to a Fixed Price of \$10, aACE will charge that price per shipment, regardless of any actual shipping costs. So five units shipped separately would result in a total shipping cost of \$50.00.

Example of Basic Shipping Price Update from Company

aACME Education Solutions receives an order from Highbridge Academy for 20 textbooks. Highbridge has an agreement with aACME that their shipping will always have a Fixed Price of \$29.99. As noted above, this is recorded on Highbridge's Company record.

When the aACME sales person enters the first order item, aACE checks the shipping price settings. It automatically enters \$29.99 in the Shipping Price field and marks the PSO flag. As the order and fulfillment process continue, the Shipping Cost will update, but the Shipping Price will remain the same.



Example of Shipping Cost Update from Quantity

aACME Education Solutions has another order of 35 workbooks for Full STEAM Charter School. The sales person creating the order estimated a shipping cost of \$75.00.

For this order, each item will be shipped individually and each shipment will cost \$3.00. In this case, shipments #1 through #25 will *not* impact the order, since the shipping costs for those shipments do not exceed the estimated shipping cost. However shipment #26 will update the order, as the actual shipping costs for the order will then be \$78.00. aACE will automatically update the order to add the actual costs for shipments #26 through #35.

As a contrasting example, if we assumed each shipment for this order would cost \$2.00 instead, then shipping all 35 items would only cost \$70.00. Because the actual shipping cost would be less than the estimate, the order would not update until all shipping is complete.

Record: 12 of 12
New Edit Delete Print Actions

Order: 50042
Full STEAM Charter School
11/09/18
PENDING

Sales Order
Management
Job Costs & Approvals
Notices
Emails
Docs

Bill To

Customer (Bill To) > Contact >

A/R Balance > Credit Available > Rate Card >

Sales Rep > Customer PO # > Billing Terms > Disc % >

Ship To

Ship To Company > Use Bill To: Ship To Contact >

Delivery Type >

Ship Together >

Courier Account # > Shipping Terms > FOB >

Activities & Comments

Description

Additional Info

Order Items Build Items from Template:

Type	Line Item Code	Description	Invtry	Alts	Upps	Quantity	BO	DS	SO	Unit Price	Adjustment	Extended Price	Total	Tax Profile
1 >	Textbook	WB-FRNCH3	J'Apprends: I Learn French	350	0	0	35			24.99	0.00	24.99	874.65	DEF

Sales

Lead > Acct. Manager > Referral Company >

Campaign > Type > Route > Source >

Fulfillment

Ffmt Priority > Start Date > End (Delivery) > Job >

Subtotal

Adjustment

Total

Shipping PSO

Tax Exempt

Grand Total

Payment Due

Dept Assigned By Assigned To Tracking Status Cancel Save