

# COMMON ORDER PROCESSING PRACTICES



QUARANTINE OR QUALITY ORDER

PURCHASE ORDER

# THE CIRCLE OF LIFE

It's all connected... orders and inventory in D365FO, that is....





SALES ORDER





### MEET THE PRESENTER



### **Connie Thompson**

Global Director, MIS
Solutions Development & Delivery
Alltech Inc.
Nicholasville, KY USA

**Kentucky User Group Leader since 2014** 

Twitter: @Connie\_GoCATS

Linkedin: linkedin.com/in/connie-thompson-

b121bb3a









### Overview of Alltech's business divisions





**Others** 







Guabi















**Animal feed** 











### Alltech's ERP Environment

- 4 Regional D365FO Instances over 30 sites live
- 100 legal entities doing business in 128 countries
- Migrating from AX2012 R3, NAV, GP, and several other systems
- Process manufacturing, batch-controlled products
- Make to order and make to stock
- Intercompany functionality

Data lake replication to support data analytics and external systems integration



### KEY PARAMETERS

#### Inventory

- Tracking Dimension Batch number active
- Require batch number dimension on journals
- Item model group no negative physical inventory

## Accounts Payable/Procurement & Sourcing

- Purchase agreement
- Approved vendors





### KEY PARAMETERS

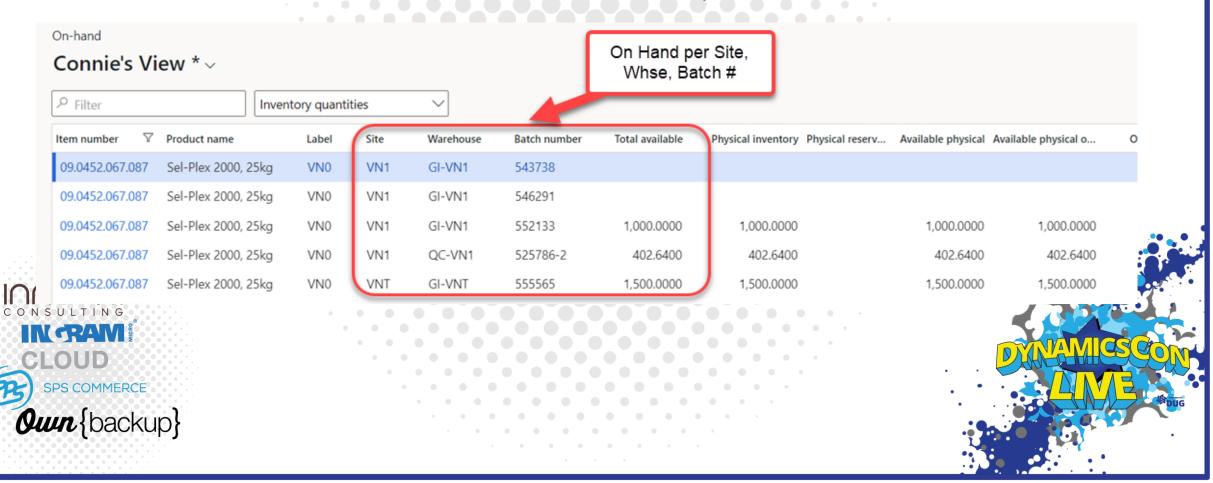
- Accounts Receivable/Sales & Marketing
  - Pricing
    - Sales agreements
    - Discounts
  - Customer credit limit handling





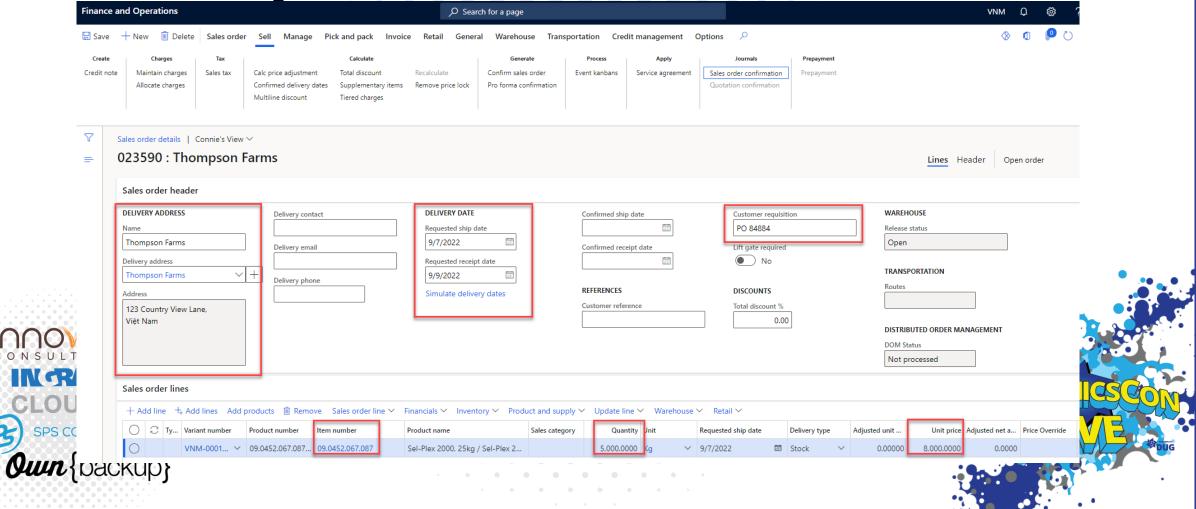
#### INVENTORY ON HAND

#### On Hand Screen Before Sales Order Entry:



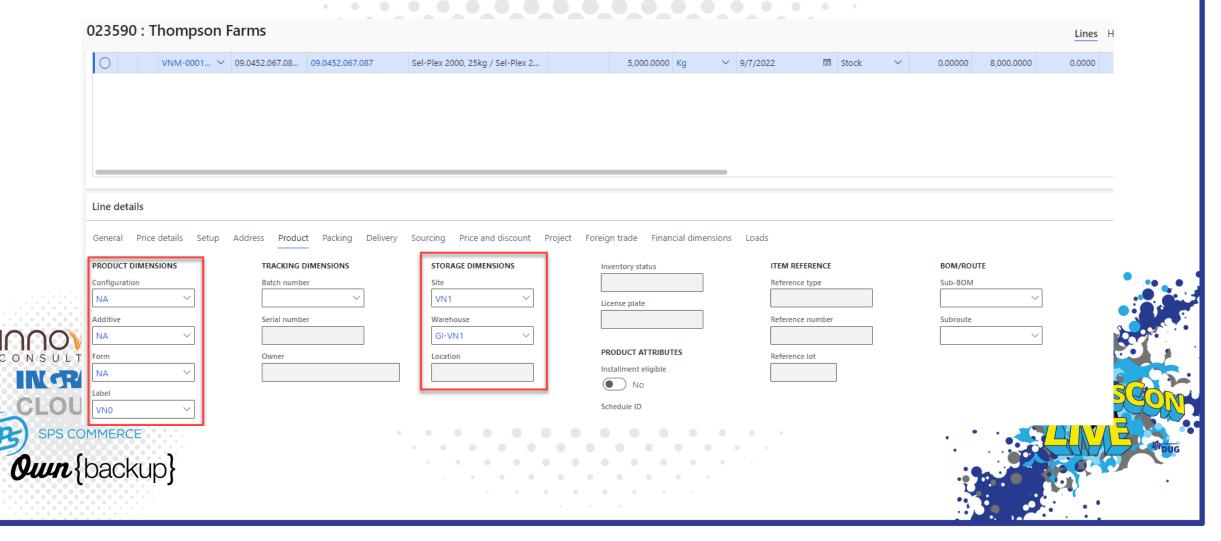
### SALES ORDERS

Sales & Marketing > Sales Orders > All Sales Orders > New

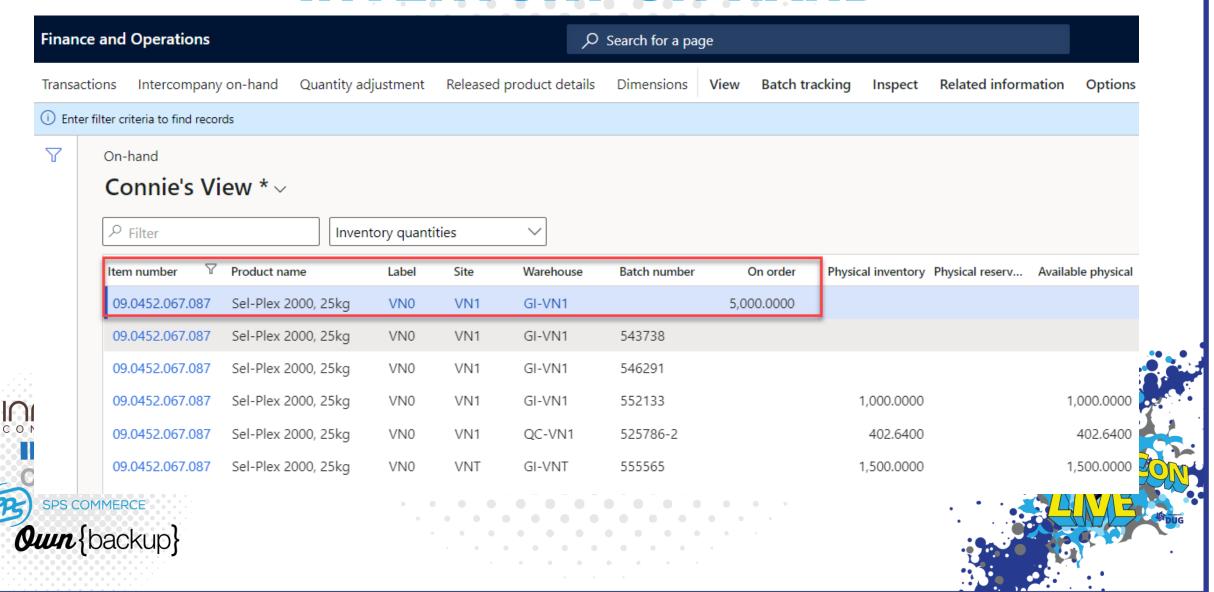


#### SALES ORDERS

#### Line Details:

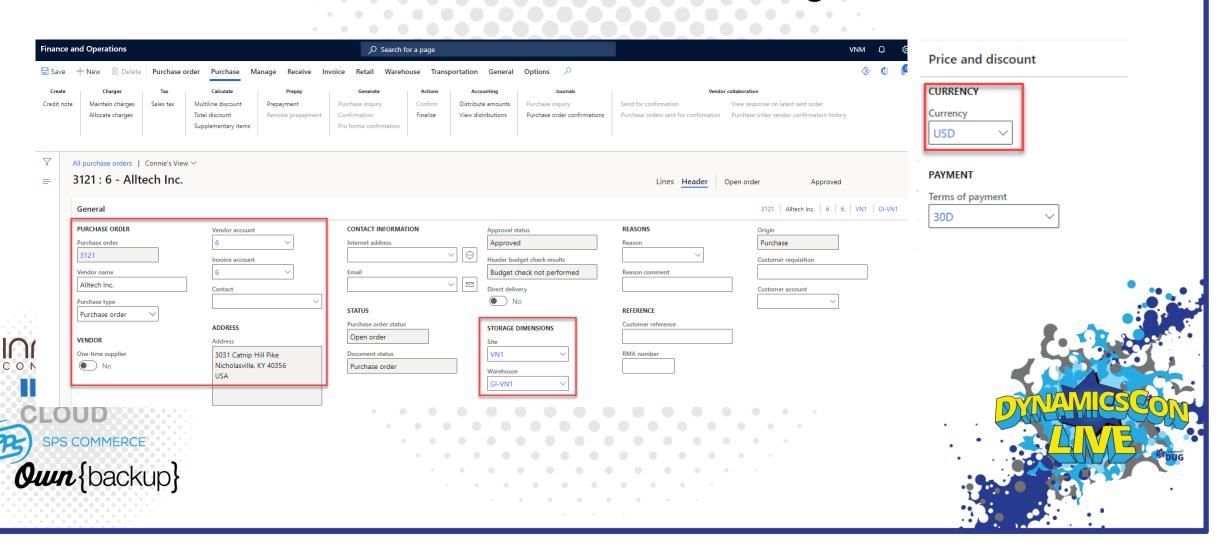


### INVENTORY ON HAND



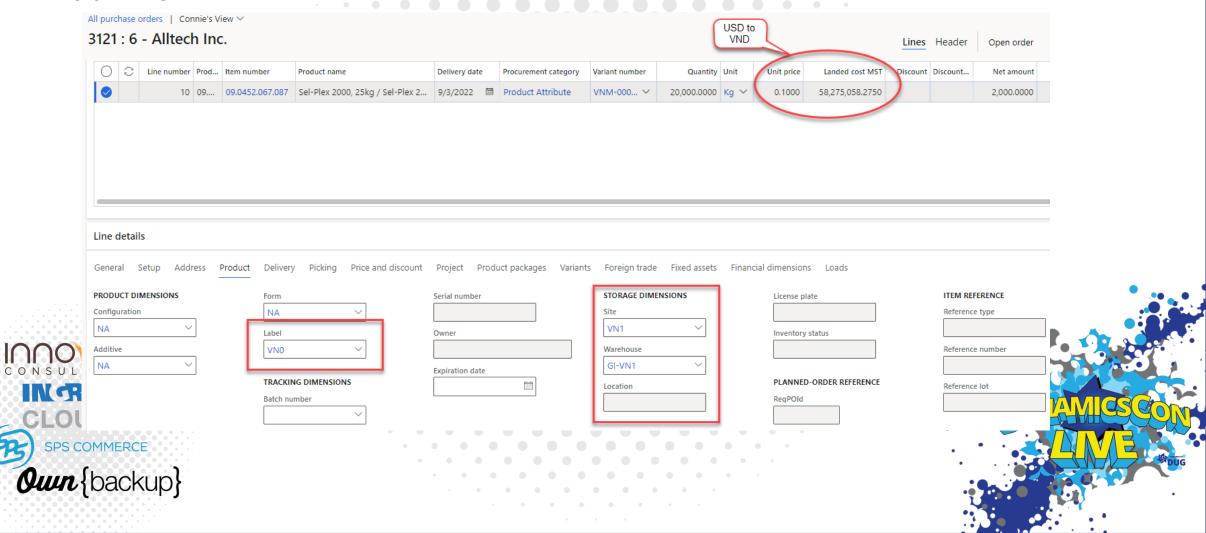
### PURCHASE ORDERS

### Create a Purchase Order: Procurement & Sourcing > Purchase Order



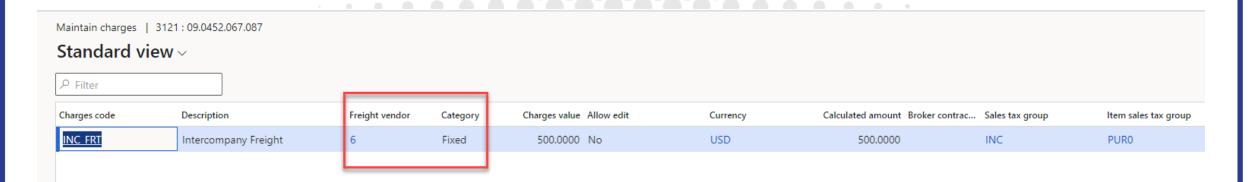
#### PURCHASE ORDERS

#### **Add line**



#### PURCHASE ORDERS

### **Add Misc Charge for Freight**



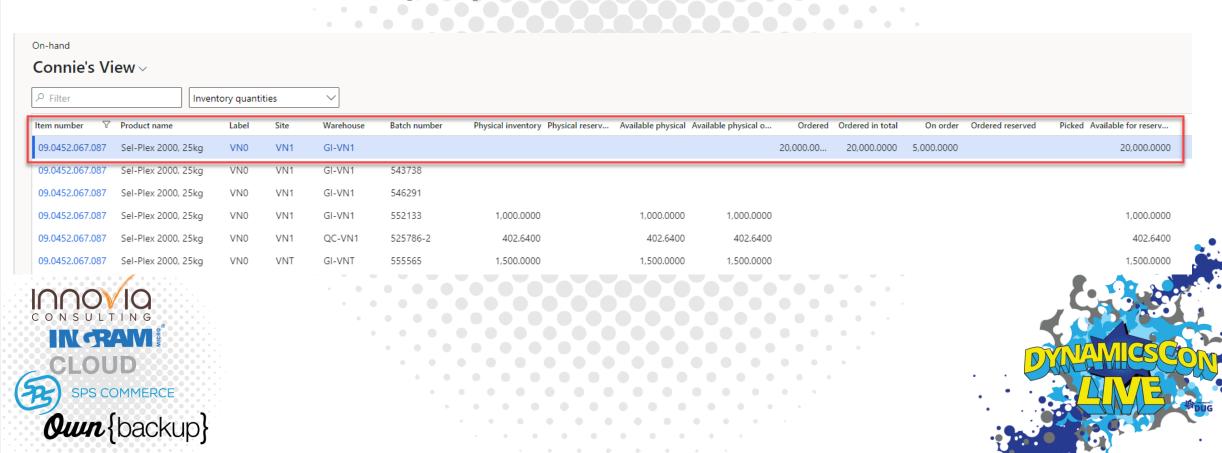




### INVENTORY ON HAND

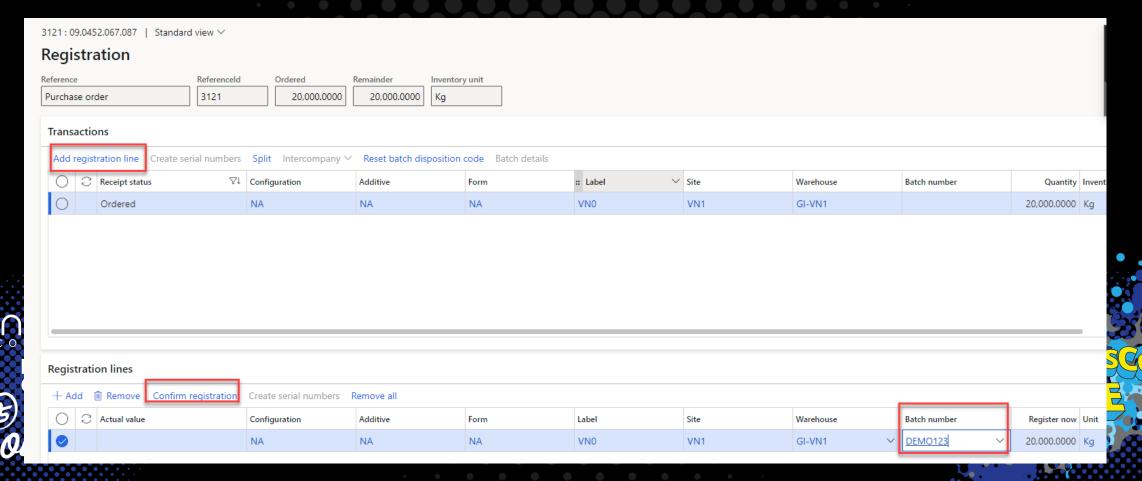
On order reflects the open sales order.

Ordered reflects the open purchase order.



### Product Receipt

Process product receipt: Accts Payable > All Purchase Orders > Select PO > Receive Add Registration Line, create Batch Number(s) with Expiry Date, Confirm Registration



### Product Receipt

After registration is complete, the order line status changes from Ordered to Registered

3121: 09.0452.067.087   Standard view > Registration												:		
	Reference Reference Purchase order 312			enceld 1	Ordered	Remainder Inventory Kg	y unit							
Transactions											^			
Add registration line Create serial numbers Split Intercompany V Reset batch disposition code Batch details														
	) :	C R	Receipt status	₽ļ	Configuration	Additive	Form	Label	Site	Warehouse	:: Batch number	Quantity	Inventory unit	Batch dispositio
		F	Registered	⅃	NA	NA	NA	VN0	VN1	GI-VN1	DEMO123	20,000.0000	Kg	Available





### Product Receipt

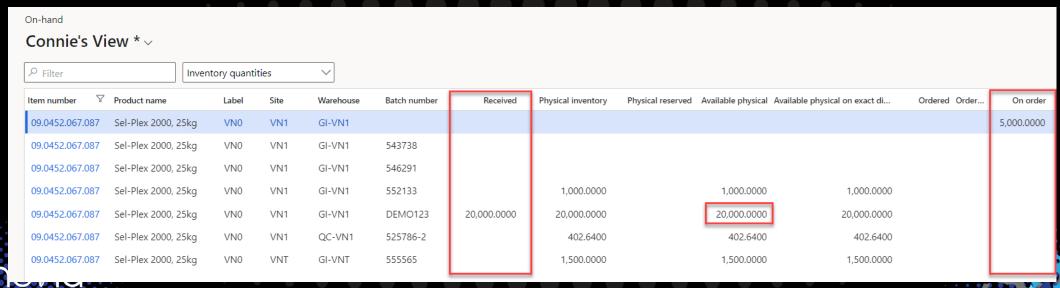
Post product receipt using Registered Quantity. After posting PO Status is Received.

ostin	g pro	duct receipt										
Settin	gs											
Select Arrange Printer setup ✓ View charges												
Quantity Registered quantity  Posting  Yes			Print Current  Print product receipt  No	Use print management desting No  Print sales documents  No	Print sales documents		Print shelf labels  No  Print product labels  No					
Overview  + Add ® Remove Totals Sales tax  Update Purchase order Name Product receipt Product receipt date												
<b>②</b>		Product receipt	3121	Alltech Inc.	98765	9/4/2022	m					



### Inventory On Hand

After registration and receipt posting is complete, a new line with the new Batch Number appears and shows physical inventory available and quantity received. The sales order quantity remains On Order.

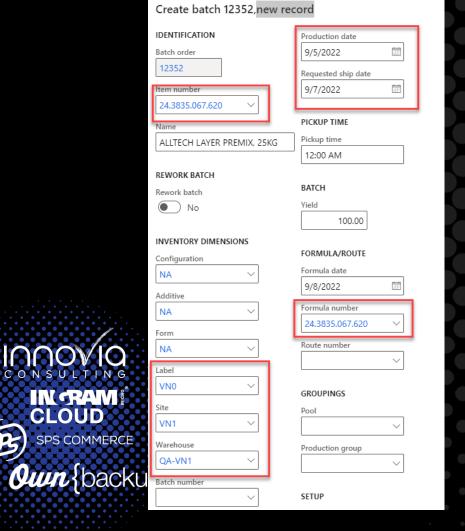


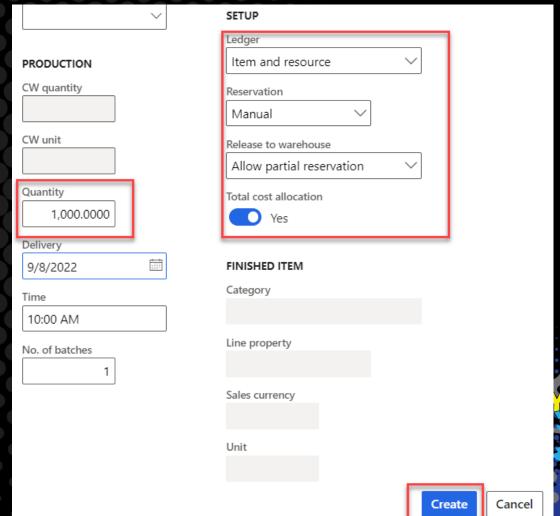


The PO must be invoiced to update the financial values and complete the accounting entries. This step is not illustrated in this presentation.

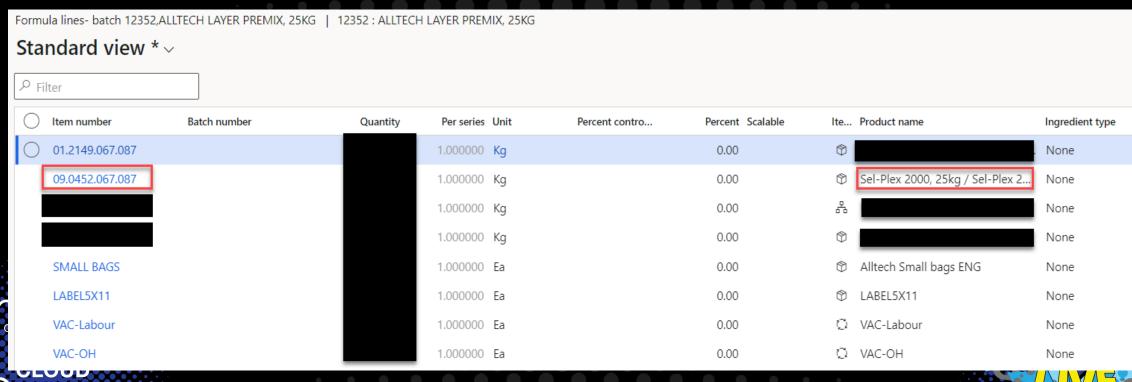


Production Control > All Production Orders > New Batch Order





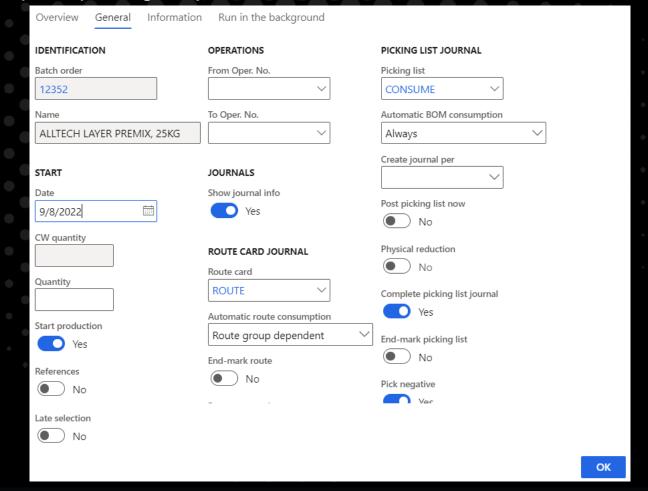
Production Control > All Production Orders > Select Order > Production Details > Formula See the Selplex item is an ingredient in the Formula.





Process > Estimate

Process > Start, Complete picking list journal

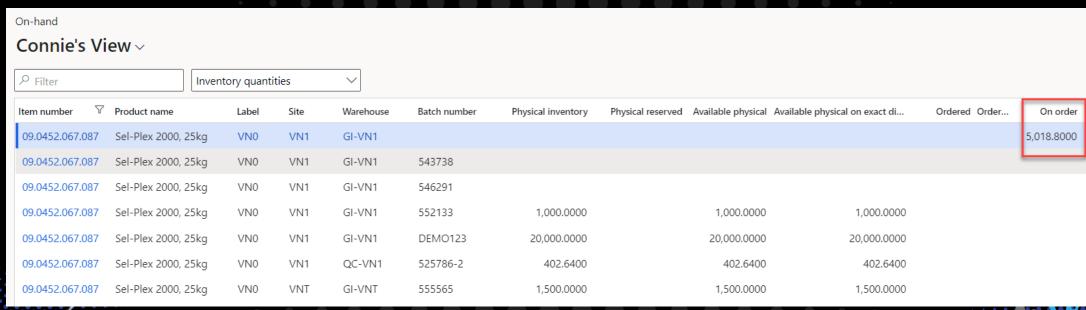






### Inventory On Hand

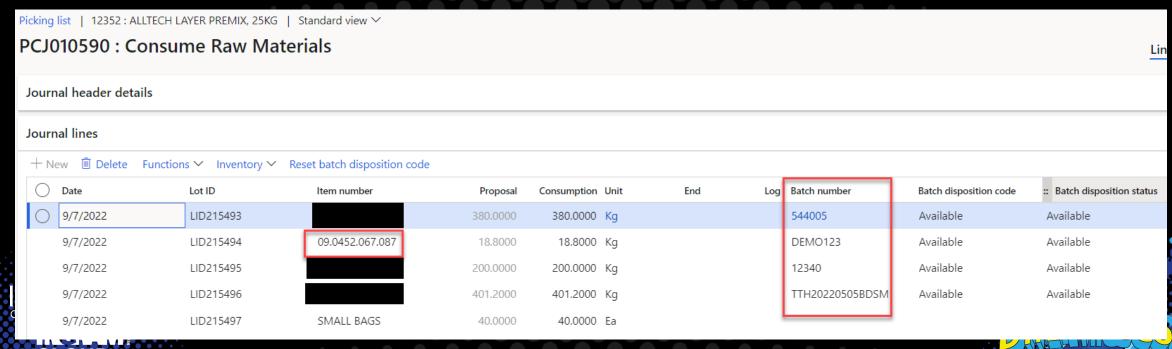
After completing the picking list journal, you can see the On Order quantity increased.







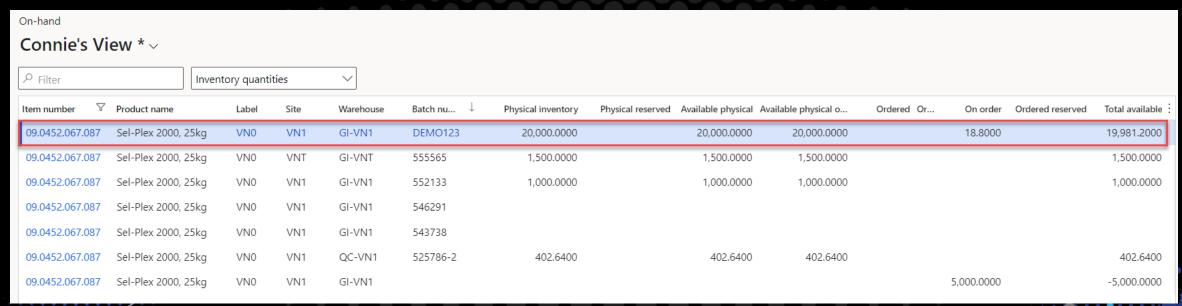
View > Picking List > Open Journal > Assign batch numbers to batch-controlled items.





### Inventory On Hand

Selecting the batch number in the picking list journal moves the On Order quantity to the assigned batch number.

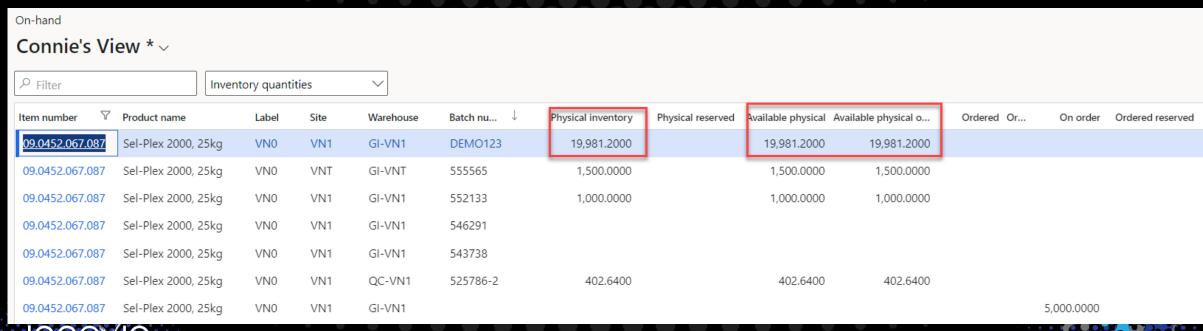






### Inventory On Hand

After posting the picking list, the inventory for the appropriate batch number is relieved.

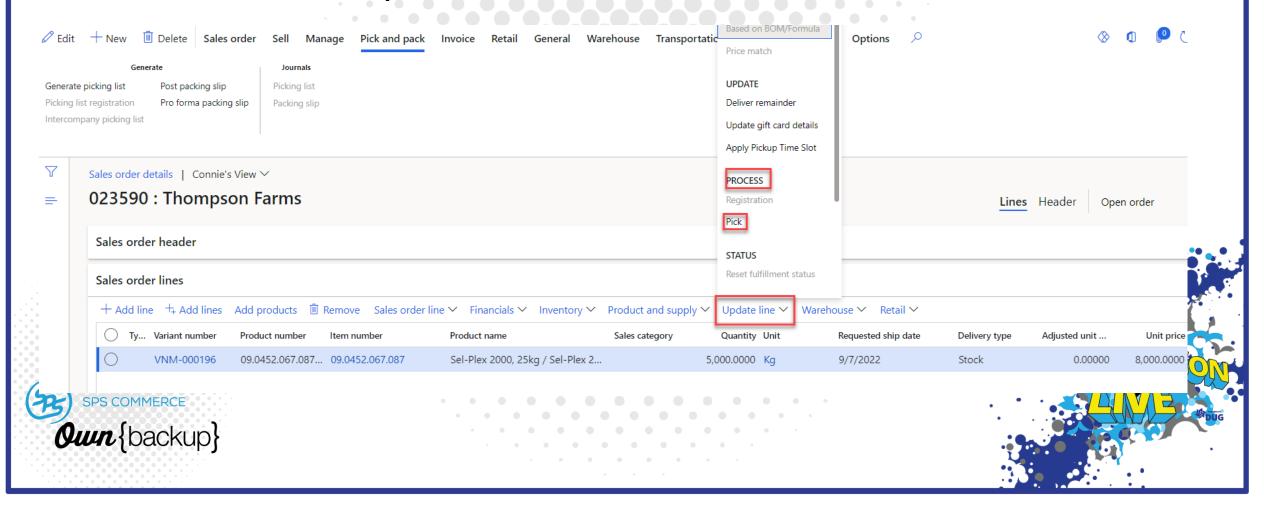






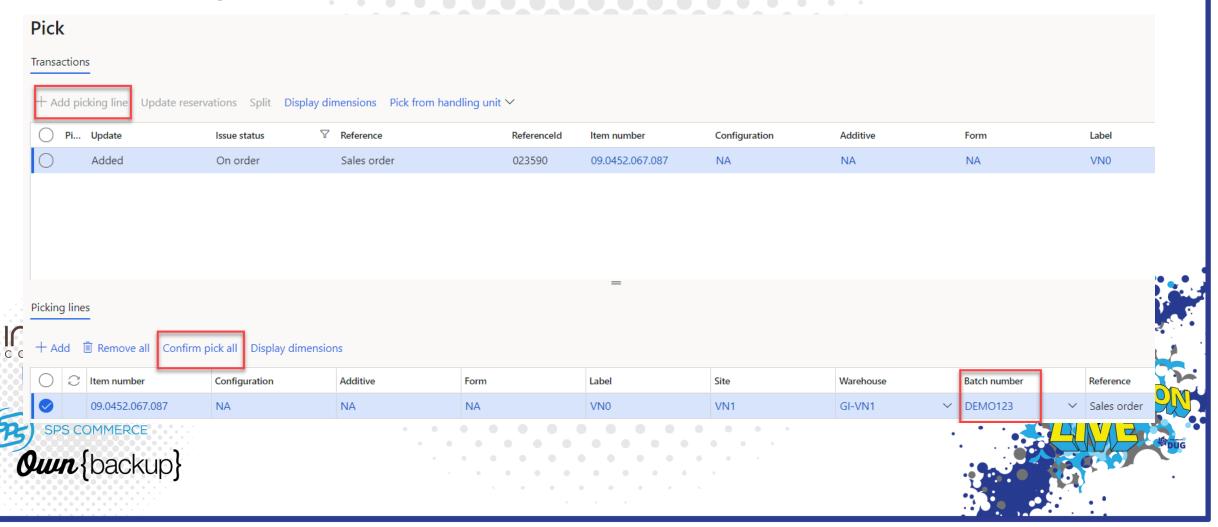
### SALES ORDERS

Sales & Marketing > Sales Orders > All Sales Orders > Select Order. Go to Order Lines > Select Line > Click Update line > Process / Pick



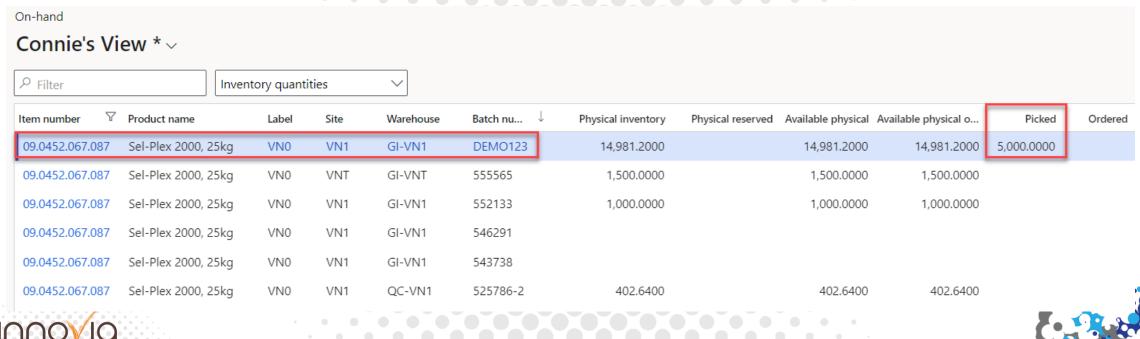
### SALES ORDERS

Add picking line on the pick screen. Add batch number. Confirm pick all.



#### INVENTORY ON HAND

#### Physical Inventory quantity is reduced and moved to picked

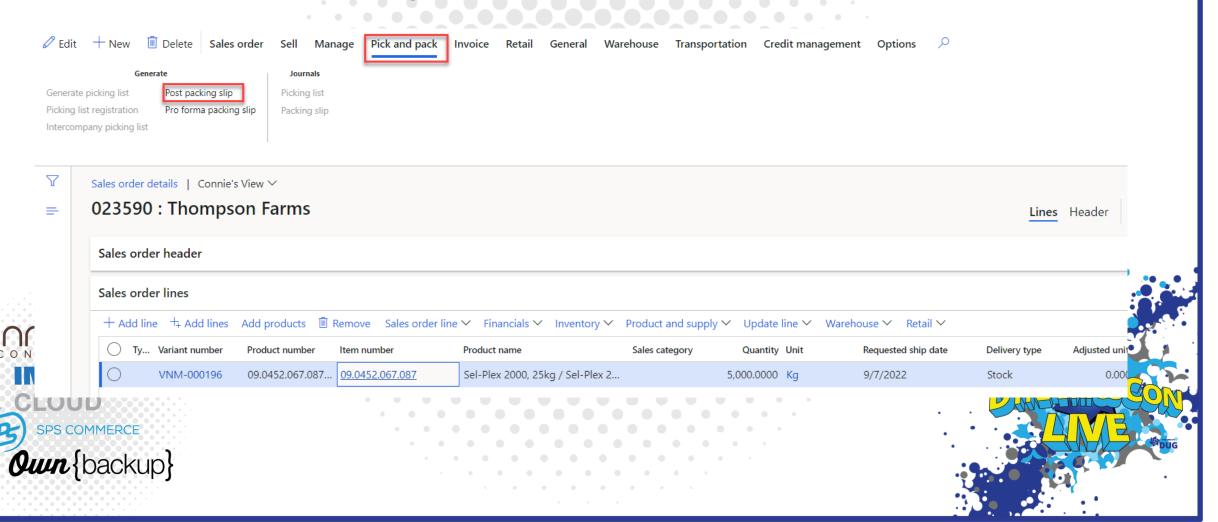






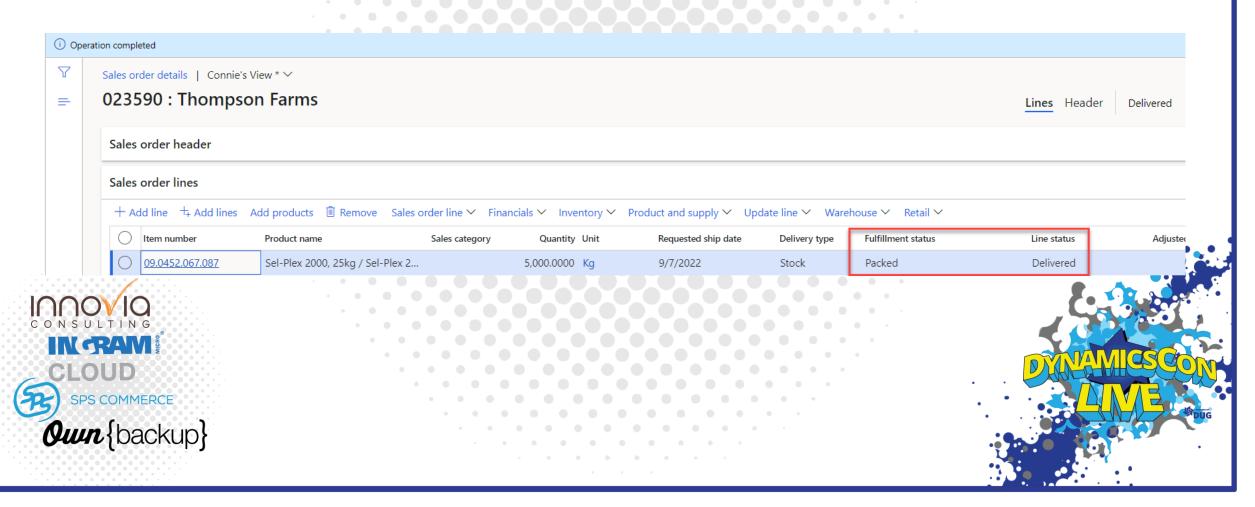
### SALES ORDERS

#### Pick and Pack > Post packing slip



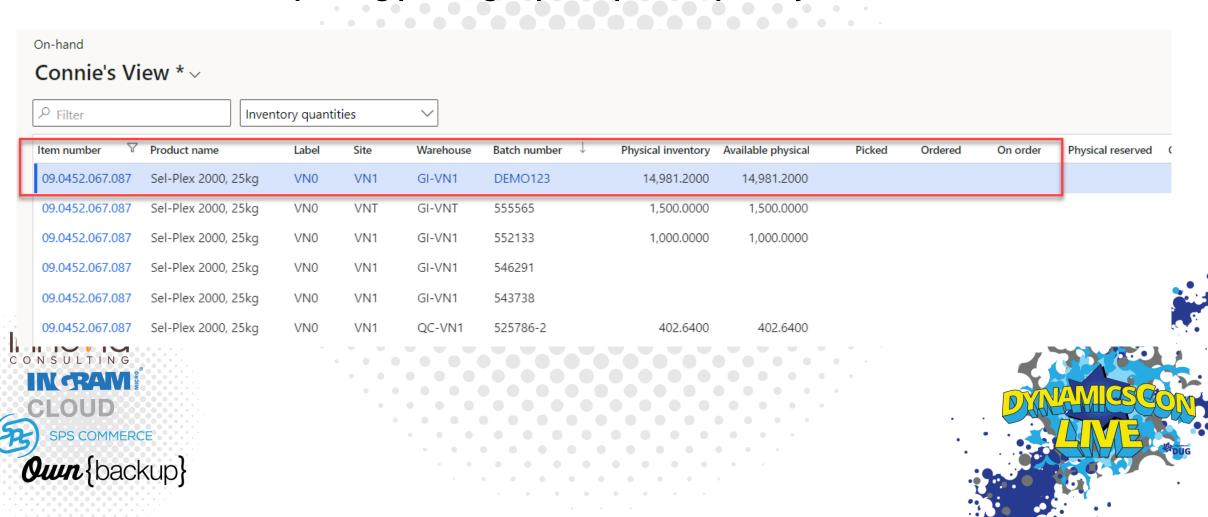
#### SALES ORDERS

After posting the packing slip based on quantity picked, the order moves to Delivered status.



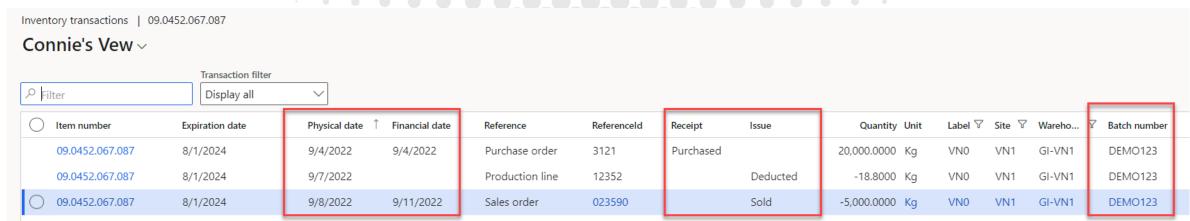
### INVENTORY ON HAND

After posting packing slip, the picked quantity is zero.



### INVENTORY TRANSACTIONS

After posting sales order invoice.







#### SUMMARY POINTS

- Inventory dimensions matter
  - Site
  - Warehouse
  - Batch
  - Label

You cannot use what you do not have in the right location and dimension

 All order processes affect inventory quantities, status, and availability



