



DS0624

Purchasing Tolerances



Table of Contents

Table of Contents	2
Problem Definition	3
Problem Definition	3
Solution Overview	4
Solution Overview	4
Design Features	5
Purchase Receipt Tolerances	5



Problem Definition

<i>Problem Definition</i>	CCDA
<p>ACME Co. is a global leader in animal health and nutrition providing research-based products worldwide to owners and producers of various animal species. Their employees are experienced with emerging technologies, livestock production and grain merchandising and they support their continued growth.</p> <p>Their purchased products include commodities whose pricing can change from the time the Purchase Order is placed until the time the Purchase Order is received. ACME is currently allowing their receivers to update the cost of the product as well as quantity and UOM at time of receipt. This can cause improper data to be entered into Dynamics GP that is not easily corrected. They would like to include tolerances in the system for:</p> <ul style="list-style-type: none">• Receipt Cost against Purchase Order Cost• Receipt Quantity Tolerances against Purchase Order Quantities ordered (including UOM conversions)	



Solution Overview

<i>Solution Overview</i>	CCDA
Please see the section labeled Design Features below.	

Design Features

<i>Purchase Receipt Tolerances</i>	CCDA
<p>Navigation: Transactions→Purchasing→Receivings Transaction Entry OR Transactions→Purchasing→Purchase Order Entry→Actions→Receive the PO Items or Receive and Invoice the PO Items.</p> <p>When a user enters a Purchase Order Receipt through the Receiving Transaction Entry window, the enhancement will perform the following logic to ensure that the Purchase Order Receipt falls below the 100% PO Receipt Tolerance for both PO Cost and PO Quantity.</p> <p>PO Cost The Purchase Receipt UOM and unit cost will be compared to the Purchase Order UOM and unit cost for the line item. If the Purchase Receipt Cost is 100% greater or more OR 50% less or more than the Purchase Order line unit cost, the user will be alerted to the condition and unable to proceed. (UOM Conversions will be taken into consideration should the UOM on the PO Line not match the UOM on the PO Receipt line.)</p> <p>Example: PO Unit Cost - \$1.00 PO UOM – Each PO Receipt Unit Cost - \$1.99 PO Receipt UOM – Each</p> <p>The above example does pass the tolerance as the PO Receipt Unit Cost is below the 100% tolerance.</p> <p>Example: PO Unit Cost - \$1.00 PO UOM – Each PO Receipt Unit Cost - \$2.00 PO Receipt UOM – Each</p>	

The above example does NOT pass the tolerance as the PO Receipt Unit Cost has reached or surpassed the 100% tolerance.

Example:

PO Unit Cost - \$1.00

PO UOM – Each

PO Receipt Unit Cost - \$6.00

PO Receipt UOM – Case

UOM Conversion – Case = 5 Each

PO Receipt Converted Unit Cost - \$1.20 Each

The above example does pass the tolerance as the PO Receipt Unit Cost is below the 100% tolerance.

Example:

PO Unit Cost - \$5.00

PO UOM – Case

PO Receipt Unit Cost - \$5.00

PO Receipt UOM – Each

UOM Conversion – Case = 12 Each

PO Receipt Converted Unit Cost - \$5.00 Each

The above example does NOT pass the tolerance as the PO Receipt Unit Cost has reached or surpassed the 100% tolerance.

Example:

PO Unit Cost - \$5.00

PO UOM – Each

PO Receipt Unit Cost - \$1.00

PO Receipt UOM – Each

The above example does NOT pass the tolerance as the PO Receipt Unit Cost has reached or surpassed the 50% below the PO Unit Cost tolerance.

PO Quantity

The Purchase Receipt UOM and quantity will be compared to the Purchase Order UOM and

quantity for the line item. If the Purchase Receipt quantity is 100% greater or more OR 50% less or more than the Purchase Order line quantity, the user will be alerted to the condition and unable to proceed. (UOM Conversions will be taken into consideration should the UOM on the PO Line not match the UOM on the PO Receipt line.)

Example:

PO Line Qty - 100
PO UOM – Each
PO Receipt Qty - 110
PO Receipt UOM – Each

The above example does pass the tolerance as the PO Receipt Line quantity is below the 100% tolerance.

Example:

PO Line Qty - 100
PO UOM – Each
PO Receipt Qty - 200
PO Receipt UOM – Each

The above example does not pass the tolerance as the PO Receipt Line quantity has reached or surpassed the 100% tolerance.

Example:

PO Line Qty - 100
PO UOM – Each
PO Receipt Qty – 20
PO Receipt UOM – Case
UOM Conversion – Case = 6 Each
PO Receipt Converted Qty = 120 Each

The above example does pass the tolerance as the PO Receipt Line quantity is below the 100% tolerance.

Example:

PO Line Qty - 100
PO UOM – Each

PO Receipt Qty – 6
PO Receipt UOM – Case
UOM Conversion – Case = 40 Each
PO Receipt Converted Qty = 240 Each

The above example does NOT pass the tolerance as the PO Receipt Line quantity has reached or surpassed the 100% tolerance.

Example:

PO Line Qty – 10
PO UOM – Case
PO Receipt Qty – 10
PO Receipt UOM – Each
UOM Conversion – Case = 40 Each
PO Receipt Converted Qty = 10 Each

The above example does NOT pass the tolerance as the PO Receipt Line quantity has reached or surpassed the 50% below the PO quantity tolerance.

Additional

- Users will need to manually adjust the PO Quantity or PO Unit Cost to a unit cost or quantity within the acceptable tolerance range prior to receiving the Purchase Order should a PO Receipt need to occur and the tolerance level is out of the acceptable range.