

UNIT

7

Forms and Form Design

REVIEW QUESTIONS

Read the following statements and identify the form in the space provided.

1. The initial request for supplies sent by the requesting department to the purchasing department.

2. The information sent to a customer indicating purchases, payments, and returns over a period of time.

3. The form sent to a customer to indicate he or she has sent back some goods and that the amount involved has been deducted from the account.

4. The form the purchasing department sends out when it wants to obtain supplies for the firm.

5. The form sent to a customer indicating that goods ordered have been sent and showing the price, discounts, and tax payable.

6. When supplies ordered arrive, this document is completed by the person who checks the goods in.

7. This record is kept by the inventory control department and shows how many items of a particular kind are currently in stock.

8. If customers want to know exactly how much they owe a particular firm, they will consult this document.

9. When a company involved in manufacturing or service gives instructions for a job to be carried out, this authorization form is completed.

10. When goods arrive at their destination, the person who receives them is usually required to sign this form.

11. When the inventory control department finds it necessary to replenish the stock of a certain item, this form is sent to the purchasing department for action.

12. When a customer phones to request that goods be shipped, this form is completed by the person who accepts the call.

13. When goods are to be transported by an outside carrier on behalf of a supplier, this shipping document is completed.

14. In retail stores, this form is completed when a customer makes a purchase.

15. When a customer wants to know how much discount was allowed on a particular purchase, he or she will consult this document.

CALCULATIONS

Insert the answers to the following calculations in the spaces provided.

1. Your purchasing department hired three more staff last year bringing the total to ten. What was the percentage increase over the previous year?

2. Your company has received an invoice for \$2500 and the terms are 2/10, net 30. If you decide to pay within ten days, how much will you have to pay?

3. Your manager has asked you to summarize the purchases your company made last year for the following companies. You have the dollar amount purchased; the manager wants you to list the amounts as well as show the percentage increase over the previous quarter.

	1Q	2Q		3Q		4Q	
	Amt.	Amt.	% Inc.	Amt.	% Inc.	Amt.	% Inc.
Anderson Electronics	4 500	5 000		6 000		6 500	
MAKE Systems Inc.	1 500	2 250		3 250		4 000	
Computer City Life	10 000	12 000		15 000		20 000	

4. If the sales recorded on your firm's invoices showed that in the spring a particular sweater sold at \$35.95, in the summer at \$27.50, and in the fall at \$37.80, what was the weighted average selling price if sales of the following quantities had been made: spring, 36; summer, 24; fall, 157.

5. Your account with Sapphire Electronics was high this month at \$1104.32. If you pay the minimum required to keep your account in good standing, \$110, how much will carry over to the next month?

6. You have just prepared a purchase order for one PC system @ \$2780.00, three cash drawers @ \$249.95 each, four cash receipt printers @ \$494.50 each, 50 diskettes @ \$4.10 per 10, and five boxes of paper @ \$34.76 per box. You are entitled to a 5% trade discount. What will your total bill amount to, not including tax?

7. The inventory clerk starts the year with 50 boxes of laser printer toner. During the month of January, she supplies 27 to various departments; in February she is asked for 18 more; then she requisitions as many as she needs to bring her supply back to the original level. How many boxes of toner does she order?

8. You have one person who looks after both shipping and receiving in your organization. She spends three hours a day shipping and receiving but Friday is busier, taking 1/2 of her day. What percentage of her 5-day, 40-hour week does she spend performing shipping and receiving functions?

9. A repair shop has two fully qualified mechanics and four apprentices. Today the number of production orders is 38. If the fully qualified staff deal with 26, how many each will the apprentices tackle if they share them equally?

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10. On a sales slip, the total figure is \$3.49. If the sales tax is 8%, what is the price of the item?
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RESEARCH ACTIVITIES

1. A mailing set is a one-part, self-contained, computer-produced package usually consisting of an envelope and a form or forms (see the *Pitman Office Handbook*, Unit 7, F32). These are frequently used for such items as invoices and statements. Brainstorm in groups and create a list of as many applications as you can for mailing sets.
2. Obtain samples of four different business forms. Evaluate the design of the forms and present your evaluation in an oral presentation.

To help you evaluate your business forms objectively, you may want to create an assessment form with a point system. The following is a sample forms assessment sheet. Devise a point scale – such as 5 to 0, representing from excellent to poor – to evaluate each standard for each form.

FORMS ASSESSMENT SHEET				
Standards for Good Form Design	Form 1	Form 2	Form 3	Form 4
Uses standard terminology				
Uses clear headings and captions				
Allows sufficient space for entries				
etc. etc. etc.				
Total points				

3. The more sophisticated software packages available offer forms-completion capability. Select three that offer this capability and compare them. Produce a chart to present the information under the following headings:
 - Program
 - Hardware (Operating System)
 - Generates Forms
 - Fills Forms
 - Generates Documents
 - On-Screen Calculator
 - Database Interface
 - Price.

ON-THE-JOB ACTIVITIES

1. Using either a form design and processing, word processing, or spreadsheet program, design a set of sales and purchasing documents for Growmore Industries Ltd., 2800 Pleasant Rd., Amherst, NS B4H 4A5, telephone: (902) 641-0937, fax: (902) 641-8972, web site: www.growmore.com and Sunshine Nurseries, 6 Sandroyd Way, Halifax, NS B4H 3M5, telephone: (902) 819-3645, fax: (902) 819-9674, web site: www.sunshine.com. Ensure that your forms have an automatic calculation feature in them.
2. Using the forms designed in Activity 1, prepare a Sunshine Nurseries purchase order (K562) dated April 20, with terms of net 30, to Growmore Industries for the following merchandise: two 3-m mountain ash trees at \$95 each; a hundred pkgs. of pole bean seeds at \$0.75 each; a hundred pkgs. of bush bean seeds at \$0.45 each; and five 25 cm x 75 cm redwood window boxes at \$27.50 each. Sunshine's PST number is 010302. The merchandise for Department A102 will be shipped by truck. Calculate the extensions on the purchase order. **Note:** For the purposes of these activities assume that Nova Scotia companies pay GST and PST as opposed to HST.
3. As a member of the accounting department of Growmore Industries Ltd., do the following:
 - a) Prepare an invoice, No. T174, dated April 27, to Sunshine Nurseries for the goods ordered on Purchase Order K562 above. Your GST number is 3456790 and your PST number is 876468.
 - b) Prepare an invoice, No. T179, to Empress Estates Inc., 1008 Duke St., London, ON N6J 2X4, for one hundred 2-m poplar trees sold by Bashir that were delivered by rail yesterday. The invoice, dated April 28, covers the customer's Purchase Order E4005 for the poplars, at a cost of \$22.50 each, less a quantity discount of 2%, plus 7% GST. Empress's PST number is 089895. Empress's order was dated April 21 and called for terms of 2/10, n/30.
4. Continuing your duties with Growmore, prepare a statement for Sunshine Nurseries (Account No. 59108), dated May 5. Include the following items and calculate the final balance owing:

Opening balance		180.00
April 16	Invoice T153	270.00
20	Payment received	450.00
26	Invoice T160	59.90
27	Invoice T174	
29	Invoice T181	295.60
5. A client, Mercury Enterprises Ltd., has asked you to create an employment application form. Create a draft form for approval by Mercury.
6. Mercury Enterprises Ltd. is happy with the work you did in Activity 5. You have been asked to design a couple of different expense account forms for their review.

WHAT WOULD YOU DO?

In the space provided, indicate what you would do in the following situations.

1. Your supervisor's husband buys a computer from your company. He asks you to prepare an invoice for \$2000, even though he paid only \$1500 (your company's cost price).

2. You prepare a pre-numbered invoice. As you are about to mail the invoice, you notice that it contains an error.

3. A customer telephones to complain that the invoices from your company for identical products have different terms of sale.

4. Your warehouse is constantly running out of certain products.

5. Your accounting department is so busy that it rarely takes advantage of purchase discounts for early payment. Sometimes invoices are not paid until after the due date, with the result that your company has to pay interest charges.

6. Your warehouse can supply only 400 CD-ROM drives but you have an order for 450.

7. Your usual courier company has a shipping form that must be completed on a typewriter or filled in by hand. You courier many items to the same companies every day.

8. You complete purchase requisitions for specific types of equipment for your department but usually find that the purchasing department buys cheap substitutes.

9. You want to reduce the volume of hard-copy sales and purchasing forms being kept in your office filing cabinets.

10. Your company is experiencing such heavy workloads at the end of each month (billing time) that temporary help has to be hired. You want to eliminate temporary staff costs but not increase the workload of your permanent staff members.
