

Certification Provider: Microsoft

Exam: Microsoft Dynamics 365 Supply Chain Management

MB-330

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Topic 1 - Question Set 1

Question #1

Topic 1

You are setting up Dynamics 365 Supply Chain Management for a client.

The client plans to add several items to the Dynamics 365 Supply Chain Management system.

You are required to ensure that the client can configure the items as either company owned or consignment when the client creates the items.

Which two of the following actions should you take?

NOTE: Each correct answer is worth one point.

- A. You should enable batch dimension.
- B. You should enable owner dimension. Most Voted
- C. You should allocate a moving average costing inventory model.
- D. You should allocate a standard costing inventory model. Most Voted

Correct Answer: BD

Community vote distribution

BD (100%)

Question #2

Topic 1

Your company uses a Dynamics 365 Supply Chain Management system.

You have been tasked with configuring an agreement that gives clients a specified discount per unit if they buy a certain amount of a particular item.

The parameters are as follows:

- 51 to 100 `` 10 %/unit
- 101 and more `` 15 %/unit

You configure a purchase agreement.

Does the action achieve your objective?

- A. Yes, it does
- B. No, it does not

Correct Answer: B

Your company uses a Dynamics 365 Supply Chain Management system.

You have been tasked with configuring an agreement that gives clients a specified discount per unit if they buy a certain amount of a particular item.

The parameters are as follows:

- 51 to 100 `` 10 %/unit
- 101 and more `` 15 %/unit

You configure a sales agreement.

Does the action achieve your objective?

A. Yes, it does

B. No, it does not

Correct Answer: B

Community vote distribution

B (100%)

Your company uses a Dynamics 365 Supply Chain Management system.

You have been tasked with configuring an agreement that gives clients a specified discount per unit if they buy a certain amount of a particular item.

The parameters are as follows:

- 51 to 100 `` 10 %/unit
- 101 and more `` 15 %/unit

You configure a trade agreement.

Does the action achieve your objective?

A. Yes, it does

B. No, it does not

Correct Answer: A

Community vote distribution

A (100%)

Your company recently implemented a Dynamics 365 Supply Chain Management system.

You are currently configuring costing methods for items in inventory. You need to make use of a method normally used for items that have a limited shelf life.

Which of the following is the costing method you should use?

- A. Standard
- B. FIFO**
- C. Average
- D. Specific

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamics365/business-central/design-details-costing-methods>

Community vote distribution

B (100%)

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Question #6

Topic 1

SIMULATION -

Your company makes use of a Dynamics 365 Supply Chain Management system. The company has many distribution warehouses across the USA. You have been tasked with setting up barcodes to allow for scanning. These barcodes will be entered automatically. Access the Dynamics 365 portal to achieve this goal.

Correct Answer: See explanation below.

1. Go to Product information management > Products > Released products.
2. In the list, find and select the desired record.
3. On the Action Pane, select Manage inventory.
4. Select Bar codes.
5. Select New.
6. Mark the selected row that is created in the list below.
7. In the Barcode setup field, enter or select a value.
8. In the Bar code field, enter or select a value.
9. In the Bar code field, type a value.
10. In the Quantity field, enter a number.
11. Select Save.
12. Close the page.

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/pim/tasks/create-bar-code-product>

Question #7

Topic 1

During testing of your company's new implementation of the Dynamics 365 Supply Chain Management procurement module, you notice that, when an item is received, transactions aren't posted to the product receipt journal.

You need to resolve this issue.

Which of the following actions should you take on the Item model group setup form?

- A. You should consider un-checking the Include physical value checkbox.
- B. You should consider checking the Include physical value checkbox.
- C. You should consider un-checking the Accrue liability on product receipt checkbox.
- D. You should consider checking the Accrue liability on product receipt checkbox.

Correct Answer: D

Community vote distribution

D (75%)

A (25%)

A manufacturing establishment makes use of a Dynamics 365 Supply Chain Management system.

To accelerate setup, they use bill of materials (BOM) templates.

Which of the following is TRUE with regards to template BOMs? (Choose all that apply.)

- A. You can only apply a single template BOM to a service object.
- B. You can apply many template BOMs to a service object.
- C. You can modify or delete lines in a BOM template regardless of whether the template has been associated to a service object, or not.
- D. You can modify or delete lines in a BOM template as long as the template has not been associated to a service object.

Correct Answer: AD

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/service-management/template-boms>

Community vote distribution

AD (100%)

Your company makes use of a Dynamics 365 Supply Chain Management system.

After implementing warehouse locations, you are tasked with configuring location directives for inventory movement.

You need to make use of a location directive that allows for the identification of similar items in the warehouse.

Which of the following is the strategy you should use?

- A. Match packing quantity
- B. Location aging FIFO
- C. Location aging LIFO
- D. Consolidate

Correct Answer: D

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/create-location-directive>

SIMULATION -

Your company's distribution center supplies a large number of retail stores.

After procuring a big shipment of a new line of products, you have been tasked with configuring buyer push functionality so that the product is equally distributed to the retail stores.

You need to create the transfer order.

Access the Dynamics 365 portal to achieve this goal.

Correct Answer: See explanation below.

1. Click Retail > Common > Replenishment > Buyer's push.
2. Press Ctrl+N or click New, and then, in the Description field, enter a description.
3. In the Site field, select a site, and then in the Warehouse field, select the warehouse to transfer products from.
4. On the Lines FastTab, click Added reference to add a single product to the transfer order, or click Add products to add multiple products.
5. Do one of the following:
 6. To specify a total quantity for the transfer orders, enter the quantity in the Additional quantity to push field. The quantity must be less than the quantity in the Remaining available quantity to push field. The quantity that you enter is distributed proportionately among the products.
 7. To manually specify a quantity for each product, enter each quantity in the Pushed quantity column. The quantity must be less than the quantity in the On hand column.
8. On the Warehouse FastTab, select one of the following distribution methods:
 9. Replenishment rules — Distribute quantities based on replenishment rules.
 10. Location weight — Distribute quantities based on the proportional weights that are assigned to the stores.
 11. Fixed quantity for all — Distribute quantities equally among the stores.
12. If you selected Location weight or Fixed quantity for all, you can select a hierarchy of stores in the Replenishment hierarchy field. These are the stores that will receive the transferred products.
13. To distribute the products to only the stores that have the products in their assortments, select the Respect assortments check box.
14. Regardless of the distribution method you select, one transfer order is created for each store.
15. To update quantities, click Calculate quantities.
16. To create the transfer orders, click Create order.
17. To view the orders, on the Warehouse FastTab, select a store in the list, and then click Order.

Reference:

<https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/use-buyer-s-push-to-distribute-products>

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Question #11

Topic 1

You need to consider the underlined segment to establish whether it is accurate.

A quarantine order that a status of Started, means that the item is not yet in the quarantine warehouse.

- A. No adjustment required.
- B. Created
- C. Reported as finished
- D. Ended

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/quarantine-orders>*Community vote distribution*

B (100%)

Question #12

Topic 1

You need to consider the underlined segment to establish whether it is accurate.

Inventory adjustment journals allow for adding cost to an item when you add inventory, and then automatically posts the additional cost to a specific general ledger account.

- A. No adjustment required.
- B. Tag counting
- C. Movement
- D. Transfer

Correct Answer: A

Reference:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/inventory-journals>*Community vote distribution*

A (100%)

Your company makes use of a Dynamics 365 Supply Chain Management system.

You are tasked with amending inventory. Additionally, the existing item posting configuration must be overridden.

You make use of the inventory adjustment journal.

Does the action achieve your objective?

A. Yes, it does

B. No, it does not

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/inventory-journals>

Community vote distribution

B (100%)

Your company makes use of a Dynamics 365 Supply Chain Management system.

You are tasked with amending inventory. Additionally, the existing item posting configuration must be overridden.

You make use of the counting journal.

Does the action achieve your objective?

A. Yes, it does

B. No, it does not

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/inventory-journals>

Community vote distribution

B (100%)

Your company makes use of a Dynamics 365 Supply Chain Management system.

You are tasked with amending inventory. Additionally, the existing item posting configuration must be overridden.

You make use of the movement journal.

Does the action achieve your objective?

A. Yes, it does

B. No, it does not

Correct Answer: A

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/inventory-journals>

Community vote distribution

A (100%)

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Question #16

Topic 1

Your company uses Dynamics 365 Supply Chain Management to manage its warehouse.

Users report that the inventory for several items in the warehouse is inaccurate.

You are required to ensure that users in the warehouse can verify and rectify the on-hand inventory.

Which of the following actions should you take?

- A. You should implement the production input journal type.
- B. You should implement the movement journal type.
- C. You should implement the counting journal type.
- D. You should implement the item arrival journal type.

Correct Answer: C

Counting journals let you correct the current on-hand inventory that is registered for items or groups of items, and then post the actual physical count, so that you can make the adjustments that are required to reconcile the differences.

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/inventory-journals>

Question #17

Topic 1

A corporation has two subsidiary businesses, set up as separate legal entities. The one business will be purchasing a new item from the other, and has negotiated for a discount for the first six months of the deal.

You are required to make sure that system will apply the discount for the time stipulated.

Which of the following is the type of agreement you should configure?

- A. Sale Agreement.
- B. Service Agreement.
- C. Purchase Agreement.
- D. Trade Agreement.

Correct Answer: D

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/sales-marketing/tasks/create-new-trade-agreement>

Community vote distribution

D (100%)

Your company makes use of a Dynamics 365 Supply Chain Management system.

You are in the process of configuring royalty agreement. You are currently identifying the royalty agreement ledger accounts.

Which two of the following ledger accounts should be identified?

- A. Accounts receivable
- B. Accrual
- C. Inventory
- D. Expense

Correct Answer: BD

Reference:

<https://docs.microsoft.com/en-us/dynamics365/finance/accounts-payable/royalty-contract>

Community vote distribution

BD (100%)

Your company makes use of a Dynamics 365 Supply Chain Management system.

You are in the process of configuring royalty agreement. You need to make sure that royalty claim is generated every time a sales order is fulfilled.

Which two of the following is the option you should choose for the Cumulate sales by field?

- A. Invoice
- B. Fulfilled
- C. Active
- D. Shipped

Correct Answer: A

Reference:

<https://docs.microsoft.com/en-us/dynamics365/finance/accounts-payable/royalty-contract>

Community vote distribution

A (100%)

Your company manages sales projections via Dynamics 365 Sales.

You are creating a customer record for a new customer in Dynamics 365 Supply Chain Management.

You have to make use of a current quote to generate a sales order. You are preparing to define the customer, and create the sales order.

Which of the following is a combination of the actions you should take?

- A. You should create Customer from Lead, and confirm the quote.
- B. You should convert Lead to Customer, and confirm the sales order.
- C. You should create Customer from Lead, and confirm the sales order.
- D. You should convert Lead to Customer, and confirm the quote. Most Voted

Correct Answer: A

Community vote distribution

D (83%)

A (17%)

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Question #21

Topic 1

SIMULATION -

You work for a distribution warehouse that makes use of a Dynamics 365 Supply Chain Management system.

As soon as lines are automatically released to the warehouse, the warehouse completes work.

You want to make sure that waves allow for automatic work creation.

Access the Dynamics 365 portal to achieve this goal.

Correct Answer: See explanation below.

1. Go to Navigation pane > Modules > Warehouse management > Setup > Waves > Wave templates.
 2. Select New.
 3. In the Wave template name field, type a value.
 4. In the Wave template description field, type a value.
 5. In the Site field, enter or select a value
 6. In the Warehouse field, enter or select a value.
 7. Set the Automate wave creation field to Yes. Select this option to automatically create a wave when a sales order, production order, or kanban is released to the warehouse.
 8. Set the Process wave at release to warehouse option to Yes. Select this option to automatically process the wave and create work when a line is released to the warehouse.
 9. Set the Automate wave release option to Yes. Select this option to automatically release the wave. The picking work is created and made available on mobile devices.
 10. Set the Assign to open waves option to Yes. Lines are assigned to waves based on the query filter for the wave template.
 11. Set the Process wave automatically at threshold option to Yes. Select this option to automatically process the wave when its values reach the thresholds for weight, shipment, and lines specified in the Wave thresholds field group. This option is available only if Shipping is selected in the Wave template type field.
 12. Set the Automate replenishment work release option to Yes. Select this option to create demand-based replenishment work and release it automatically.

You must add the replenishment wave method to the wave template, and create a replenishment template using the Wave demand type.

 13. Use settings in the Default values field group to assign wave attributes.
 14. Expand the Methods section and set the actions taken by the wave template.
 15. Select Save.
 16. Close the page.
 17. Go to Warehouse management > Setup > Warehouse management parameters.
 18. Expand the Wave processing section.
 19. In the Wave processing batch group field, enter or select a value.
 20. Set the Process waves in batch option to Yes.
 21. In the Wait for lock (ms) field, enter a number. Enter the time, in milliseconds, that an allocation step will wait for a system resource that is locked by another allocation step. When this time is exceeded, the wave is not processed and an error message is displayed.
 22. Select Save.
 23. Close the page.
 24. Go to Navigation pane > Modules > Production control > Setup > Production control parameters.
 25. In the Release to warehouse field, select an option.
 26. Close the page.
- Reference:
- <https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/tasks/configure-wave-processing>

You work for a shipping concern that make use of a Dynamics 365 Supply Chain Management system.

The business makes use of quite a few freight transporters. The cost of the freight is determined by the distance travelled between the source and the destination.

Which two of the following transportation management engines should you include?

A. Freight bill type

B. Mileage

C. Zone

D. Rate

E. Transit time engine

Correct Answer: BD

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/transportation/transportation-management-engines>

Community vote distribution

BD (100%)

You work for a distribution warehouse that makes use of a Dynamics 365 Supply Chain Management system.

After taking in a sizable quantity of stock that has a limited shelf life, you are required to distribute the stock to retail outlets at the earliest opportunity.

You plan to make use of Buyer's push.

Which of the following is the option you should take?

A. You should generate a sales order.

B. You should generate transfer orders.

C. You should generate service agreements.

D. You should generate trade agreements.

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/use-buyer-s-push-to-distribute-products>

Community vote distribution

B (100%)

You have been tasked with configuring inventory cycle counting for a client that makes use of Dynamics 365 Supply Chain Management. You need to make of a cycle counting method that allows a worker to count items in a warehouse location at any time, without creating cycle counting work.

Which of the following is the option you should use?

- A. User directed
- B. Cycle count grouping
- C. System directed
- D. Spot cycle counting

Correct Answer: D

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/cycle-counting>

Community vote distribution

D (100%)

You work for a distribution company that makes use of a Dynamics 365 Supply Chain Management system.

You are responsible for planning. When you notice that planned orders for a specific item is increasing, you plan to track the source of the planned orders and release them according to their demand.

You want to make sure that a unique planned purchase order is created by the master planning batch job for each new demand requirement for the item.

You configure the use of the Per period coverage code as the lot-sizing method.

Does the action achieve your objective?

- A. Yes, it does
- B. No, it does not

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/coverage-settings>

Community vote distribution

B (100%)

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Question #26

Topic 1

You work for a distribution company that makes use of a Dynamics 365 Supply Chain Management system.

You are responsible for planning. When you notice that planned orders for a specific item is increasing, you plan to track the source of the planned orders and release them according to their demand.

You want to make sure that a unique planned purchase order is created by the master planning batch job for each new demand requirement for the item.

You configure the use of the Min/Max coverage code lot-sizing method.

Does the action achieve your objective?

A. Yes, it does

B. No, it does not

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/coverage-settings>

Community vote distribution

B (100%)

Question #27

Topic 1

You work for a distribution company that makes use of a Dynamics 365 Supply Chain Management system.

You are responsible for planning. When you notice that planned orders for a specific item is increasing, you plan to track the source of the planned orders and release them according to their demand.

You want to make sure that a unique planned purchase order is created by the master planning batch job for each new demand requirement for the item.

You configure the use of the Per requirement coverage code lot-sizing method.

Does the action achieve your objective?

A. Yes, it does

B. No, it does not

Correct Answer: A

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/coverage-settings>

Community vote distribution

A (100%)

You make use of planning optimization in Dynamics 365 Supply Chain Management, with automatic firming enabled.

As a result of certain planned purchase orders not firming according to plan, inventory planners have to process planned purchase orders manually.

You want to make sure that the planned purchase orders are incorporated in automatic firming.

You access the Records to include FastTab.

Does the action achieve your objective?

A. Yes, it does

B. No, it does not

Correct Answer: B

You make use of planning optimization in Dynamics 365 Supply Chain Management, with automatic firming enabled.

As a result of certain planned purchase orders not firming according to plan, inventory planners have to process planned purchase orders manually.

You want to make sure that the planned purchase orders are incorporated in automatic firming.

You configure the Automatic firming time fence (days).

Does the action achieve your objective?

A. Yes, it does

B. No, it does not

Correct Answer: A

Community vote distribution

A (100%)

You make use of planning optimization in Dynamics 365 Supply Chain Management, with automatic firming enabled.

As a result of certain planned purchase orders not firming according to plan, inventory planners have to process planned purchase orders manually.

You want to make sure that the planned purchase orders are incorporated in automatic firming.

You configure the Lead Time.

Does the action achieve your objective?

A. Yes, it does

B. No, it does not

Correct Answer: A

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planning-optimization/planning-optimization-auto-firming>

Community vote distribution

B (100%)

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Question #31

Topic 1

SIMULATION -

You work for a manufacturing firm that makes use of a Dynamics 365 Supply Chain Management system.

You have been tasked with making sure that inventory of certain finished good items never reaches critically low levels. You also want production orders to be created automatically when inventory reaches a specific level.

Access the Dynamics 365 portal to achieve this goal.

Correct Answer: See explanation below.

Create a new safety stock journal name

1. In the Navigation pane, go to Master planning > Setup > Safety stock journal names.
2. Click New.
3. In the Name field, type 'Material'.
4. In the Description field, type 'Material'.
5. Close the page.

Create a safety stock journal -

1. In the Navigation pane, go to Master planning > Master planning > Run > Safety stock calculation.
2. Click New.
3. In the Name field, enter or select a value. Select the safety stock journal name that you created, for example, Material.
4. Click Create lines.
5. In the From date field, enter a date.
6. In the To date field, enter a date.
7. Click OK. This will create lines for the dimensions that have inventory transactions.

Calculate proposal -

1. Click Calculate proposal.
2. Select the Use average issue during lead time option.
3. Set Multiplication factor to '10'. The Multiply factor is used to adjust the proposal. Because demo data only has a few transactions, you will need to set the factor to get a realistic proposal.
4. Click OK. Scroll down to find M0002 and M0003. View the Calculated minimum quantity column.

Update minimum quantity -

1. In the New minimum quantity field, enter a number. Update the New minimum quantity to match the value in the Calculated minimum quantity. If the Calculated minimum is zero, you can enter the desired future value. For example, you can enter the Calculated minimum quantity in this field for M0002 that has warehouse 12.
2. In the list, find and select the desired record. For example, you can select M0002 that has warehouse 12.
3. In the New minimum quantity field, enter a number. Update the New minimum quantity to match the value in the Calculated minimum quantity. If the Calculated minimum is zero you can enter the desired future value.

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/production-control/tasks/use-safety-stock-journal-update-minimum-coverage>

You are making use of planning optimization in Dynamics 365 Supply Chain Management.

When a planning optimization job, which is configured with the wrong runtime filters, is accidentally triggered from the user interface, you are tasked with fixing the problem.

Which of the following actions should you take?

- A. You should access the plan history to cancel the job.
- B. You should access the dialog box to cancel the job.
- C. You should access the plan history to rectify runtime filters.
- D. You should access the dialog box to rectify runtime filters.

Correct Answer: A

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planning-optimization/cancel-planning-job>

You work for a distribution company that makes use of a Dynamics 365 Supply Chain Management system.

In an effort to improve the consistency of forecasting data, you plan to employ demand forecasting.

You have to make sure that your strategy allows for planned orders to be created automatically in the master planning process according to the need or end date.

Which of the following actions should you take?

- A. You should push data into the staging table.
- B. You should make use of safety stock calculations.
- C. You should generate a statistical baseline forecast.
- D. You should make use of demand forecast details.

Correct Answer: C

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/introduction-demand-forecasting>

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/manual-adjustments-baseline-forecast>

You work for a distribution company that makes use of a Dynamics 365 Supply Chain Management system.

You are responsible for planning. You want to make use of a planning engine that allows for orders to be firmed automatically according to the order date.

Which of the following is the option you would use?

- A. Capacity planning
- B. Production planning
- C. Planning Optimization
- D. Master planning

Correct Answer: C

Reference:

<https://docs.microsoft.com/en-us/learn/modules/planning-optimization/10-auto-firming> <https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planning-optimization/planning-optimization-overview>

Community vote distribution

C (100%)

A company uses Dynamics 365 Supply Chain Management.

The company obtains packaging cartons in metric tons and sells them as individual items. The packaging cartons come in various sizes and are maintained as product variants.

You need to configure unit conversion for the packaging cartons.

What should you do?

- A. Enable unit of measure conversions in the product master. Configure the standard unit conversion feature in the Organization administration module.
- B. Disable unit of measure conversions in the product master. Configure the inter-class unit conversion feature in the Organization administration module.
- C. Enable unit of measure conversions in the product master. Configure the standard unit conversion feature in the released products.
- D. Enable unit of measure conversions in the product master. Configure the intra-class unit conversion feature in the released products.

Correct Answer: D

A company uses Dynamics 365 Supply Chain Management.

The company obtains packaging cartons in metric tons and sells them as individual items. The packaging cartons come in various sizes and are maintained as product variants.

You need to configure unit conversion for the packaging cartons.

What should you do?

- A. Enable unit of measure conversions in the product master. Configure the standard unit conversion feature in the Organization administration module.
- B. Enable unit of measure conversions in the product master. Configure the inter-class unit conversion feature in the released product.
- C. Enable unit of measure conversions in the product master. Configure the standard unit conversion feature in the released products.
- D. Enable unit of measure conversions in the product master. Configure the intra-class unit conversion feature in the released product.

Correct Answer: D

Topic 2 - Question Set 2

Question #1

Topic 2

A company creates several item costing versions.

All new and existing items have costs associated with them. After defining the costs, the company notices the activation date has not been updated.

You need to update the items to the current date for activation.

What should you do?

- A. Set the item cost record status to Active
- B. Set the form date to today and leave the item cost record status at Pending
- C. Set the item cost record status to Pending
- D. Set the cost price and date of price on the released product

Correct Answer: A

Reference:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/cost-management/costing-versions>

Question #2

Topic 2

An employee at a company releases a new product from the Released product maintenance workspace.

An employee in another department is unable to add the product to a sales order. You determine that dimension groups have not been applied to the product.

You need to ensure that the product can be added to the sales order.

Which two inventory dimension groups should you add to the product? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Tracking dimension group Most Voted
- B. Coverage group
- C. Product dimension group
- D. Storage dimension group Most Voted

Correct Answer: CD

Community vote distribution

AD (100%)

DRAG DROP -

You are the product manager at a distribution company. You are responsible for managing product compliance standards and reporting.

Chemical product C0001 can be sold in all parts of the United States except for the state of California.

You need to set up these compliance requirements for C0001.

Which four actions should be performed in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions

Create an inclusive list type for New York, United States

Create an exclusive list type for California, United States

Add item C0001 to the restricted product lists

Open the Restricted products regional lists form

Create an inclusive list type for the United States

Create a regulated products regional list for California, United States. Add item C0001 to the list

Open the Regulated products regional lists

Answer Area**Correct Answer:****Actions**

Create an inclusive list type for New York, United States

Create an exclusive list type for California, United States

Add item C0001 to the restricted product lists

Open the Restricted products regional lists form

Create an inclusive list type for the United States

Create a regulated products regional list for California, United States. Add item C0001 to the list

Open the Regulated products regional lists

Answer Area

Open the Restricted products regional lists form

Create an inclusive list type for the United States

Create an exclusive list type for California, United States

Add item C0001 to the restricted product lists

An employee at a company needs to lay out the various component to build custom bicycles.
You need to identify which constraints the employee should use to set up the bicycles.
Which two types of constraints the employee use? Each correct answer presents a complete solution.
NOTE: Each correct selection is worth one point.

- A. table constraints that are used generically among product configuration models
- B. expression constraints that are used generically among product configuration models
- C. expression constraints that are unique to each product configuration model
- D. table constraints that are always unique to each product configuration model

Correct Answer: AC

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/pim/expression-constraints-table-constraints-product-configuration-models>

Community vote distribution

AC (100%)

HOTSPOT -

You are configuring pricing for a new item.

Wholesale customers must pay \$10.00 for order quantities of up to 9 units. All other customers receive a static price of \$14.00 regardless of quantity.

You need to configure sales trade agreements.

In Trade Agreement Setup, which actions should you perform? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement	Action
Create price groups	<ul style="list-style-type: none"> Create and assign a customer group to the trade agreement line Set up and link a price group to the customer group Set up and link a price group to each customer Set up a price group on the trade agreement line and link the line to the customer
Create a sales price for a group of customers by quantity	<ul style="list-style-type: none"> Add a trade agreement line by customer group for quantity of 0-9 for \$10.00 Add a trade agreement line by price group for quantity of 1-9 for \$10.00 Add a trade agreement line for quantity of 0 for \$14.00 Add a trade agreement line for quantity of 10-100 at \$10.00
Create a sales price for all customers by any quantity	<ul style="list-style-type: none"> Create a trade agreement for all items at \$14.00 Create a trade agreement line for customer group All for \$14.00 Create a trade agreement line for Party code type set to All and price of \$14.00 Create a trade agreement line for wholesale customers at \$14.00

Correct Answer:

Answer Area

Requirement	Action
Create price groups	<ul style="list-style-type: none"> Create and assign a customer group to the trade agreement line Set up and link a price group to the customer group Set up and link a price group to each customer Set up a price group on the trade agreement line and link the line to the customer
Create a sales price for a group of customers by quantity	<ul style="list-style-type: none"> Add a trade agreement line by customer group for quantity of 0-9 for \$10.00 Add a trade agreement line by price group for quantity of 1-9 for \$10.00 Add a trade agreement line for quantity of 0 for \$14.00 Add a trade agreement line for quantity of 10-100 at \$10.00
Create a sales price for all customers by any quantity	<ul style="list-style-type: none"> Create a trade agreement for all items at \$14.00 Create a trade agreement line for customer group All for \$14.00 Create a trade agreement line for Party code type set to All and price of \$14.00 Create a trade agreement line for wholesale customers at \$14.00

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/sales-marketing/tasks/create-new-trade-agreement>

HOTSPOT -

An airport uses Dynamics 365 Supply Chain Management. You purchase new baggage-sorting hardware.

You must add both the hardware and the service contract for the hardware to the product hierarchy.

You need to configure the category node.

What should you do? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Item	Action
Baggage system hardware	<ul style="list-style-type: none">Create a new category node and select Classify as tangibleAdd to an existing category node and select Classify as tangibleAdd to an existing category node and clear Classify as tangible
Service agreement	<ul style="list-style-type: none">Create a new category node and select Classify as tangibleAdd to an existing category node and select Classify as tangibleAdd to an existing category node and clear Classify as tangible

Correct Answer:

Answer Area

Item	Action
Baggage system hardware	<ul style="list-style-type: none">Create a new category node and select Classify as tangibleAdd to an existing category node and select Classify as tangibleAdd to an existing category node and clear Classify as tangible
Service agreement	<ul style="list-style-type: none">Create a new category node and select Classify as tangibleAdd to an existing category node and select Classify as tangibleAdd to an existing category node and clear Classify as tangible

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Question #2

Topic 2

An employee at a company releases a new product from the Released product maintenance workspace.

An employee in another department is unable to add the product to a sales order. You determine that dimension groups have not been applied to the product.

You need to ensure that the product can be added to the sales order.

Which two inventory dimension groups should you add to the product? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Tracking dimension group Most Voted
- B. Coverage group
- C. Product dimension group
- D. Storage dimension group Most Voted

Correct Answer: CD

Community vote distribution

AD (100%)

DRAG DROP -

You are the product manager at a distribution company. You are responsible for managing product compliance standards and reporting.

Chemical product C0001 can be sold in all parts of the United States except for the state of California.

You need to set up these compliance requirements for C0001.

Which four actions should be performed in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions

Create an inclusive list type for New York, United States

Create an exclusive list type for California, United States

Add item C0001 to the restricted product lists

Open the Restricted products regional lists form

Create an inclusive list type for the United States

Create a regulated products regional list for California, United States. Add item C0001 to the list

Open the Regulated products regional lists

Answer Area**Correct Answer:****Actions**

Create an inclusive list type for New York, United States

Create an exclusive list type for California, United States

Add item C0001 to the restricted product lists

Open the Restricted products regional lists form

Create an inclusive list type for the United States

Create a regulated products regional list for California, United States. Add item C0001 to the list

Open the Regulated products regional lists

Answer Area

Open the Restricted products regional lists form

Create an inclusive list type for the United States

Create an exclusive list type for California, United States

Add item C0001 to the restricted product lists

An employee at a company needs to lay out the various component to build custom bicycles.
You need to identify which constraints the employee should use to set up the bicycles.
Which two types of constraints the employee use? Each correct answer presents a complete solution.
NOTE: Each correct selection is worth one point.

- A. table constraints that are used generically among product configuration models
- B. expression constraints that are used generically among product configuration models
- C. expression constraints that are unique to each product configuration model
- D. table constraints that are always unique to each product configuration model

Correct Answer: AC

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/pim/expression-constraints-table-constraints-product-configuration-models>

Community vote distribution

AC (100%)

HOTSPOT -

You are configuring pricing for a new item.

Wholesale customers must pay \$10.00 for order quantities of up to 9 units. All other customers receive a static price of \$14.00 regardless of quantity.

You need to configure sales trade agreements.

In Trade Agreement Setup, which actions should you perform? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement	Action
Create price groups	<ul style="list-style-type: none"> Create and assign a customer group to the trade agreement line Set up and link a price group to the customer group Set up and link a price group to each customer Set up a price group on the trade agreement line and link the line to the customer
Create a sales price for a group of customers by quantity	<ul style="list-style-type: none"> Add a trade agreement line by customer group for quantity of 0-9 for \$10.00 Add a trade agreement line by price group for quantity of 1-9 for \$10.00 Add a trade agreement line for quantity of 0 for \$14.00 Add a trade agreement line for quantity of 10-100 at \$10.00
Create a sales price for all customers by any quantity	<ul style="list-style-type: none"> Create a trade agreement for all items at \$14.00 Create a trade agreement line for customer group All for \$14.00 Create a trade agreement line for Party code type set to All and price of \$14.00 Create a trade agreement line for wholesale customers at \$14.00

Correct Answer:

Answer Area

Requirement	Action
Create price groups	<ul style="list-style-type: none"> Create and assign a customer group to the trade agreement line Set up and link a price group to the customer group Set up and link a price group to each customer Set up a price group on the trade agreement line and link the line to the customer
Create a sales price for a group of customers by quantity	<ul style="list-style-type: none"> Add a trade agreement line by customer group for quantity of 0-9 for \$10.00 Add a trade agreement line by price group for quantity of 1-9 for \$10.00 Add a trade agreement line for quantity of 0 for \$14.00 Add a trade agreement line for quantity of 10-100 at \$10.00
Create a sales price for all customers by any quantity	<ul style="list-style-type: none"> Create a trade agreement for all items at \$14.00 Create a trade agreement line for customer group All for \$14.00 Create a trade agreement line for Party code type set to All and price of \$14.00 Create a trade agreement line for wholesale customers at \$14.00

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/sales-marketing/tasks/create-new-trade-agreement>

HOTSPOT -

An airport uses Dynamics 365 Supply Chain Management. You purchase new baggage-sorting hardware.

You must add both the hardware and the service contract for the hardware to the product hierarchy.

You need to configure the category node.

What should you do? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Item	Action
Baggage system hardware	<ul style="list-style-type: none">Create a new category node and select Classify as tangibleAdd to an existing category node and select Classify as tangibleAdd to an existing category node and clear Classify as tangible
Service agreement	<ul style="list-style-type: none">Create a new category node and select Classify as tangibleAdd to an existing category node and select Classify as tangibleAdd to an existing category node and clear Classify as tangible

Correct Answer:

Answer Area

Item	Action
Baggage system hardware	<ul style="list-style-type: none">Create a new category node and select Classify as tangibleAdd to an existing category node and select Classify as tangibleAdd to an existing category node and clear Classify as tangible
Service agreement	<ul style="list-style-type: none">Create a new category node and select Classify as tangibleAdd to an existing category node and select Classify as tangibleAdd to an existing category node and clear Classify as tangible

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Question #7

Topic 2

A company manufactures and sells speaker boxes. The speaker boxes can be silver or black with a basic or upgraded wiring harness assembly. The speaker box must be created in the item master so that the variables for colors and harness type can be assigned at order entry. You need to create a new item that supports multiple variables. What should you do?

- A. Create a new product. Select predefined variant as the configuration technology.
- B. Create a new product master. Select constraint-based configuration as the configuration technology.
- C. Create a new product. Select constraint-based configuration as the configuration technology.
- D. Create a new product master. Select predefined variant as the configuration technology.

Correct Answer: D*Community vote distribution*

D (67%)

B (33%)

Question #8

Topic 2

A company has items in inventory with two costing methods: FIFO and Standard. The company needs to calculate the cost of all items at month end and provide a total inventory value to the finance department. You need to determine the total value of inventory. Which costing method requires running the inventory close?

- A. FIFO and Standard Cost items
- B. FIFO items only
- C. LIFO, Moving Average, and Date Weighted Average items
- D. Standard Cost items only

Correct Answer: B*Community vote distribution*

A (67%)

B (33%)

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution. After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

You are the purchasing manager at a manufacturing company that makes audio equipment.

You sign an agreement with a vendor to purchase 5,000 speaker cables, item C0001, at a discounted rate of \$3.00 per cable. This agreement expires in exactly one year.

You need to set up pricing information and track the fulfillment of the agreement.

Solution:

- Create a purchase agreement of type Product value commitment.
- Add a line for item C0001.
- Enter a product value of \$15,000 and enter an expiration date of one year.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: A

References:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/procurement/purchase-agreements>

Community vote distribution

B (100%)

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

You are the purchasing manager at a manufacturing company that makes audio equipment.

You sign an agreement with a vendor to purchase 5,000 speaker cables, item C0001, at a discounted rate of \$3.00 per cable. This agreement expires in exactly one year.

You need to set up pricing information and track the fulfillment of the agreement.

Solution: On the released product, set a price of \$3.00. Add the vendor to the vendor account field on the Purchase fast tab.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: B

References:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/procurement/purchase-agreements>

Community vote distribution

B (100%)

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution. After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

You are the purchasing manager at a manufacturing company that makes audio equipment.

You sign an agreement with a vendor to purchase 5,000 speaker cables, item C0001, at a discounted rate of \$3.00 per cable. This agreement expires in exactly one year.

You need to set up pricing information and track the fulfillment of the agreement.

Solution: Create a purchase agreement for the vendor that specifies a product quantity commitment. Include the quantity, the price, and the expiration date.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: A

References:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/procurement/purchase-agreements>

Community vote distribution

A (100%)

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Question #12

Topic 2

A distribution company wants to set up barcodes in their Dynamics 365 Supply Chain Management system for warehouse scanning.

Barcodes will be entered manually.

You need to minimize the risk of errors on barcode entry.

What should you do?

- A. Create a new barcode, enter the value, select the type, and enter the mask.
- B. Select an item, select the barcode type, select max length, and enter the value.
- C. Select an item and set up security on the barcode field.
- D. Create a new barcode, enter the value, select the type, and enter the size and max length.

Correct Answer: *B*

Community vote distribution

B (100%)

DRAG DROP -

A company uses Dynamics 365 Supply Chain Management for purchasing and sales operations across three different sites.

The default order settings for products are configured as shown in the following table.

Rank	Site	Configuration	Purchase – override default settings	Purchase stopped	Sales – override default settings	Sales stopped
20	2	C1	Yes	No	Yes	Yes
20	1	C2	Yes	Yes	Yes	No
20	1	C1	Yes	No	Yes	Yes
10	2	C1	Yes	Yes	Yes	No
10	1	C2	Yes	No	Yes	Yes
10	1	C1	Yes	Yes	Yes	No
0				No		No

You need to determine which scenarios allow transactions.

Which transactions are allowed? To answer, drag the appropriate allowed options to the correct scenarios. Each allowed option may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Allowed	Answer Area	Scenario	Allowed
Yes			
No		A product is sold out of site 3. A product is sold out of site 1 with a configuration of C1. A product is purchased out of site 2 with a configuration of C2. A product is purchased out of site 1 with a configuration of C2.	

Correct Answer:

Allowed	Answer Area	Scenario	Allowed
Yes			
No		A product is sold out of site 3. A product is sold out of site 1 with a configuration of C1. A product is purchased out of site 2 with a configuration of C2. A product is purchased out of site 1 with a configuration of C2.	Yes No Yes Yes

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/production-control/default-order-settings>

A company sells jars of sliced or whole pickles. The company produces jars of various sizes. You need to set up the item to ensure that pickles have a single item number for all container sizes. What are two possible ways to achieve this goal? Each correct answer presents a complete solution.

NOTE: Each correct selection is worth one point.

- A. Setup the size, color, and style in each legal entity. Go to the products form, create a new product and assign it to each dimension.
- B. Create a new product master with predefined variant configuration technology and release to the legal entities. Use the product dimensions to define the size, color, and style.
- C. Create and release a product to the legal entities. Use the storage dimensions to define the size, color, and style.
- D. Create a new product master with dimension-based configuration technology and release to the legal entities. Use the configuration to define the size, color, and style.

Correct Answer: BD

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/pim/product-identifiers>

Community vote distribution

BD (100%)

A company manufactures street, mountain, and racing bicycles. The company wants to use product variants to control bicycle configuration. You need to configure the bicycles in the system. What should you do?

- A. Create mountain, street, and racing bicycles as separate configuration models.
- B. Use one item number for all types of bicycles. Use a separate configuration number for each type of bicycle.
- C. Use different item numbers for mountain, street, and racing bicycles.

Correct Answer: A

Community vote distribution

B (100%)

A company implements the Dynamics 365 Supply Chain Management procurement module. During testing, you observe that no transactions are posted to the product receipt journal when an item is received. You need to configure the system to show the appropriate transactions in the product receipt journal. Which two actions should you perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. On the Item group setup form, enter account information in the Purchase, accrual and Purchase expenditure, un-invoiced account fields.
- B. On the Item model group setup form, select Include physical value.
- C. On the Item group setup form, enter account information in the Purchase, accrual and Purchase expenditure for product fields.
- D. On the Item model group setup form, select Accrue liability on product receipt.

Correct Answer: AD

 Custom View Settings

Question #17

Topic 2

SIMULATION -

You are a functional consultant for a company named Contoso Entertainment System USA (USMF).

You plan to trade a product named Professional Speaker Cable in the color gray.

You need to release all the available variants of Professional Speaker Cable in gray.

To complete this task, sign in to Dynamics 365 portal.

Correct Answer: See explanation below.

1. Click Product information management > Common > Products > Product masters.
2. Select a product master, and then click Release products in the Product authorization group on the Action Pane.
3. Select all product variants in the Product variants group for the color gray.
4. Leave the defaults on the Select companies link.
5. Click OK to open the Product release session batch dialog box.
6. Select the Show Infolog upon failure check box to be notified if the release is not completed.
7. If the product master of the variants has not already been released to the company, select the Include product master check box.

Reference:

<https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/key-tasks-release-products>

SIMULATION -

You are a functional consultant for a company named Contoso Entertainment System USA (USMF).

You need to post a new trade agreement that will contain the following prices:

- Surface Pro 128GB: 750 US dollars for orders of 50 units or less
- Surface Pro 128GB: 720 US dollars for orders from 50 units to 100 units

The agreement must be valid for the 2020 calendar year only.

To complete this task, sign in to Dynamics 365 portal.

Correct Answer: See explanation below.

1. Go to Navigation pane > Modules > Sales and marketing > Prices and discounts > Trade agreement journals.
 2. Click New.
 3. In the Name field, click the drop-down button to open the lookup.
 4. In the list, select S_Price (Sales Price Adjustment).
 5. On Action Pane, click Lines.
 6. In the Account code, select 'All' (for All customers)
 7. In the Item code field, select 'Table'. This will allow you to select a specific item.
 8. In the Item relation field, click the drop-down button to open the lookup.
 9. Select the Surface Pro 128GB.
 10. In the From field, enter a minimum quantity (1).
 11. In the To field, enter a maximum quantity (50).
 12. In the Amount in currency field, enter a price (750) and select US Dollars in the Currency field.
 13. Configure another price bracket with a minimum of 51 units, a maximum of 100 units and a price of 720 US Dollars.
 14. Under the Details section, in the From date field, enter a date from which this agreement will be valid (January 1 2020).
st
 15. In the To date field, enter a date to which this agreement will be valid (December 31 2020).
st
 16. Click Save.
 17. Click Validate.
 18. Click Validate selected lines.
 19. Click OK.
 20. Click Post.
 21. Click OK.
- Reference:
<https://docs.microsoft.com/en-us/dynamics365/supply-chain/sales-marketing/tasks/create-new-trade-agreement>

SIMULATION -

You are a functional consultant for a company named Contoso Entertainment System USA (USMF).

You need to copy the bill of materials (BOM) of item number T0012 to a new BOM.

To complete this task, sign in to Dynamics 365 portal.

Correct Answer: See explanation below.

1. Open item number T0012.
2. Go to Engineer >BOM>Lines and select the BOM for the item.
3. Click on Create BOM.
4. Select the Copy option.
5. Ensure the Add option is selected to create a new BOM rather than overwrite the existing BOM.
6. Click OK.

A company creates a new bill of materials (BOMs). The company subcontracts with a vendor to manufacture one component for the BOM.

You need to ensure that only the production manager is permitted to approve BOMs.

Which two actions should you perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

A. Assign security permissions to approve the BOM version but not the related BOM.

B. Assign security permissions to the user for the approval form.

C. Assign security permissions to the Vendor portal.

D. Set up the approver as a vendor.

E. Set up the approver as an employee.

Correct Answer: BE

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

You are the purchasing manager at a manufacturing company that makes audio equipment.

You sign an agreement with a vendor to purchase 5,000 speaker cables, item C0001, at a discounted rate of \$3.00 per cable. This agreement expires in exactly one year.

You need to set up pricing information and track the fulfillment of the agreement.

Solution:

Create a trade agreement journal of type Price (purch.).

Add a line for item C0001 for the vendor.

Enter a unit price of \$3.00 for a quantity up to 5,000 and enter an expiration date for next year.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: B

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Question #22

Topic 2

You are implementing Dynamics 365 Supply Chain Management for a company that uses bill of materials (BOM) templates to expedite setup in the system.

A line must be removed from the BOM, but the system does not allow this.

You need to determine why you are unable to perform this deletion.

Why are you unable to delete the line?

- A. The BOM template version has already been saved.
- B. The local version of the BOM template has been associated to a service object.
- C. The local version of the BOM template has been modified.
- D. The BOM template has been associated to a service object.

Correct Answer: D

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/service-management/template-boms>

DRAG DROP -

A company is designing a new bicycle by using a dimension-based Bill of materials (BOM).

The configuration groups have been defined and created.

You need to set up a BOM for the new bicycle.

Which four actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions**Answer Area**

Create dimension-based configurations.

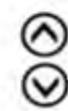
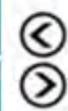
Define configuration routes.

Define configuration rules.

Create a BOM for the dimension-based product master.

Create and release a predefined variant product master.

Create and release a dimension-based product master.

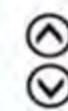
**Actions****Answer Area**

Create a BOM for the dimension-based product master.

Define configuration routes.

Define configuration rules.

Create dimension-based configurations.



Correct Answer:

Create and release a predefined variant product master.

Create and release a dimension-based product master.

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/pim/dimension-based-product-configuration>

A company uses Dynamics 365 Supply Chain Management.

The company obtains packaging cartons in metric tons and sells them as individual items. The packaging cartons come in various sizes and are maintained as product variants.

You need to configure unit conversion for the packaging cartons.

What should you do?

- A. Enable unit of measure conversions in the product master. Configure the intra-class unit conversion feature in the Organization administration module.
- B. Disable unit of measure conversions in the product master. Configure the inter-class unit conversion feature in the Organization administration module.
- C. Enable unit of measure conversions in the product master. Configure the inter-class unit conversion feature in the released products.
- D. Enable unit of measure conversions in the product master. Configure the intra-class unit conversion feature in the released products.

Correct Answer: C

Reference:

<https://docs.microsoft.com/en-us/business-applications-release-notes/april19/dynamics365-finance-operations/uom-by-variant>

Community vote distribution

C (100%)

DRAG DROP -

A company uses Dynamics 365 Supply Chain Management.

The company needs to maintain item bar codes.

You need to set up bar codes for the items.

Which option should you use for each requirement? To answer, drag the appropriate options to the correct requirements. Each option may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Options	Answer Area	
Create/Update bar codes		
Create bar codes from number secuense	Create bar codes in all legal entities where the item is released.	
Scanning	Create bar codes for a specific vendor.	
Product section location	Ensure that unique bar codes are set up for all items.	
Released product		

Correct Answer:

Options	Answer Area	
Create/Update bar codes		
Product section location	Create bar codes in all legal entities where the item is released.	Released product
	Create bar codes for a specific vendor.	Create bar codes from number secuense
	Ensure that unique bar codes are set up for all items.	Scanning

Reference:

<https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/use-bar-codes-in-warehouse-operations>

A company that has two legal entities is implementing Dynamics 365 Supply Chain Management. Products do not contain variants. One legal entity will use advanced warehouse management and the other legal entity will not use it.

The same product will be sold in both legal entities but require different setup due to the warehousing requirements.

You need to set up the product in both legal entities without duplicating efforts or item numbers.

Which method should you use?

- A. released product data entity
- B. product master
- C. released product
- D. item template
- E. product

Correct Answer: C

Community vote distribution

E (100%)

 Custom View Settings

Question #27

Topic 2

DRAG DROP -

You create and maintain items in Dynamics 365 Supply Chain Management.

You create a product master named S`"001 for metal screws. Screws come in three different lengths and two styles. You want to release only five of the six possible combinations.

You need to set up variants for the screw.

Which three actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions**Answer Area**

Run the Variant suggestion wizard.

Create the allowable dimensions on your product master.

Assign the variant dimensions to the appropriate category hierarchy.

Assign the category to item S-001.

Select release size-style variant combinations.

**Answer Area**

Create the allowable dimensions on your product master.

Run the Variant suggestion wizard.

Correct Answer:

Assign the variant dimensions to the appropriate category hierarchy.



Select release size-style variant combinations.



Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/pim/tasks/create-predefined-product-variants>

A company uses Dynamics 365 Supply Chain Management.
The company does not use variants and sells items only out of a single legal entity.
You need to configure the system to avoid unnecessary product creation overhead.
What should you do?

- A. Create a released product master
- B. Create a personal template for unreleased products
- C. Create a released product
- D. Create an unreleased product and release the product
- E. Create a shared template for unreleased products

Correct Answer: C

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/pim/product-information>

A company uses Dynamics 365 Supply Chain Management. Inventory value is standard and updated only once per year.
The company wants to convert costing from standard to moving average.
You need to convert the items from standard to moving average.
Which three actions must you perform? Each answer presents a partial solution.
NOTE: Each correct selection is worth one point.

- A. Change the Item Group
- B. Adjust the inventory quantity to zero
- C. Adjust the inventory cost to zero
- D. Run inventory close
- E. Change the Item Model Group

Correct Answer: BCE

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/cost-management/moving-average>

A company needs to create new items that can be company owned or vendor owned.
You need to create and set up the items so that they can be used as company owned or consignment.
What should you do?

- A. Assign a non-stock service item model group
- B. Assign a moving average costing inventory model
- C. Activate batch dimension and assign a standard costing inventory model
- D. Activate owner dimension and assign a standard costing inventory model

Correct Answer: D

Community vote distribution

D (100%)

DRAG DROP -

You manage a Dynamics 365 Supply Chain Management system for a company.

You need to configure agreements in the system.

Which agreement types should you use? To answer, drag the appropriate agreement types to the appropriate scenarios. Each agreement type may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Agreement types	Answer Area	
purchase	Scenario Customers who purchase between 51 and 100 units of Product A receive a \$10.00 discount per unit. Customers who purchase over 100 units receive a \$12.00 discount per unit.	Agreement type <input type="button" value="Agreement type"/>
sales	Scenario A customer agrees to purchase 500 laptops over the next six months.	Agreement type <input type="button" value="Agreement type"/>
trade	Scenario Your company agrees to purchase \$150,000 worth of office supplies within a year.	Agreement type <input type="button" value="Agreement type"/>

Correct Answer:

Agreement types	Answer Area	
purchase	Scenario Customers who purchase between 51 and 100 units of Product A receive a \$10.00 discount per unit. Customers who purchase over 100 units receive a \$12.00 discount per unit.	Agreement type <input type="button" value="trade"/>
sales	Scenario A customer agrees to purchase 500 laptops over the next six months.	Agreement type <input type="button" value="sales"/>
trade	Scenario Your company agrees to purchase \$150,000 worth of office supplies within a year.	Agreement type <input type="button" value="purchase"/>

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A company uses trade agreements for their customers. Prices for some customers must round to the nearest US dollar.

A customer reports that prices do not round to the nearest US dollar as required.

You need to resolve the issue.

In Trade agreement journals, which option should you use?

- A. Adjustment
- B. View smart rounding
- C. Validate all lines
- D. Apply smart rounding

Correct Answer: D

DRAG DROP -

A company manufactures wood furniture.

Customers can purchase cabinets on sales orders. Customer can select different wood finishes including oak and maple.

You need to configure a product attribute to characterize the types of cabinet finishes.

Which three actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions

Add an attribute to the procurement category

Create an attribute of type Boolean and define the different types of wood finishes

Assign the attribute to the retail category

Create style dimensions for the different types of wood finishes

Create an attribute type of type Text and define the different types of wood finishes

Create an attribute associated with an attribute type for Cabinet Finishing

Answer Area**Correct Answer:****Actions**

Add an attribute to the procurement category

Create an attribute of type Boolean and define the different types of wood finishes

Assign the attribute to the retail category

Create style dimensions for the different types of wood finishes

Create an attribute type of type Text and define the different types of wood finishes

Create an attribute associated with an attribute type for Cabinet Finishing

Answer Area

Create an attribute type of type Text and define the different types of wood finishes

Create an attribute associated with an attribute type for Cabinet Finishing

Assign the attribute to the retail category

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/retail/attribute-attribute-groups-lifecycle>

DRAG DROP

A company uses Dynamics 365 Supply Chain Management to sell automobile tires.

The company sells different models of tires. Each model is available in different diameter sizes. The combination of a model and its diameter represents an individual stock keeping unit (SKU).

The manufacturer's suggested retail price (MSRP) and purchase prices can vary between variants. The purchase price for the variants will change over time, but the MSRP will never change once it is configured. All price changes must be documented systematically. The MSRP must be the default selling price for the item if no other pricing is available.

You need to configure the prices for the tires.

Which configurations should you use? To answer, drag the appropriate configurations to the correct requirements. Each configuration may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Answer Area

Configurations	Requirement	Configuration
Attribute-based pricing		
Released product master	Set the MSRP for the product variants.	
Released product variants	Set the purchase price for the product variants.	
Trade agreements		

Correct Answer:

Answer Area

Configurations	Requirement	Configuration
Attribute-based pricing		
Released product master	Set the MSRP for the product variants.	Released product master
Released product variants	Set the purchase price for the product variants.	Trade agreements
Trade agreements		

DRAG DROP

A cosmetics company uses Dynamics 365 Supply Chain Management. You configure a single legal entity.

Items must be created for a new product line of lipsticks. The lipsticks will have similar characteristics and will be sold in two sizes: trial size and full size. The lipsticks will also have colors and product lines assigned to item numbers. Each lipstick must be assigned a unique item number.

Historically, users manually entered items for new product lines and incorrectly and inconsistently set up the associated values.

You need to define the setup for the items and configurations.

What should you configure? To answer, drag the appropriate configurations to the correct requirements. Each configuration may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Configurations

Item template

Product attributes

Product master

Answer Area**Requirement**

Set up the item size, color, and product line.

Configuration

Product master

Enforce consistency.

Product master

Correct Answer:**Configurations**

Item template

Product attributes

Product master

Answer Area**Requirement**

Set up the item size, color, and product line.

Configuration

Product attributes

Enforce consistency.

Product master

DRAG DROP

An energy sustainability company uses Dynamics 365 Supply Chain Management.

The company sells raw materials to contractors working on a pipeline project by using special pricing. The company plans to sell raw materials to non-pipeline contractors; however, those sales will not be eligible for the special pricing, any discounts, or price breaks. The non-pipeline contractor pricing may change over time. The price history must be retained.

You need to configure the system for the pricing requirements.

What should you configure? To answer, drag the appropriate configurations to the correct pricings. Each configuration may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Configurations	Answer Area	Pricing	Configuration
price group, affiliations		Pipeline contractors	Configuration
price group, customer		Non-pipeline contractors	Configuration
trade agreement, all			
trade agreement, customer			

Correct Answer:

Pricing	Configuration
Pipeline contractors	price group, affiliations
Non-pipeline contractors	trade agreement, customer

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Question #37

Topic 2

HOTSPOT

A company uses Dynamics 365 Supply Chain Management. The company has two sites at ports of entry, one in Atlanta and one in San Francisco.

Due to supply chain constraints and cost fluctuations, the company must change from one standard cost for all products to two standard cost structures, one for Atlanta and one for San Francisco. A costing manager for each site will manage and approve the costing. The historical costs must be retained for analytical purposes. Costs are revised annually.

You need to configure the system.

What should you configure? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area

Requirement	Configuration
Configure new item costs for each site.	Create new costs for the existing costing version. Create one new costing version. Create two new costing versions.
Ensure that costs are not enabled until the manager approves.	Enable the Block Activation flag. Enable the Blocked flag. Set the item status. Activate the fallback principle.
Enable new costs.	Activate the pending price. Calculate costs. Activate the fallback principle.

Answer Area

Requirement	Configuration
Configure new item costs for each site.	Create new costs for the existing costing version. Create one new costing version. Create two new costing versions.
Ensure that costs are not enabled until the manager approves.	Enable the Block Activation flag. Enable the Blocked flag. Set the item status. Activate the fallback principle.
Enable new costs.	Activate the pending price. Calculate costs. Activate the fallback principle.

Correct Answer:

DRAG DROP

A manufacturing company uses Dynamics 365 Supply Chain Management.

The company wants to change inventory valuation to standard costing. Manufactured items must have an active cost breakdown in total but still capture the variance amount on any production substitutions.

You need to define the inventory management parameters.

Which inventory parameter options should you use? To answer, drag the appropriate options to the correct parameters. Each option may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Options	Answer Area
No	
Sub ledger	
Summarized	
Per cost group	

Parameter	Option
Cost breakdown	
Variances to standard	

Correct Answer:	Parameter	Option
	Cost breakdown	Sub ledger
	Variances to standard	Per cost group

A caulking manufacturer is implementing Dynamics 365 Supply Chain Management. When caulking is produced, it is sold by tubes, 1-gallon cans, 5-gallon buckets, 55-gallon drums, or 330-gallon totes with potential to add other sizes.

The manufacturer wants to ensure that when new units are added, only one conversion is set up that does not require conversions between each unit of measure.

You need to configure the unit of measure to meet the requirement.

What should you use?

- A. Unit class
- B. Conversion formula
- C. Formula layout
- D. Base unit

Correct Answer: D

A company uses Dynamics 365 Supply Chain Management in one legal entity that contains one site, which contains Warehouse1 and Warehouse2. A customer routinely orders an item that the company usually stocks in Warehouse1.

The customer requires the company to ship orders from Warehouse2 due to shipping cost agreements.

You need to configure the system to meet the request.

Which configuration should you set up?

- A. Set the item default order settings to Warehouse1 only.
- B. Set the customer default to Warehouse1 and set the item default order settings to Warehouse2.
- C. Set the customer default to Warehouse2 and the item default order settings to Warehouse1.
- D. Set the customer default to Warehouse1 and set the item default order settings to Warehouse1.
- E. Set the customer default to Warehouse2 only.

Correct Answer: C

A company is implementing Dynamics 365 Supply Chain Management. The company manages inventory by using a just-in-time approach.

A purchase order arrives for an item. The system must allow sales order shipments of the item to be posted before the purchase order invoice is received.

You must ensure that the item model group configuration allows for shipment of the items.

Which parameter should you enable?

- A. Physical negative inventory
- B. Registration requirements
- C. Include physical value
- D. Financial negative inventory
- E. Location profile negative inventory

Correct Answer: D

HOTSPOT

A company uses Dynamics 365 Supply Chain Management. The company uses a Business Unit financial dimension. The dimension is required on items and posted on transactions.

The company wants to update item costs but exclude the required financial dimension. The change must include a warning to users before the update. The costing method should be calculated based on the expected, calculated cost to produce an item.

You must configure the system to meet the requirements.

Which actions should you perform? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area

Requirement	Action
Enable the feature.	<p>Enable Options of defaulting financial dimensions for inventory standard cost revaluation. Enable Costing version maintenance. Enable Default financial dimensions separately when using item templates. Enable Inventory and storage dimensions.</p>
Configure the feature.	<p>Select None. Select Table. Select Posting.</p>

Answer Area

Requirement	Action
Enable the feature.	<p>Enable Options of defaulting financial dimensions for inventory standard cost revaluation. Enable Costing version maintenance. Enable Default financial dimensions separately when using item templates. Enable Inventory and storage dimensions.</p>
Configure the feature.	<p>Select None. Select Table. Select Posting.</p>

Correct Answer:

A company uses Dynamics 365 Supply Chain Management.

You create a product by using an incorrect product dimension group. The product has not yet been released to the legal entities.

You need to determine whether you can change the product dimension group.

Which two conditions must be met? Each answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Dimensions must not be specified for the product master.
- B. The item must not already be validated.
- C. Dimensions must be specified that match the original but not the new product dimension group.
- D. The product master must not be released to any legal entities.

Correct Answer: AD

HOTSPOT

A distribution company that uses Dynamics 365 Supply Chain Management values inventory through standard cost. The company does not manufacture any products.

Some items require incremental updates to the standard cost. The original costs must be retained for reporting purposes.

You need to update the standard costs of the items.

What should you configure? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area**Requirement**

Determine costing version approach.

Parameter

One version
Two version

Set fallback principle.

None
Costing version

Set cost type.

Standard
Planned

Answer Area**Requirement**

Determine costing version approach.

Parameter

One version
Two version

Correct Answer:

Set fallback principle.

None
Costing version

Set cost type.

Standard
Planned

HOTSPOT

A company is implementing Dynamics 365 Supply Chain Management. The company uses subcontracted services on its bills of material (BOMs).

You must set up and release a subcontractor item so that it can be included on the BOM and subcontractor charges are included in the BOM calculation. Because the subcontractor is a step included in a BOM but not a tangible item, inventory for the item must not be tracked in the warehouse.

You need to set up the subcontractor item and release the item to the company.

What should you configure? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area

Requirement	Configuration
Create subcontractor item for release.	<div style="border: 1px solid #ccc; padding: 5px; width: 150px;">Service product type Item product type BOM line BOM designer</div>
Set up inventory policy.	<div style="border: 1px solid #ccc; padding: 5px; width: 150px;">Select stocked product. Clear stocked product.</div>

Answer Area

Requirement	Configuration
Create subcontractor item for release.	<div style="border: 1px solid #ccc; padding: 5px; width: 150px;">Service product type Item product type BOM line BOM designer</div>
Set up inventory policy.	<div style="border: 1px solid #ccc; padding: 5px; width: 150px;">Select stocked product. Clear stocked product.</div>

A company is implementing Dynamics 365 Supply Chain Management in one legal entity that contains Site1 and Site2.

ItemA is a configured item, with configurations ConfigA and ConfigB. The business decides to stop buying ItemA ConfigB into Site2 but will still buy it at Site1.

You must configure ItemA to ensure the buying rules are implemented.

What should you configure?

- A. Variant group
- B. Select product variants to release**
- C. Variant suggestions
- D. Default order setting rules

Correct Answer: B

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Question #47

Topic 2

A company uses Dynamics 365 Supply Chain Management.

The company obtains packaging cartons in metric tons and sells them as individual items. The packaging cartons come in various sizes and are maintained as product variants.

You need to configure unit conversion for the packaging cartons.

What should you do?

- A. Enable unit of measure conversions in the product master. Configure the intra-class unit conversion feature in the Organization administration module.
- B. Disable unit of measure conversions in the product master. Configure the inter-class unit conversion feature in the Organization administration module.
- C. Enable unit of measure conversions in the product master. Configure the standard unit conversion feature in the released products.
- D. Disable unit of measure conversions in the product master. Configure the intra-class unit conversion feature in the released products.

Correct Answer: A

Community vote distribution

C (100%)

Question #48

Topic 2

A company uses Dynamics 365 Supply Chain Management.

A large item fits only one item per pallet. A purchase order for the item must be a minimum of 24. Additional line quantities for the item must be in multiples of 24.

An incorrect setup for the item allows entry of multiples of 50. This setup error causes purchase order entry overrides.

You must configure the system to enforce a match of default quantities during setup.

What should you do?

- A. Select the Strict option.
- B. Select the Standard option.
- C. Configure Warehouse management options.

Correct Answer: A

HOTSPOT

A donut company is implementing Dynamics 365 Supply Chain Management.

The company wants to set up and maintain formula items for donut production. If the formula quantity changes, all ingredients must automatically adjust with no manual edits.

You must configure the formula features.

Which features should you use? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area**Configuration**

Configure item component consumption.

Feature

- Backflush
- Fixed
- Constant
- Variable

Enable the formula feature.

- Scalable
- Signature
- Step
- Version

Answer Area**Configuration**

Configure item component consumption.

Feature

- Backflush
- Fixed
- Constant
- Variable

Correct Answer:

Enable the formula feature.

- Scalable
- Signature
- Step
- Version

Topic 3 - Question Set 3

Question #1

Topic 3

SIMULATION -

You are a functional consultant for a company named Contoso Entertainment System USA (USMF).

From sales order number 000720, you need to ensure that a product named Projector Television is delivered directly to a customer.

To complete this task, sign in to Dynamics 365 portal.

Correct Answer: See explanation below.

When you configure Direct Delivery (direct from the Vendor), a PO is created to purchase the item from the Vendor and have it shipped directly to the customer.

The instructions below include generating the PO and a product receipt. These steps may not be required in the exam but are included for reference.

1. Go to Navigation pane > Modules > Accounts receivable > Orders > All sales orders.
2. Select New.
3. Search for and select sales order number 000720.
4. On the Action Pane, select Sales order, then select Direct delivery. The Create delivery page lists all the open sales order lines as copied from the sales order.
5. Select the sales order line for the product named Projector Television.
6. The Vendor account field will be populated. A message informs you that the purchase order has now been created.
7. Expand the Line details section.
8. Select the Delivery tab and verify that the Direct delivery field is set to Yes.
9. On the Action Pane, select General.
10. Select Related orders.
11. Select the link in the Purchase order field.
12. Expand the Line details section and select the Address tab.
 - ☞ The delivery address for this purchase order line is the customer's delivery address and not your company's address.
13. Select the Delivery tab.
 - ☞ Like the sales order line, the associated purchase order line type is also set to Direct delivery.
14. On the Action Pane, select Purchase.
15. Select Confirmation.
16. Select OK.
17. On the Action Pane, select Receive.
18. Select Product receipt.
19. In the Product receipt field, type a value.
20. Select OK.
21. On the Action Pane, select General.
22. Select Related orders and highlight the desired record.
 - ☞ After the purchase order has been updated as received, or in other words, after the vendor has shipped the goods to your customer's address, the status of the originating sales order is automatically updated to Delivered.
 - ☞ The sales order can now be invoiced.
23. Select OK.
24. Close the page.
25. Select OK. Close the pages and return to the home page.

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/sales-marketing/direct-deliveries>

SIMULATION -

You are a functional consultant for a company named Contoso Entertainment System USA (USMF).

You need to configure a new quality process for item number M0017. The process must meet the following requirements:

- ⇒ Perform an impedance test on 100 percent of the units purchased.
- ⇒ Initiate the test after the product receipt is posted.

To complete this task, sign in to Dynamics 365 portal.

Correct Answer: See explanation below.

Configure Item Sampling to specify 100 percent of the units.

Configure Quality Association to specify what test to run and configure the test to run after the receipt is posted.

Configure Item Sampling.

1. Go to Inventory management > Setup > Quality control > Item sampling.
2. Click New.
3. In the Item sampling field, type the name 100%.
4. In the Description field, type a value (100%).
5. In the Quantity specification field, select percent.
6. In the Value field, enter a number (100)
7. Click Save.
8. Close the page.

Configure a Quality Association -

1. Go to Inventory management > Setup > Quality control > Quality associations.
2. Click New.
3. In the Reference type field, select Purchase.
4. In the Item code field, select Table.
5. In the Item field, select the item M0017.
6. In the Event type field, select Product Receipt.
7. In the Execution field, select After.
8. Expand or collapse the Specifications section.
9. In the Test group field, find and select the Impedance test.
10. Click Save.
11. Close the page.

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/tasks/set-up-quality-orders> <https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/enable-quality-management>

SIMULATION -

You are a functional consultant for a company named Contoso Entertainment System USA (USMF).

You perform a manual inventory count and discover that item number T0003 has an inventory count of 230 units.

You need to adjust the inventory to reflect the manual count.

To complete this task, sign in to Dynamics 365 portal.

Correct Answer: *See explanation below.*

There are several ways to update the inventory. You can use one of the inventory adjustment journals or you can use the quantity adjust functionality to adjust the

Quantity of Inventory from the 'On hand inventory' form.

1. Navigate to Product Information management > Products > Released Product
2. In the Released Product form, select item number T0003.
3. On the Manage Inventory action tab, click the 'On Hand inventory' button.
4. On 'On Hand inventory' you can check available quantity.
5. Click the Quantity adjustment button to adjust the quantity.
6. In the Quantity field, specify the quantity 230.
7. Once the quantity has been specified click on OK button.
8. Now you can check adjusted quantity on 'On Hand Inventory' form.

Reference:

<https://www.cloudfronts.com/quantity-adjustment-hand-inventory-d365-finance-operations/>

DRAG DROP -

A company is implementing inventory by using Dynamics 365 Supply Chain Management.

You need to set up inventory journals and ensure that they are used for the correct processes.

Which journal types should you use? To answer, drag the appropriate journal types to the correct actions. Each journal type may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Journal types	Answer Area	
	Action	Journal type
Counting	Confirm on-hand inventory quantities.	
Transfer	Move product from one warehouse to another.	
Movement		
Adjustment	Add costs to an inventory item.	

Correct Answer:

Journal types	Answer Area	
	Action	Journal type
	Confirm on-hand inventory quantities.	Counting
Movement	Move product from one warehouse to another.	Transfer
	Add costs to an inventory item.	Adjustment

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/inventory-journals>

A company is implementing sales order functionality in Dynamics 365 Supply Chain Management.

The company has a business requirement to fulfill sales orders by using direct delivery.

You need to enter a direct delivery sales order so that a purchase order is automatically created.

What should you do after you enter the sales order and lines?

- A. Set the ship complete toggle to On and confirm the order on the sales order header.
- B. Select automatic and confirm the sales order on the line level setup tab in the reservation field.
- C. Change the site to direct delivery and confirm the sales order.
- D. Select the direct delivery option under the sales order action pane and complete the form.

Correct Answer: D

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company is implementing inventory management in Dynamics 365 Supply Chain Management.

The company needs to block inventory and ensure that physical inventory will not be reserved by other outbound transactions.

You need to select the appropriate option to block the inventory in the system.

Solution: Select the full blocking option in the item sampling page.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: B

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/inventory-blocking>

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company is implementing inventory management in Dynamics 365 Supply Chain Management.

The company needs to block inventory and ensure that physical inventory will not be reserved by other outbound transactions.

You need to select the appropriate option to block the inventory in the system.

Solution: Create a quality order on the quality orders page for the quantity to be blocked.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: B

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/inventory-blocking>

Community vote distribution

A (100%)

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Question #8

Topic 3

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company is implementing inventory management in Dynamics 365 Supply Chain Management.

The company needs to block inventory and ensure that physical inventory will not be reserved by other outbound transactions.

You need to select the appropriate option to block the inventory in the system.

Solution: Manually create a transaction on the inventory blocking page.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: A

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/inventory-blocking>

HOTSPOT -

Inventory in a warehouse is assigned to an inventory status of available.

You need to set up an inventory status for damaged items so that they are not sold to customers.

Which values should you use? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement	Value				
Configure the inventory blocking parameter for each inventory status.	<table border="1"><tr><td>available unblocked, damaged blocked</td></tr><tr><td>available blocked, damaged unblocked</td></tr><tr><td>available blocked, damaged blocked</td></tr><tr><td>available unblocked, damaged unblocked</td></tr></table>	available unblocked, damaged blocked	available blocked, damaged unblocked	available blocked, damaged blocked	available unblocked, damaged unblocked
available unblocked, damaged blocked					
available blocked, damaged unblocked					
available blocked, damaged blocked					
available unblocked, damaged unblocked					
Assign the location of the default inventory status	<table border="1"><tr><td>Site, Warehouse, and Item</td></tr><tr><td>Site, Warehouse, and Location</td></tr><tr><td>Warehouse, and Location only</td></tr><tr><td>Site and Serial</td></tr></table>	Site, Warehouse, and Item	Site, Warehouse, and Location	Warehouse, and Location only	Site and Serial
Site, Warehouse, and Item					
Site, Warehouse, and Location					
Warehouse, and Location only					
Site and Serial					

Correct Answer:

Answer Area

Requirement	Value				
Configure the inventory blocking parameter for each inventory status.	<table border="1"><tr><td>available unblocked, damaged blocked</td></tr><tr><td>available blocked, damaged unblocked</td></tr><tr><td>available blocked, damaged blocked</td></tr><tr><td>available unblocked, damaged unblocked</td></tr></table>	available unblocked, damaged blocked	available blocked, damaged unblocked	available blocked, damaged blocked	available unblocked, damaged unblocked
available unblocked, damaged blocked					
available blocked, damaged unblocked					
available blocked, damaged blocked					
available unblocked, damaged unblocked					
Assign the location of the default inventory status	<table border="1"><tr><td>Site, Warehouse, and Item</td></tr><tr><td>Site, Warehouse, and Location</td></tr><tr><td>Warehouse, and Location only</td></tr><tr><td>Site and Serial</td></tr></table>	Site, Warehouse, and Item	Site, Warehouse, and Location	Warehouse, and Location only	Site and Serial
Site, Warehouse, and Item					
Site, Warehouse, and Location					
Warehouse, and Location only					
Site and Serial					

HOTSPOT -

A company plans to stock new items and value those items by using FIFO principle. The company has multiple sites set up. There are multiple warehouses for each site.

You must be able to view the value and quantity of these items at each warehouse.

You need to apply FIFO costing per warehouse.

How should you complete the costing setup? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area**Requirement****Action**

Create the product and assign costing method.

Set the Costing method field to FIFO.
Set the Item model group to FIFO.
Enter the FIFO amount in the Cost price field.
Set the Item group to FIFO.

Create Storage dimension groups.

Physically and financially track inventory by site and warehouse.
Physically track inventory by site. Financially track inventory by site and warehouse.
Physically track inventory by warehouse. Financially track inventory by warehouse.
Physically track inventory by site, warehouse, and location. Financially track inventory by warehouse.

Correct Answer:**Answer Area****Requirement****Action**

Create the product and assign costing method.

Set the Costing method field to FIFO.
Set the Item model group to FIFO.
Enter the FIFO amount in the Cost price field.
Set the Item group to FIFO.

Create Storage dimension groups.

Physically and financially track inventory by site and warehouse.
Physically track inventory by site. Financially track inventory by site and warehouse.
Physically track inventory by warehouse. Financially track inventory by warehouse.
Physically track inventory by site, warehouse, and location. Financially track inventory by warehouse.

DRAG DROP -

A company implements warehouse locations in Dynamics 365 Supply Chain Management.

You need to configure location directives for inventory movement.

Which configurations should you use? To answer, drag the appropriate strategies to the correct requirements. Each strategy may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Strategies	Answer Area	Configuration option
FEFO batch reservation	Requirement Configure outbound sales picking.	strategy
Empty location with no incoming work	Requirement Identify locations for similar items in a warehouse.	strategy
Consolidate	Requirement Identify free locations in a warehouse.	strategy

Correct Answer:

Strategies	Answer Area	Configuration option
	Requirement Configure outbound sales picking.	FEFO batch reservation
	Requirement Identify locations for similar items in a warehouse.	Consolidate
	Requirement Identify free locations in a warehouse.	Empty location with no incoming work

DRAG DROP -

You are the quality supervisor for a company. You receive 100 units of item C0001.

You find defects in some units. You move the items to quarantine for further inspection. Fifty units fail inspection.

You need to scrap the defective units.

Which four actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions

Enter a split quantity of **50**.

Enter a scrap quantity of **50**.

From the Quality order, create a Non-conformance for the scrap.

From the Quarantine order, select the Split function.

Select the Scrap function.

Post an inventory journal entry to remove 50 pieces of scrap from inventory.

Answer Area**Correct Answer:****Actions**

From the Quality order, create a Non-conformance for the scrap.

Post an inventory journal entry to remove 50 pieces of scrap from inventory.

Answer Area

From the Quarantine order, select the Split function.

Enter a split quantity of **50**.

Select the Scrap function.

Enter a scrap quantity of **50**.



HOTSPOT -

A company sells a new product line. Buyers purchase a large shipment into the distribution center.

The product must be divided among the retail stores equally.

You need to configure buyer push functionality.

Which configuration options should you use? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area**Requirement**

Create the push.

Configuration option

- replenishment rules and enter total quantity
- location weight and enter total quantity
- fixed quantity and enter total quantity
- location weight and enter manual quantity

Create the order.

- transfer order
- sales order
- purchase order
- intercompany order

Correct Answer:

Answer Area**Requirement**

Create the push.

Configuration option

- replenishment rules and enter total quantity
- location weight and enter total quantity
- fixed quantity and enter total quantity
- location weight and enter manual quantity

Create the order.

- transfer order
- sales order
- purchase order
- intercompany order

DRAG DROP -

You are implementing Dynamics 365 Supply Chain Management.

A user reports that some of the quarantine statuses appear to mean the same thing.

You need to explain the status of quarantine orders by the location of the item.

What is the status of the orders based on the location of the item? To answer, drag the appropriate statuses to the correct steps. Each status may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Statuses	Answer Area	Step	Status
Created	The inventory has been transferred from the regular warehouse to the quarantine warehouse.		
Started	Item arrival journal has been initialized to move the item back to the regular warehouse but remains in the quarantine warehouse.		
Reported as Finished			
Ended	The item status is set to sold at the quarantine warehouse.		

Correct Answer:

Statuses	Answer Area	Step	Status
Created	The inventory has been transferred from the regular warehouse to the quarantine warehouse.		
	Item arrival journal has been initialized to move the item back to the regular warehouse but remains in the quarantine warehouse.		
	The item status is set to sold at the quarantine warehouse.		

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/quarantine-orders>

A company runs out of inventory in warehouse 22 but has overstock in warehouse 11. The warehouses are linked to the same site.

The inventory must be moved from warehouse 11 to warehouse 22. The company must retain ownership of the inventory financially and be able to generate reports as to where the inventory value resides at all times.

You need to create an order to move the stock.

What should you do?

- A. Create a transfer order from the transit warehouse to warehouse 22.
- B. Create a transfer order from warehouse 11 to the transit warehouse.
- C. Create a transfer order from warehouse 11 to warehouse 22.
- D. Create a sales order for warehouse 11 and a purchase order for warehouse 22.

Correct Answer: C

HOTSPOT -

A company must ship product from one warehouse, receive it in another, and account for the inventory. It will take two days for the shipment to travel between locations.

You need to set up and process the transfer between the two warehouses.

How should you complete the setup? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area**Action Value**

Create the transaction.

▼
transfer order
transfer journal
movement journal
sales order

Add items.

▼
Enter item number, quantity, and unit of measure and price.
Enter item number, quantity, and unit of measure only.
Enter item number and quantity only.
Enter item number and unit of measure and price only.

Answer Area**Action Value**

Create the transaction.

▼
transfer order
transfer journal
movement journal
sales order

Correct Answer:

Add items.

▼
Enter item number, quantity, and unit of measure and price.
Enter item number, quantity, and unit of measure only.
Enter item number and quantity only.

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company is implementing inventory management in Dynamics 365 Supply Chain Management.

The company needs to block inventory and ensure that physical inventory will not be reserved by other outbound transactions.

You need to select the appropriate option to block the inventory in the system.

Solution: Configure a blocking cause in the inventory setup configuration.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: B

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Question #18

Topic 3

DRAG DROP -

A company uses Dynamics 365 Supply Chain Management.

You need to perform month-end close processes.

At which process steps should you perform the actions? To answer, drag the appropriate process steps to the appropriate actions. Each process step may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Process steps

pre-closing
close procedure - check open quantities
close procedure - check item costs
close procedure - close inventory
inventory close log

Answer Area

Action

Configure the system to disregard non-financial transactions during month-end close processes.

Process step

Process step

Display a list of inventory transactions that will remain open after month-end close.

Process step

Display a list of items that exceed the maximum deviation percentage.

Process step

Settle issue transactions to receipt transaction based on the inventory valuation method assigned to each item.

Process step

Display a list of transactions that were not settled.

Process step

Correct Answer:

Process steps

pre-closing
close procedure - check open quantities
close procedure - check item costs
close procedure - close inventory
inventory close log

Answer Area

Action

Configure the system to disregard non-financial transactions during month-end close processes.

Process step

pre-closing

Display a list of inventory transactions that will remain open after month-end close.

close procedure - check open quantities

Display a list of items that exceed the maximum deviation percentage.

close procedure - check item costs

Settle issue transactions to receipt transaction based on the inventory valuation method assigned to each item.

close procedure - close inventory

Display a list of transactions that were not settled.

inventory close log

 Custom View Settings

Question #19

Topic 3

A company uses Dynamics 365 Supply Chain Management.
An employee notices a discrepancy in inventory.
You need to create the inventory blocking transaction.
What are two possible ways to achieve the goal? Each correct answer presents a complete solution.
NOTE: Each correct selection is worth one point.

- A. inventory status
- B. quality order
- C. batch disposition code
- D. manual inventory blocking

Correct Answer: BD

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/inventory-blocking>

Question #20

Topic 3

A company uses Dynamics 365 Supply Chain Management.
Orders are reserved against open purchase orders that have not yet been received. As a result, there are issues prioritizing deliveries, which is causing backorders on both sales orders and transfer orders.
Negative inventory is not currently allowed.
Product reservations must be performed against physical stock only.
You need to update the configuration for product reservations.
What should you do?

- A. Clear the Reserve Items Automatically check box for transfers.
- B. Clear the Reserve Ordered Items check box.
- C. Select the Auto batch reservations check box.
- D. Select the Physical negative inventory check box.

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/reserve-inventory-quantities>

Community vote distribution

B (100%)

A company has revenue items that generate high, medium, or low revenue.

You need to configure ABC classifications as follows:

Item type	Classification
High revenue	A
Medium revenue	B
Low revenue	C

Which two actions should you perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Define highest, middle, and lowest ABC values as percentages
- B. Define highest, middle, and lowest ABC values as amounts
- C. Select ABC model of revenue
- D. Define internal interest in percentage
- E. Select ABC model of value

Correct Answer: AC

HOTSPOT -

All items that a company purchases from a specific vendor arrive with defects.

You need to automatically generate quality orders for all items when the products are physically received from the vendor, and product receipts are issued.

How should you configure the quality association? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Field	Value
Reference type	<div style="border: 1px solid black; padding: 2px;"><input type="checkbox"/> Sales <input type="checkbox"/> Purchase <input type="checkbox"/> Inventory <input type="checkbox"/> Quarantine</div>
Item code	<div style="border: 1px solid black; padding: 2px;"><input type="checkbox"/> All <input type="checkbox"/> Table <input type="checkbox"/> Group</div>
Event type	<div style="border: 1px solid black; padding: 2px;"><input type="checkbox"/> Registration <input type="checkbox"/> Receipts list <input type="checkbox"/> Product receipt</div>
Execution	<div style="border: 1px solid black; padding: 2px;"><input type="checkbox"/> After <input type="checkbox"/> Before</div>

Answer Area

Field	Value
Reference type	Sales Purchase Inventory Quarantine
Correct Answer: Item code	All Table Group
Event type	Registration Receipts list Product receipt
Execution	After Before

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/quality-orders> <https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/quality-associations>

Question #23

Topic 3

A company plans to run their profit and loss statements by using the site storage dimension.

If the site is changed on sales order, purchase order, or other source document, a mismatch is created between financial and storage dimensions. This leads to incorrect profit and loss reporting.

You need to ensure that the financial dimension updates when the site storage dimension changes.

Which three actions should you perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Lock the dimension link.
- B. Associate the financial dimension hierarchy with the storage dimension hierarchy in the organization chart.
- C. On the storage dimension site setup screen, select Default inventory status ID.
- D. Associate the site storage dimension with the site financial dimension.
- E. Activate the dimension link.

Correct Answer: ADE

Reference:

<https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/configure-and-manage-financial-dimension-links-to-sites>

Community vote distribution

ADE (100%)

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Question #24

Topic 3

A company uses Dynamics 365 Supply Chain Management.
Products must automatically be classified based on the company's objectives and priorities.
You need to create the ABC model.
Which three ABC codes should you configure? Each correct answer presents part of the solution.
NOTE: Each correct selection is worth one point.

- A. Margin
- B. Cost
- C. Revenue
- D. Profit
- E. Value

Correct Answer: ACE

Reference:

<https://dynamics-tips.com/abc-classification-explained-d365-finance-and-operations/>*Community vote distribution*

ACE (100%)

Question #25

Topic 3

You are the materials manager at a distribution company.
You are responsible for setting up the ABC classification of all items as follows:
 Class A materials represent 70 percent of the material value.
 Class B materials represent 20 percent of the material value.
 Class C materials represent 10 percent of the material value but are the most commonly used.
You need to assign an ABC classification value model to all items using those values.
What should you do?

- A. Run the ABC classification report
- B. Run the ABC classification periodic task to update the value model for all items
- C. Manually update the Value classification on the Released product record
- D. Run the ABC classification periodic task to update the revenue model for all items

Correct Answer: B

DRAG DROP -

You are the sales manager at a distribution company.

You have a drop-ship order for a batch of chemicals that will go directly from your vendor to your customer.

You need to create and process this direct delivery within Dynamics 365 Supply Chain Management.

Which three actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions

Manually create a purchase order and enter the lines

Post the Packing slip from the sales order

Select **Direct delivery** from the Sales order tab of the Action Pane and then select vendor

Create a sales order and add lines

Post the Product receipt on the purchase order

Answer Area**Correct Answer:****Actions**

Manually create a purchase order and enter the lines

Post the Packing slip from the sales order

Select **Direct delivery** from the Sales order tab of the Action Pane and then select vendor

Create a sales order and add lines

Post the Product receipt on the purchase order

Answer Area

Create a sales order and add lines

Select **Direct delivery** from the Sales order tab of the Action Pane and then select vendor

Post the Product receipt on the purchase order

References:

<https://community.dynamics.com/ax/b/abhijeethelstheaxeffect/archive/2018/09/19/direct-delivery-in-dynamics-365-for-finance-and-operations>

HOTSPOT -

An inventory control clerk manages adjustments in inventory.

Some adjustments have a cost impact. Other adjustments must be posted to a specific ledger account or must be registered in inventory.

You need to configure the system.

Which journal types should you use? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement	Journal type
Register receipt of inventory without cost or ledger account changes.	<input type="checkbox"/> Adjustment <input type="checkbox"/> Arrival <input type="checkbox"/> Transfer <input type="checkbox"/> Movement
Add inventory at a specified cost.	<input type="checkbox"/> Movement or Adjustment only <input type="checkbox"/> Movement, Adjustment, or Counting <input type="checkbox"/> Adjustment or Transfer only <input type="checkbox"/> Adjustment or Counting only
Deduct inventory and write off to a damage inventory ledger account.	<input type="checkbox"/> Adjustment <input type="checkbox"/> Movement <input type="checkbox"/> Counting <input type="checkbox"/> Arrival

Answer Area

Requirement	Journal type
Register receipt of inventory without cost or ledger account changes.	<input type="checkbox"/> Adjustment <input checked="" type="checkbox"/> Arrival <input checked="" type="checkbox"/> Transfer <input type="checkbox"/> Movement
Correct Answer: Add inventory at a specified cost.	<input checked="" type="checkbox"/> Movement or Adjustment only <input type="checkbox"/> Movement, Adjustment, or Counting <input type="checkbox"/> Adjustment or Transfer only <input type="checkbox"/> Adjustment or Counting only
Deduct inventory and write off to a damage inventory ledger account.	<input type="checkbox"/> Adjustment <input checked="" type="checkbox"/> Movement <input type="checkbox"/> Counting <input type="checkbox"/> Arrival

A company employee is in charge of warehouse operations and controlling inventory adjustments through journals.

The employee needs to add inventory for samples at a specific cost. The samples were shipped by a vendor without a purchase order. The employee needs to be sure that the inventory value goes to a ledger account so that the value of the samples is not mixed in with other inventory value.

You need to ensure that the employee is able to correctly add the inventory.

What should you do?

- A. Create a movement journal, add the cost, and specify the offset ledger account on the line.
- B. Create an adjustment journal, add the cost, and specify the offset ledger account on the line.
- C. Create an arrival journal, add the cost, and specify the offset ledger account on the line.
- D. Create a transfer journal, transfer to a different warehouse, and then adjust the cost.

Correct Answer: A

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/inventory-journals>

Community vote distribution

A (100%)

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Question #29

Topic 3

DRAG DROP -

You are the inventory manager for a distribution center. You are configuring the inventory breakdown for a new center in California.

You need to set up warehouse locations for the center and configure the prerequisite inventory hierarchy.

Which four actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions

Create a warehouse

Create a shelf

Create a location

Create a site

Create a rack

Create an aisle

Answer Area

Correct Answer:

Actions

Create a warehouse

Create a shelf

Create a location

Create a site

Create a rack

Create an aisle

Answer Area

Create a warehouse

Create an aisle

Create a rack

Create a shelf

DRAG DROP -

During a company's busy season, the sales team experiences multiple backorders.

The company wants to use forecasting to determine seasonal buying trends.

You need to define the setup and data set required for forecasting.

Which four actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions**Answer Area**

Select **Seasonality** Period key and End date.

Create a manual Demand forecast line for the total quantity to be allocated.

Set Method as **Key**.

Set Method as **Period**.

Select **Allocate forecast**.

**Correct Answer:****Actions****Answer Area**

Set Method as **Key**.

Create a manual Demand forecast line for the total quantity to be allocated.

Select **Allocate forecast**.



Set Method as **Period**.

Select **Seasonality** Period key and End date.

HOTSPOT -

A company sells vehicles and performs multiple quality checks on them while in production.

The company receives a customer complaint about a 2019 vehicle that has leaks around the windows and door seals.

You need to block inventory on these vehicles and perform quality tests to ensure that there are no leaks.

What should you do? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Configuration	Action
Block inventory	<p>Stop an item for purchase or sale. Change the inventory status to block</p> <p>Stop an item from inventory transactions</p> <p>Block an item group</p> <p>Create movement journals to hold the items</p>
Create tests	<p>Create variables and outcomes and set pass/fail</p> <p>Create quarantine order and run tests</p> <p>Create production orders to run tests</p> <p>Create a sales order to sell the tests to the consumers</p>

Correct Answer:

Answer Area

Configuration	Action
Block inventory	<p>Stop an item for purchase or sale. Change the inventory status to block</p> <p>Stop an item from inventory transactions</p> <p>Block an item group</p> <p>Create movement journals to hold the items</p>
Create tests	<p>Create variables and outcomes and set pass/fail</p> <p>Create quarantine order and run tests</p> <p>Create production orders to run tests</p> <p>Create a sales order to sell the tests to the consumers</p>

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/quality-test-variables>

A company uses Dynamics 365 Supply Chain Management to manage inventory. The company realizes that there is an incorrect inventory amount for Item 33442 in Warehouse 1. You need to correct the inventory amount by using the posting setup configured on the item group. Which two journal types achieve the goal? Each correct selection provides a complete solution.

NOTE: Each correct selection is worth one point.

- A. Inventory adjustment journal Most Voted
- B. Inventory transfer journal
- C. Inventory movement journal
- D. Inventory counting journal Most Voted

Correct Answer: AC

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/inventory-journals>

Community vote distribution

AD (100%)

DRAG DROP -

A company opens a new warehouse facility.

You need to receive items on a transfer order by using an arrival overview.

In which order should you perform the actions? To answer, move all actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions**Answer Area**

Post an arrival journal.

Update item arrival journal.

Post a transfer order receipt.

Start arrival.

Open the Arrival overview form.

**Correct Answer:****Actions****Answer Area**

Open the Arrival overview form.

Start arrival.

Update item arrival journal.

Post an arrival journal.

Post a transfer order receipt.

**Reference:**

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/arrival-overview>

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You use Dynamics 365 Supply Chain Management to manage inventory.
 You need to adjust inventory and override the current item posting setup.
 Which journal type should you use?

- A. inventory adjustment
- B. inventory transfer
- C. movement
- D. item arrival

Correct Answer: C

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/inventory-journals>

Community vote distribution

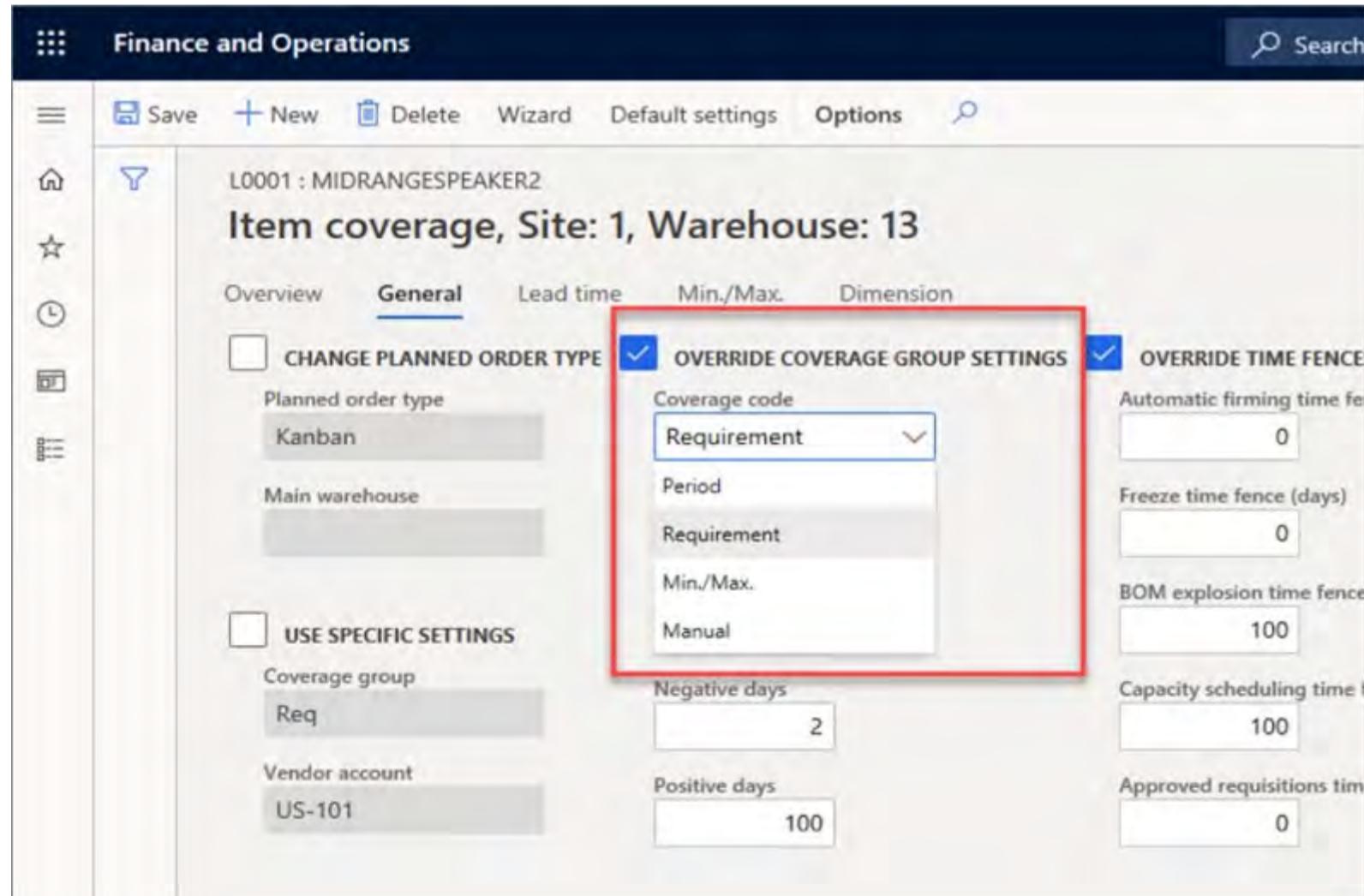
C (100%)

SIMULATION -

You are a functional consultant for a company named Contoso Entertainment System USA (USMF).
 You plan to manage safety stock level.
 You need to configure a minimum stock level of 1,500 units for an item named StandardSpeakerUpSel in warehouse number 13.
 To complete this task, sign in to Dynamics 365 portal.

Correct Answer: See explanation below.

Select Product information management > Products > Released products and then select the product (StandardSpeakerUpSel), and then on the Action Pane, in the Plan tab, in the Coverage group, select Item coverage to open the Item coverage page.
 Select Min/Max in for the Coverage code and enter the value 1,500 for the Minimum value.



Reference:

<https://docs.microsoft.com/en-us/learn/modules/configure-use-master-planning-dyn365-supply-chain-mgmt/02-setup>

HOTSPOT

A company uses Dynamics 365 Supply Chain Management with advanced warehouse capabilities. Warehouse workers use mobile devices. High value stocked items are classified as A items and are stocked in different locations in the warehouse.

The accounting department requires that all A items be counted weekly. If there are any inconsistencies, the A items must be counted a second time prior to posting the counts.

You need to configure the system to meet the requirements.

What should you configure for each requirement? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area

Requirement	Configuration
Count all A items weekly.	<input type="checkbox"/> Adjustment journal <input type="checkbox"/> Cycle count plan <input type="checkbox"/> Movement journal <input type="checkbox"/> Spot cycle count
Determine whether a recount is required.	<input type="checkbox"/> Tag counting <input type="checkbox"/> Movement journal workflow <input type="checkbox"/> Work user deviation limits

Correct Answer:

Answer Area

Requirement	Configuration
Count all A items weekly.	<input checked="" type="checkbox"/> Adjustment journal <input checked="" type="checkbox"/> Cycle count plan <input type="checkbox"/> Movement journal <input type="checkbox"/> Spot cycle count

Determine whether a recount is required.

<input checked="" type="checkbox"/> Tag counting <input type="checkbox"/> Movement journal workflow <input checked="" type="checkbox"/> Work user deviation limits
--

HOTSPOT

A company is implementing Dynamics 365 Supply Chain Management. Inventory is valued through FIFO costing.

The company is preparing for cutover and go-live activities. The accounting manager wants to ensure that on-hand inventory is brought into Dynamics 365 Supply Chain Management at the correct cost.

ItemA has the following costing tiers:

- Tier 1: 20 each, \$5
- Tier 2: 20 each, \$10
- Tier 3: 20 each, \$15

You need to configure the item and journals to meet the cutover requirement.

What should you configure? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area

Requirement	Configuration
Configure item for FIFO.	<input type="checkbox"/> Item model group <input type="checkbox"/> Item group <input type="checkbox"/> Price group <input type="checkbox"/> Costing version
Configure journal for import.	<input type="checkbox"/> Item arrival by date per tier <input type="checkbox"/> Movement by date per tier <input type="checkbox"/> Counting by tier

Answer Area

Requirement	Configuration
Configure item for FIFO.	<input checked="" type="checkbox"/> Item model group <input type="checkbox"/> Item group <input type="checkbox"/> Price group <input type="checkbox"/> Costing version
Configure journal for import.	<input type="checkbox"/> Item arrival by date per tier <input type="checkbox"/> Movement by date per tier <input checked="" type="checkbox"/> Counting by tier

Correct Answer:[← Previous Questions](#)[Next Questions →](#)

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Question #38

Topic 3

A company uses the nonconformance functionality in Dynamics 365 Supply Chain Management.

When a manufactured part fails a quality test, a quality clerk creates a nonconformance. You determine that additional items are needed to correct the issue.

You must record the additional items for the nonconformance.

What should you do?

- A. Reject the nonconformance and add the items to the quality order.
- B. Reject the nonconformance and add a related operation.
- C. Approve the nonconformance and add the items to the quality order.
- D. Approve the nonconformance and add a related operation.

Correct Answer: D

Question #39

Topic 3

A company that uses Dynamics 365 Supply Chain Management recently became ISO 9001-certified.

The company must begin documenting nonconformances.

You need to configure the nonconformance functionality.

Which three features must you configure? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. routes
- B. operations
- C. diagnostic types
- D. quality charges
- E. quarantine zones

Correct Answer: BCD

HOTSPOT

A company uses Dynamics 365 Supply Chain Management. Inventory is valued through FIFO costing.

The warehouse manager identifies item discrepancies and increases quantities in a counting journal. Finance then discovers that the cost on ItemA posted as zero dollars on the journal transaction.

You need to configure the system to ensure that the cost is populated on the transaction.

What should you configure? To answer, select the appropriate options in the answer area,

NOTE: Each correct selection is worth one point.

Answer Area

Issue	Configuration
ItemA increase has zero cost in the counting journal.	<ul style="list-style-type: none">Default cost priceAdjustment journalCost sheetTransfer journal
The posted counting journal requires correction.	<ul style="list-style-type: none">Inventory closing and adjustmentTransfer journalCounting journalCosting version

Answer Area

Issue	Configuration
ItemA increase has zero cost in the counting journal.	<ul style="list-style-type: none">Default cost priceAdjustment journalCost sheetTransfer journal
The posted counting journal requires correction.	<ul style="list-style-type: none">Inventory closing and adjustmentTransfer journalCounting journalCosting version

Correct Answer:

HOTSPOT

A distribution company uses Dynamics 365 Supply Chain Management.

A customer contacts the company to identify a defect in an ordered part. Additional quantities of the defective item are in stock. The defective items require a task that will trigger an action for the items and a label printed.

You need to configure the system.

Which features should you configure? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area**Action**

Create an actionable task for the defective item.

Feature

- Nonconformance
- Inventory status
- Batch disposition

Print a label for the defective item.

- Nonconformance tag
- Product label
- License plate label
- Document handling

Answer Area**Action**

Create an actionable task for the defective item.

Feature

- Nonconformance
- Inventory status
- Batch disposition

Correct Answer:

Print a label for the defective item.

- Nonconformance tag
- Product label
- License plate label
- Document handling

HOTSPOT

A frozen food distribution company is implementing Dynamics 365 Supply Chain Management.

The warehouse manager wants to ensure that after items are picked, a temperature check is performed and verified on the items before shipment to customers. The temperature check must fall within a specific temperature range to pass.

You need to configure the system.

Which components should you configure? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area

Requirement	Component
Create an automated temperature check step.	<div style="border: 1px solid #ccc; padding: 5px;"><input type="checkbox"/> Quality association <input type="checkbox"/> Quality order <input type="checkbox"/> Nonconformance</div>
Configure temperature range.	<div style="border: 1px solid #ccc; padding: 5px;"><input type="checkbox"/> Test variables <input type="checkbox"/> Test groups <input type="checkbox"/> Item quality groups</div>

Answer Area**Correct Answer:**

Requirement	Component
Create an automated temperature check step.	<div style="border: 1px solid #ccc; padding: 5px;"><input checked="" type="checkbox"/> Quality association <input type="checkbox"/> Quality order <input type="checkbox"/> Nonconformance</div>
Configure temperature range.	<div style="border: 1px solid #ccc; padding: 5px;"><input checked="" type="checkbox"/> Test variables <input type="checkbox"/> Test groups <input type="checkbox"/> Item quality groups</div>

A warehouse uses mobile devices for locating products.

Products are listed in the Inventory module in incorrect locations. Users must therefore manually locate products to be picked.

You need to ensure that the users' mobile device updates the locations of the products.

Which two actions should you take to update product locations by using the mobile devices? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Manually move product to the correct physical location.
- B. Log into a desktop computer and update the Inventory module.
- C. Manually find the physical location of the product.
- D. Scan a shelf barcode and update the inventory.

Correct Answer: CD

HOTSPOT

A distribution company uses Dynamics 365 Supply Chain Management.

A high-volume warehouse for the distribution company automatically releases transfer order lines to the warehouse throughout the day.

Order line quantities are frequently changed after release to the warehouse. However, the load lines are not always updated.

You need to configure automatic updates to the load lines.

What should you configure? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area**Requirement**

Set up shipments to always auto-update.

Setup

- Configure Warehouse parameters.
- Configure Site parameters.
- Configure Transfer orders.
- Configure Wave templates.

Configure the Wave template.

- Disable automatic work creation.
- Enable automatic wave creation.
- Enable automatic work creation.

Answer Area**Requirement**

Set up shipments to always auto-update.

Setup

- Configure Warehouse parameters.
- Configure Site parameters.
- Configure Transfer orders.
- Configure Wave templates.

Correct Answer:

Configure the Wave template.

- Disable automatic work creation.
- Enable automatic wave creation.
- Enable automatic work creation.

HOTSPOT

A food distribution company is implementing Dynamics 365 Supply Chain Management without the Warehouse management module.

The company sells prepackaged meals purchased from one or more vendors. The prepackaged meals contain a single item number. The vendors routinely communicate that lots of prepackaged meals be held if any risk of exposure is identified until they can confirm safe handling per lot. This created supply chain issues because the items are in inventory and therefore not reordered.

You need to resolve the issues.

What should you configure? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area**Issue**

Item must be identified by lot.

Configuration

- Item model group
- Storage dimension
- Tracking dimension
- Product group

- Batch disposition
- Disposition reason code
- Inventory status

Held item lots must be excluded from master planning calculations.

Answer Area**Issue**

Item must be identified by lot.

Configuration

- Item model group
- Storage dimension
- Tracking dimension
- Product group

- Batch disposition
- Disposition reason code
- Inventory status

Correct Answer:

Held item lots must be excluded from master planning calculations.

 Custom View Settings

Question #46

Topic 3

HOTSPOT

A company uses Dynamics 365 Supply Chain Management. The company has multiple shrink wrap machines on the shipping dock.

An older shrink wrap machine has a unique vibration. The older machine must be inspected frequently and measured against the vibration and performance of other machines.

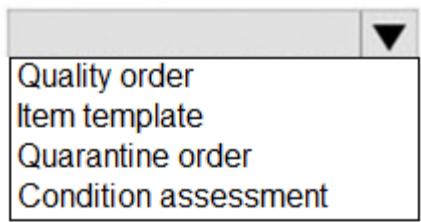
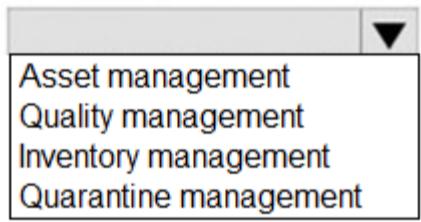
You need to configure the following requirements for the aging shrink wrap machine:

- Inspect the older machine frequently.
- Measure results against other machines.

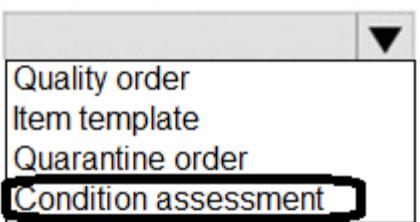
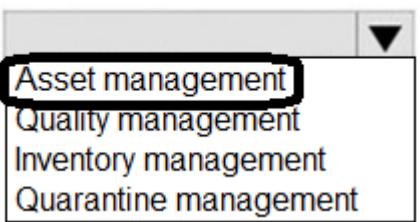
What should you configure for each requirement? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area

Requirement	Configuration
Inspect the older machine frequently.	 <ul style="list-style-type: none">Quality orderItem templateQuarantine orderCondition assessment
Measure results against other machines.	 <ul style="list-style-type: none">Asset managementQuality managementInventory managementQuarantine management

Answer Area

Requirement	Configuration
Inspect the older machine frequently.	 <ul style="list-style-type: none">Quality orderItem templateQuarantine orderCondition assessment
Correct Answer:	 <ul style="list-style-type: none">Condition assessment
Measure results against other machines.	 <ul style="list-style-type: none">Asset management

Correct Answer:

A cement manufacturing company uses Dynamics 365 Supply Chain Management. The company has two manufacturing plants. On average, each production plant produces 300,000 bags of cement before it must shut down for maintenance.

The production controller must allocate the required resources during the maintenance period.

You need to configure the system to meet the controller's requirements.

Which two options should you configure? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Attributes
- B. Counters
- C. Maintenance plans
- D. Asset service levels
- E. Maintenance requests

Correct Answer: BC

Question #1

Topic 4

SIMULATION -

You are a functional consultant for a company named Contoso Entertainment System USA (USMF).

USMF recently experienced issues with a transport company. Many packages were returned because the boxes were opened during delivery.

Users in the sales department are creating sales order returns for the returned open boxes.

You need to configure the system to ensure that the sales department users can select a predefined description of Open Box for each sales order return.

To complete this task, sign in to Dynamics 365 portal.

Correct Answer: *See explanation below.*

You need to configure a Return Reason Code.

1. Click Sales and marketing > Setup > Sales orders > Returns > Return reason codes.
2. Press CTRL + N to create a new return reason code line.
3. In the Return reason code field, enter text to identify this code (enter Open Box).
4. In the Description field, enter text to describe the return reason code.
5. Use the Return reason code group drop-down list to add the code to a return reason code group.

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/service-management/set-up-return-reason-code>

HOTSPOT -

A company orders parts from a vendor. The vendor frequently ships more units than the company orders.

An approving manager must receive notification when the quantity of units received is more than 10 percent above the number of units ordered.

You have an existing notification workflow.

You need to ensure that the notification is generated.

How should you configure the system? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirements	Action
Configure overdelivery/underdelivery percent.	<p>On the Purchase order form, purchase order lines fast tab, configure the overdelivery field.</p> <p>On the Purchase order form, purchase order lines fast tab, configure the underdelivery field.</p> <p>On the Sales order form, sales order line fast tab, configure the overdelivery field.</p> <p>On the Sales order form, sales order line fast tab, configure the underdelivery field.</p>
Notify user about required approval.	<p>Register the product and post the receipt list.</p> <p>Register the product on a purchase order line and post a receipt.</p> <p>Receive a product on a transfer order.</p> <p>Register the product on an Arrival journal and post a journal.</p>

Correct Answer:**Answer Area**

Requirements	Action
Configure overdelivery/underdelivery percent.	<p>On the Purchase order form, purchase order lines fast tab, configure the overdelivery field.</p> <p>On the Purchase order form, purchase order lines fast tab, configure the underdelivery field.</p> <p>On the Sales order form, sales order line fast tab, configure the overdelivery field.</p> <p>On the Sales order form, sales order line fast tab, configure the underdelivery field.</p>
Notify user about required approval.	<p>Register the product and post the receipt list.</p> <p>Register the product on a purchase order line and post a receipt.</p> <p>Receive a product on a transfer order.</p> <p>Register the product on an Arrival journal and post a journal.</p>

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution. After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen. A vendor is offering a rebate program on bottles of wine that have purchase orders placed within a month. There is a \$5.00 rebate on the purchase of 10-100 bottles and a \$6.00 rebate for the purchase of 101-200 bottles. Customers can purchase wine by the bottle or by the case. Discounts apply to all varieties of wine sold by the vendor.

You need to create a vendor rebate agreement to ensure that the correct rebate amount is claimed at the end of the month.

Solution: On the rebate agreement, in the unit of measure rebate option, select exact match.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: B

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Question #4

Topic 4

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company has an agreement to pay royalties to a third party for use of their logo.

A royalty contract must be setup so that the third party paid monthly. The payment is based on invoiced sales.

You need to create a royalty contract and create monthly Accounts payable to the third party.

Solution: Create a royalty claim in Accounts receivable. Set up the third party as a customer to be paid royalties for use of the logo.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: B

Question #5

Topic 4

A company manufactures and sells custom bicycles. Customers can customize some components to create a custom bicycle.

You need to configure sales orders to support the customization allowed for custom bicycle orders.

What are two possible ways to achieve this goal? Each correct answer presents a complete solution.

NOTE: Each correct selection is worth one point.

A. Create a sales order for the bicycle and make configuration selections on the order for the upgraded seat and handlebars. The production order will be automatically generated with the correct seat and handlebars.

B. Create a sales order for the bicycle and add separate line items for the upgraded seat and handlebars.

C. Create a sales order for the bicycle. Modify the production order after it has been reported as finished to delete the standard seat and handlebars and add the upgraded seat and handlebars.

D. Configure the product to allow for the seat and handlebars selection to be defined at order creation, automatically adding an upcharge to the sales price.

Correct Answer: AD

HOTSPOT -

A company implements Dynamics 365 Sales to manage sales prospects.

A salesperson must create a customer record for a new client in Dynamics 365 Supply Chain Management.

You need to create a sales order from an existing quote.

What should you do? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Convert to Sale	Actions
Define the customer.	<div style="border: 1px solid black; padding: 5px;">Create Customer from Lead.Convert Lead to Customer.</div>
Generate the sales order.	<div style="border: 1px solid black; padding: 5px;">Confirm the quote.Confirm the sales order.</div>

Answer Area

Convert to Sale	Actions
Define the customer.	<div style="border: 1px solid black; padding: 5px;">Create Customer from Lead.Convert Lead to Customer.</div>
Generate the sales order.	<div style="border: 1px solid black; padding: 5px;">Confirm the quote.Confirm the sales order.</div>

A company manufactures and sells surround-sound audio systems. A third-party company manufactures the stereo receivers as part of the Bill of materials (BOM) for complete sound systems.

You need to automatically create a purchase order for the stereo receiver from the production order for a sound system.

Which three actions should you perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Assign the Vendor account to the service item BOM line.
- B. Set service item BOM line type to Vendor.
- C. Set the service item BOM line type to Pegged supply.
- D. Link the service items to the vendor on the costing sheet.
- E. Attach the service item to the parent item as a BOM line.

Correct Answer: ABE

HOTSPOT -

A primary vendor tells you that their purchase order (PO) items will be delivered seven days later than expected. You find another vendor that carries the product and can deliver it the next day.

You need the purchases from both vendors, but only one PO exists in the system.

You need to ensure that the system correctly reflects the inbound products from both vendors.

How should you complete the setup? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Task	Action
Modify the original PO.	Add a new PO line with the second vendor, item, and quantity Modify the expected receipt date to increase by seven days Modify the receipts list to change the expected receipt date

Add the primary vendor with a document handling note to send the PO to the new vendor and then add the item
Add the primary vendor, create a case to link the new vendor, and add the item
Add the new vendor and the item
Add the primary vendor and the item. Change the vendor upon receipt

Correct Answer:

Answer Area

Task	Action
------	--------

Add a new PO line with the second vendor, item, and quantity
Modify the expected receipt date to increase by seven days
Modify the receipts list to change the expected receipt date

Add the primary vendor with a document handling note to send the PO to the new vendor and then add the item
Add the primary vendor, create a case to link the new vendor, and add the item
Add the new vendor and the item
Add the primary vendor and the item. Change the vendor upon receipt

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Question #9

Topic 4

HOTSPOT -

A company has several vendors who require 1099s.

You need to set up the vendors so that year-end reports can be correctly generated.

What should you do? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement	Action
Set up vendors	<ul style="list-style-type: none">Select Report 1099, enter the tax ID, and select the tax ID typeClear Report 1099, enter the tax ID, and select the tax ID typeSelect Report 1099. Use the vendor ID as the tax ID typeClear Report 1099. Do not enter a value for the tax ID type
Add or edit 1099 accounts	<ul style="list-style-type: none">Edit invoice lines, edit settlement, and add manual 1099 transactionsEdit settlement, add manual 1099 transactions, and edit sales order linesEdit item transactions, edit purchase order lines, and edit invoice linesEdit item transactions, edit settlement, and add manual 1099 transactions

Correct Answer:

Answer Area

Requirement	Action
Set up vendors	<ul style="list-style-type: none">Select Report 1099, enter the tax ID, and select the tax ID typeClear Report 1099, enter the tax ID, and select the tax ID typeSelect Report 1099. Use the vendor ID as the tax ID typeClear Report 1099. Do not enter a value for the tax ID type
Add or edit 1099 accounts	<ul style="list-style-type: none">Edit invoice lines, edit settlement, and add manual 1099 transactionsEdit settlement, add manual 1099 transactions, and edit sales order linesEdit item transactions, edit purchase order lines, and edit invoice linesEdit item transactions, edit settlement, and add manual 1099 transactions

A company uses Dynamics 365 Supply Chain Management.

A customer returns a product that is defective for a replacement.

You need to process the return order.

Which three actions should you perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Create a return of type Credit Only
- B. Set the deadline date according to the company policy
- C. Create a credit note for the replaced product
- D. Set the delivery address to the customer's address in the return order
- E. Create a return of type Physical Return
- F. Set the deadline date to the date the customer returns the defective product
- G. Set the delivery address to the company warehouse in the return order

Correct Answer: BEG

Community vote distribution

CEG (100%)

HOTSPOT -

A company plans to use Dynamics 365 Supply Chain Management to automatically calculate and process royalties.

You need to configure the system.

Which actions should you perform? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area**Requirement****Action**

Ensure that users can view the royalty amount on the sales order price details page.

- Select the Enable price details parameter in accounts receivable
- Save the contract
- Calculate the royalty
- Create an invoice for the royalty amount

Create a royalty claim.

- Create an invoice
- Pick an order
- Create a pack slip for an order
- Confirm an order

Reverse a royalty accrual.

- Process a royalty claim
- Save a royalty contract
- Cumulate a royalty claim
- Configure a royalty claim

Set up items that require royalty payments to use a royalty code.

- Create a royalty contract
- Create a royalty code group
- Create a royalty term
- Create a royalty item

Correct Answer:

Answer Area

Requirement	Action
Ensure that users can view the royalty amount on the sales order price details page.	Select the Enable price details parameter in accounts receivable Save the contract Calculate the royalty Create an invoice for the royalty amount
Create a royalty claim.	Create an invoice Pick an order Create a pack slip for an order Confirm an order
Reverse a royalty accrual.	Process a royalty claim Save a royalty contract Cumulate a royalty claim Configure a royalty claim
Set up items that require royalty payments to use a royalty code.	Create a royalty contract Create a royalty code group Create a royalty term Create a royalty item

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/financials/accounts-payable/royalty-contract>

Question #12

Topic 4

A client wants to use Dynamics 365 Supply Chain Management to assist processing intercompany trade.

You need to ensure that intercompany sales order payments process correctly when intercompany payable journals are posted.

What should you do?

- A. In the intercompany trade parameters for sales order policies, select Post journal automatically
- B. In the intercompany trade parameters for purchase order policies, select Post invoice automatically
- C. In the intercompany trade parameters for purchase order policies, select Post journal automatically
- D. In the intercompany trade parameters for sales order policies, select Allow summary update of documents for original customer

Correct Answer: A

You are the customer relations manager at a wholesale company.

You perform promotion planning and must track fund usage.

You need to set up a trade allowance agreement to register and track promotion contracts.

Which two items should you set up prior to creating the agreement? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

A. Sales category hierarchy

B. Opportunity reasons

C. Customer category hierarchy

D. Trade allowance funds

Correct Answer: CD

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/sales-marketing/trade-allowance>

Community vote distribution

CD (100%)

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Question #14

Topic 4

DRAG DROP -

A company wants to expand their purchasing power by enhancing their current procurement catalog in Dynamics 365 Supply Chain Management.

The company wants to redirect to external websites to help build their purchase requisitions.

You need to set up an external catalog.

Which three actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions

Configure the vendor for catalog import

Activate the catalog

Create and configure a new external catalog

Create a new procurement catalog

Publish the catalog

Set up and verify procurement category associations to the vendor

Answer Area**Correct Answer:****Actions**

Configure the vendor for catalog import

Activate the catalog

Create and configure a new external catalog

Create a new procurement catalog

Publish the catalog

Set up and verify procurement category associations to the vendor

Answer Area

Set up and verify procurement category associations to the vendor

Create and configure a new external catalog

Activate the catalog



DRAG DROP -

A company uses Dynamics 365 Supply Chain Management.

You must implement commission groups to match commission rates to products.

You need to configure commission tracking.

Which three actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

NOTE: More than one order of answer choices is correct. You will receive credit for any of the correct orders you select.

Select and Place:

Actions

- Set up commission posting
- Register sales commissions
- Set up commission groups and rates
- Assign a sales representative
- Assign a commission group to a product

Answer Area**Correct Answer:****Actions**

- Set up commission posting
- Register sales commissions
- Set up commission groups and rates
- Assign a sales representative
- Assign a commission group to a product

Answer Area

- Set up commission groups and rates
- Set up commission posting
- Assign a commission group to a product

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/sales-marketing/tasks/set-up-sales-commission-rules>

HOTSPOT -

A company hires four sales representatives for a region named Midwest.

You must configure commission calculations for the sales representatives in the Midwest region. The calculations must meet the following requirements:

- Calculate commissions for all items sold to customers at a rate of 10 percent of total revenue earned on a sales order.
- Apply commissions for all customers in the Midwest Customer group for commission.
- Split commissions equally between the representatives.

You need to configure a commission calculation that meets these requirements.

How should you configure the calculation? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Commission calculation field	Selection			
Item code	<table border="1"><tr><td>All</td></tr><tr><td>Table</td></tr><tr><td>Group</td></tr></table>	All	Table	Group
All				
Table				
Group				
Customer code	<table border="1"><tr><td>All</td></tr><tr><td>Table</td></tr><tr><td>Group</td></tr></table>	All	Table	Group
All				
Table				
Group				
Sales rep. code	<table border="1"><tr><td>All</td></tr><tr><td>Table</td></tr><tr><td>Group</td></tr></table>	All	Table	Group
All				
Table				
Group				
Commission based on	<table border="1"><tr><td>Margin</td></tr><tr><td>Revenue</td></tr><tr><td>Commission share</td></tr></table>	Margin	Revenue	Commission share
Margin				
Revenue				
Commission share				
Commission percentage	<table border="1"><tr><td>2%</td></tr><tr><td>10%</td></tr><tr><td>25%</td></tr></table>	2%	10%	25%
2%				
10%				
25%				

Answer Area

Commission calculation field

Item code

Selection

All
Table
Group

Customer code

All
Table
Group

Correct Answer:

Sales rep. code

All
Table
Group

Commission based on

Margin
Revenue
Commission share

Commission percentage

2%
10%
25%

Question #17

Topic 4

A company uses Dynamics 365 Supply Chain Management and implements procurement categories.

Purchase requisitions are required for the purchase of procurement category goods.

You need to ensure that the company purchases office supplies only from one specific vendor.

Which two actions should you perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Add the preferred vendor to the office supplies procurement category setup
- B. Create a preferred trade agreement for the office supplies vendor
- C. In purchasing policies, configure a specific category policy for office supplies
- D. In purchasing policies, create a Purchase requisition control rule
- E. Configure the purchase requisition workflow to specify the office supplies vendor

Correct Answer: AC

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You need to create a vendor rebate agreement to ensure that the correct rebate amount is claimed at the end of the month.

Solution: On the rebate agreement, specify each item group assigned to wine. Add a rebate line break of quantity 10-100 and a second rebate line break of quantity 101-200.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: A

Community vote distribution

B (100%)

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Question #19

Topic 4

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution. After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen. A vendor is offering a rebate program on bottles of wine that have purchase orders placed within a month. There is a \$5.00 rebate on the purchase of 10-100 bottles and a \$6.00 rebate for the purchase of 101-200 bottles. Customers can purchase wine by the bottle or by the case. Discounts apply to all varieties of wine sold by the vendor.

You need to create a vendor rebate agreement to ensure that the correct rebate amount is claimed at the end of the month.

Solution: On the rebate agreement, set the calculation date type field to created.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: B

Question #20

Topic 4

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution. After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen. A vendor is offering a rebate program on bottles of wine that have purchase orders placed within a month. There is a \$5.00 rebate on the purchase of 10-100 bottles and a \$6.00 rebate for the purchase of 101-200 bottles. Customers can purchase wine by the bottle or by the case. Discounts apply to all varieties of wine sold by the vendor.

You need to create a vendor rebate agreement to ensure that the correct rebate amount is claimed at the end of the month.

Solution: On the rebate agreement, set the start date to be the first of the month. Set the expiry date to be 30 days.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: B

You configure purchasing policies and oversee purchasing processes for a company.

Users often submit requisitions with incorrect information. Users also select non-approved vendors or incorrect categories.

You need to set up a procurement policy that limits which procurement categories and vendors can be selected.

Which two policy rules should you configure? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

A. Category access policy rule

B. Purchase requisition control rule

C. Catalog policy rule

D. Category policy rule

Correct Answer: AD

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/procurement/purchase-policies>

A buyer places a purchase requisition for item C0001 from a new vendor.

All purchases from a new vendor must go through an internal workflow approval process.

You need to ensure that a purchase order (PO) is automatically created from the purchase requisition.

Which setup must be in place?

A. Status = approved, item = C0001, vendor populated on the PO

B. Status = in review, item = C0001, vendor populated on the purchase requisition

C. Status = approved, item = C0001, vendor populated on the purchase requisition

D. Status = draft, item = C0001, vendor populated on the PO

Correct Answer: C

You identify a new vendor.

You must create a purchase agreement for the vendor that includes direct invoicing and insurance.

You need to create a classification for the purchase agreement.

What should you do?

A. Set the value for Certification to Yes. Set the value for Requires direct invoicing to No.

B. Set the value for Certification to No. Set the value for Requires direct invoicing to No.

C. Set the value for Certification to Yes. Set the value for Requires direct invoicing to Yes.

D. Set the value for Certification to No. Set the value for Requires direct invoicing to Yes.

Correct Answer: C

Custom View Settings

Question #24

Topic 4

DRAG DROP -

A client uses Dynamics 365 Supply Chain Management to manage prospects and the sales cycle.

A sales representative needs to create a sales quotation for a current prospect and validate that the 40 percent margin requirements are being met.

You need to create the sales quotation, verify the margin requirements, and send the quotation to the prospect.

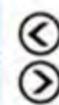
Which four actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions

Answer area

Add lines to the sales quotation.



Use the price simulation tool.

Create a sales order for the prospect.

Send the quotation.

Create a sales quotation for the prospect.

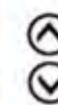
Use the order events function.

Correct Answer:

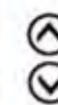
Actions

Answer area

Create a sales quotation for the prospect.



Add lines to the sales quotation.



Use the price simulation tool.

Send the quotation.

Use the order events function.

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/sales-marketing/price-simulation>

DRAG DROP -

A company uses procurement in Dynamics 365 Supply Chain Management.

You need to select the correct system functionalities to meet the company's requirements.

Which system functionalities should you select? To answer, drag the appropriate system functionalities to the correct business requirements.

Each system functionality may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

System functionalities	Answer Area	
	Business requirement	System functionality
External catalog	View a vendor's website to select items and bring the item information and pricing into the system on a purchase requisition.	
Vendor catalog	Import a vendor's catalog into the system with their item information.	
Procurement catalog	Create a catalog of items and assign them to specific business units.	
Catalog policy rule	Associate specific catalogs to specific legal entities in the system.	

Correct Answer:

System functionalities	Answer Area	
	Business requirement	System functionality
	View a vendor's website to select items and bring the item information and pricing into the system on a purchase requisition.	External catalog
	Import a vendor's catalog into the system with their item information.	Vendor catalog
	Create a catalog of items and assign them to specific business units.	Procurement catalog
	Associate specific catalogs to specific legal entities in the system.	Catalog policy rule

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company plans to simplify interactions between purchasing department employees and vendors.

You need to ensure that employees are redirected to a vendor's online store to select items for inclusion on purchase requisitions.

Solution: Create a retail product catalog.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: B

References:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/procurement/set-up-external-catalog-for-punchout>

A company is implementing sales order functionality in Dynamics 365 Supply Chain Management.

The company has a business requirement to fulfill sales orders by using direct delivery.

You need to enter a direct delivery sales order so that a purchase order is automatically created.

What should you do after you enter the sales order and lines?

A. Change the order type to journal and manually enter a PO for the sales order line items on the sales order header.

B. Change the delivery type on the sales order line to direct delivery and select save.

C. Select automatic and confirm the sales order on the line level setup tab in the reservation field.

D. Change the customer's address to the vendor's direct delivery address and confirm the sales order.

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/sales-marketing/tasks/ship-orders-direct-deliveries>

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company plans to simplify interactions between purchasing department employees and vendors.

You need to ensure that employees are redirected to a vendor's online store to select items for inclusion on purchase requisitions.

Solution: Create an external catalog.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: A

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/procurement/set-up-external-catalog-for-punchout>

Custom View Settings

Question #29

Topic 4

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company uses Dynamics 365 Supply Chain Management to manage inventory.

Backorders exist on customer sales orders because incorrect data was given on product quantities.

Users need to look up what quantity can be sold and when more product will arrive.

Solution: Physical Available shows what quantity can be sold.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: A

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/inventory-on-hand-list>

Question #30

Topic 4

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company uses Dynamics 365 Supply Chain Management to manage inventory.

Backorders exist on customer sales orders because incorrect data was given on product quantities.

Users need to look up what quantity can be sold and when more product will arrive.

Solution: Total Available shows what is available for sale at that point in time.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/inventory-on-hand-list>

Community vote distribution

A (100%)

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company uses Dynamics 365 Supply Chain Management to manage inventory.

Backorders exist on customer sales orders because incorrect data was given on product quantities.

Users need to look up what quantity can be sold and when more product will arrive.

Solution: Ordered shows what quantities are on inbound orders to the warehouse.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: A

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/inventory-on-hand-list>

Community vote distribution

B (100%)

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company plans to simplify interactions between purchasing department employees and vendors.

You need to ensure that employees are redirected to a vendor's online store to select items for inclusion on purchase requisitions.

Solution: Create a procurement catalog.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: B

References:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/procurement/set-up-external-catalog-for-punchout>

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company uses Dynamics 365 Supply Chain Management to manage inventory.

Backorders exist on customer sales orders because incorrect data was given on product quantities.

Users need to look up what quantity can be sold and when more product will arrive.

Solution: On Order shows what quantities are on inbound orders to the warehouse.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/inventory-on-hand-list>

Community vote distribution

B (100%)

Previous Questions

Next Questions

[Custom View Settings](#)

Question #34

Topic 4

A company uses Dynamics 365 Supply Chain Management.
Products are being added to purchase orders for the incorrect vendors.
You need to restrict which products can be purchased from specific vendors.
Which two features should you use? Each correct answer presents part of the solution.
NOTE: Each correct selection is worth one point.

- A. Approved vendor list Most Voted
- B. Item group
- C. Vendor group
- D. Vendor external item
- E. Item model group Most Voted

Correct Answer: AD

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/procurement/tasks/approve-vendors-specific-products>

Community vote distribution

AE (100%)

HOTSPOT -

A company is implementing purchase requisition features in Dynamics 365 Supply Chain Management.

You need to configure the appropriate purchase requisition solutions.

Which solution should you use for each scenario? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Scenario	Solution
Allow the selection of items from a vendor's website and use the selections to create a purchase requisition line with correct pricing.	<div style="border: 1px solid black; padding: 5px;"><p>Select Add lines on the purchase requisition line entry.</p><p>Select External catalogs on the purchase requisition line entry.</p><p>Select Suggest vendors on the purchase requisition line menu.</p></div>
Allow specific employees to view a list of requestors.	<div style="border: 1px solid black; padding: 5px;"><p>Configure purchase requisition permissions.</p><p>Configure purchasing policies.</p><p>Configure purchase requisition expenditure reviewers.</p><p>Configure buying groups.</p></div>

Correct Answer:

Answer Area

Scenario	Solution
Allow the selection of items from a vendor's website and use the selections to create a purchase requisition line with correct pricing.	<div style="border: 1px solid black; padding: 5px;"><p>Select Add lines on the purchase requisition line entry.</p><p>Select External catalogs on the purchase requisition line entry.</p><p>Select Suggest vendors on the purchase requisition line menu.</p></div>
Allow specific employees to view a list of requestors.	<div style="border: 1px solid black; padding: 5px;"><p>Configure purchase requisition permissions.</p><p>Configure purchasing policies.</p><p>Configure purchase requisition expenditure reviewers.</p><p>Configure buying groups.</p></div>

DRAG DROP -

A company plans to create purchase agreements in the system for specific vendors.

You need to select the correct purchase agreement types for each vendor.

Which purchase agreement types should you use? To answer, drag the appropriate purchase agreement types to the correct scenarios. Each purchase agreement type may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Answer Area

Purchase agreement types	Scenario	Purchase agreement type
Product quantity commitment	Purchase 600 units of product 36001 from a vendor.	
Value commitment	Purchase \$14,000 of goods from a vendor.	
Product category value commitment	Purchase \$5,000 of office supplies from a vendor.	
Product value commitment	Purchase \$4,500 of product 4234 from a vendor.	

Correct Answer:

Answer Area

Purchase agreement types	Scenario	Purchase agreement type
	Purchase 600 units of product 36001 from a vendor.	Product quantity commitment
	Purchase \$14,000 of goods from a vendor.	Value commitment
	Purchase \$5,000 of office supplies from a vendor.	Product category value commitment
	Purchase \$4,500 of product 4234 from a vendor.	Product value commitment

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/procurement/purchase-agreements>

DRAG DROP -

You are helping a company implement Dynamics 365 Supply Chain Management.

You need to implement disposition codes for sales return orders.

Which disposition codes should you use? To answer, drag the appropriate disposition codes to the correct scenarios. Each disposition code may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Answer Area

Disposition codes	Scenario	Disposition code
Credit	The customer is credited but keeps the item.	
Credit only	The customer returns the item and is credited.	
Replace and scrap	The item is returned and scrapped, and a new item is sent back.	
Return to customer	The item is returned, inspected, and sent back after inspection.	

Correct Answer:

Answer Area

Disposition codes	Scenario	Disposition code
	The customer is credited but keeps the item.	Credit only
	The customer returns the item and is credited.	Credit
	The item is returned and scrapped, and a new item is sent back.	Replace and scrap
	The item is returned, inspected, and sent back after inspection.	Return to customer

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company plans to simplify interactions between purchasing department employees and vendors.

You need to ensure that employees are redirected to a vendor's online store to select items for inclusion on purchase requisitions.

Solution: Create a vendor catalog.

Does the solution meet the goal?

A. Yes

B. No Most Voted

Correct Answer: A

References:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/procurement/set-up-external-catalog-for-punchout>

Community vote distribution

B (89%)

11%

Previous Questions

Next Questions

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Question #39

Topic 4

A company uses Dynamics 365 Supply Chain Management.
The finance department processes royalty claims using the accounts payable module.
You need to pass the claims to the accounts payable group for payment.
Which three events will occur? Each correct answer presents part of the solution.
NOTE: Each correct selection is worth one point.

- A. A Royalty accrual journal posting reverses the previous interim postings for accrual and expense amounts.
- B. A credit is posted to the vendor's payable account.
- C. A vendor invoice for the royalty payment is set to draft.
- D. A new vendor invoice for the royalty is created and posted.
- E. A hold is put on the amounts held in the royalty fees account.

Correct Answer: ABD

References:

<https://docs.microsoft.com/en-us/dynamics365/finance/accounts-payable/royalty-contract>

Question #40

Topic 4

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.
A company has an agreement to pay royalties to a third party for use of their logo.

A royalty contract must be setup so that the third party paid monthly. The payment is based on invoiced sales.

You need to create a royalty contract and create monthly Accounts payable to the third party.

Solution: Use the automatically calculated royalty amounts to approve and then create a monthly claim to pay the vendor.

Does the solution meet the goal?

- A. Yes
- B. No

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamics365/finance/accounts-payable/royalty-contract>

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company has an agreement to pay royalties to a third party for use of their logo.

A royalty contract must be setup so that the third party paid monthly. The payment is based on invoiced sales.

You need to create a royalty contract and create monthly Accounts payable to the third party.

Solution: Add line items to a royalty contract with the associated customer and create sales orders for the items.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamics365/finance/accounts-payable/royalty-contract>

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company has an agreement to pay royalties to a third party for use of their logo.

A royalty contract must be setup so that the third party paid monthly. The payment is based on invoiced sales.

You need to create a royalty contract and create monthly Accounts payable to the third party.

Solution: Create a royalty contract. Select monthly for the cumulative sales. Add line item, products, and value to pay the vendor for use of the logo.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: A

Reference:

<https://docs.microsoft.com/en-us/dynamics365/finance/accounts-payable/royalty-contract>

An organization has two legal entities. One of the companies is going to sell a new product to the other company.

The company that will receive the product must get a discount on items for the first three months of initial sales.

You need to configure the system to apply the discount for the specified period.

What should you do?

A. Set the default purchase price on the company that is receiving the product.

B. Enter the default purchase price on the company that is selling the product.

C. Set up an intercompany purchase agreement. Do not allow the validity period to be edited.

D. Set up a Trade Agreement. Set the To Date field to end in three months.

Correct Answer: D

HOTSPOT -

A parent company owns two subsidiaries.

Some of the products manufactured in one of the subsidiaries must be sold to the other subsidiary so they can be sold in retail stores.

You need to configure the customer and products for intercompany setup.

How should you configure the setup? To answer, select the appropriate options in the answer areas.

NOTE: Each selection is worth one point.

Hot Area:

Answer Area

Value	Action
Customer	<ul style="list-style-type: none">Activate intercompany and select the corresponding company and My vendor account.Activate intercompany and select the corresponding company and My customer account.Specify the vendor in the Vendor field on the Customer Record.Link the customer to the vendor in the Global Address book.
Products	<ul style="list-style-type: none">Release products to both companies.Release products to one company.Release two different products, one to each company.Create one product that will auto-release when orders are created.

Correct Answer:

Answer Area

Value	Action
Customer	<ul style="list-style-type: none">Activate intercompany and select the corresponding company and My vendor account.Activate intercompany and select the corresponding company and My customer account.Specify the vendor in the Vendor field on the Customer Record.Link the customer to the vendor in the Global Address book.
Products	<ul style="list-style-type: none">Release products to both companies.Release products to one company.Release two different products, one to each company.Create one product that will auto-release when orders are created.

HOTSPOT -

A company sells licensed products.

You must pay the licensor royalties for the items each month.

You need to set up a royalty agreement to pay the licensor.

How should you set up the royalty agreement? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area**Requirement**

Specify the royalty agreement ledger accounts.

Value or action

Accounts payable and Inventory
Accrual and Expense
Accounts receivable and Inventory
Accounts payable and Expense

Create royalty claims at the time of sales orders.

Open
Invoiced
Shipped
Picked

Complete the claim.

Post the Royalty accrual journal and create and post the vendor invoice.
Post the General journal and create and post the vendor invoice.
Post the General journal and post the Accounts payable journal.
Post the Royalty accrual journal and post the Accounts payable journal.

Correct Answer:**Answer Area****Requirement**

Specify the royalty agreement ledger accounts.

Value or action

Accounts payable and Inventory
Accrual and Expense
Accounts receivable and Inventory
Accounts payable and Expense

Create royalty claims at the time of sales orders.

Open
Invoiced
Shipped
Picked

Complete the claim.

Post the Royalty accrual journal and create and post the vendor invoice.
Post the General journal and create and post the vendor invoice.
Post the General journal and post the Accounts payable journal.
Post the Royalty accrual journal and post the Accounts payable journal.

Reference:

<https://docs.microsoft.com/en-us/dynamics365/finance/accounts-payable/royalty-contract>

DRAG DROP -

You are the purchasing manager for a company. You enter into a consignment agreement with a vendor.

Raw material R0001 is managed under the consignment agreement with the vendor.

You need to replenish raw material R0001 for consumption and update ownership.

Which four actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions

Create a consignment replenishment order

Transfer material from the vendor warehouse
to your company warehouse

Post the vendor invoice

Create and post an inventory ownership change
journal entry

Generate a consignment replenishment order
product receipt

Confirm the order

Answer Area**Correct Answer:****Actions**

Create a consignment replenishment order

Transfer material from the vendor warehouse
to your company warehouse

Post the vendor invoice

Create and post an inventory ownership change
journal entry

Generate a consignment replenishment order
product receipt

Confirm the order

Answer Area

Create a consignment replenishment order

Transfer material from the vendor warehouse
to your company warehouse

Generate a consignment replenishment order
product receipt

Create and post an inventory ownership change
journal entry

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/consignment>

SIMULATION -

You are a functional consultant for a company named Contoso Entertainment System USA (USMF).

You need to generate a requisition for the supply of 50 units of a product named Lifecam HD 5000, and then submit the requisition for approval.

To complete this task, sign in to Dynamics 365 portal.

Correct Answer: See explanation below.

Create a new requisition -

- ☞ Go to Navigation pane > Modules > Procurement and sourcing > Purchase requisitions > Purchase requisitions prepared by me.
- ☞ Select New.
- ☞ In the Name field, give the requisition a name.
- ☞ In the Requested date field, enter a date.
- ☞ In the Accounting date field, enter a date. Select OK.
- ☞ In the Reason field, select an option from the drop-down menu. Select the reason.
- ☞ In the details field enter a more descriptive justification for the requisition.

Add a line to the requisition -

- ☞ Select Add line. There are two ways of adding lines to the purchase requisition. If you already know the product number or you already know that you are requesting a product that is not in the product catalog, then you can add the line directly with Add line. The other way is to use Add products where you can use searching and filtering to find items in the product catalog.
- ☞ Select the row you just created.
- ☞ In the Item number field, type a value. The items that are available for you to choose are limited by the category access policy and the procurement catalog for the buying legal entity.
- ☞ In the Quantity field, enter a number.

Submit the requisition -

Select Workflow to open the drop dialog.

.

- ☞ Select Submit.
- ☞ Close the page.
- ☞ In the Comment field, type a note for the approver of the requisition.
- ☞ Select Submit.
- ☞ Close the page.
- ☞ Refresh the page.

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/procurement/tasks/create-requisition-consumption>

SIMULATION -

You are a functional consultant for a company named Contoso Entertainment System USA (USMF).

Sales order number 000754 contains a delivery detail of three ruggedized laser projectors. The customer reports that only two projectors were delivered.

You need to update the packing slip for the sales order.

To complete this task, sign in to Dynamics 365 portal.

Correct Answer: *See explanation below.*

1. Select Sales and marketing > Common > Sales orders > All sales orders.
2. Search for and select sales order number 000754.
3. On the Pick and pack tab, select Packing slip to open the packing slip.
4. Click on the Correct button.
5. On the Parameters FastTab, in the Quantity field, enter 2.
6. Set the Posting option to Yes to post the packing slip.
7. Set the Print packing slip option to Yes to print the packing slip when it's posted.

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DRAG DROP -

A company plans to make changes to change management processes for purchase orders.

Currently, the system requires an approval for any change. The company wants to implement re-approval only when there is a change to the quantity or the unit price in a purchase order.

You need to configure the change management process to require re-approval only on changes to quantity and unit price.

In which order should you perform the actions? To answer, move all actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions	Answer Area
Select re-evaluation fields (quantity and price) and add to the policy rule	
Create a new purchasing policy or edit an existing one	
Select re-approval rule for purchase orders policy and create a new policy rule	

Correct Answer:

Actions	Answer Area
	Create a new purchasing policy or edit an existing one
	Select re-approval rule for purchase orders policy and create a new policy rule
	Select re-evaluation fields (quantity and price) and add to the policy rule

Reference:

<https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/set-up-a-reapproval-rule-for-purchase-orders>

DRAG DROP -

A company distributes products. The company produces some of the products it distributes.

The company needs to move from manual to automatic inventory reservations.

You need to set up automatic reservations.

Which parameters should you select? To answer, drag the appropriate parameters to the correct reservation policies. Each parameter may be used once, more than once, or not at all.

You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Parameter types	Answer area	Parameter types
Item Model Group	Reservation policy Reserve items automatically for sales.	Parameter type
Inventory and Warehouse Management	Reserve items automatically for transfers.	Parameter type
Production	Reserve items when work is scheduled.	Parameter type

Correct Answer:

Parameter types	Answer area	Parameter types
Item Model Group	Reservation policy Reserve items automatically for sales.	Item Model Group
Inventory and Warehouse Management	Reserve items automatically for transfers.	Inventory and Warehouse Management
Production	Reserve items when work is scheduled.	Production

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company uses Dynamics 365 Supply Chain Management to manage item returns.

You need to ensure that the original quantity and price from a sales order is used for return order.

Solution: Use the Find sales order function to link the return order to the original sales order.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: A

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company uses Dynamics 365 Supply Chain Management to manage item returns.

You need to ensure that the original quantity and price from a sales order is used for return order.

Solution: Create a margin alert.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: B

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A company uses Dynamics 365 Supply Chain Management to manage item returns.

You need to ensure that the original quantity and price from a sales order is used for return order.

Solution: Create a Sales Order that uses the returned order sales type.

Does the solution meet the goal?

- A. Yes
- B. No

Correct Answer: B

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Question #54

Topic 4

A company is implementing Dynamics 365 Supply Chain Management with batch-controlled items.

The management team wants to ensure that sales margins are calculated based on the cost of the product. Because the company values inventory using FIFO, the cost of the product fluctuates. The product is typically less expensive in the beginning of a sales cycle and becomes more expensive toward the end of the sales cycle. You must ensure that products are sold and that margins are calculated based on the cost of the inventory.

You need to ensure that the correct costs are assigned.

What should you configure?

- A. Run the Update expiry date job.
- B. Configure Reserve ordered items.
- C. Enable automatic reservation.
- D. Configure an item model group reservation policy.

Correct Answer: D

A company uses Dynamics 365 Supply Chain Management.

A customer negotiated a sales price for 100 items for the next 60 days. Management reviews reports on how many items the customer has purchased at this price. The customer has an existing order for the agreed sales agreement quantity. The customer calls to add an additional quantity that exceeds the sales agreement maximum amount. The customer is not entitled to the discounted sales price outside of the agreement.

You need to ensure that the customer receives the ordered amount and that the management reports are correct.

Which action should you perform?

- A. Modify the sales agreement quantity as unconfirmed.
- B. Edit the sales order quantity and when prompted to save changes, select Yes.
- C. Modify the sales agreement to clear the Max Enforced checkbox and do not confirm.
- D. Create a new sales order for the quantity that exceeds the sales agreement amount.

Correct Answer: B

A company uses Dynamics 365 Supply Chain Management and has a single legal entity.

The company manually creates and adds new items frequently. Many of these items require the same setup as existing items. The company requires a streamlined process to copy fields from another item upon creation and allow for other employees to use the same process.

You need to configure the simplified process.

What should you do?

- A. Create a personalization.
- B. Release the product master.
- C. Create an item template.
- D. Create a new product master.

Correct Answer: D

Topic 5 - Question Set 5

Question #1

Topic 5

DRAG DROP -

A company uses Dynamics 365 Supply Chain Management.

You need to implement inventory cycle counting.

Which counting methods should you use? To answer, drag the appropriate counting methods to the correct requirements. Each counting method may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Counting methods	Answer Area	Counting method
system directed		
cycle count	Guide the user through a count and assign a cycle counting work ID to the user.	
cycle count	Allow the user to determine which location, work pool, or zone to count.	
grouping	Allow the user to determine which location to count and when to count the location.	
user-directed		
cycle count		
spot count	Perform an on-demand count.	

Counting methods	Answer Area	Counting method
Correct Answer:		
	Guide the user through a count and assign a cycle counting work ID to the user.	system directed
	Allow the user to determine which location, work pool, or zone to count.	cycle count
	Allow the user to determine which location to count and when to count the location.	grouping
	Perform an on-demand count.	user-directed
		cycle count
		spot count

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/cycle-counting>

You are the warehouse manager at a distribution center.

In the warehouse, items must be moved to a staging location before moving to the baydoor location for shipping.

You need to set up a work template that accomplishes this pick/put scenario.

Which two actions should you perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Create one work class ID with valid location types of staging and baydoor. Assign these to the work template details.
- B. Create two work templates: one is a pick/put from inventory to staging and the other is from staging to baydoor.
- C. Create a sales order work template with two pick/put pairs: one to staging and the second to baydoor.
- D. Create two work class IDs: one with valid put location types of staging and the other of baydoor. Assign these to the appropriate put work types on the work template.

Correct Answer: BD

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/control-warehouse-location-directives>

You are the warehouse manager at a large distribution company and are responsible for all outbound processing. You decide to implement cluster picking functionality to more efficiently aid in picking.

When warehouse workers log in to the mobile device to process a cluster pick, the work items are not assigned to positions as expected.

You need to validate the cluster picking setup.

Which two actions should you perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Review the Sales order Work template.
- B. Validate the Cluster profile's positions and sorting setup.
- C. Validate whether there is a Cluster profile selected on the Mobile device menu item.
- D. Review the Location directive for sales picking.

Correct Answer: BC

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/system-directed-cluster-pick>

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Question #4

Topic 5

A company plans to use the warehouse mobile app for cluster picking.

The system must break the cluster when stocking items.

You need to configure the system.

What should you do?

- A. On the Mobile device menu items form, select an option for the Directed by field.
- B. On the Cluster profile form, add a value to the Sequence Put-away field.
- C. On the Cluster profile form, add a value to the Break cluster at field.
- D. On the Mobile device menu items form, add a value for the Work type "Put-away" field.

Correct Answer: C

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/system-directed-cluster-pick>

<https://ellipsesolutions.com/dynamics-365-thing-called-cluster-picking/>

HOTSPOT -

A company needs to stock inventory in their warehouse. Inbound purchase order materials may need to be placed into more than one location in the warehouse.

You need to configure placement for inventory in the warehouse.

How should you set up location directives? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area**Configuration option****Value**

Sequential setup of new location directive

Location Directive, Lines, and Location Directive Actions
Location Directive Actions, Lines, and Location Directive
Lines, Location Directive, and Location Directive Actions
Location Directive Actions, Location Directive, and Lines

Location directive action strategy

Match packing, Consolidate, and Empty location with no incoming work
FEFO batch reservation, None, and Match packing
Empty location with no incoming work, None, and Consolidate

Answer Area**Configuration option****Value**

Sequential setup of new location directive

Location Directive, Lines, and Location Directive Actions
Location Directive Actions, Lines, and Location Directive
Lines, Location Directive, and Location Directive Actions
Location Directive Actions, Location Directive, and Lines

Correct Answer:

Location directive action strategy

Match packing, Consolidate, and Empty location with no incoming work
FEFO batch reservation, None, and Match packing
Empty location with no incoming work, None, and Consolidate

Reference:

<https://dynamics-tips.com/location-directives-and-work-templates-explained/>

DRAG DROP -

A company uses the Dynamics 365 Supply Chain Management Warehouse management module.

The company requires production waves to be processed in batch.

You need to configure wave processing.

In which order should you perform the actions? To answer, move all actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions

Set up a warehouse

Set up the Production control parameter
Production line release

Set up Wave templates

Set up Warehouse management parameters

Answer Area**Correct Answer:****Actions**

Set up a warehouse

Set up the Production control parameter
Production line release

Set up Wave templates

Set up Warehouse management parameters

Answer Area

Set up a warehouse

Set up Wave templates

Set up Warehouse management parameters

Set up the Production control parameter
Production line release

Reference:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/warehousing/tasks/configure-wave-processing>

DRAG DROP -

You need to implement location directives in Dynamics 365 Supply Chain Management.

Which objects should you use? To answer, drag the appropriate objects to the correct permissions. Each object may be used once, more than once, or not at all.

You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Objects

Work order type

Work type

Directive code

Sequence number

Answer Area**Requirement****Object**

Specify the inventory transaction for which a directive is used.

Object

Specify whether the action will be a pick or a put.

Object

Specify which directive is linked to a work template.

Object

Correct Answer:**Objects**

Work order type

Work type

Directive code

Sequence number

Answer Area**Requirement****Object**

Specify the inventory transaction for which a directive is used.

Work order type

Specify whether the action will be a pick or a put.

Work type

Specify which directive is linked to a work template.

Directive code

Reference:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/warehousing/control-warehouse-location-directives>

DRAG DROP -

A company plans to use warehouse management and dock appointment scheduling in Dynamics 365 Supply Chain Management.

You need to configure the system.

Which configuration options should you use? To answer, drag the appropriate configuration options to the correct requirements. Each configuration option may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Configuration options

location profile ID

appointment rule

appointment scheduling

Answer Area**Requirement**

Use license plate tracking.

Configuration option

configuration option

Allow mixed items.

configuration option

Drivers must check in before delivering goods.

configuration option

Specify the planned start and end dates of dock activity.

configuration option

Correct Answer:**Configuration options**

location profile ID

appointment rule

appointment scheduling

Answer Area**Requirement**

Use license plate tracking.

Configuration option

location profile ID

Allow mixed items.

location profile ID

Drivers must check in before delivering goods.

appointment rule

Specify the planned start and end dates of dock activity.

appointment scheduling

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Question #9

Topic 5

HOTSPOT -

A company creates loads to ship sales orders.

Loads must be shipped by using the lowest freight rates possible.

You need to use the load planning workbench to create a load for sales order shipments.

Which configuration options should you use? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Process step	Configuration
Enable a sales order for Warehouse and Transportation Management.	<ul style="list-style-type: none">Warehouse and Item onlySite and Warehouse onlySite, Warehouuse, Location, and ItemWarehouse, Location, and Item only
Create a load and assign rate.	<ul style="list-style-type: none">New Load, Select Load Template ID, Rate shop, Assign rateNew shipment, New load, Rate shop, Assign rateNew Load, Generate Bill of lading, Rate shop, Assign rateNew Load, Select Work Template ID, Rate shop, Assign Rate

Correct Answer:

Answer Area

Process step	Configuration
Enable a sales order for Warehouse and Transportation Management.	<ul style="list-style-type: none">Warehouse and Item onlySite and Warehouse onlySite, Warehouuse, Location, and ItemWarehouse, Location, and Item only
Create a load and assign rate.	<ul style="list-style-type: none">New Load, Select Load Template ID, Rate shop, Assign rateNew shipment, New load, Rate shop, Assign rateNew Load, Generate Bill of lading, Rate shop, Assign rateNew Load, Select Work Template ID, Rate shop, Assign Rate

You are the logistics manager at a distribution company.

Your primary carrier service provides rates for transportation between New York City and Colorado. These rates are a flat rate depending on the city or general area of pickup as follows:

- New York City = \$500
- Colorado = \$450

You need to set up Transportation Management to calculate the rate from New York City to Colorado.

What should you do?

- A. Use a Point-to-Point engine based on weight and miles. Assign rates from New York City as the starting location and Colorado as the ending location and break the rates out based on the weight of the package.
- B. Use a mileage-based rate engine to configure a rate master that calculates the rate based on the miles from New York City to Colorado.
- C. Create hubs for both locations. Add a route plan from New York City to Colorado and assign the two charges as spot rates.**
- D. Set up zones in the Zone Master for New York City and Colorado. Assign rates to each zone in the Zone Master by starting and ending location.

Correct Answer: C

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/transportation/plan-freight-transportation-routes-multiple-stops>

Community vote distribution

D (100%)

HOTSPOT -

A company must set up replenishment of inventory using vendor-owned consignment inventory.

You need to create the replenishment order.

How should you complete the replenishment order? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Configuration	Value
vendor assignment	approved vendor, Registered inventory owner approved vendor, Primary stocking vendor intercompany vendor assignment, Primary stocking vendor intercompany vendor assignment, Intercompany customer assignment
order type	consignment replenishment transfer production adjustment
dimensions	owner location batch license plate

Correct Answer:

Answer Area

Configuration	Value
vendor assignment	approved vendor, Registered inventory owner approved vendor, Primary stocking vendor intercompany vendor assignment, Primary stocking vendor intercompany vendor assignment, Intercompany customer assignment
order type	consignment replenishment transfer production adjustment
dimensions	owner location batch license plate

Reference:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/tasks/create-consignment-replenishment-order>

Question #12

Topic 5

A warehouse picks and ships product.

The warehouse completes work immediately upon automatic release to the warehouse.

You need to configure waves to allow for automatic work creation.

What should you do?

- A. Select the wave template and attribute to automatically process.
- B. Release to warehouse and process the work.
- C. Automate wave creation and process the wave at release to warehouse.
- D. Automate wave creation and automatically process work.

Correct Answer: C

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/tasks/configure-wave-processing>

DRAG DROP -

A company plans to implement Dynamics 365 Supply Chain Management mobile device connectivity.

You need to perform a spot cycle count on the mobile device.

Which three actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions

Create inventory journals

Register and confirm the item number and counted item quantity

Create a cycle count supervisor

Select the menu item to process spot cycle counting work

Register the location to perform spot cycle counting

Set up cycle counting work

Answer Area**Correct Answer:****Actions**

Create inventory journals

Register and confirm the item number and counted item quantity

Create a cycle count supervisor

Select the menu item to process spot cycle counting work

Register the location to perform spot cycle counting

Set up cycle counting work

Answer Area

Select the menu item to process spot cycle counting work

Register the location to perform spot cycle counting

Register and confirm the item number and counted item quantity

Reference:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/warehousing/cycle-counting#perform-a-cycle-count-by-using-a-mobile-device>

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Question #14

Topic 5

DRAG DROP -

A company uses Dynamics 365 Supply Chain Management with basic warehouse processes. Mobile devices are not used in the two warehouses. Warehouse items that have an A classification are counted weekly through automatic cycle count journals that are created per warehouse. Items that are in both warehouses appear only in one journal for counting. Counts are inaccurate because picking is posted against items that are being counted.

You need to resolve the cycle count issues. To answer, drag the appropriate configurations to the correct requirements. Each configuration may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Answer Area

Configurations

Requirement

Configuration

Cycle count thresholds

Inventory blocking

Lock items during count

Warehouse item setup

Items must appear in both journals.

Transactions must be stopped.

Correct Answer:

Answer Area

Configurations

Requirement

Configuration

Cycle count thresholds

Inventory blocking

Items must appear in both journals.

Warehouse item setup

Transactions must be stopped.

Lock items during count

You are implementing warehousing in Dynamics 365 Supply Chain Management.

You need to configure and approve one warehouse that can be used to create additional warehouses.

What should you use?

- A. inventory and warehouse management parameter setup
- B. warehouse management parameter setup only
- C. warehouse work template
- D. warehouse configuration template**

Correct Answer: D

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/warehouse-template>

DRAG DROP -

A client uses Dynamics 365 Supply Chain Management.

You need to configure automatic freight reconciliation.

Which configuration options should you use? To answer, drag the appropriate configuration options to the correct requirements. Each configuration option may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Answer Area

Configuration options	Requirement	Configuration option
freight bill type	Specify how freight bills and carrier invoices should be matched.	
freight bill type assignment	Map a freight bill to a carrier.	
audit master	Define tolerance limits and how to handle discrepancies.	

Correct Answer:

Answer Area

Configuration options	Requirement	Configuration option
	Specify how freight bills and carrier invoices should be matched.	freight bill type
	Map a freight bill to a carrier.	freight bill type assignment
	Define tolerance limits and how to handle discrepancies.	audit master

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/transportation/tasks/set-up-automatic-freight-reconciliation>

A company has several warehouse locations. The company acquires a new warehouse.

You must design a new warehouse process workflow for the new warehouse.

You need to configure the workflow.

Which three options should you configure? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. work pools
- B. cluster picking
- C. outbound wave processing
- D. work templates
- E. wave templates

Correct Answer: ADE

Reference:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/warehousing/warehouse-management-overview>

DRAG DROP -

A company uses Dynamics 365 Supply Chain Management. The company plans to streamline their receiving process for shipments that arrive daily.

You need to set up inbound shipment processing.

In which order should you perform the actions? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

NOTE: More than one order of answer choices is correct. You will receive credit for any of the correct orders you select.

Select and Place:

Actions	Answer Area
Assign a rate and route.	
Consolidate multiple shipments that can be consolidated and then confirm load.	
Create a load for shipping.	◀ ▶
Plan appointments for the load.	
Register a driver check-in and check-out for appointment.	

Correct Answer:

Actions	Answer Area
	Create a load for shipping.
	Assign a rate and route.
	Consolidate multiple shipments that can be consolidated and then confirm load.
	Plan appointments for the load.
	Register a driver check-in and check-out for appointment.

Reference:

<https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/business-process-planning-transportation-for-inbound-loads>

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Question #19

Topic 5

A company plans to implement Dynamics 365 Supply Chain Management shipping manifests.

The company wants to use a multiple-level manifest process.

You need to ensure that the system is configured for multiple-level manifest processing.

What should you validate?

- A. All containers are manifested after the container group is manifested.
- B. All containers are manifested before the container group is manifested.**
- C. The allow split picks configuration is enabled.
- D. All container types are set up with all four attributes.

Correct Answer: B

Note:

There are several versions of this question in the exam. The question has two possible correct answers:

- 1. All containers are manifested before the container group is manifested.
- 2. All container groups are manifested before the shipment is manifested

Other incorrect answer options you may see on the exam include the following:

- 1. All containers are of the status open before the group is manifested
- 2. All container types are set up with the returnable configuration enabled.
- 3. All container groups are manifested after the shipment is manifested.

Reference:

<https://cloudblogs.microsoft.com/dynamics365/no-audience/2016/12/01/improved-packing-functionality-dynamics-365-for-operations-1611/>

A company uses the warehouse mobile app for Dynamics 365 Supply Chain Management.

You must create a menu item for reprinting license plate labels. Reprinting a license plate label must not create warehouse work.

You need to configure the warehouse mobile app to add the new menu item.

What should you do?

- A. Set the Mode to Work
- B. Set the Mode to Indirect**
- C. Set the Activity code to Cancel work
- D. Set the Activity code to None

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/warehousing/configure-mobile-devices-warehouse>

HOTSPOT -

A company uses outside carrier services for inbound and outbound deliveries.

Carrier services must be scheduled so that all trucks do not show up at the same time.

You need to configure the Transportation Management module to schedule the loads.

How should you set up dock appointments? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Select the load.

Select Open Load.
Select Closed Load.
Select Shipped Load.
Select Closed Container.

Create the appointment.

Create an appointment rule and firm the appointment.
Create and close an appointment.
Group the sales orders into a container.
Firm the load for shipment.

Answer Area

Select the load.

Select Open Load.
Select Closed Load.
Select Shipped Load.
Select Closed Container.

Correct Answer:

Create the appointment.

Create an appointment rule and firm the appointment.
Create and close an appointment.
Group the sales orders into a container.
Firm the load for shipment.

Reference:

<https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/plan-appointments-for-a-load>

A company uses Dynamics 365 Supply Chain Management for wave processing.
The system must automatically create a wave when a sales order is released to the warehouse.
You need to configure the system to meet this requirement.
Which configuration should you enable?

- A. Automate wave release
- B. Assign to open waves
- C. Process wave automatically threshold
- D. Automate wave creation

Correct Answer: D

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/tasks/configure-wave-processing>

HOTSPOT -

A company uses several freight carriers. Freight is calculated by mileage.

You need to configure the system.

Which values should you use? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Action	Value
Set up engines.	Mileage, Rate Freight Bill type, Mileage Rate, Zone Zone, Transit time
Configure rate engine metadata.	Rate base type Zone master Mileage engine configuration Zone master and Rate base type

Mileage, Rate
Freight Bill type, Mileage
Rate, Zone
Zone, Transit time

Rate base type
Zone master
Mileage engine configuration
Zone master and Rate base type

Answer Area

Action	Value
Set up engines.	Mileage, Rate Freight Bill type, Mileage Rate, Zone Zone, Transit time
Configure rate engine metadata.	Rate base type Zone master Mileage engine configuration Zone master and Rate base type

Mileage, Rate
Freight Bill type, Mileage
Rate, Zone
Zone, Transit time

Rate base type
Zone master
Mileage engine configuration
Zone master and Rate base type

Correct Answer:

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/transportation/transportation-management-engines>

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Question #24

Topic 5

A company plans to implement Dynamics 365 Supply Chain Management shipping manifests.

The company wants to use a multiple-level manifest process.

You need to ensure that the system is configured for multiple-level manifest processing.

What should you validate?

- A. All container groups are manifested before the shipment is manifested
- B. All containers are of the status open before the group is manifested
- C. The allow split picks configuration is enabled
- D. All container types are set up with all four attributes

Correct Answer: A

Reference:

<https://cloudblogs.microsoft.com/dynamics365/no-audience/2016/12/01/improved-packing-functionality-dynamics-365-for-operations-1611/>

Question #25

Topic 5

You are implementing containerization functionality.

You must automate containerization so that containers and picking work for shipments are created when a wave is processed. The work lines will be split into quantities to fit required containers by size.

You need to set up a container build template that defines the containerization process.

Which three items should you set up before you create the container build template? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. a wave template that includes the containerize method
- B. container packing policies
- C. a container group
- D. container types
- E. container packing strategies

Correct Answer: ACD

Reference:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/warehousing/tasks/set-up-containerization>

You are the inventory manager at a large distribution company.

You notice item P0001 has been running out regularly and the on-hand count seems to differ from what is in Dynamics 365 Supply Chain Management. You want cycle count work to be automatically created when the quantity drops below 10 pieces, which is about once a week. You need to appropriately configure warehouse management to generate cycle count work. What should you do?

- A. Create a cycle count plan for item P0001 to run when the quantity is below 10.
- B. Create a cycle count threshold that is percentage based that will generate work when inventory drops below 10% for item P0001.
- C. Create a cycle count threshold that is quantity based and specify 10 for the quantity. Add P0001 as a selected item.
- D. Create a cycle count plan for item P0001. Generate a batch job that runs once a week.

Correct Answer: C

Reference:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/warehousing/cycle-counting>

A company receives a large quantity of inventory into the warehouse.

The inventory has a short shelf life and must be sent out to the stores as soon as possible.

You need to use Buyer's push to transfer the inventory out to the stores.

Which two actions should you perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Create a sales order.
- B. Create transfer orders.
- C. Select Product and ship open sales orders.
- D. Select Product and distribution method.

Correct Answer: BD

Reference:

<https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/use-buyer-s-push-to-distribute-products>

You are the logistics manager at a distribution company.

Your primary carrier service provides rates for transportation between New York City and Colorado. These rates are a flat rate depending on the city or general area of pickup as follows:

- New York City = \$500
- Colorado = \$450

You need to set up Transportation Management to calculate the rate from New York City to Colorado.

What should you do?

- A. Set up zones in the Zone Master for New York City and Colorado. Assign rates to each zone in the Zone Master by starting and ending location.
- B. Using the Point-to-Point engine with an empty break master, assign rates based on starting and ending locations.
- C. Create a Point-to-Point based Rate Master with the rates broken out by pieces.
- D. Create a Shipping carrier and service. Create carrier accessorial charges to represent the rates for each location.

Correct Answer: A

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DRAG DROP -

New order items arrive from vendors and come into a company's main warehouse.

You must set up internal transportation processes in Dynamics 365 Supply Chain Management to distribute goods to other locations.

You need to set up inbound orders through transportation management.

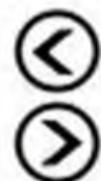
In which order should you perform the actions? To answer, move all actions from the list of actions to the answer area and arrange them in the correct order.

NOTE: More than one order of answer choices is correct. You will receive credit for any of the correct orders you select.

Select and Place:

Actions

- Confirm a load for shipping
- Plan appointments for a load
- Assign a rate and route to the inbound load
- Register driver check-in and check-out for an appointment
- Create or modify an inbound load for shipping

Answer Area**Correct Answer:****Actions**

- Confirm a load for shipping
- Plan appointments for a load
- Assign a rate and route to the inbound load
- Register driver check-in and check-out for an appointment
- Create or modify an inbound load for shipping

Answer Area

- Create or modify an inbound load for shipping
- Assign a rate and route to the inbound load
- Confirm a load for shipping
- Plan appointments for a load
- Register driver check-in and check-out for an appointment

Reference:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/transportation/transportation-management-overview#inbound-transportation>

HOTSPOT -

A company uses Dynamics 365 Supply Chain Management. There are two warehouses. All inventory is purchased into Warehouse1 and transferred to

Warehouse2 based on replenishment rules.

Planned orders were generated overnight by the master planning engine and do not need to be reviewed.

Warehouse1 orders for Warehouse2 do not show as available for picking and shipping.

Planned orders must be available for warehouse processing as quickly as possible and processed as a group.

You need to configure the system to meet the requirements.

Which solution should you configure for each requirement? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement	Solution
Filter the appropriate planned orders	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin-left: auto; margin-right: 0;"><p>Warehouse1 Transfer Orders</p><p>Warehouse2 Transfer Orders</p><p>Warehouse1 Purchase Orders</p><p>Warehouse2 Purchase Orders</p></div>
Process as a group	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin-left: auto; margin-right: 0;"><p>Firm</p><p>Firm All</p><p>Group orders</p><p>Parallelize firming</p></div>
Increase speed of processing	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin-left: auto; margin-right: 0;"><p>Firm All</p><p>Parallelize firming</p><p>Performance software development kit (SDK)</p><p>Planning optimization</p></div>

Correct Answer:

Answer Area

Requirement	Solution
Filter the appropriate planned orders	<ul style="list-style-type: none">Warehouse1 Transfer OrdersWarehouse2 Transfer OrdersWarehouse1 Purchase OrdersWarehouse2 Purchase Orders
Process as a group	<ul style="list-style-type: none">FirmFirm AllGroup ordersParallelize firming
Increase speed of processing	<ul style="list-style-type: none">Firm AllParallelize firmingPerformance software development kit (SDK)Planning optimization

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/maintain-planned-orders>

DRAG DROP -

A distribution company uses Dynamics 365 Supply Chain Management.

Users in the warehouse must have the ability to create and process transfer orders from a mobile device.

You need to complete the setup.

Which areas should you configure? To answer, drag the appropriate areas to the correct prerequisites. Each area may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Areas	Answer Area	Prerequisite	Area
Warehouse management setup		Process warehouse app events.	Area
Feature management		Create transfer orders from the warehouse app.	Area
		Confirm outbound shipments from batch jobs.	Area
		Configure the mobile device menu item.	Area

Prerequisite	Area
Process warehouse app events.	Feature management
Create transfer orders from the warehouse app.	Warehouse management setup
Confirm outbound shipments from batch jobs.	Warehouse management setup
Configure the mobile device menu item.	Feature management

Correct Answer:

A retail distributor is implementing Dynamics 365 Supply Chain Management.

Wholesale customers receive 10 percent off list price for the current calendar year. CustomerA is a wholesaler that agreed to a pilot program for a new product, with terms to receive a discounted set price for 100 each of the product for the next six months. The distributor will charge penalties to Customer if the 100 each are not sold within the period.

You must configure pricing for Customer.

Which three configurations should you set up? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Create a sales agreement with the price and discount is fixed parameter set to yes.
- B. Create a trade agreement for wholesalers.
- C. Set the find next parameter on trade agreements.
- D. Create a sales agreement with the max enforced parameter set to yes.
- E. Set the effective date on the trade agreement to begin after the sales agreement.

Correct Answer: ABE

HOTSPOT -

A distribution company implementing Dynamics 365 Supply Chain Management has two warehouses.

One item is purchased and stocked in only Warehouse1. Occasionally, Warehouse2 requires this item based on customer demand. When this occurs, an order for the item must be automatically created for Warehouse2.

You need to configure the automation of the order for Warehouse2.

What should you configure? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area

Requirement	Parameter
Configure refilling warehouse.	<input type="checkbox"/> Warehouse1 <input type="checkbox"/> Warehouse2
Generate order type.	<input type="checkbox"/> Transfer <input type="checkbox"/> Replenishment <input type="checkbox"/> Purchase <input type="checkbox"/> Kanban

Answer Area

Requirement	Parameter
Configure refilling warehouse.	<input checked="" type="checkbox"/> Warehouse1 <input type="checkbox"/> Warehouse2
Generate order type.	<input checked="" type="checkbox"/> Transfer <input type="checkbox"/> Replenishment <input type="checkbox"/> Purchase <input type="checkbox"/> Kanban

Correct Answer:

A company uses Dynamics 365 Supply Chain Management.

The working time template is left blank when the period template is configured.

You need to determine the workdays that will be used in the inventory replenishment reporting.

Which workdays will be used?

A. calendar setup on the warehouse

B. system calendar for the country

C. 5-day work week

D. system date dimensions

E. 7-day work week

Correct Answer: E

A company is implementing the Warehouse management module in Dynamics 365 Supply Chain Management.

The company will receive an item in three units of measure (UOM): each, case, and pallet. The item must be counted from a mobile device in each UOM or case UOM only by the warehouse worker.

You must configure the item.

What should you configure?

A. Create a reservation hierarchy and define the rules.

B. Set the default inventory unit of measure to each and the default purchase and sell unit to case.

C. Create one unit sequence group and enable counting per unit of measure.

D. Set the default inventory unit of measure to each and assign the default item set up to case.

E. Create separate unit sequence groups, one for case counting and one for each counting.

Correct Answer: C

HOTSPOT -

A company implementing Dynamics 365 Supply Chain Management has multiple warehouses, some of which are Warehouse Management-enabled.

The company must hold inventory for the following purposes:

- On-hand inventory available for all transactions except for sales orders.
- Automatic hold on inbound purchase order inventory.
- Damaged on-hand inventory that can be transferred from a mobile device, leaving the undamaged inventory available.

You need to determine the feature that applies to each company requirement.

Which features should you use? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area

Activity	Feature
On-hand inventory available for all transactions except for sales orders	<input type="checkbox"/> Quality order <input type="checkbox"/> Ordered reserved <input type="checkbox"/> Inventory blocking
Automatic hold on inbound purchase order inventory	<input type="checkbox"/> Quality order <input type="checkbox"/> Automatic reservation <input type="checkbox"/> Inventory blocking
Transfer of damaged on-hand inventory from a mobile device	<input type="checkbox"/> Inventory status <input type="checkbox"/> Nonconformance <input type="checkbox"/> Inventory blocking

Answer Area

Activity	Feature
On-hand inventory available for all transactions except for sales orders	<input type="checkbox"/> Quality order <input checked="" type="checkbox"/> Ordered reserved <input type="checkbox"/> Inventory blocking
Automatic hold on inbound purchase order inventory	<input type="checkbox"/> Quality order <input type="checkbox"/> Automatic reservation <input checked="" type="checkbox"/> Inventory blocking
Transfer of damaged on-hand inventory from a mobile device	<input checked="" type="checkbox"/> Inventory status <input type="checkbox"/> Nonconformance <input type="checkbox"/> Inventory blocking

Correct Answer:

Automatic hold on inbound purchase order inventory

Transfer of damaged on-hand inventory from a mobile device

A company is using advanced warehouse functionality in Dynamics 365 Supply Chain Management.

A batch-tracked item in high-demand caused delays on sales orders. The vendor delivery is expected today.

Sales orders must be held until the items are checked for quality.

You need to set up batch attributes to allow for warehouse processing but hold sales orders.

What should you configure?

- A. Unavailable status, block reservation, picking and shipping
- B. Unavailable status, block shipping
- C. Available status, block shipping
- D. Unavailable status, block picking and shipping
- E. Available status, block reservation, picking and shipping

Correct Answer: C

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Topic 6 - Question Set 6

Question #1

Topic 6

A retailer that uses Dynamics 365 Supply Chain Management is conducting master planning runs with 300,000 items in a single planned order run on average.

Optimizations are needed to improve performance. Most of the items in the master planning runs do not have dependencies on the other items.

Planning multiple items together in a single group will help with performance.

You need to configure the system to increase performance.

Which configuration should you use?

- A. Number of tasks in a helper bundle
- B. Number of threads
- C. Use of cache
- D. Time fences
- E. Number of orders in a firming bundle

Correct Answer: A

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/master-planning-performance>

A company uses Dynamics 365 Supply Chain Management.

Sales of an item doubles during the holiday season. You plan to revise the minimum coverage proposal of the item.

You need to update the item's new minimum quantity in safety stock journal lines.

What are two possible ways to achieve this goal? Each correct answer presents a complete solution.

NOTE: Each correct selection is worth one point.

- A. Update the Multiplication factor field. Calculate the minimum proposal for the inventory level.
- B. Update the New minimum quantity value to match the value in the Calculated minimum quantity field.
- C. Select the Service level. Calculate the minimum proposal for the inventory level.
- D. Select the Use the calculated minimum quantity as the new minimum quantity parameter option. Calculate the minimum proposal for the inventory level.

Correct Answer: AB

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/production-control/tasks/use-safety-stock-journal-update-minimum-coverage>

You are the planner for a distribution company.

You observe an increase in planned orders for item C0001. You must track the source for these planned orders and break them out based on their demand. You are not concerned with safety stock maximums for this item.

You need to ensure that the master planning batch job will create a unique planned purchase order for every new demand requirement for C0001.

Which coverage code should you use?

- A. Manual
- B. Period
- C. Min/Max
- D. Requirement

Correct Answer: D

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/coverage-settings>

SIMULATION -

You are a functional consultant for a company named Contoso Entertainment System USA (USMF).

You need to regenerate a master plan named DynPlan for item number D0023.

To complete this task, sign in to Dynamics 365 portal.

Correct Answer: See explanation below.

You specify the planning method in the Master planning run dialog box. To open this dialog box, go to Master planning > Master planning > Run > Master planning, or select Run in the Master planning workspace.

Regeneration -

The regeneration planning method deletes existing planned orders, unless they are firmed. It generates new planned orders, based on all the requirements.

Regeneration is the only planning method that is available for static plans.

- Changes in supply are considered. These changes include changes in the forecast.
- This method respects the Period coverage code.
- This method supports product substitution functionality (PI).

Select DynPlan in the Master Plan field.

Select Regeneration in the Planning Method field.

Enter D0023 in the Item Number field.

DRAG DROP -

A manufacturing company is setting up a new warehouse.

The warehouse must store a product that is currently stored in another warehouse.

You need to create new item coverage for the warehouse.

Which four actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions

Specify the main warehouse

Change the planned order type to **Transfer**

Select **Change planned order type**

Select **Override coverage group settings**

Select **Use specific settings**

Select the site and warehouse for item coverage

Answer Area**Correct Answer:****Actions**

Specify the main warehouse

Change the planned order type to **Transfer**

Select **Change planned order type**

Select **Override coverage group settings**

Select **Use specific settings**

Select the site and warehouse for item coverage

Answer Area

Select the site and warehouse for item coverage

Select **Change planned order type**

Change the planned order type to **Transfer**

Specify the main warehouse

A company operates a chain of retail coffee shops and a distribution center. Each coffee shop and the distribution center are distinct warehouses. Cups and lids are replenished from a single distribution center. You need to configure store replenishment for coffee cup lids. Which three actions should you perform? Each correct answer presents part of the solution. NOTE: Each correct selection is worth one point.

- A. Set the coverage plan by dimension for warehouse on the Storage dimension group.
- B. Set the minimum item coverage to the safety stock quantity. Set the maximum to the maximum quantity of stock to reorder above the safety stock quantity.
- C. Set the minimum item coverage to the safety stock quantity. Set the maximum item coverage to 0.
- D. Create a coverage group assignment for the item.
- E. Set the minimum item coverage to 0. Set the maximum item coverage to the number of lids to keep on hand.

Correct Answer: ABD

HOTSPOT -

A company uses Dynamics 365 Supply Chain Management to sell consumer electronics to retailers across North America.

An inventory manager needs to view purchase orders by different periods of time for all warehouses.

If there are insufficient orders for expected demand, the manager must create new purchase or transfer orders to meet the demand versus the current on-hand inventory that is already allocated for future demand.

The company also needs to keep a surplus of 5 percent of inventory for unexpected demand.

You need to identify a solution to meet these requirements.

Which feature should you use for each requirement? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area**Requirement**

View on-hand stock versus demand information in a form.

Feature

Demand forecast lines
Item requirement statistics
Planned orders
Supply schedule

Period end inventory
Period end pegged inventory
Period net supply
Period start inventory

Answer Area**Requirement**

View on-hand stock versus demand information in a form.

Feature

Demand forecast lines
Item requirement statistics
Planned orders
Supply schedule

Period end inventory
Period end pegged inventory
Period net supply
Period start inventory

Correct Answer:

View the amount of on-hand inventory that is needed to fulfill next month's orders.

Reference:

<https://community.dynamics.com/ax/f/microsoft-dynamics-ax-forum/147370/supply-schedule-form/497235>

A company uses planning optimization in Dynamics 365 Supply Chain Management. Automatic firming is enabled.

Some of the planned purchase orders are not being firmed as expected. The inventory planners therefore need to manually process planned purchase orders.

You need to include the planned purchase orders in automatic firming.

What are two possible configurations you can use? Each correct answer presents a complete solution.

NOTE: Each correct selection is worth one point.

- A. Lead Time
- B. Automatic firming time fence (days)
- C. Requirements Date
- D. Freeze time fence on master plan

Correct Answer: AB

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planning-optimization/planning-optimization-auto-firming>

A company uses Dynamics 365 Supply Chain Management.

The company is consistently short on inventory for a group of produced finished good items. This creates customer service issues.

You need to ensure that production orders are automatically created when inventory is low.

Which two actions should you perform? Each answer represents a partial solution.

NOTE: Each correct selection is worth one point.

- A. Update the item maximum.
- B. Update the item minimum.
- C. Set Capable to Promise.
- D. Create a safety stock journal.
- E. Create a transfer journal.

Correct Answer: BD

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/production-control/tasks/use-safety-stock-journal-update-minimum-coverage>

A company uses planning optimization in Dynamics 365 Supply Chain Management.

A planning optimization job is triggered by mistake from the user interface. The planning optimization job is running with incorrect runtime filters.

You need to resolve the issue.

What should you do?

- A. Cancel the job from the plan history.
- B. Cancel the job from the dialog box.
- C. Disable the environment add-in.
- D. Cancel the planning optimization fit analysis.

Correct Answer: A

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planning-optimization/cancel-planning-job>

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Question #11

Topic 6

DRAG DROP -

A company implements Dynamics 365 Supply Chain Management.

The company needs to improve the reliability of their forecasting data.

You need to implement demand forecasting to meet the requirements.

What should you do? To answer, drag the appropriate actions to the correct requirements. Each action may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Actions	Answer Area	Action
Requirement		
Push data into the staging table.	Gather transactional historical data to generate the forecast.	
Generate a statistical baseline forecast.	View the historical demand and forecast graphically.	
Use safety stock calculations.	Automatically create planned orders in the master planning process based on the requirement or end date.	
Use the statistical baseline forecast generation history feature.		
Use demand forecast details.		

Correct Answer:

Actions	Answer Area	Action
Requirement		
	Gather transactional historical data to generate the forecast.	Push data into the staging table.
Use safety stock calculations.	View the historical demand and forecast graphically.	Use demand forecast details.
Use the statistical baseline forecast generation history feature.	Automatically create planned orders in the master planning process based on the requirement or end date.	Generate a statistical baseline forecast.

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/introduction-demand-forecasting>

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/manual-adjustments-baseline-forecast>

DRAG DROP -

A company is implementing Dynamics 365 Supply Chain Management.

You need to determine which planning engine meets each business requirement.

Which planning engine should you use for each requirement? To answer, drag the appropriate planning engines to the correct requirements. Each planning engine may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Planning engines

Master planning only

Planning optimization only

Planning optimization and master planning

Answer Area**Requirement**

Automatically firm orders based on the order date.

Calls an outside service to run for optimal performance.

Copies static to dynamic plans.

Planning engine

Correct Answer:**Planning engines**

Master planning only

Planning optimization only

Planning optimization and master planning

Answer Area**Requirement**

Automatically firm orders based on the order date.

Calls an outside service to run for optimal performance.

Copies static to dynamic plans.

Planning engine

Planning optimization only
Planning optimization only
Master planning only

Reference:

<https://docs.microsoft.com/en-us/learn/modules/planning-optimization/10-auto-firming> <https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planning-optimization/planning-optimization-overview>

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Question #13

Topic 6

DRAG DROP -

A company uses Dynamics 365 Supply Chain Management with master planning.

The company needs to enable planning optimization functionality to improve master planning processes.

You need to advise which prerequisites the company must fulfill to enable planning optimization.

What must the company do? To answer, drag the appropriate types to the correct prerequisites. Each type may be used once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Answer Area

Types	Prerequisite	Type
Optional	Perform a planning optimization fit analysis.	
Mandatory	Assess the existing deployment type of Dynamics 365 Supply Chain Management.	
	Validate function availability within a geographic region.	

Answer Area

Types	Prerequisite	Type
Correct Answer:	Perform a planning optimization fit analysis.	Optional
Optional	Assess the existing deployment type of Dynamics 365 Supply Chain Management.	Mandatory
Mandatory	Validate function availability within a geographic region.	Mandatory

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planning-optimization/get-started>

DRAG DROP -

A manufacturing company uses Dynamics 365 Supply Chain Management.

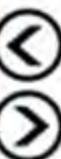
You must update the safety stock level for raw materials.

You need to calculate and process minimum coverage proposals based on data from historical transactions.

Which three actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions	Answer Area
Create safety stock journal lines by including the current month's transactions.	
Post the safety stock journal.	
Select the Use average issue during lead time option.	
Create safety stock journal lines by excluding the current month's transactions.	
Select the Use service level option.	
Select a value for the required service level.	



Actions	Answer Area
Create safety stock journal lines by including the current month's transactions.	Create safety stock journal lines by excluding the current month's transactions.
	Select the Use average issue during lead time option.
	Post the safety stock journal.
Select the Use service level option.	
Select a value for the required service level.	



Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/production-control/tasks/use-safety-stock-journal-update-minimum-coverage>

HOTSPOT -

A company implements Dynamics 365 Supply Chain Management.

You complete the prerequisites to implement the master planning optimization.

You need to configure the planning optimization feature.

What should you do? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement	Action
Ensure that existing planning jobs fail to process.	<ul style="list-style-type: none">Enable the Use planning optimization option when the planning optimization service is connected.Enable the Use planning optimization option when the planning optimization service is disconnected.Disable the Use planning optimization option when the planning optimization service is connected.Disable the Use planning optimization option when the planning optimization service is disconnected.
Use the default planning optimization engine.	<ul style="list-style-type: none">Enable the Use planning optimization option when the planning optimization service is connected.Enable the Use planning optimization option when the planning optimization service is disconnected.Disable the Use planning optimization option when the planning optimization service is connected.Disable the Use planning optimization option when the planning optimization service is disconnected.

Answer Area

Requirement	Action
Ensure that existing planning jobs fail to process.	<ul style="list-style-type: none">Enable the Use planning optimization option when the planning optimization service is connected.Enable the Use planning optimization option when the planning optimization service is disconnected.Disable the Use planning optimization option when the planning optimization service is connected.Disable the Use planning optimization option when the planning optimization service is disconnected.
Correct Answer: Use the default planning optimization engine.	<ul style="list-style-type: none">Enable the Use planning optimization option when the planning optimization service is connected.Enable the Use planning optimization option when the planning optimization service is disconnected.Disable the Use planning optimization option when the planning optimization service is connected.Disable the Use planning optimization option when the planning optimization service is disconnected.

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planning-optimization/get-started>

HOTSPOT -

A company that has three legal entities is implementing Dynamics 365 Supply Chain Management.

One legal entity supplies the other two legal entities as customers with inventory. Intercompany master planning must be set up and run in the least amount of time.

You need to configure the system to meet the requirements.

What should you configure? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Requirement	Configuration
-------------	---------------

Define the intercompany planning group.

- One group and three legal entities
- Three groups and one legal entity
- One group for the supplier and a second group for the customer legal entities

Run efficient iterations.

- 1
- 2
- 30

Correct Answer:

Requirement	Configuration
-------------	---------------

Define the intercompany planning group.

- One group and three legal entities
- Three groups and one legal entity
- One group for the supplier and a second group for the customer legal entities

Run efficient iterations.

- 1
- 2
- 30

Reference:

<http://d365tour.com/en/microsoft-dynamics-d365o/master-planning-d365fo/intercompany-master-planning/>

HOTSPOT -

You are configuring the period templates that are used for inventory inquiries. Today's date is November 3, 2020.

The period templates configuration is shown in the following graphic. You set the value for the Direction field to backward.

Periods

+ New Delete Move up Move down				
	Period	Number of periods	Create lines	Period description
	Day	5	<input checked="" type="checkbox"/>	%1
	Week	4	<input checked="" type="checkbox"/>	Week %4
	Month	3	<input type="checkbox"/>	Month %6

Use the drop-down menus to select the answer choice that answers each question based on the information presented in the graphic.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

On which day will the Outlook period start?

July 31 2020
November 2 2020
November 3 2020
November 4 2020
March 1 2021

What will the current configuration show for the month and open days?

the future three months with open days for each day of the month
the previous three months with open days for each day of the month
a single month after the calculated date with three months of open days
a single month before the calculated date with three months of open days
a single backlog line before the calculated date with three months of open days

Correct Answer:

Answer Area

On which day will the Outlook period start?

July 31 2020
November 2 2020
November 3 2020
November 4 2020
March 1 2021

What will the current configuration show for the month and open days?

the future three months with open days for each day of the month
the previous three months with open days for each day of the month
a single month after the calculated date with three months of open days
a single month before the calculated date with three months of open days
a single backlog line before the calculated date with three months of open days

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HOTSPOT -

A client uses master planning in Dynamics 365 Supply Chain Management.

The client wants to make sure that the item coverage groups are configured properly.

You need to validate the configurations.

Which configurations should you validate for each scenario? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area**Scenario**

Define system-generated replenishment suggestions for up to a specified number of days.

Configuration

coverage time fence (days) field
receipt margin added to requirement date
issue margin
positive days

Specify the delivery past due threshold.

positive days
negative days
issue margin deducted from requirement date
receipt margin added to requirement date

Answer Area**Scenario**

Define system-generated replenishment suggestions for up to a specified number of days.

Configuration

coverage time fence (days) field
receipt margin added to requirement date
issue margin
positive days

Correct Answer:

Specify the delivery past due threshold.

positive days
negative days
issue margin deducted from requirement date
receipt margin added to requirement date

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/tasks/define-coverage-rules-items>

HOTSPOT -

A company uses Dynamics 365 Supply Chain Management for master planning in manufacturing processes.

Master planning runs have increased in processing time over the past month.

You need to identify the impact of configuration changes on performance from a single location.

Which objects should you use? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area**Questions****Object**

What should you use to compare the performance of a previous master planning run's detailed steps with a currently processing master planning run?

▼
Analytical workspace
Gantt chart
Performance Software Development Kit (SDK)

How should you identify the completed master planning task for the currently running job?

▼
Colors
Icons
Status field
Work queue

Correct Answer:

Answer Area**Questions****Object**

What should you use to compare the performance of a previous master planning run's detailed steps with a currently processing master planning run?

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Analytical workspace
Gantt chart
Performance Software Development Kit (SDK)

How should you identify the completed master planning task for the currently running job?

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Colors
Icons
Status field
Work queue

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/tasks/monitor-master-planning-run>

You use Dynamics 365 Supply Chain Management to manage inventory.

Multiple forms are currently required to make insights against inventory supply metrics for an item actionable.

You need to use the supply schedule form to streamline operations.

Which three objects can you use to achieve the goal? Each correct answer presents a complete solution.

NOTE: Each correct selection is worth one point.

- A. Transfer orders
- B. Safety stock journals
- C. Scheduled Kanban
- D. Production orders
- E. Demand forecast

Correct Answer: ACD

Community vote distribution

ABD (100%)

[Previous Questions](#)

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HOTSPOT

A company uses Dynamics 365 Supply Chain Management for inventory management in a single warehouse.

The warehouse is experiencing vendor supply issues with several specific groups of products. The demand and supply for products needs to be viewed for the warehouse using a master planning model for different periods of time.

You need to view the information in a single location.

Which configuration should you use for each requirement?

To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area

Requirement	Configuration
-------------	---------------

View a family of products.

▼

- Item model group
- Item allocation key
- Item coverage groups
- Product category

Define the groupings that are used to view inventory.

▼

- Fiscal calendars
- Plan groups
- Period template
- Time fence

Correct Answer:

Answer Area**Requirement****Configuration**

View a family of products.

▼

- Item model group
- Item allocation key
- Item coverage groups
- Product category

Define the groupings that are used to view inventory.

▼

- Fiscal calendars
- Plan groups
- Period template
- Time fence

DRAG DROP

A manufacturing company uses Dynamics 365 Supply Chain Management.

You must review the safety stock level for raw materials.

You need to calculate the minimum coverage proposals based on standard deviation.

Which three actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Actions**Answer Area**

Select the **Service level** value.

Create safety stock journal lines by including the current month's transactions.
Select the **Standard deviation** option.

Create safety stock journal lines by excluding the current month's transactions.
Select the **Standard deviation** option.

Select the **Use service level** option.

Select the **Use average issue during lead time** option.

Post the safety stock journal.

Set the **Lead time margin** value.



Correct Answer:

Actions

Answer Area

Select the **Service level** value.

Create safety stock journal lines by including the current month's transactions.
Select the **Standard deviation** option.

Create safety stock journal lines by including the current month's transactions.
Select the **Standard deviation** option.

Select the **Use service level** option.

Create safety stock journal lines by excluding the current month's transactions.
Select the **Standard deviation** option.

Post the safety stock journal.

Select the **Use service level** option.



Select the **Use average issue during lead time** option.

Post the safety stock journal.

Set the **Lead time margin** value.

Question #23

Topic 6

A manufacturing company uses Dynamics 365 Supply Chain Management.

The procurement manager updates the minimum stock levels by using the safety stock journal. The manager encounters a setup error while calculating the proposal for the minimum inventory level by using the service level option.

You need to identify the cause of the error.

What is the cause of the error?

- A. The Multiplication factor value was left blank.
- B. Safety stock journal lines were created by including the current month's transactions.
- C. The Use the calculated minimum quantity as the new minimum quantity option was not used.
- D. The Lead time margin value was left blank.
- E. The Calculate standard deviation option was not used while creating the journal lines.

Correct Answer: E

A company uses the built-in Dynamics 365 Supply Chain Management master planning engine. Planned orders are automatically firming and are firmed during the current week.

You need to reconfigure the system for the new Planning Optimization master planning engine.

What should you change?

- A. firming time fence to one week
- B. firming time fence to lead-time plus one week
- C. open orders' firming date to be the requirement date
- D. firming time fence to be longer than the lead time
- E. firming time fence to 0

Correct Answer: A

A company uses Dynamics 365 Supply Chain Management master planning. The company plans to run master planning throughout the day. Planning Optimization is not configured.

The company administrator reports that they are not able to configure any master planning features or enable master planning in Dynamics 365.

You need to implement Planning Optimization.

What should you do first?

- A. Place the environment into maintenance mode.
- B. Deallocate the current environment.
- C. Enable the Planning Optimization configuration key.
- D. Set the value of the Use Planning Optimization field to yes.
- E. Activate the Planning Optimization license.

Correct Answer: A

HOTSPOT

A manufacturing company uses Dynamics 365 Supply Chain Management. The company plans to move to the new Planning Optimization functionality.

Several processes are no longer operating as expected.

You need to identify any missing functionality and the number of records impacted.

Which tool should you use? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area**Requirement**

Identify any missing functionality.

Tool

Dynamics 365 batch job history
Lifecycle Services Upgrade analysis
Planning Optimization Fit analysis
Planning Optimization planning run logs

Identify the number of records from previous runs that were impacted by the missing functionality.

Lifecycle Services Issue search
Lifecycle Services Upgrade analysis
Planning Optimization Fit analysis
Planning Optimization planning logs

Correct Answer:

Answer Area**Requirement**

Identify any missing functionality.

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HOTSPOT

A company uses Dynamics 365 Supply Chain Management. The company plans to implement master planning.

You need to configure the master planning solution to perform master planning runs in the middle of each day instead of at the end of each day.

Which solution component should you use? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Answer Area

Requirement	Solution component
Enable the master planning feature.	<input type="checkbox"/> Feature <input type="checkbox"/> Configuration key <input type="checkbox"/> Lifecycle Services Add-in <input type="checkbox"/> Planning Optimization parameters
Connect the master planning service to the environment.	<input type="checkbox"/> Azure Virtual Machine <input type="checkbox"/> Power Automate flow <input type="checkbox"/> Lifecycle Services Add-in <input type="checkbox"/> Dynamics 365 application (AOT) deployable package
Connect to the master planning service.	<input type="checkbox"/> Dynamics 365 <input type="checkbox"/> Microsoft Azure <input type="checkbox"/> Power Automate <input type="checkbox"/> Lifecycle Services

Correct Answer:

Answer Area

Requirement

Enable the master planning feature.

Solution component

Feature
Configuration key
Lifecycle Services Add-in
Planning Optimization parameters

Connect the master planning service to the environment.

Azure Virtual Machine
Power Automate flow
Lifecycle Services Add-in
Dynamics 365 application (AOT) deployable package

Connect to the master planning service.

Dynamics 365
Microsoft Azure
Power Automate
Lifecycle Services

Question #28

Topic 6

A company is implementing Dynamics 365 Supply Chain Management. The company frequently uses consigned inventory.

The company wants to minimize entry time for the inventory.

You must configure the default settings for consignment replenishment lines.

Which three options can you configure? Each correct answer presents a complete solution.

NOTE: Each correct selection is worth one point.

- A. Default site
- B. Multiple order quantity
- C. Stopped
- D. Standard order quantity
- E. Default warehouse

Correct Answer: ADE

DRAG DROP

A company is implementing Dynamics 365 Supply Chain Management.

The company wants to configure the quality orders and nonconformances for the following tasks:

- Recording timesheets associated with repair costs
- Documenting outcomes of test results
- Creating a certificate of analysis

You need to configure the features for these tasks.

What should you configure? To answer, drag the appropriate features to the correct tasks. Each feature may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Features	Answer Area	
	Task	Feature
Quality order	Recording timesheets associated with repair costs	
Nonconformance	Documenting outcomes of test results	
	Creating a certificate of analysis	

Correct Answer:

Answer Area	Task	Feature
	Recording timesheets associated with repair costs	Nonconformance
	Documenting outcomes of test results	Quality order
	Creating a certificate of analysis	Quality order

A company uses Dynamics 365 Supply Chain Management. The company implements master planning.

The company reports delays in the supply chain that have resulted in late deliveries for products. You must simulate several broad delays across all products in the supply chain when calculating lead times. Daily planning for items must not be impacted.

You need to configure the system.

What should you configure?

- A. Planned orders
- B. Receipt margins
- C. Master plans
- D. Coverage groups
- E. Released products

Correct Answer: E

[Previous Questions](#)

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Custom View Settings

Question #31

Topic 6

A company uses Dynamics 365 Supply Chain Management.

The company classifies and tracks products based on how useful they are for achieving their business goals. Certain product classifications are important in relation to inventory controls and margins. Other classifications have a small profit margin and are less important for inventory variances.

The classification configuration must feed into existing classification reports and system logic.

You need to configure the products for the classifications.

Where should you configure the classifications?

- A. Unreleased product variant
- B. Released product variant
- C. Product attributes
- D. Unreleased product
- E. Released product

Correct Answer: C

A company uses Dynamics 365 Supply Chain Management. The company provides warehouse workers with handheld devices to perform inventory operations.

Periodic inventory audits are required due to the frequent theft of some inventory items from a warehouse. Some inventory has been fully depleted. On-hand inventory quantities of other items are consistently incorrect.

You need to configure the system to automatically create cycle-counting work.

Which two methods can you use? Each correct answer presents a complete solution.

NOTE: Each correct selection is worth one point.

- A. threshold parameters
- B. work pool
- C. cycle count plan
- D. work policies
- E. inventory journals

Correct Answer: AE

A company implements Dynamics 365 Supply Chain Management. The company uses the demand forecasting service to generate a statistical baseline forecast for one allocation key at a time.

The process takes too long to complete.

You need to ensure better performance of the service.

What should you configure?

- A. Storage account name
- B. Storage account key
- C. Custom storage account
- D. Request response mode

Correct Answer: D

DRAG DROP

A company uses Dynamics 365 Supply Chain Management. The company implements master planning.

The company identifies several supply chain issues.

You need to configure safety margins for the company.

Which type of safety margin should you use? To answer, drag the appropriate safety margin types to the correct issues. Each safety margin type may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Safety margin types

- Issue
- Reorder
- Receipt

Answer Area**Issue**

A vendor is two days behind in their order creation.

Safety margin type

-
-
-

Inbound docks are consistently two days behind in unloading trucks.

The purchasing team is one day behind issuing purchase orders to vendors.

Correct Answer:

Answer Area**Issue**

A vendor is two days behind in their order creation.

Safety margin type

- Reorder
- Receipt
- Issue

Inbound docks are consistently two days behind in unloading trucks.

The purchasing team is one day behind issuing purchase orders to vendors.

DRAG DROP

A company is implementing Dynamics 365 Supply Chain Management.

The company requires that historical transactional data from the current system be used to determine future inventory needs. Transactions that fall outside of a standard deviation must be excluded.

You need to configure the system to meet the requirements.

What should you configure? To answer, drag the appropriate configurations to the correct requirements. Each configuration may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Configurations	Answer Area	Requirement	Configuration
Safety stock journal		Use historical transactional data to define future inventory.	
Planning optimization		Exclude transactions outside of a standard deviation.	
Demand forecasting			

Answer Area		
Correct Answer:	Requirement	Configuration
	Use historical transactional data to define future inventory.	Safety stock journal
	Exclude transactions outside of a standard deviation.	Demand forecasting

A company uses planning optimization in Dynamics 365 Supply Chain Management.

A new item is set up for production with a bill of materials (BOM) and is included in planning optimization.

You need to identify the planning output for the item.

What are two parts of the output? Each answer represents a partial solution.

NOTE: Each correct selection is worth one point.

- A. warning
- B. production order
- C. purchase order
- D. action message

Correct Answer: CD

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Background -

Wide World Importers is a distribution company whose primary customers are small boutique shops which sell globally-sourced products including unique or hand-crafted items such as perfumes and ceramicware. Through the Wide World Importers sales cycle, the commission-based sales team identifies opportunities and negotiates with shops by using a quoting process. The products may or may not already exist in the company's current product list.

The company has the following divisions and areas of responsibility:

Division	Responsibilities
Sales	Source customers, generate quotes
Inventory	Create products and associated setups, manage costing
Compliance	Define testing, set up regulatory requirements
Customer Service	Create and manage orders

Current environment -

Wide World Importers use Dynamics 365 Finance and Dynamics 365 Supply Chain Management. There is a single legal entity.

The primary distribution center for the company is located in Las Vegas, Nevada, USA. There is an additional warehouse in California which receives imported goods from container ships. When goods are received in California, the goods are transferred to Nevada for distribution. No orders are shipped directly from California.

Requirements. Sales -

The company has two teams of sales representatives: East and West. Each team has one representative for each of the following categories of goods: perfumes, ceramicware, and all other goods. Sales representatives are paid commissions based on sales. Commissions must be paid based on the home office location for customers. For example, commission for a customer that is headquartered in the Western United States is paid to the West group of sales representatives.

Sales representatives are responsible for driving new business. Company executives must be able to see metrics that define the companies that the sales representatives are targeting, where there is potential to do business, and where quotes are being generated. Customer records must not be created until a sale is confirmed.

The sales team quoted a new perfume for a customer named Customer1. The customer has shipping locations in the following regions: United States, Austria, and Japan. Sales must only be made to the US and Japan due to product ingredients. Automated checks must be put into place so that users do not have to remember to select the correct item.

Requirements. Testing -

The company periodically performs testing on ceramicware as it is received to determine whether the products contain lead. The company labels and markets ceramicware as Lead Free or Not for food use. Perfumes may contain restricted ingredients that cannot be sold to customers in the European Union. The company performs testing on perfumes and has processes to ensure that perfumes containing restricted ingredients are not sold to customers in Europe.

Ten percent of all ceramicware items received must be tested for lead. The process for managing testing must be automated. There must be tolerances setup that define the acceptable amount of lead levels in a product.

Requirements. Inventory management

The inventory team must control costing of items by using FIFO principles. The finance team must be able to see updated FIFO adjustments throughout the month but will only settle FIFO for month-end reporting.

Inventory close must be run at the end of each month. A report must be provided to the finance team that includes the physical quantities and inventory value for items, with totals at the bottom. The warehouse team needs a similar report but does not want the inventory value included. During inventory close, some items cannot be fully costed because the issue cannot be settled against the receipt. The finance team must know which items were excluded.

Other inventory requirements -

Inventory must be reserved against physical inventory.

Items must be grouped so that the inventory costing can be posted to the ledger by using the following groups: perfumes, ceramicware, other goods.

All goods are

FIFO. Financial reports must be grouped by these three categories, even though transactions from all categories post to the same ledger accounts.

Wide World Importers plans to import a specific type of pottery from a local company in Mexico that handmakes the goods. The pottery must be available in orange or red colors. The cost is the same regardless of the color selection.

A new line of perfumes is being introduced. The procurement team must be able to identify which perfumes are men's or women's fragrances, and must be able to further categorize perfumes as Perfume, Eau de Perfume, Eau de Toilette, Eau de Cologne, or Eau Fraiche.

You must set up a structure of products for classifying each item for purchase, sales, and reporting analysis.

Issue -

Customer service representatives report that some inventory shows as ordered reserved when the ordered reserved parameter is turned off.

An item that is typically carried is out of stock. A customer named Customer2 wants to place a special rush order for the item. This will result in a significantly increased cost from the supplier. The finance team does not want to have this special order affect the FIFO tiers.

Question

You need to configure the system to support the inventory costing requirement.

Which two actions should you perform? Each answer represents a complete solution.

NOTE: Each correct selection is worth one point.

- A. one default item group for all items
- B. one item group each for perfume, ceramicware, and other goods
- C. one FIFO item model group and one Standard item model group
- D. one FIFO item group
- E. one financial dimension for each item group

Correct Answer: BC

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Background -

Wide World Importers is a distribution company whose primary customers are small boutique shops which sell globally-sourced products including unique or hand-crafted items such as perfumes and ceramicware. Through the Wide World Importers sales cycle, the commission-based sales team identifies opportunities and negotiates with shops by using a quoting process. The products may or may not already exist in the company's current product list.

The company has the following divisions and areas of responsibility:

Division	Responsibilities
Sales	Source customers, generate quotes
Inventory	Create products and associated setups, manage costing
Compliance	Define testing, set up regulatory requirements
Customer service	Create and manage orders

Current environment -

Wide World Importers use Dynamics 365 Finance and Dynamics 365 Supply Chain Management. There is a single legal entity.

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The company has two teams of sales representatives: East and West. Each team has one representative for each of the following categories of goods: perfumes, ceramicware, and all other goods. Sales representatives are paid commissions based on sales. Commissions must be paid based on the home office location for customers. For example, commission for a customer that is headquartered in the Western United States is paid to the West group of sales representatives.

Sales representatives are responsible for driving new business. Company executives must be able to see metrics that define the companies that the sales representatives are targeting, where there is potential to do business, and where quotes are being generated. Customer records must not be created until a sale is confirmed.

The sales team quoted a new perfume for a customer named Customer1. The customer has shipping locations in the following regions: United States, Austria, and Japan. Sales must only be made to the US and Japan due to product ingredients. Automated checks must be put into place so that users do not have to remember to select the correct item.

Requirements. Testing -

The company periodically performs testing on ceramicware as it is received to determine whether the products contain lead. The company labels and markets ceramicware as Lead Free or Not for food use. Perfumes may contain restricted ingredients that cannot be sold to customers in the European Union. The company performs testing on perfumes and has processes to ensure that perfumes containing restricted ingredients are not sold to customers in Europe.

Ten percent of all ceramicware items received must be tested for lead. The process for managing testing must be automated. There must be tolerances setup that define the acceptable amount of lead levels in a product.

Requirements. Inventory management

The inventory team must control costing of items by using FIFO principles. The finance team must be able to see updated FIFO adjustments

throughout the month but will only settle FIFO for month-end reporting.

Inventory close must be run at the end of each month. A report must be provided to the finance team that includes the physical quantities and inventory value for items, with totals at the bottom. The warehouse team needs a similar report but does not want the inventory value included. During inventory close, some items cannot be fully costed because the issue cannot be settled against the receipt. The finance team must know which items were excluded.

Other inventory requirements -

Inventory must be reserved against physical inventory.

Items must be grouped so that the inventory costing can be posted to the ledger by using the following groups: perfumes, ceramicware, other goods.

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FIFO. Financial reports must be grouped by these three categories, even though transactions from all categories post to the same ledger accounts.

Wide World Importers plans to import a specific type of pottery from a local company in Mexico that handmakes the goods. The pottery must be available in orange or red colors. The cost is the same regardless of the color selection.

A new line of perfumes is being introduced. The procurement team must be able to identify which perfumes are men's or women's fragrances, and must be able to further categorize perfumes as Perfume, Eau de Perfume, Eau de Toilette, Eau de Cologne, or Eau Fraiche.

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Issue -

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An item that is typically carried is out of stock. A customer named Customer2 wants to place a special rush order for the item. This will result in a significantly increased cost from the supplier. The finance team does not want to have this special order affect the FIFO tiers.

Question

You need to configure the structure for the new line of perfumes.

What should you do first?

- A. Create a procurement category hierarchy.
- B. Create a new product with tracking dimensions.
- C. Create a new product with storage dimensions.
- D. Create product configurations.
- E. Set up a new product master and implement serial tracking.

Correct Answer: A

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Issue -

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An item that is typically carried is out of stock. A customer named Customer2 wants to place a special rush order for the item. This will result in a significantly increased cost from the supplier. The finance team does not want to have this special order affect the FIFO tiers.

Question

You need to address the inventory costing requirements.

What are two possible ways to achieve the goal? Each answer represents a complete solution.

NOTE: Each correct selection is worth one point.

- A. Use FIFO with marking.
- B. Create purchase orders from sales orders.
- C. Set up commodity pricing.
- D. Create a costing version.
- E. Set up a costing sheet.

Correct Answer: CE

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Background -

Wide World Importers is a distribution company whose primary customers are small boutique shops which sell globally-sourced products including unique or hand-crafted items such as perfumes and ceramicware. Through the Wide World Importers sales cycle, the commission-based sales team identifies opportunities and negotiates with shops by using a quoting process. The products may or may not already exist in the company's current product list.

The company has the following divisions and areas of responsibility:

Division	Responsibilities
Sales	Source customers, generate quotes
Inventory	Create products and associated setups, manage costing
Compliance	Define testing, set up regulatory requirements
Customer service	Create and manage orders

Current environment -

Wide World Importers use Dynamics 365 Finance and Dynamics 365 Supply Chain Management. There is a single legal entity.

The primary distribution center for the company is located in Las Vegas, Nevada, USA. There is an additional warehouse in California which receives imported goods from container ships. When goods are received in California, the goods are transferred to Nevada for distribution. No orders are shipped directly from

California.

Requirements. Sales -

The company has two teams of sales representatives: East and West. Each team has one representative for each of the following categories of goods: perfumes, ceramicware, and all other goods. Sales representatives are paid commissions based on sales. Commissions must be paid based on the home office location for customers. For example, commission for a customer that is headquartered in the Western United States is paid to the West group of sales representatives.

Sales representatives are responsible for driving new business. Company executives must be able to see metrics that define the companies that the sales representatives are targeting, where there is potential to do business, and where quotes are being generated. Customer records must not be created until a sale is confirmed.

The sales team quoted a new perfume for a customer named Customer1. The customer has shipping locations in the following regions: United States, Austria, and Japan. Sales must only be made to the US and Japan due to product ingredients. Automated checks must be put into place so that users do not have to remember to select the correct item.

Requirements. Testing -

The company periodically performs testing on ceramicware as it is received to determine whether the products contain lead. The company labels and markets ceramicware as Lead Free or Not for food use. Perfumes may contain restricted ingredients that cannot be sold to customers in the European Union. The company performs testing on perfumes and has processes to ensure that perfumes containing restricted ingredients are not sold to customers in Europe.

Ten percent of all ceramicware items received must be tested for lead. The process for managing testing must be automated. There must be tolerances setup that define the acceptable amount of lead levels in a product.

Requirements. Inventory management

The inventory team must control costing of items by using FIFO principles. The finance team must be able to see updated FIFO adjustments

throughout the month but will only settle FIFO for month-end reporting.

Inventory close must be run at the end of each month. A report must be provided to the finance team that includes the physical quantities and inventory value for items, with totals at the bottom. The warehouse team needs a similar report but does not want the inventory value included. During inventory close, some items cannot be fully costed because the issue cannot be settled against the receipt. The finance team must know which items were excluded.

Other inventory requirements -

Inventory must be reserved against physical inventory.

Items must be grouped so that the inventory costing can be posted to the ledger by using the following groups: perfumes, ceramicware, other goods.

All goods are

FIFO. Financial reports must be grouped by these three categories, even though transactions from all categories post to the same ledger accounts.

Wide World Importers plans to import a specific type of pottery from a local company in Mexico that handmakes the goods. The pottery must be available in orange or red colors. The cost is the same regardless of the color selection.

A new line of perfumes is being introduced. The procurement team must be able to identify which perfumes are men's or women's fragrances, and must be able to further categorize perfumes as Perfume, Eau de Perfume, Eau de Toilette, Eau de Cologne, or Eau Fraiche.

You must set up a structure of products for classifying each item for purchase, sales, and reporting analysis.

Issue -

Customer service representatives report that some inventory shows as ordered reserved when the ordered reserved parameter is turned off.

An item that is typically carried is out of stock. A customer named Customer2 wants to place a special rush order for the item. This will result in a significantly increased cost from the supplier. The finance team does not want to have this special order affect the FIFO tiers.

Question

You need to configure the system to support the pottery line.

What should you do first?

- A. Set up a new product with product configuration.
- B. Create a new product with tracking dimensions.
- C. Create a new product master with pre-defined product variants.
- D. Create a new product with storage dimensions.

Correct Answer: C

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/pim/tasks/create-predefined-product-variants>

Previous Questions

Next Questions

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The company structure is a single legal entity with two sites as shown in the diagram below:



Current environment -

Best for You Organics plans to introduce a new product line of face creams. Each product in the new line uses the same base ingredients but includes a different extract (for example, lime, avocado, kiwi). The marketing department is preparing to introduce the new product line. Minimal inventory will be held in the warehouse.

The company uses a cloud-based deployment of Dynamics 365 Supply Chain Management to manage finances for all company operations and locations. The company does not use Bill of Materials (BOM) versioning.

The production and warehouse facility is set up with the following organizational hierarchy:

User	Role
OpsManager	Operations manager
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Employee3	Shipping clerk
Employee4	Warehouse worker
Employee5	Production worker
Employee6	Store order clerk

External customers include:

CustomerA: a walk-in store customer (business-to-consumer)

CustomerB: a customer with an existing account (business-to-business)

External vendors include:

VendorA: a trucking company

VendorB: a raw materials supplier

Requirements. General -

The new product line must be set up in the system and readily available for sale when the company introduces the product line to the public at an upcoming trade show.

Requirements. Production -

You must configure the system to produce the new products:

Ensure that the warehouse stocks the minimum quantities of raw materials to produce the products.

Use a single version per item.

Implement FIFO inventory valuation methods.

Track raw and finished goods using different General ledger accounts.

Use a primary location to determine where to stock product in the warehouse.

Configure alternate locations in the warehouse to hold overstock products and refill the primary location as-needed.

Requirements. Shipments -

You identify the following requirements related to shipping:

Ship product to retail stores weekly.

Stores require a packing slip to check in merchandise. Drivers require transport documentation and charge per mile to the stores.

Shipments to Store1 must be scheduled for Monday, Wednesday, or Friday. Store1 will sometimes pick up their own deliveries when an order is small because they have their own van. Shipments to Store2 and Store3 must be scheduled for Tuesday or Thursday.

You must transmit Advance Shipping Notifications (ASN's) to the stores prior to deliveries.

Set up the system configuration to allow for store transfers.

Set up the system so that products may be shipped to the retail stores as bulk orders.

Set up the transport providers to deliver products from the warehouse to the retail stores.

Requirements. Reporting -

Once the new products are available in stores, review 30 days of historical sales data from day-to-day transactions will determine the reorder quantities.

Set up reporting to allow the product line to be costed and tracked independent of other items.

Requirements. Pricing and inventory

You identify the following requirements related to pricing and inventory:

Determine the quantity of the new products that can be produced and ready for sale within the first 90 days. Ensure that specialty packaging is on hand for retail sales. The packaging must be shipped directly to the stores from the vendor.

Stores must not inventory the packaging materials. Stores must maintain a 30-day supply of specialty packaging materials. Stores must reorder packaging materials as needed.

Retail store customers must pay full retail price. Resellers must receive a 10 percent discount off the list price.

Question

HOTSPOT -

You need to configure item pricing and discounts.

How should you complete the setup? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Option	Action
Create price groups.	<p>Create price groups for retail customers and resellers. Create a price group for all customers. Create a price group for the warehouse. Create price groups for items and vendors.</p>
Create discounts.	<p>Create trade agreement for 10% line discount on Resellers. Create trade agreement for 10% line discount on Retail Customers. Create trade agreement for 90% line discount on Resellers. Create trade agreement for 90% line discount on Retail Customers.</p>
Assign price group.	<p>Assign a price group to Customers as 1:1 Assign a price group to Vendors as 1:1 Assign two or more price groups to customers. Assign two or more price groups to vendors.</p>

Answer Area

Option	Action
Create price groups.	<p>Create price groups for retail customers and resellers. Create a price group for all customers. Create a price group for the warehouse. Create price groups for items and vendors.</p>
Correct Answer:	
Create discounts.	<p>Create trade agreement for 10% line discount on Resellers. Create trade agreement for 10% line discount on Retail Customers. Create trade agreement for 90% line discount on Resellers. Create trade agreement for 90% line discount on Retail Customers.</p>
Assign price group.	<p>Assign a price group to Customers as 1:1 Assign a price group to Vendors as 1:1 Assign two or more price groups to customers. Assign two or more price groups to vendors.</p>

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/sales-marketing/tasks/create-new-trade-agreement>

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Background -

Adventure Works Cycles is high-end bicycle manufacturer in North America. The company sells 40 standard models as well as 100 limited-edition models per year to boutique retailers domestically.

Adventure Works has had the most success with the limited-edition bicycles. These bicycles have high margins, high demand, and a strong following with the younger generation biking community.

Current environment -

Technology -

During a recent global pandemic, the sales of bicycles increased enormously. To support this growth, Adventure Works is going to invest in Dynamics 365 Supply

Chain Management to standardize and streamline operations. Operations are currently managed with a custom enterprise resource planning (ERP) system and

Microsoft Excel worksheets that address ERP product gaps.

Many processes are still maintained in Excel worksheets and then loaded into the ERP application.

Adventure Works wants to implement only those Dynamics 365 features that are areas of future investment for Microsoft, even if it means they implement fewer features.

Bicycles -

Bicycle models can either be standard or made in a limited-edition release.

Bicycles are built based on a single item number that can have different sizes and frame styles. The sizes are XS, S, M, L, and XL. The frame styles are Male,

Female, and Unisex.

The size and frame style combinations have different prices and barcodes.

All other bicycle properties are informational only.

Information-only properties do not have standardization or validation, which makes it easy to mistype data during product entry and difficult to identify mistakes.

Some limited-edition bicycles are not properly marked as limited edition in the current product management system due to the yes/no key indicator defaulting to no. This causes significant issues with item searching and reporting on the different bicycle models.

Limited-edition bicycles -

The most recent limited-edition models include integrated face mask holders and extra storage containers welded to the bicycle frame.

The bicycles are restricted to one purchase per retailer per week.

The bicycles are announced on social media and are available for sale to retailers on the same day they are announced.

Customers can buy the bicycles at retailers shortly after they are announced.

The bicycles are sometimes available only through charity auctions.

Sales -

Due to the global pandemic, it is difficult to keep products in stock. Retailers are buying as much inventory as possible each week.

Retailers email their sales to Adventure Works. The sales team in charge of each retailer manually enters the information into a shared Excel worksheet.

Retailers are required to submit one consolidated sales order by Wednesday every week so that the Adventure Works fulfillment team can organize and adjust sales order quantities based on availability.

Retailers are invoiced every three to five weeks. Adventure Works uses a manual process for invoicing. The increased volume of purchases makes it difficult to keep up with invoicing.

To accommodate the demand for the Adventure Works limited-edition bicycles, the sales team enters orders for these items for fulfillment as soon as they appear on the SKU list.

Retailers can sometimes bypass Adventure Works order restriction policy. When this happens, it creates additional work for the fulfillment team.

Outbound -

Finished bicycles are assigned a unique code to identify and track each bicycle.

Each bicycle that is picked for an outbound order is transferred to a quality control bench where it undergoes a 21-point mechanical inspection.

Bicycles that pass the mechanical inspection have their unique bicycle identification number recorded in the completed inspection list. The

number is also recorded in the shipping manifest for customers to be able to verify that the bicycle that was tested is the one that they received.

If a bicycle does not pass the mechanical inspection, the bicycle is moved to a quarantine location and another bicycle is picked and tested as a replacement for the order.

Inventory -

Replenishment is simple but manual. It is currently all handled in Excel.

Every bicycle part for each standard model has a line in an Excel worksheet.

Adventure Works wants each storage space in the warehouse to be filled to capacity with the current products.

The team knows how many bill of materials (BOM) items can fit in the spaces without overflowing.

BOM items that make up the bicycles have different storage capacities.

Adventure Works uses Excel worksheets to make decisions about planned orders by period based on the supply and demand for finished bicycles.

Wheels -

There are four types of wheels for all the bicycle models.

Customers often order a spare tire.

Wheels sometimes just disappear from the warehouse storage.

Adventure Works purchases wheels from only one manufacturer.

Master planning -

There is no formal master planning process.

Replenishment activities occur weekly.

Requirements -

Bicycles -

All BOM items used the manufacturing process must be configured as unique products in Dynamics 365 Supply Chain Management.

The following manufactured bicycles' properties must be configured in Dynamics 365 Supply Chain Management:

*

Size: XS, S, M, L, XL -

*

Frame style: Men, Women, Unisex -

*

Limited edition: [Blank], No, Yes

*

Year: 2010-2020 -

*

Manufacturer's note: Free form text up to 250 characters

*

Rear suspension travel: 130 millimeters, 150 millimeters

*

Full suspension: No, Yes -

Sales -

Limited-edition bicycles must be systematically restricted to one bicycle per sales order. Overrides must not be allowed.

Retailers must automatically be invoiced once a month in a consolidated invoice for all delivered sales orders.

Limited-edition model bicycles must not be allowed for inclusion on sales orders until the bicycles' official release date.

Outbound -

A bicycle's unique identification number must systematically be created as part of the standardized business process.

Bicycles must be pulled from a bin location in a First In, First Out (FIFO) inventory model and moved to a packing station.

Inventory -

Overflow of any bicycle parts in the warehouse must be prevented, except for wheels.

System-generated recommendations to adjust Adventure Works' on-hand stock of wheels based on historical trends must be provided.

BOM items must be replenished before they run out. There must always be quantity available on-hand.

The system must maintain all inventory requirements through automated processes.

Master planning (MRP)

The tool that replaces the Excel worksheet must be able to show the supply and demand for the product family of finished bicycles and BOMs by period in a single screen. This single form screen will also be used for general supply and demand inquiry only and not require intensive processing tasks. Inquiries to this form may result in non-system decisions and not with creating any planned orders.

The tool must allow for the creation of new planned production, sales, purchase, and transfer orders.

The MRP solution must have the best performance possible and allow for planned orders to be run in the middle of the day.

Planned orders that will not be firmed must not be changed. Adventure Works wants to be able to reference the planned orders later against any manual orders created until they feel more comfortable with the system.

Once Adventure Works is comfortable with the numbers that the system recommends, Adventure Works wants to implement a mechanism to fully automate the generation of orders.

Question

You need to reduce the fulfillment team's workload.

Which form should you use?

- A. Default order settings
- B. Item model group
- C. Sales and marketing parameters
- D. Released products
- E. Product and information management parameters

Correct Answer: A

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/production-control/default-order-settings>

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The company structure is a single legal entity with two sites as shown in the diagram below:



Current environment -

Best for You Organics plans to introduce a new product line of face creams. Each product in the new line uses the same base ingredients but includes a different extract (for example, lime, avocado, kiwi). The marketing department is preparing to introduce the new product line. Minimal inventory will be held in the warehouse.

The company uses a cloud-based deployment of Dynamics 365 Supply Chain Management to manage finances for all company operations and locations. The company does not use Bill of Materials (BOM) versioning.

The production and warehouse facility is set up with the following organizational hierarchy:

User	Role
OpsManager	Operations manager
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Employee3	Shipping clerk
Employee4	Warehouse worker
Employee5	Production worker
Employee6	Store order clerk

External customers include:

CustomerA: a walk-in store customer (business-to-consumer)

CustomerB: a customer with an existing account (business-to-business)

External vendors include:

VendorA: a trucking company

VendorB: a raw materials supplier

Requirements. General -

The new product line must be set up in the system and readily available for sale when the company introduces the product line to the public at an upcoming trade show.

Requirements. Production -

You must configure the system to produce the new products:

Ensure that the warehouse stocks the minimum quantities of raw materials to produce the products.

Use a single version per item.

Implement FIFO inventory valuation methods.

Track raw and finished goods using different General ledger accounts.

Use a primary location to determine where to stock product in the warehouse.

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Requirements. Shipments -

You identify the following requirements related to shipping:

Ship product to retail stores weekly.

Stores require a packing slip to check in merchandise. Drivers require transport documentation and charge per mile to the stores.

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Set up the transport providers to deliver products from the warehouse to the retail stores.

Requirements. Reporting -

Once the new products are available in stores, review 30 days of historical sales data from day-to-day transactions will determine the reorder quantities.

Set up reporting to allow the product line to be costed and tracked independent of other items.

Requirements. Pricing and inventory

You identify the following requirements related to pricing and inventory:

Determine the quantity of the new products that can be produced and ready for sale within the first 90 days. Ensure that specialty packaging is on hand for retail sales. The packaging must be shipped directly to the stores from the vendor.

Stores must not inventory the packaging materials. Stores must maintain a 30-day supply of specialty packaging materials. Stores must reorder packaging materials as needed.

Retail store customers must pay full retail price. Resellers must receive a 10 percent discount off the list price.

Question

You need to complete the shipments.

What should you do?

- A. Confirm the load and generate packing slips and bills of lading.
- B. Confirm shipments, generate shipping documents, and send an ASN.
- C. Confirm shipments and generate pick/put work.
- D. Confirm the load, generate picking lists, and send an ASN.

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/confirm-a-load-for-shipping>

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Stores must not inventory the packaging materials. Stores must maintain a 30-day supply of specialty packaging materials. Stores must reorder packaging materials as needed.

Retail store customers must pay full retail price. Resellers must receive a 10 percent discount off the list price.

Question

HOTSPOT -

You need to consolidate orders and prepare to rate shop shipments.

How should you complete the setup? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Action	Value
Configure shipment setup.	<p>Enable the Transportation management and Consolidate shipments parameters. Create a proposed load.</p> <p>Assign a rate engine to a load. Create a proposed load.</p> <p>Enable the Consolidate shipments parameter. Assign an item to a proposed load.</p> <p>Enable items to use Transportation management. Assign items to a proposed load.</p>
Consolidate shipments.	<p>Open Shipments, select Lines, and consolidate shipments for the same destination.</p> <p>Open Shipments, select Loads, and consolidate loads for the same destination.</p> <p>Open Loads, select Shipments, and consolidate shipments for the same load.</p> <p>Open Loads, select Shipments, and consolidate shipments for the same destination.</p>

Correct Answer:

Answer Area

Action	Value
Configure shipment setup.	Enable the Transportation management and Consolidate shipments parameters. Create a proposed load. Assign a rate engine to a load. Create a proposed load. Enable the Consolidate shipments parameter. Assign an item to a proposed load. Enable items to use Transportation management. Assign items to a proposed load.
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You must configure the system to produce the new products:

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Retail store customers must pay full retail price. Resellers must receive a 10 percent discount off the list price.

Question

HOTSPOT -

You need to create new location directives.

Which values should you use? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Action	Value
Create location directive	Assign Sequence, Work Type, Site, Warehouse, Directive Code Assign Sequence, Work Type, Site, Warehouse, Location Assign Site, Warehouse, Location and item Assign Site, Warehouse, Work Template
Define location in Location Directive Action	Fixed Locations for the first line, fixed + non-fixed for the second line. Create a query to define location ranges. Create a query to define location ranges. Create a query for fixed locations. Create a query for non-fixed location ranges.

Correct Answer:

Answer Area

Action	Value
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Reference:

<https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/create-a-location-directive> <https://docs.microsoft.com/en-us/dynamics365/supply-chain/transportation/tasks/set-up-location-directive-purchase-order-put-away>

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Question

HOTSPOT -

Employee3 needs to schedule deliveries.

How should Employee3 plan for a carrier to deliver goods to Store2? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Step	Action
Create appointments.	<ul style="list-style-type: none">Select Load for Store2, Outbound, Status.Select All loads, Outbound, Status.Select Load for Store2, Inbound, Status.Select Transfer orders, Inbound, Status.
Add shipping details.	<ul style="list-style-type: none">Select Site, Warehouse, Shipping carrier.Select Site, Warehouse, Shipping carrier, Allow customer pick up.Select Site, Warehouse, Broker ID.Select broker ID, tractor ID, trailer D, allow customer pick up.

Answer Area

Step	Action
Create appointments.	<ul style="list-style-type: none">Select Load for Store2, Outbound, Status.Select All loads, Outbound, Status.Select Load for Store2, Inbound, Status.Select Transfer orders, Inbound, Status.
Correct Answer:	<ul style="list-style-type: none">Select Load for Store2, Outbound, Status.Select All loads, Outbound, Status.Select Load for Store2, Inbound, Status.Select Transfer orders, Inbound, Status.
Add shipping details.	<ul style="list-style-type: none">Select Site, Warehouse, Shipping carrier.Select Site, Warehouse, Shipping carrier, Allow customer pick up.Select Site, Warehouse, Broker ID.Select broker ID, tractor ID, trailer D, allow customer pick up.

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Question

HOTSPOT -

You need to configure transport providers for delivering products to the retail stores from Vendor1.

How should you complete the configuration? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Configuration option	Value
Rating profile	<ul style="list-style-type: none">Rating profile with mileage base rating engineRating profile with weight base engine ratingMode of Delivery with weight base rating engine
Carrier	<ul style="list-style-type: none">Vendor, Carrier, Rating profileCustomer, Carrier, Rating profileBroker, Carrier, ShipmentVendor, Carrier, Load

Answer Area

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Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/transportation/tasks/set-up-shipping-carriers>

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Question

You need to complete the shipments.

- A. Confirm the load and generate packing slips and bills of lading.
- B. Create waves to generate work for shipping loads and send an ASN.
- C. Confirm shipments and generate pick/put work.
- D. Create work for printing shipping documents and send an ASN.

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/wave-processing>

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Background -

Adventure Works Cycles builds stock and custom mountain bikes and is headquartered in San Diego. It has the following assembly and warehouse locations:

Denver, Colorado, United States

San Diego, California, United States

Budapest, Hungary

Most manufacturing is outsourced, with each facility only assembling the bikes. Parts are stocked at all facilities and may be transferred between warehouses or legal entities. All of the parts are at standard cost.

Current environment. Organizational structure

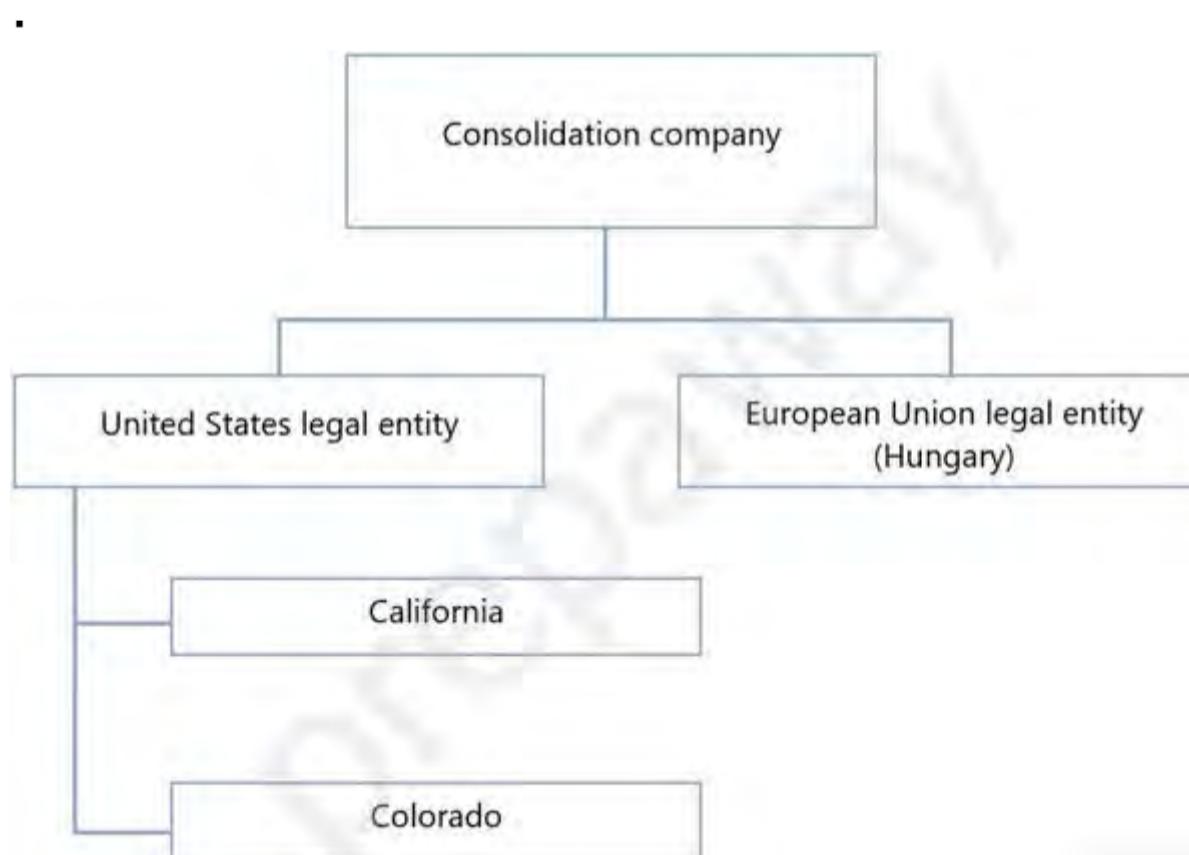
The following diagram shows the structure of Adventure Works Cycles.

Each of the physical locations in the United States (US) is a warehouse.

Hungary assembles and distributes products to the rest of the European Union (EU).

The EU legal entity is expected to add additional warehouse locations.

All legal entities roll up to a financial consolidation company.



Current environment. Purchasing -

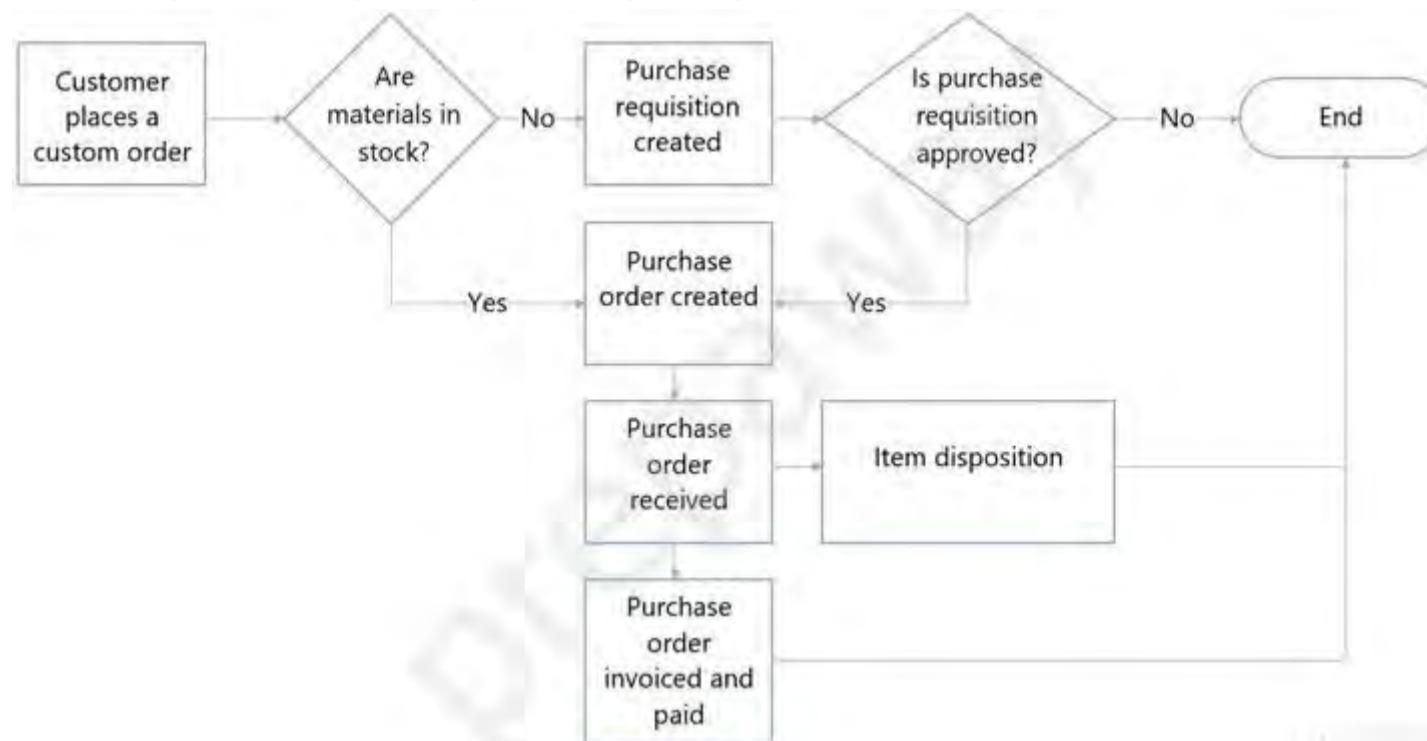
Higher quality tires that are used in new orders have become popular. Due to the volume of orders, the company wants to negotiate pricing with VendorC. The vendor agrees to a discounted price for 500 tires purchased within the next six months. Once the 500 tires have been purchased, the discount will be re-evaluated based on demand.

Once a purchase is approved, for audit purposes it cannot be changed.

Whenever possible, parts are purchased from vendors also within the EU. A purchase order was placed for a bike seat manufacturer in Italy. Parts for custom orders may not always be kept in stock and will need to be procured.

Current environment. Purchase requisitions

The following flow chart depicts the purchase requisition process:



Requirements. Purchasing -

Items for purchase requisitions are governed by each country. Each of the country-specific products will be grouped together for selection.

Purchase orders must follow the requisition process.

All existing purchase orders for brakes must account for the change to VendorB.

Requirements. Inventory -

Standard costs are based on purchase fluctuations within a single month.

Tires use floating zones due to limited warehouse space.

Requirements. Operations -

Due to recent brake failures, Adventure Works Cycles plans to purchase brakes from VendorB instead of VendorA. Although the brakes from Vendor B will continue to use the same item number as the brakes from VendorA, the price is slightly higher from VendorB. Adventure Works Cycles will pay list price from

VendorB. The order for VendorB needs approval and the usual approver for purchase requisitions is on vacation.

All brakes from VendorA that are in stock must be tested. The process for brake testing must be implemented for all inbound orders. Quality orders must be automatically created upon receipt of the first shipment against a purchase order only. Inventory stocking locations must be consolidated after the brakes are tested.

UserC needs to consolidate brake inventory after it has been cleared for sale.

Ordering of the new brakes order will incur an additional cost because it is a rush order.

Requirements. Custom orders -

Custom orders are placed for items that do not exist in the item master.

Hungary does not process custom orders.

The United States does process custom paint orders. Most custom paint colors are special order and require purchase requisitions.

Quotes must be obtained from a minimum of two suppliers per company policy and compared for the shipping, costs, and other variables. Quotes will not be selected based on lowest price only.

Issues -

A special order for 2.6 high-end tires is received. This item is no longer in stock from the current vendor.

Goods have been received in stock, but the matching invoice has not yet been received at the time of month close.

UserA needs to set up pricing for the items purchased from VendorC and ensure that accounting validates the receipt and invoice against the agreement.

UserB needs to send out a request for quotation (RFQ) for custom paint. The vendor will be selected based on pricing, volume discounts, and lead time.

Question

HOTSPOT -

You need to define where the tires should be put away in the warehouse.

How should you set up the location directives? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Parameter

Value

Query filter

	▼
Item code and warehouse	
Item code and zone	
Warehouse only	
Zone only	

Location Directive action

	▼
Fixed only	
Fixed and non-fixed	
Fixed with product variants	

Answer Area

Parameter

Value

Query filter

	▼
Item code and warehouse	
Item code and zone	
Warehouse only	
Zone only	

	▼
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Correct Answer:

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Background -

Best for You Organics Company started as a home-based business. The founders began making handmade soaps and bath products in their kitchen. As sales increased, the business established a production facility and distribution center that supplies three retail stores. Soaps and bath products are manufactured in the production facility and are stocked in the warehouse for distribution to the retail stores. Employees at retail stores use mobile point of sale (MPOS) tablet devices to sell the products to customers.

The company structure is a single legal entity with two sites as shown in the diagram below:



Current environment -

Best for You Organics plans to introduce a new product line of face creams. Each product in the new line uses the same base ingredients but includes a different extract (for example, lime, avocado, kiwi). The marketing department is preparing to introduce the new product line. Minimal inventory will be held in the warehouse.

The company uses a cloud-based deployment of Dynamics 365 Supply Chain Management to manage finances for all company operations and locations. The company does not use Bill of Materials (BOM) versioning.

The production and warehouse facility is set up with the following organizational hierarchy:

User	Role
OpsManager	Operations manager
Employee1	Inventory control
StoreManager	Store manager
Employee2	Receiving clerk
Employee3	Shipping clerk
Employee4	Warehouse worker
Employee5	Production worker
Employee6	Store order clerk

External customers include:

CustomerA: a walk-in store customer (business-to-consumer)

CustomerB: a customer with an existing account (business-to-business)

External vendors include:

VendorA: a trucking company

VendorB: a raw materials supplier

Requirements. General -

The new product line must be set up in the system and readily available for sale when the company introduces the product line to the public at an upcoming trade show.

Requirements. Production -

You must configure the system to produce the new products:

Ensure that the warehouse stocks the minimum quantities of raw materials to produce the products.

Use a single version per item.

Implement FIFO inventory valuation methods.

Track raw and finished goods using different General ledger accounts.

Use a primary location to determine where to stock product in the warehouse.

Configure alternate locations in the warehouse to hold overstock products and refill the primary location as-needed.

Requirements. Shipments -

You identify the following requirements related to shipping:

Ship product to retail stores weekly.

Stores require a packing slip to check in merchandise. Drivers require transport documentation and charge per mile to the stores.

Shipments to Store1 must be scheduled for Monday, Wednesday, or Friday. Store1 will sometimes pick up their own deliveries when an order is small because they have their own van. Shipments to Store2 and Store3 must be scheduled for Tuesday or Thursday.

You must transmit Advance Shipping Notifications (ASN's) to the stores prior to deliveries.

Set up the system configuration to allow for store transfers.

Set up the system so that products may be shipped to the retail stores as bulk orders.

Set up the transport providers to deliver products from the warehouse to the retail stores.

Requirements. Reporting -

Once the new products are available in stores, review 30 days of historical sales data from day-to-day transactions will determine the reorder quantities.

Set up reporting to allow the product line to be costed and tracked independent of other items.

Requirements. Pricing and inventory

You identify the following requirements related to pricing and inventory:

Determine the quantity of the new products that can be produced and ready for sale within the first 90 days. Ensure that specialty packaging is on hand for retail sales. The packaging must be shipped directly to the stores from the vendor.

Stores must not inventory the packaging materials. Stores must maintain a 30-day supply of specialty packaging materials. Stores must reorder packaging materials as needed.

Retail store customers must pay full retail price. Resellers must receive a 10 percent discount off the list price.

Question

HOTSPOT -

You need to configure automatic warehouse inventory replenishment for items.

How should you complete the setup? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Dynamics 365 Operations

Inventory management > Setup > Inventory breakdown > Warehouses USMF

WAREHOUSE OPTIONS

Warehouses

Warehouse	Name
12	Site 1 - WIP
11	Site 1 - Raw Materials
12-801	Subcon Perfect coating
12-802	Subcon Ideal Machining

General

Master planning

ITEM COVERAGE

MAIN WAREHOUSE

Main warehouse

Refilling

Manual

Yes
No

Yes
No

Calendar

Warehouse level

Inventory and warehouse management

Correct Answer:

Dynamics 365 Operations

Inventory management > Setup > Inventory breakdown > Warehouses USMF

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Retail store customers must pay full retail price. Resellers must receive a 10 percent discount off the list price.

Question

You need to set up reordering for new items.

Which two actions should you perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Create one coverage group for raw materials and one for finished goods.
- B. Set the item coverage manual flag on the warehouse to Yes.
- C. Create separate coverage groups for raw materials, finished goods, and retail packaging.
- D. Set the item coverage manual flag on the warehouse to No.
- E. Create one coverage group for retail packaging items and another for items in the warehouse.

Correct Answer: CD

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/coverage-settings>

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Background -

Adventure Works Cycles is high-end bicycle manufacturer in North America. The company sells 40 standard models as well as 100 limited-edition models per year to boutique retailers domestically.

Adventure Works has had the most success with the limited-edition bicycles. These bicycles have high margins, high demand, and a strong following with the younger generation biking community.

Current environment -

Technology -

During a recent global pandemic, the sales of bicycles increased enormously. To support this growth, Adventure Works is going to invest in Dynamics 365 Supply

Chain Management to standardize and streamline operations. Operations are currently managed with a custom enterprise resource planning (ERP) system and

Microsoft Excel worksheets that address ERP product gaps.

Many processes are still maintained in Excel worksheets and then loaded into the ERP application.

Adventure Works wants to implement only those Dynamics 365 features that are areas of future investment for Microsoft, even if it means they implement fewer features.

Bicycles -

Bicycle models can either be standard or made in a limited-edition release.

Bicycles are built based on a single item number that can have different sizes and frame styles. The sizes are XS, S, M, L, and XL. The frame styles are Male,

Female, and Unisex.

The size and frame style combinations have different prices and barcodes.

All other bicycle properties are informational only.

Information-only properties do not have standardization or validation, which makes it easy to mistype data during product entry and difficult to identify mistakes.

Some limited-edition bicycles are not properly marked as limited edition in the current product management system due to the yes/no key indicator defaulting to no. This causes significant issues with item searching and reporting on the different bicycle models.

Limited-edition bicycles -

The most recent limited-edition models include integrated face mask holders and extra storage containers welded to the bicycle frame.

The bicycles are restricted to one purchase per retailer per week.

The bicycles are announced on social media and are available for sale to retailers on the same day they are announced.

Customers can buy the bicycles at retailers shortly after they are announced.

The bicycles are sometimes available only through charity auctions.

Sales -

Due to the global pandemic, it is difficult to keep products in stock. Retailers are buying as much inventory as possible each week.

Retailers email their sales to Adventure Works. The sales team in charge of each retailer manually enters the information into a shared Excel worksheet.

Retailers are required to submit one consolidated sales order by Wednesday every week so that the Adventure Works fulfillment team can organize and adjust sales order quantities based on availability.

Retailers are invoiced every three to five weeks. Adventure Works uses a manual process for invoicing. The increased volume of purchases makes it difficult to keep up with invoicing.

To accommodate the demand for the Adventure Works limited-edition bicycles, the sales team enters orders for these items for fulfillment as soon as they appear on the SKU list.

Retailers can sometimes bypass Adventure Works order restriction policy. When this happens, it creates additional work for the fulfillment team.

Outbound -

Finished bicycles are assigned a unique code to identify and track each bicycle.

Each bicycle that is picked for an outbound order is transferred to a quality control bench where it undergoes a 21-point mechanical inspection.

Bicycles that pass the mechanical inspection have their unique bicycle identification number recorded in the completed inspection list. The

number is also recorded in the shipping manifest for customers to be able to verify that the bicycle that was tested is the one that they received.

If a bicycle does not pass the mechanical inspection, the bicycle is moved to a quarantine location and another bicycle is picked and tested as a replacement for the order.

Inventory -

Replenishment is simple but manual. It is currently all handled in Excel.

Every bicycle part for each standard model has a line in an Excel worksheet.

Adventure Works wants each storage space in the warehouse to be filled to capacity with the current products.

The team knows how many bill of materials (BOM) items can fit in the spaces without overflowing.

BOM items that make up the bicycles have different storage capacities.

Adventure Works uses Excel worksheets to make decisions about planned orders by period based on the supply and demand for finished bicycles.

Wheels -

There are four types of wheels for all the bicycle models.

Customers often order a spare tire.

Wheels sometimes just disappear from the warehouse storage.

Adventure Works purchases wheels from only one manufacturer.

Master planning -

There is no formal master planning process.

Replenishment activities occur weekly.

Requirements -

Bicycles -

All BOM items used the manufacturing process must be configured as unique products in Dynamics 365 Supply Chain Management.

The following manufactured bicycles' properties must be configured in Dynamics 365 Supply Chain Management:

*

Size: XS, S, M, L, XL -

*

Frame style: Men, Women, Unisex -

*

Limited edition: [Blank], No, Yes

*

Year: 2010-2020 -

*

Manufacturer's note: Free form text up to 250 characters

*

Rear suspension travel: 130 millimeters, 150 millimeters

*

Full suspension: No, Yes -

Sales -

Limited-edition bicycles must be systematically restricted to one bicycle per sales order. Overrides must not be allowed.

Retailers must automatically be invoiced once a month in a consolidated invoice for all delivered sales orders.

Limited-edition model bicycles must not be allowed for inclusion on sales orders until the bicycles' official release date.

Outbound -

A bicycle's unique identification number must systematically be created as part of the standardized business process.

Bicycles must be pulled from a bin location in a First In, First Out (FIFO) inventory model and moved to a packing station.

Inventory -

Overflow of any bicycle parts in the warehouse must be prevented, except for wheels.

System-generated recommendations to adjust Adventure Works' on-hand stock of wheels based on historical trends must be provided.

BOM items must be replenished before they run out. There must always be quantity available on-hand.

The system must maintain all inventory requirements through automated processes.

Master planning (MRP)

The tool that replaces the Excel worksheet must be able to show the supply and demand for the product family of finished bicycles and BOMs by period in a single screen. This single form screen will also be used for general supply and demand inquiry only and not require intensive processing tasks. Inquiries to this form may result in non-system decisions and not with creating any planned orders.

The tool must allow for the creation of new planned production, sales, purchase, and transfer orders.

The MRP solution must have the best performance possible and allow for planned orders to be run in the middle of the day.

Planned orders that will not be firmed must not be changed. Adventure Works wants to be able to reference the planned orders later against any manual orders created until they feel more comfortable with the system.

Once Adventure Works is comfortable with the numbers that the system recommends, Adventure Works wants to implement a mechanism to fully automate the generation of orders.

Question

You need to enable the automatic firming of planned orders from the master planning solution.

Where do you enable the functionality?

A. Lifecycle Services

B. Master planning parameters

C. Feature management workspace

D. On the released item

Correct Answer: C

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planning-optimization/planned-order-firming>

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Current environment -

Technology -

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Many processes are still maintained in Excel worksheets and then loaded into the ERP application.

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Bicycles -

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Some limited-edition bicycles are not properly marked as limited edition in the current product management system due to the yes/no key indicator defaulting to no. This causes significant issues with item searching and reporting on the different bicycle models.

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The most recent limited-edition models include integrated face mask holders and extra storage containers welded to the bicycle frame.

The bicycles are restricted to one purchase per retailer per week.

The bicycles are announced on social media and are available for sale to retailers on the same day they are announced.

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Question

HOTSPOT -

You need to configure the solution to replace the Excel spreadsheet.

Which feature should you use for each requirement? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement

Select the appropriate screen

Supply schedule form
Load Planning Workbench
Planned orders form

Feature

Configure the appropriate feature

Period templates
Coverage groups
Mobile workspaces
Planning optimization

Correct Answer:

Answer Area

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To accommodate the demand for the Adventure Works limited-edition bicycles, the sales team enters orders for these items for fulfillment as soon as they appear on the SKU list.

Retailers can sometimes bypass Adventure Works order restriction policy. When this happens, it creates additional work for the fulfillment team.

Outbound -

Finished bicycles are assigned a unique code to identify and track each bicycle. Each bicycle that is picked for an outbound order is transferred to a quality control bench where it undergoes a 21-point mechanical inspection. Bicycles that pass the mechanical inspection have their unique bicycle identification number recorded in the completed inspection list. The number is also recorded in the shipping manifest for customers to be able to verify that the bicycle that was tested is the one that they received. If a bicycle does not pass the mechanical inspection, the bicycle is moved to a quarantine location and another bicycle is picked and tested as a replacement for the order.

Inventory -

Replenishment is simple but manual. It is currently all handled in Excel. Every bicycle part for each standard model has a line in an Excel worksheet. Adventure Works wants each storage space in the warehouse to be filled to capacity with the current products. The team knows how many bill of materials (BOM) items can fit in the spaces without overflowing. BOM items that make up the bicycles have different storage capacities. Adventure Works uses Excel worksheets to make decisions about planned orders by period based on the supply and demand for finished bicycles.

Wheels -

There are four types of wheels for all the bicycle models. Customers often order a spare tire. Wheels sometimes just disappear from the warehouse storage. Adventure Works purchases wheels from only one manufacturer.

Master planning -

There is no formal master planning process. Replenishment activities occur weekly.

Requirements -

Bicycles -

All BOM items used the manufacturing process must be configured as unique products in Dynamics 365 Supply Chain Management. The following manufactured bicycles' properties must be configured in Dynamics 365 Supply Chain Management:

*

Size: XS, S, M, L, XL -

*

Frame style: Men, Women, Unisex -

*

Limited edition: [Blank], No, Yes

*

Year: 2010-2020 -

*

Manufacturer's note: Free form text up to 250 characters

*

Rear suspension travel: 130 millimeters, 150 millimeters

*

Full suspension: No, Yes -

Sales -

Limited-edition bicycles must be systematically restricted to one bicycle per sales order. Overrides must not be allowed.

Retailers must automatically be invoiced once a month in a consolidated invoice for all delivered sales orders.

Limited-edition model bicycles must not be allowed for inclusion on sales orders until the bicycles' official release date.

Outbound -

A bicycle's unique identification number must systematically be created as part of the standardized business process.

Bicycles must be pulled from a bin location in a First In, First Out (FIFO) inventory model and moved to a packing station.

Inventory -

Overflow of any bicycle parts in the warehouse must be prevented, except for wheels.

System-generated recommendations to adjust Adventure Works' on-hand stock of wheels based on historical trends must be provided.

BOM items must be replenished before they run out. There must always be quantity available on-hand.

The system must maintain all inventory requirements through automated processes.

Master planning (MRP)

The tool that replaces the Excel worksheet must be able to show the supply and demand for the product family of finished bicycles and BOMs by period in a single screen. This single form screen will also be used for general supply and demand inquiry only and not require intensive processing tasks. Inquiries to this form may result in non-system decisions and not with creating any planned orders.

The tool must allow for the creation of new planned production, sales, purchase, and transfer orders.

The MRP solution must have the best performance possible and allow for planned orders to be run in the middle of the day.

Planned orders that will not be firmed must not be changed. Adventure Works wants to be able to reference the planned orders later against any manual orders created until they feel more comfortable with the system.

Once Adventure Works is comfortable with the numbers that the system recommends, Adventure Works wants to implement a mechanism to fully automate the generation of orders.

Question

You need to recommend a process for planned orders that will not be firmed.

What should you recommend?

- A. Change the status to Unprocessed
- B. Set the planned order to Completed**
- C. Delete the planned order
- D. Change the status to Approved
- E. Remove the planned order from selection

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/maintain-planned-orders>

Introductory Info

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Background -

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Adventure Works has had the most success with the limited-edition bicycles. These bicycles have high margins, high demand, and a strong following with the younger generation biking community.

Current environment -

Technology -

During a recent global pandemic, the sales of bicycles increased enormously. To support this growth, Adventure Works is going to invest in Dynamics 365 Supply

Chain Management to standardize and streamline operations. Operations are currently managed with a custom enterprise resource planning (ERP) system and

Microsoft Excel worksheets that address ERP product gaps.

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Bicycles -

Bicycle models can either be standard or made in a limited-edition release.

Bicycles are built based on a single item number that can have different sizes and frame styles. The sizes are XS, S, M, L, and XL. The frame styles are Male,

Female, and Unisex.

The size and frame style combinations have different prices and barcodes.

All other bicycle properties are informational only.

Information-only properties do not have standardization or validation, which makes it easy to mistype data during product entry and difficult to identify mistakes.

Some limited-edition bicycles are not properly marked as limited edition in the current product management system due to the yes/no key indicator defaulting to no. This causes significant issues with item searching and reporting on the different bicycle models.

Limited-edition bicycles -

The most recent limited-edition models include integrated face mask holders and extra storage containers welded to the bicycle frame.

The bicycles are restricted to one purchase per retailer per week.

The bicycles are announced on social media and are available for sale to retailers on the same day they are announced.

Customers can buy the bicycles at retailers shortly after they are announced.

The bicycles are sometimes available only through charity auctions.

Sales -

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Wheels -

There are four types of wheels for all the bicycle models. Customers often order a spare tire. Wheels sometimes just disappear from the warehouse storage. Adventure Works purchases wheels from only one manufacturer.

Master planning -

There is no formal master planning process. Replenishment activities occur weekly.

Requirements -

Bicycles -

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Year: 2010-2020 -

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Rear suspension travel: 130 millimeters, 150 millimeters

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Full suspension: No, Yes -

Sales -

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Outbound -

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Bicycles must be pulled from a bin location in a First In, First Out (FIFO) inventory model and moved to a packing station.

Inventory -

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Once Adventure Works is comfortable with the numbers that the system recommends, Adventure Works wants to implement a mechanism to fully automate the generation of orders.

Question

You need to identify all potential gaps in the master planning solution for Adventure Works' implementation.

What should you do?

- A. Read the release notes and master planning entries in the Microsoft Ideas portal.
- B. Finish relevant material requirements planning system configurations and data imports and run a fit analysis.
- C. Identify the gaps through the known issues in Lifecycle Services.
- D. Upload all task recordings for MRP business processes into Azure DevOps for analysis.

Correct Answer: B

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planning-optimization/planning-optimization-fit-analysis>

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Current environment -

Technology -

During a recent global pandemic, the sales of bicycles increased enormously. To support this growth, Adventure Works is going to invest in Dynamics 365 Supply

Chain Management to standardize and streamline operations. Operations are currently managed with a custom enterprise resource planning (ERP) system and

Microsoft Excel worksheets that address ERP product gaps.

Many processes are still maintained in Excel worksheets and then loaded into the ERP application.

Adventure Works wants to implement only those Dynamics 365 features that are areas of future investment for Microsoft, even if it means they implement fewer features.

Bicycles -

Bicycle models can either be standard or made in a limited-edition release.

Bicycles are built based on a single item number that can have different sizes and frame styles. The sizes are XS, S, M, L, and XL. The frame styles are Male,

Female, and Unisex.

The size and frame style combinations have different prices and barcodes.

All other bicycle properties are informational only.

Information-only properties do not have standardization or validation, which makes it easy to mistype data during product entry and difficult to identify mistakes.

Some limited-edition bicycles are not properly marked as limited edition in the current product management system due to the yes/no key indicator defaulting to no. This causes significant issues with item searching and reporting on the different bicycle models.

Limited-edition bicycles -

The most recent limited-edition models include integrated face mask holders and extra storage containers welded to the bicycle frame.

The bicycles are restricted to one purchase per retailer per week.

The bicycles are announced on social media and are available for sale to retailers on the same day they are announced.

Customers can buy the bicycles at retailers shortly after they are announced.

The bicycles are sometimes available only through charity auctions.

Sales -

Due to the global pandemic, it is difficult to keep products in stock. Retailers are buying as much inventory as possible each week. Retailers email their sales to Adventure Works. The sales team in charge of each retailer manually enters the information into a shared Excel worksheet.

Retailers are required to submit one consolidated sales order by Wednesday every week so that the Adventure Works fulfillment team can organize and adjust sales order quantities based on availability.

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To accommodate the demand for the Adventure Works limited-edition bicycles, the sales team enters orders for these items for fulfillment as soon as they appear on the SKU list.

Retailers can sometimes bypass Adventure Works order restriction policy. When this happens, it creates additional work for the fulfillment team.

Outbound -

Finished bicycles are assigned a unique code to identify and track each bicycle. Each bicycle that is picked for an outbound order is transferred to a quality control bench where it undergoes a 21-point mechanical inspection. Bicycles that pass the mechanical inspection have their unique bicycle identification number recorded in the completed inspection list. The number is also recorded in the shipping manifest for customers to be able to verify that the bicycle that was tested is the one that they received. If a bicycle does not pass the mechanical inspection, the bicycle is moved to a quarantine location and another bicycle is picked and tested as a replacement for the order.

Inventory -

Replenishment is simple but manual. It is currently all handled in Excel. Every bicycle part for each standard model has a line in an Excel worksheet. Adventure Works wants each storage space in the warehouse to be filled to capacity with the current products. The team knows how many bill of materials (BOM) items can fit in the spaces without overflowing. BOM items that make up the bicycles have different storage capacities. Adventure Works uses Excel worksheets to make decisions about planned orders by period based on the supply and demand for finished bicycles.

Wheels -

There are four types of wheels for all the bicycle models. Customers often order a spare tire. Wheels sometimes just disappear from the warehouse storage. Adventure Works purchases wheels from only one manufacturer.

Master planning -

There is no formal master planning process. Replenishment activities occur weekly.

Requirements -

Bicycles -

All BOM items used the manufacturing process must be configured as unique products in Dynamics 365 Supply Chain Management. The following manufactured bicycles' properties must be configured in Dynamics 365 Supply Chain Management:

*

Size: XS, S, M, L, XL -

*

Frame style: Men, Women, Unisex -

*

Limited edition: [Blank], No, Yes

*

Year: 2010-2020 -

*

Manufacturer's note: Free form text up to 250 characters

*

Rear suspension travel: 130 millimeters, 150 millimeters

*

Full suspension: No, Yes -

Sales -

Limited-edition bicycles must be systematically restricted to one bicycle per sales order. Overrides must not be allowed.

Retailers must automatically be invoiced once a month in a consolidated invoice for all delivered sales orders.

Limited-edition model bicycles must not be allowed for inclusion on sales orders until the bicycles' official release date.

Outbound -

A bicycle's unique identification number must systematically be created as part of the standardized business process.

Bicycles must be pulled from a bin location in a First In, First Out (FIFO) inventory model and moved to a packing station.

Inventory -

Overflow of any bicycle parts in the warehouse must be prevented, except for wheels.

System-generated recommendations to adjust Adventure Works' on-hand stock of wheels based on historical trends must be provided.

BOM items must be replenished before they run out. There must always be quantity available on-hand.

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Master planning (MRP)

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Question

HOTSPOT -

You need to implement business processes to address concerns about the wheel inventory.

Which features should you use? To answer, select the appropriate option in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Action	Feature
Increase the on-hand stock of wheels	<p>Safety stock journal</p> <p>Min/Max coverage code</p> <p>Requirement coverage code</p> <p>Inventory adjustment journal</p>
Set to adjust to the updated levels	<p>Maximum key</p> <p>Minimum key</p> <p>New minimum quantity</p> <p>Min/Max values</p>

Correct Answer:

Answer Area

Action	Feature
Increase the on-hand stock of wheels	<p>Safety stock journal</p> <p>Min/Max coverage code</p> <p>Requirement coverage code</p> <p>Inventory adjustment journal</p>
Set to adjust to the updated levels	<p>Maximum key</p> <p>Minimum key</p> <p>New minimum quantity</p> <p>Min/Max values</p>

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/safety-stock-replenishment>

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Adventure Works has had the most success with the limited-edition bicycles. These bicycles have high margins, high demand, and a strong following with the younger generation biking community.

Current environment -

Technology -

During a recent global pandemic, the sales of bicycles increased enormously. To support this growth, Adventure Works is going to invest in Dynamics 365 Supply

Chain Management to standardize and streamline operations. Operations are currently managed with a custom enterprise resource planning (ERP) system and

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Limited-edition bicycles -

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The bicycles are restricted to one purchase per retailer per week.

The bicycles are announced on social media and are available for sale to retailers on the same day they are announced.

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Sales -

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Wheels -

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Master planning -

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Requirements -

Bicycles -

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Size: XS, S, M, L, XL -

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Limited edition: [Blank], No, Yes

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Year: 2010-2020 -

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Manufacturer's note: Free form text up to 250 characters

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Rear suspension travel: 130 millimeters, 150 millimeters

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Full suspension: No, Yes -

Sales -

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Question

HOTSPOT -

You need to configure the replenishment of the bicycle parts.

Which configurations should you use? To answer, select the appropriate option in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement	Configuration
-------------	---------------

Replenishment configuration

Period	▼
Per requirement	▼
Min/Max	▼
Manual	▼

Location for configuration

Coverage groups	▼
Released products	▼
Coverage plan by dimension	▼
Master planning setup wizard	▼

Answer Area

Requirement

Replenishment configuration

Correct Answer:

Configuration

Period	▼
Per requirement	
Min/Max	
Manual	

Location for configuration

Coverage groups	▼
Released products	
Coverage plan by dimension	
Master planning setup wizard	

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Technology -

During a recent global pandemic, the sales of bicycles increased enormously. To support this growth, Adventure Works is going to invest in Dynamics 365 Supply

Chain Management to standardize and streamline operations. Operations are currently managed with a custom enterprise resource planning (ERP) system and

Microsoft Excel worksheets that address ERP product gaps.

Many processes are still maintained in Excel worksheets and then loaded into the ERP application.

Adventure Works wants to implement only those Dynamics 365 features that are areas of future investment for Microsoft, even if it means they implement fewer features.

Bicycles -

Bicycle models can either be standard or made in a limited-edition release.

Bicycles are built based on a single item number that can have different sizes and frame styles. The sizes are XS, S, M, L, and XL. The frame styles are Male,

Female, and Unisex.

The size and frame style combinations have different prices and barcodes.

All other bicycle properties are informational only.

Information-only properties do not have standardization or validation, which makes it easy to mistype data during product entry and difficult to identify mistakes.

Some limited-edition bicycles are not properly marked as limited edition in the current product management system due to the yes/no key indicator defaulting to no. This causes significant issues with item searching and reporting on the different bicycle models.

Limited-edition bicycles -

The most recent limited-edition models include integrated face mask holders and extra storage containers welded to the bicycle frame.

The bicycles are restricted to one purchase per retailer per week.

The bicycles are announced on social media and are available for sale to retailers on the same day they are announced.

Customers can buy the bicycles at retailers shortly after they are announced.

The bicycles are sometimes available only through charity auctions.

Sales -

Due to the global pandemic, it is difficult to keep products in stock. Retailers are buying as much inventory as possible each week. Retailers email their sales to Adventure Works. The sales team in charge of each retailer manually enters the information into a shared Excel worksheet.

Retailers are required to submit one consolidated sales order by Wednesday every week so that the Adventure Works fulfillment team can organize and adjust sales order quantities based on availability.

Retailers are invoiced every three to five weeks. Adventure Works uses a manual process for invoicing. The increased volume of purchases makes it difficult to keep up with invoicing.

To accommodate the demand for the Adventure Works limited-edition bicycles, the sales team enters orders for these items for fulfillment as soon as they appear on the SKU list.

Retailers can sometimes bypass Adventure Works order restriction policy. When this happens, it creates additional work for the fulfillment team.

Outbound -

Finished bicycles are assigned a unique code to identify and track each bicycle. Each bicycle that is picked for an outbound order is transferred to a quality control bench where it undergoes a 21-point mechanical inspection. Bicycles that pass the mechanical inspection have their unique bicycle identification number recorded in the completed inspection list. The number is also recorded in the shipping manifest for customers to be able to verify that the bicycle that was tested is the one that they received. If a bicycle does not pass the mechanical inspection, the bicycle is moved to a quarantine location and another bicycle is picked and tested as a replacement for the order.

Inventory -

Replenishment is simple but manual. It is currently all handled in Excel. Every bicycle part for each standard model has a line in an Excel worksheet. Adventure Works wants each storage space in the warehouse to be filled to capacity with the current products. The team knows how many bill of materials (BOM) items can fit in the spaces without overflowing. BOM items that make up the bicycles have different storage capacities. Adventure Works uses Excel worksheets to make decisions about planned orders by period based on the supply and demand for finished bicycles.

Wheels -

There are four types of wheels for all the bicycle models. Customers often order a spare tire. Wheels sometimes just disappear from the warehouse storage. Adventure Works purchases wheels from only one manufacturer.

Master planning -

There is no formal master planning process. Replenishment activities occur weekly.

Requirements -

Bicycles -

All BOM items used the manufacturing process must be configured as unique products in Dynamics 365 Supply Chain Management. The following manufactured bicycles' properties must be configured in Dynamics 365 Supply Chain Management:

*

Size: XS, S, M, L, XL -

*

Frame style: Men, Women, Unisex -

*

Limited edition: [Blank], No, Yes

*

Year: 2010-2020 -

*

Manufacturer's note: Free form text up to 250 characters

*

Rear suspension travel: 130 millimeters, 150 millimeters

*

Full suspension: No, Yes -

Sales -

Limited-edition bicycles must be systematically restricted to one bicycle per sales order. Overrides must not be allowed.

Retailers must automatically be invoiced once a month in a consolidated invoice for all delivered sales orders.

Limited-edition model bicycles must not be allowed for inclusion on sales orders until the bicycles' official release date.

Outbound -

A bicycle's unique identification number must systematically be created as part of the standardized business process.

Bicycles must be pulled from a bin location in a First In, First Out (FIFO) inventory model and moved to a packing station.

Inventory -

Overflow of any bicycle parts in the warehouse must be prevented, except for wheels.

System-generated recommendations to adjust Adventure Works' on-hand stock of wheels based on historical trends must be provided.

BOM items must be replenished before they run out. There must always be quantity available on-hand.

The system must maintain all inventory requirements through automated processes.

Master planning (MRP)

The tool that replaces the Excel worksheet must be able to show the supply and demand for the product family of finished bicycles and BOMs by period in a single screen. This single form screen will also be used for general supply and demand inquiry only and not require intensive processing tasks. Inquiries to this form may result in non-system decisions and not with creating any planned orders.

The tool must allow for the creation of new planned production, sales, purchase, and transfer orders.

The MRP solution must have the best performance possible and allow for planned orders to be run in the middle of the day.

Planned orders that will not be firmed must not be changed. Adventure Works wants to be able to reference the planned orders later against any manual orders created until they feel more comfortable with the system.

Once Adventure Works is comfortable with the numbers that the system recommends, Adventure Works wants to implement a mechanism to fully automate the generation of orders.

Question

HOTSPOT -

You need to implement the master planning solution for Adventure Works.

Which solutions should you use? To answer, select the appropriate option in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Action	Solution
Select the correct solution	<div style="border: 1px solid black; padding: 5px; display: inline-block;"><p>Master planning</p><p>Planning optimization</p><p>Demand planning</p><p>Demand forecasting</p></div>
Implement the solution	<div style="border: 1px solid black; padding: 5px; display: inline-block;"><p>Lifecycle Services</p><p>Feature management workspace</p><p>Microsoft AppSource</p><p>Azure DevOps</p></div>

Answer Area

Action	Solution
Select the correct solution	<div style="border: 1px solid black; padding: 5px; display: inline-block;"><p>Master planning</p><p>Planning optimization</p><p>Demand planning</p><p>Demand forecasting</p></div>
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Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/new-master-planning-engine> <https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planning-optimization/get-started>

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Background -

Adventure Works Cycles builds stock and custom mountain bikes and is headquartered in San Diego. It has the following assembly and warehouse locations:

Denver, Colorado, United States

San Diego, California, United States

Budapest, Hungary

Most manufacturing is outsourced, with each facility only assembling the bikes. Parts are stocked at all facilities and may be transferred between warehouses or legal entities. All of the parts are at standard cost.

Current environment. Organizational structure

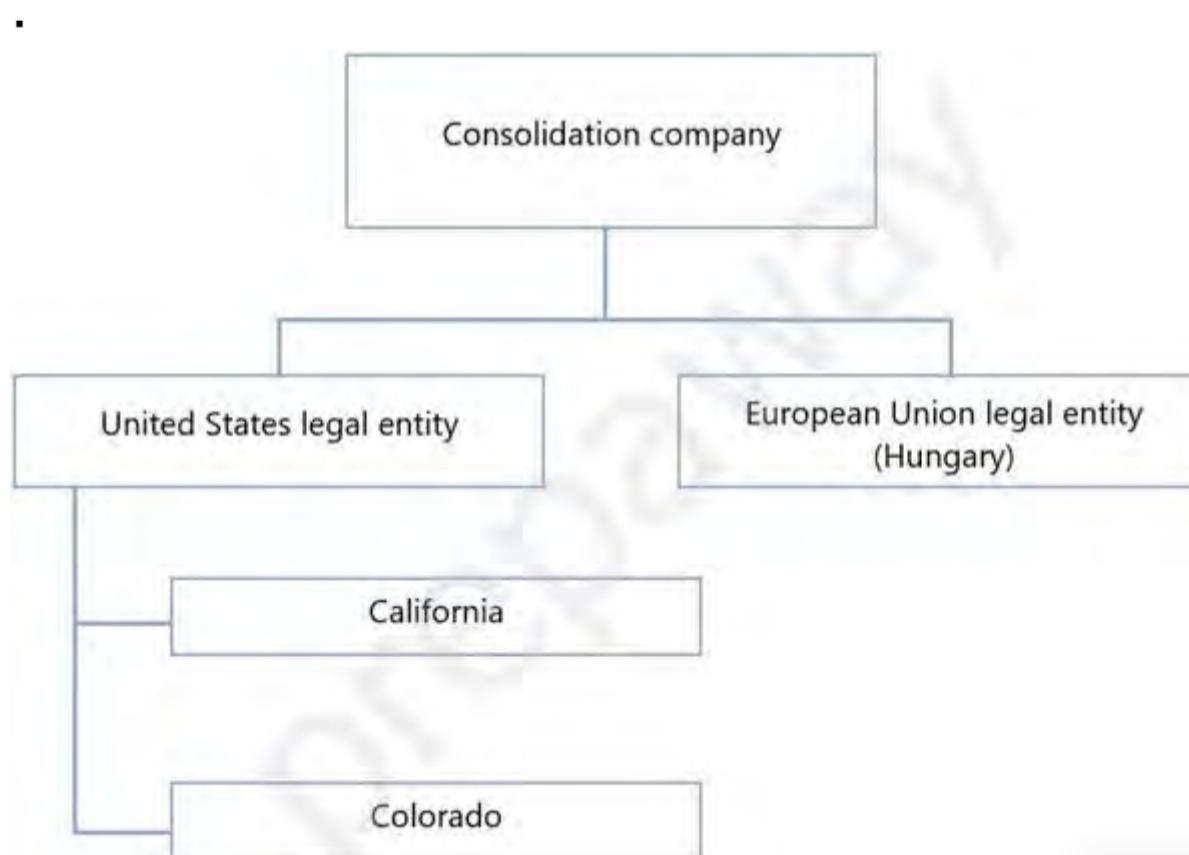
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Each of the physical locations in the United States (US) is a warehouse.

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All legal entities roll up to a financial consolidation company.



Current environment. Purchasing -

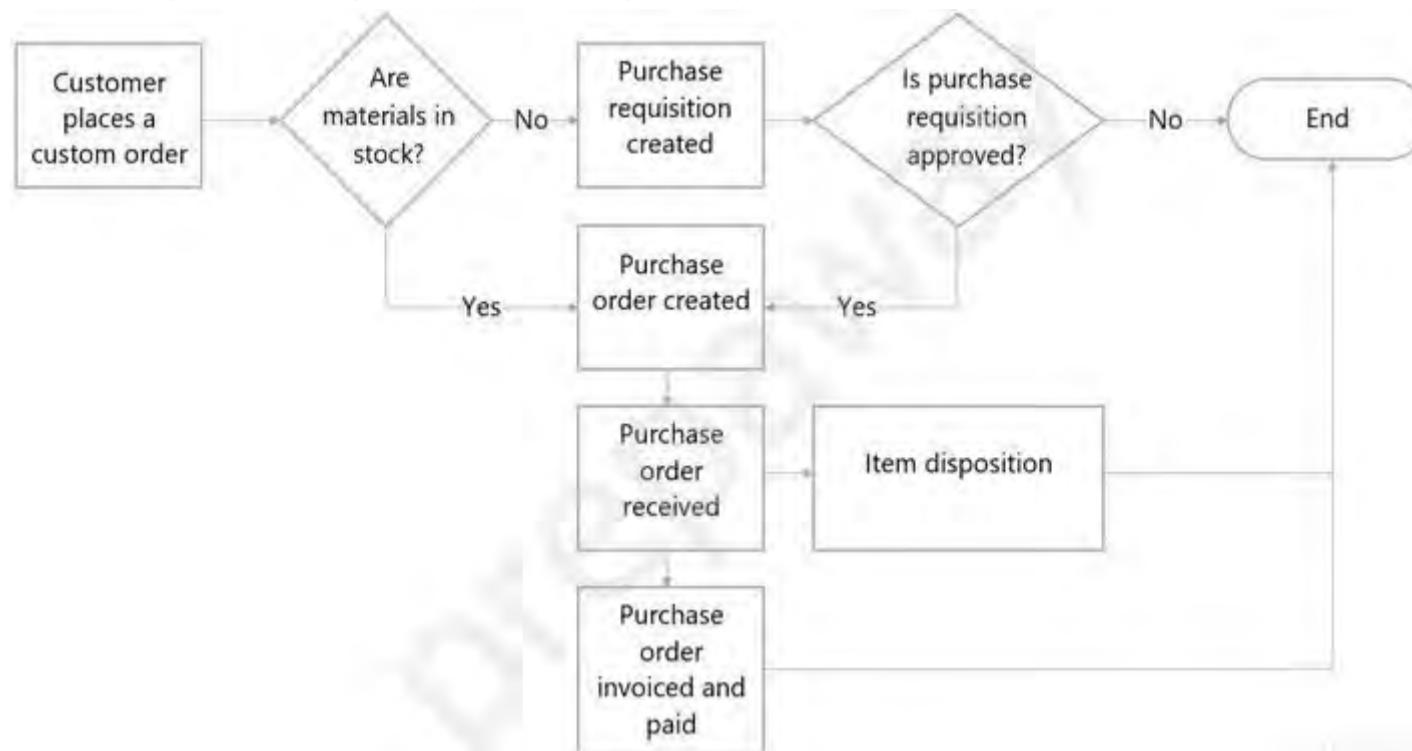
Higher quality tires that are used in new orders have become popular. Due to the volume of orders, the company wants to negotiate pricing with VendorC. The vendor agrees to a discounted price for 500 tires purchased within the next six months. Once the 500 tires have been purchased, the discount will be re-evaluated based on demand.

Once a purchase is approved, for audit purposes it cannot be changed.

Whenever possible, parts are purchased from vendors also within the EU. A purchase order was placed for a bike seat manufacturer in Italy. Parts for custom orders may not always be kept in stock and will need to be procured.

Current environment. Purchase requisitions

The following flow chart depicts the purchase requisition process:



Requirements. Purchasing -

Items for purchase requisitions are governed by each country. Each of the country-specific products will be grouped together for selection.

Purchase orders must follow the requisition process.

All existing purchase orders for brakes must account for the change to VendorB.

Requirements. Inventory -

Standard costs are based on purchase fluctuations within a single month.

Tires use floating zones due to limited warehouse space.

Requirements. Operations -

Due to recent brake failures, Adventure Works Cycles plans to purchase brakes from VendorB instead of VendorA. Although the brakes from Vendor B will continue to use the same item number as the brakes from VendorA, the price is slightly higher from VendorB. Adventure Works Cycles will pay list price from

VendorB. The order for VendorB needs approval and the usual approver for purchase requisitions is on vacation.

All brakes from VendorA that are in stock must be tested. The process for brake testing must be implemented for all inbound orders. Quality orders must be automatically created upon receipt of the first shipment against a purchase order only. Inventory stocking locations must be consolidated after the brakes are tested.

UserC needs to consolidate brake inventory after it has been cleared for sale.

Ordering of the new brakes order will incur an additional cost because it is a rush order.

Requirements. Custom orders -

Custom orders are placed for items that do not exist in the item master.

Hungary does not process custom orders.

The United States does process custom paint orders. Most custom paint colors are special order and require purchase requisitions.

Quotes must be obtained from a minimum of two suppliers per company policy and compared for the shipping, costs, and other variables. Quotes will not be selected based on lowest price only.

Issues -

A special order for 2.6 high-end tires is received. This item is no longer in stock from the current vendor.

Goods have been received in stock, but the matching invoice has not yet been received at the time of month close.

UserA needs to set up pricing for the items purchased from VendorC and ensure that accounting validates the receipt and invoice against the agreement.

UserB needs to send out a request for quotation (RFQ) for custom paint. The vendor will be selected based on pricing, volume discounts, and lead time.

Question

HOTSPOT -

Negotiations with the vendor are complete.

You need to set up the new price for tires.

What should you configure to meet the business requirements? To answer, select the appropriate options in the area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Setting	Value
Agreement type	
	Purchase
	Sales
	Trade
Date	
	Expiration date
	From date
	Start date
	To date

Answer Area

Setting	Value
Agreement type	
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Correct Answer:

Reference:
<https://docs.microsoft.com/en-us/dynamics365/supply-chain/procurement/purchase-agreements>

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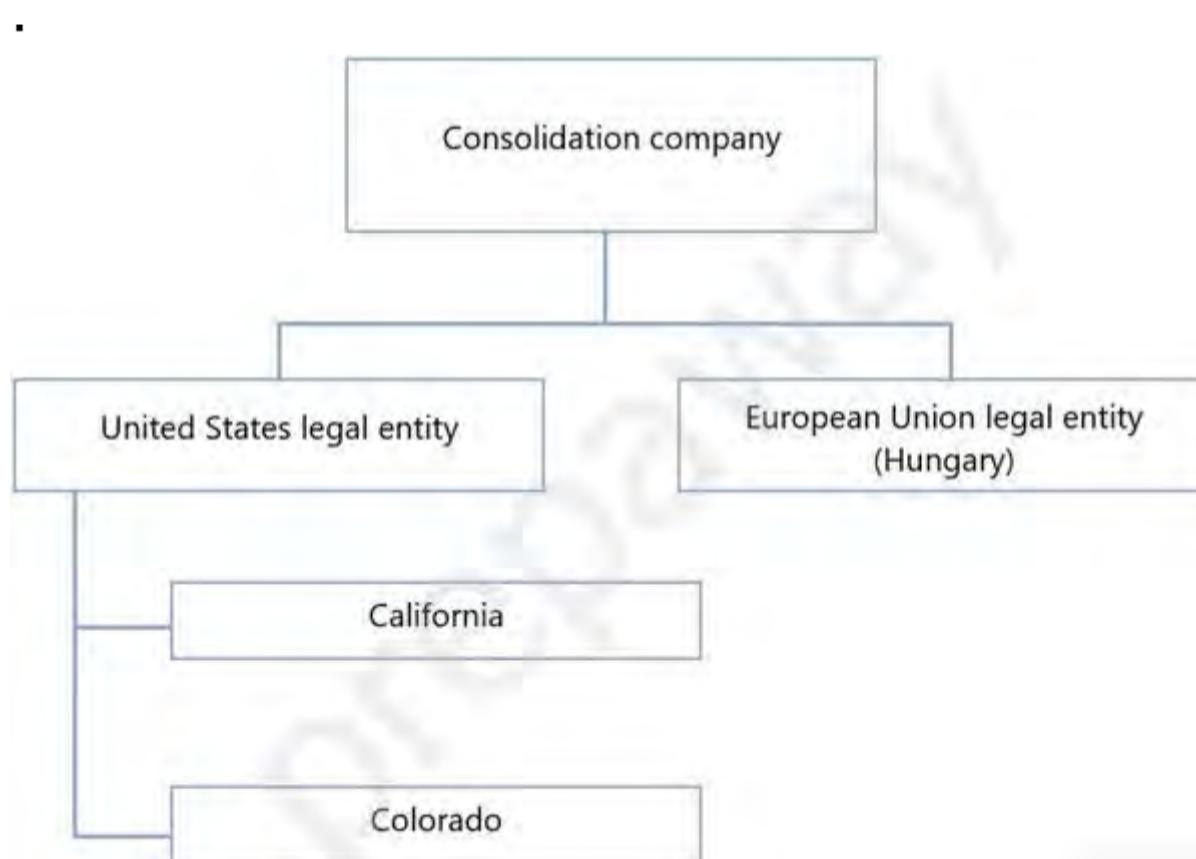
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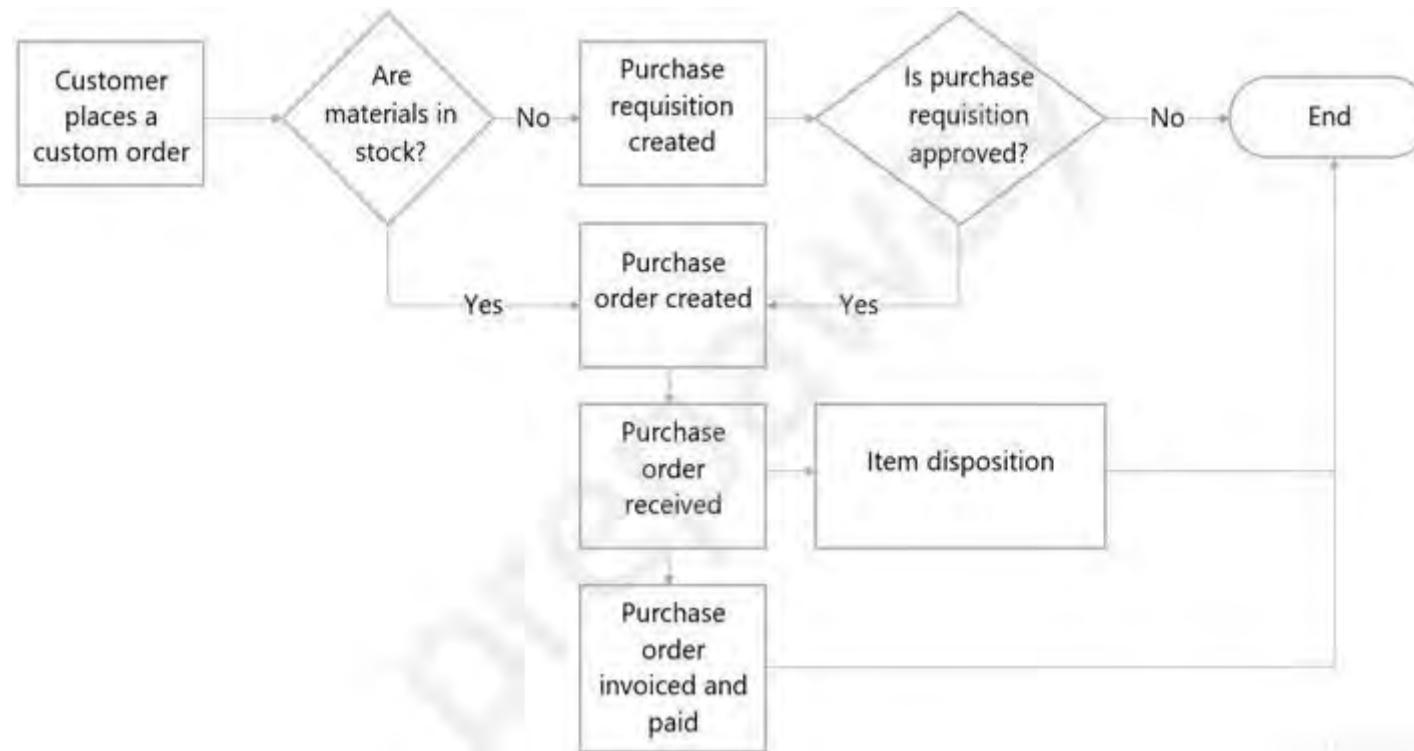
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Question

You need to set up the procurement category hierarchy in accordance with company policy.

What should you do?

- A. Add four nodes to the category hierarchy, one for US, one for Hungary, one for California, and one for Colorado.

- B. Create category hierarchy nodes per each country underneath the consolidated legal entity.
- C. Add three nodes to the category hierarchy, one for Hungary, one for California, and one for Colorado.
- D. Create a procurement category hierarchy and assign purchase policy per legal entity only.

Correct Answer: D

[Previous Questions](#)

[Next Questions](#)

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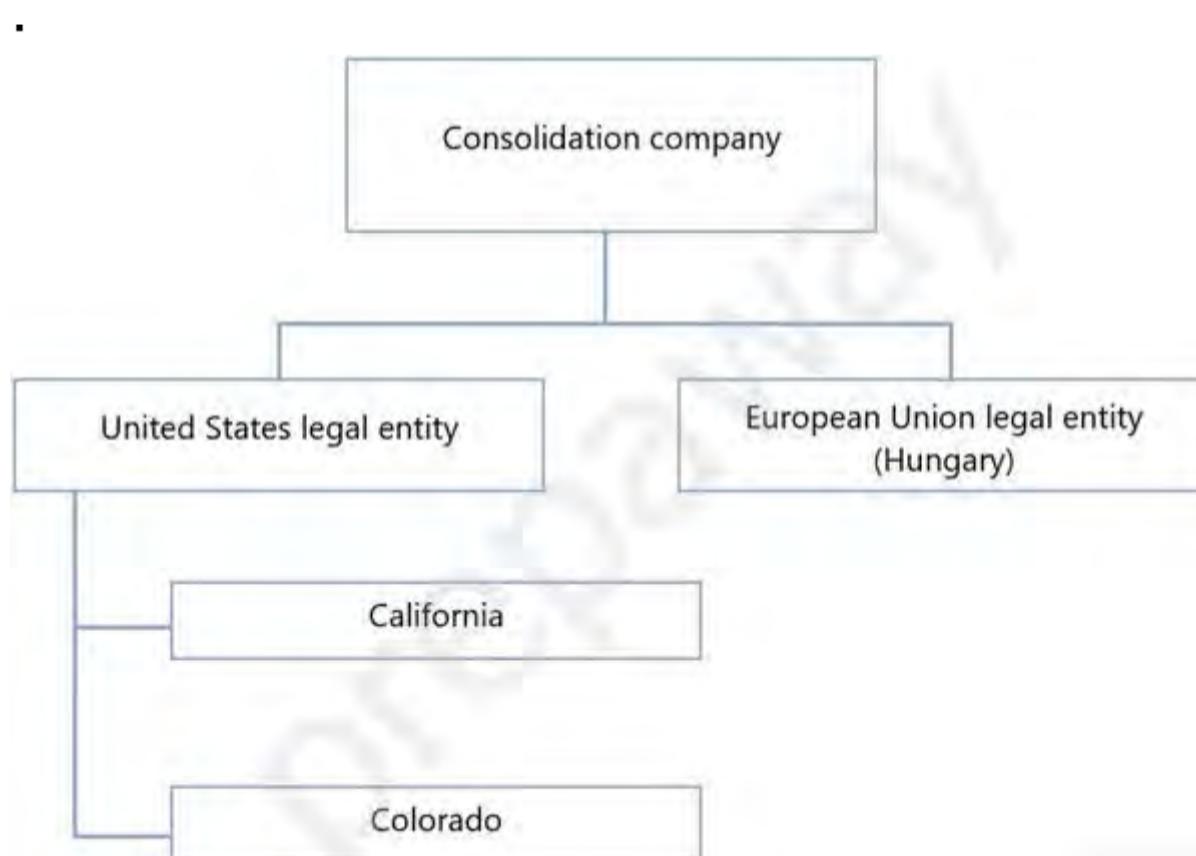
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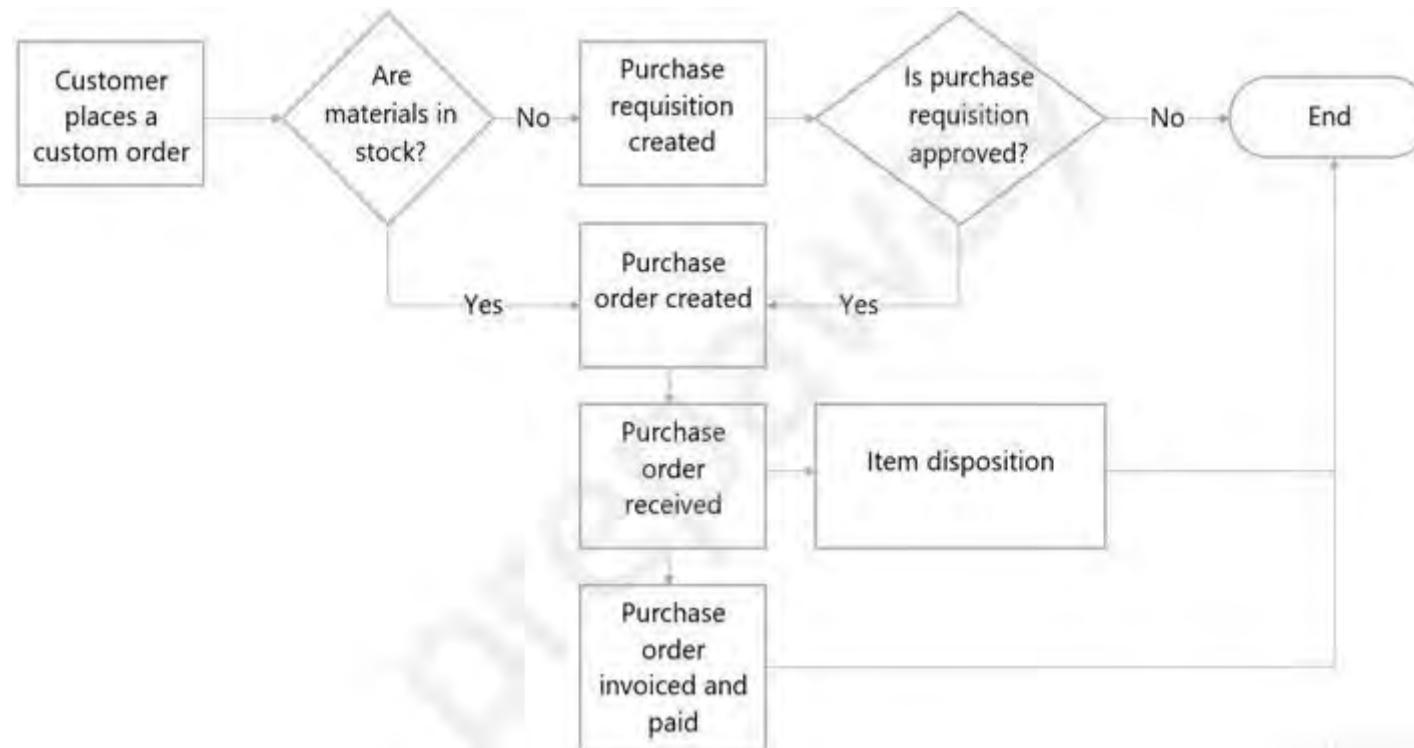
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Question

HOTSPOT -

You need to define the value of the brakes.

What should you set up? To answer, select the appropriate options in the area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Setting	Value				
Price	<table border="1"><tr><td>Default purchase price</td></tr><tr><td>Price group</td></tr><tr><td>Purchase agreement</td></tr><tr><td>Trade agreement</td></tr></table>	Default purchase price	Price group	Purchase agreement	Trade agreement
Default purchase price					
Price group					
Purchase agreement					
Trade agreement					
Purchase price variance	<table border="1"><tr><td>Active cost</td></tr><tr><td>Inventory close</td></tr><tr><td>Inventory recalculation</td></tr><tr><td>Movement Journal</td></tr></table>	Active cost	Inventory close	Inventory recalculation	Movement Journal
Active cost					
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Answer Area

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Active cost					
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Background -

Best for You Organics Company started as a home-based business. The founders began making handmade soaps and bath products in their kitchen. As sales increased, the business established a production facility and distribution center that supplies three retail stores. Soaps and bath products are manufactured in the production facility and are stocked in the warehouse for distribution to the retail stores. Employees at retail stores use mobile point of sale (MPOS) tablet devices to sell the products to customers.

The company structure is a single legal entity with two sites as shown in the diagram below:



Current environment -

Best for You Organics plans to introduce a new product line of face creams. Each product in the new line uses the same base ingredients but includes a different extract (for example, lime, avocado, kiwi). The marketing department is preparing to introduce the new product line. Minimal inventory will be held in the warehouse.

The company uses a cloud-based deployment of Dynamics 365 Supply Chain Management to manage finances for all company operations and locations. The company does not use Bill of Materials (BOM) versioning.

The production and warehouse facility is set up with the following organizational hierarchy:

User	Role
OpsManager	Operations manager
Employee1	Inventory control
StoreManager	Store manager
Employee2	Receiving clerk
Employee3	Shipping clerk
Employee4	Warehouse worker
Employee5	Production worker
Employee6	Store order clerk

External customers include:

CustomerA: a walk-in store customer (business-to-consumer)

CustomerB: a customer with an existing account (business-to-business)

External vendors include:

VendorA: a trucking company

VendorB: a raw materials supplier

Requirements. General -

The new product line must be set up in the system and readily available for sale when the company introduces the product line to the public at an upcoming trade show.

Requirements. Production -

You must configure the system to produce the new products:

Ensure that the warehouse stocks the minimum quantities of raw materials to produce the products.

Use a single version per item.

Implement FIFO inventory valuation methods.

Track raw and finished goods using different General ledger accounts.

Use a primary location to determine where to stock product in the warehouse.

Configure alternate locations in the warehouse to hold overstock products and refill the primary location as-needed.

Requirements. Shipments -

You identify the following requirements related to shipping:

Ship product to retail stores weekly.

Stores require a packing slip to check in merchandise. Drivers require transport documentation and charge per mile to the stores.

Shipments to Store1 must be scheduled for Monday, Wednesday, or Friday. Store1 will sometimes pick up their own deliveries when an order is small because they have their own van. Shipments to Store2 and Store3 must be scheduled for Tuesday or Thursday.

You must transmit Advance Shipping Notifications (ASN's) to the stores prior to deliveries.

Set up the system configuration to allow for store transfers.

Set up the system so that products may be shipped to the retail stores as bulk orders.

Set up the transport providers to deliver products from the warehouse to the retail stores.

Requirements. Reporting -

Once the new products are available in stores, review 30 days of historical sales data from day-to-day transactions will determine the reorder quantities.

Set up reporting to allow the product line to be costed and tracked independent of other items.

Requirements. Pricing and inventory

You identify the following requirements related to pricing and inventory:

Determine the quantity of the new products that can be produced and ready for sale within the first 90 days. Ensure that specialty packaging is on hand for retail sales. The packaging must be shipped directly to the stores from the vendor.

Stores must not inventory the packaging materials. Stores must maintain a 30-day supply of specialty packaging materials. Stores must reorder packaging materials as needed.

Retail store customers must pay full retail price. Resellers must receive a 10 percent discount off the list price.

Question

You need to set up financial components for the new items.

Which two actions should you perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Assign items to a FIFO item model group.
- B. Assign the raw materials to a standard cost item model group. Assign finished goods to a FIFO item model group.
- C. Create item model groups for raw materials and finished goods by using different ledger accounts. Assign items to these groups.
- D. Assign raw materials to a standard cost item group. Assign finished goods to a FIFO item group.
- E. Create item groups for raw materials and finished goods by using different ledger accounts. Assign items to these groups.

Correct Answer: AE

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Background -

Best for You Organics Company started as a home-based business. The founders began making handmade soaps and bath products in their kitchen. As sales increased, the business established a production facility and distribution center that supplies three retail stores.

Soaps and bath products are manufactured in the production facility and are stocked in the warehouse for distribution to the retail stores.

Employees at retail stores use mobile point of sale (MPOS) tablet devices to sell the products to customers.

The company structure is a single legal entity with two sites as shown in the diagram below:



Current environment -

Best for You Organics plans to introduce a new product line of face creams. Each product in the new line uses the same base ingredients but includes a different extract (for example, lime, avocado, kiwi). The marketing department is preparing to introduce the new product line. Minimal inventory will be held in the warehouse.

The company uses a cloud-based deployment of Dynamics 365 Supply Chain Management to manage finances for all company operations and locations. The company does not use Bill of Materials (BOM) versioning.

The production and warehouse facility is set up with the following organizational hierarchy:

User	Role
OpsManager	Operations manager
Employee1	Inventory control
StoreManager	Store manager
Employee2	Receiving clerk
Employee3	Shipping clerk
Employee4	Warehouse worker
Employee5	Production worker
Employee6	Store order clerk

External customers include:

CustomerA: a walk-in store customer (business-to-consumer)

CustomerB: a customer with an existing account (business-to-business)

External vendors include:

VendorA: a trucking company

VendorB: a raw materials supplier

Requirements. General -

The new product line must be set up in the system and readily available for sale when the company introduces the product line to the public at an upcoming trade show.

Requirements. Production -

You must configure the system to produce the new products:

Ensure that the warehouse stocks the minimum quantities of raw materials to produce the products.

Use a single version per item.

Implement FIFO inventory valuation methods.

Track raw and finished goods using different General ledger accounts.

Use a primary location to determine where to stock product in the warehouse.

Configure alternate locations in the warehouse to hold overstock products and refill the primary location as-needed.

Requirements. Shipments -

You identify the following requirements related to shipping:

Ship product to retail stores weekly.

Stores require a packing slip to check in merchandise. Drivers require transport documentation and charge per mile to the stores.

Shipments to Store1 must be scheduled for Monday, Wednesday, or Friday. Store1 will sometimes pick up their own deliveries when an order is small because they have their own van. Shipments to Store2 and Store3 must be scheduled for Tuesday or Thursday.

You must transmit Advance Shipping Notifications (ASN's) to the stores prior to deliveries.

Set up the system configuration to allow for store transfers.

Set up the system so that products may be shipped to the retail stores as bulk orders.

Set up the transport providers to deliver products from the warehouse to the retail stores.

Requirements. Reporting -

Once the new products are available in stores, review 30 days of historical sales data from day-to-day transactions will determine the reorder quantities.

Set up reporting to allow the product line to be costed and tracked independent of other items.

Requirements. Pricing and inventory

You identify the following requirements related to pricing and inventory:

Determine the quantity of the new products that can be produced and ready for sale within the first 90 days. Ensure that specialty packaging is on hand for retail sales. The packaging must be shipped directly to the stores from the vendor.

Stores must not inventory the packaging materials. Stores must maintain a 30-day supply of specialty packaging materials. Stores must reorder packaging materials as needed.

Retail store customers must pay full retail price. Resellers must receive a 10 percent discount off the list price.

Question

Employee1 needs to set up the new items for the product line.

Which two actions should Employee1 perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

A. Create new finished goods and release to the legal entity. Raw material products are not required for these items.

B. Create new finished goods with predefined variants and release to the legal entity.

C. Create new raw materials with variants and release to the legal entity.

D. Create new raw materials and release to the legal entity.

E. Create new finished goods and release to the legal entity.

Correct Answer: BD

Community vote distribution

DE (60%)

BD (40%)

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Retail store customers must pay full retail price. Resellers must receive a 10 percent discount off the list price.

Question

Employee1 must set up the new BOM.

Which three actions should Employee1 perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Create a new BOM for Store1, Store2, and Store3.
- B. Activate the BOM.
- C. Add the raw materials to the BOM and approve the BOM version.
- D. Add the raw materials to the BOM and approve it.
- E. Create a new BOM for Site1 only.

Correct Answer: BCE

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/production-control/bill-of-material-bom>

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Adventure Works Cycles is high-end bicycle manufacturer in North America. The company sells 40 standard models as well as 100 limited-edition models per year to boutique retailers domestically.

Adventure Works has had the most success with the limited-edition bicycles. These bicycles have high margins, high demand, and a strong following with the younger generation biking community.

Current environment -

Technology -

During a recent global pandemic, the sales of bicycles increased enormously. To support this growth, Adventure Works is going to invest in Dynamics 365 Supply

Chain Management to standardize and streamline operations. Operations are currently managed with a custom enterprise resource planning (ERP) system and

Microsoft Excel worksheets that address ERP product gaps.

Many processes are still maintained in Excel worksheets and then loaded into the ERP application.

Adventure Works wants to implement only those Dynamics 365 features that are areas of future investment for Microsoft, even if it means they implement fewer features.

Bicycles -

Bicycle models can either be standard or made in a limited-edition release.

Bicycles are built based on a single item number that can have different sizes and frame styles. The sizes are XS, S, M, L, and XL. The frame styles are Male,

Female, and Unisex.

The size and frame style combinations have different prices and barcodes.

All other bicycle properties are informational only.

Information-only properties do not have standardization or validation, which makes it easy to mistype data during product entry and difficult to identify mistakes.

Some limited-edition bicycles are not properly marked as limited edition in the current product management system due to the yes/no key indicator defaulting to no. This causes significant issues with item searching and reporting on the different bicycle models.

Limited-edition bicycles -

The most recent limited-edition models include integrated face mask holders and extra storage containers welded to the bicycle frame.

The bicycles are restricted to one purchase per retailer per week.

The bicycles are announced on social media and are available for sale to retailers on the same day they are announced.

Customers can buy the bicycles at retailers shortly after they are announced.

The bicycles are sometimes available only through charity auctions.

Sales -

Due to the global pandemic, it is difficult to keep products in stock. Retailers are buying as much inventory as possible each week.

Retailers email their sales to Adventure Works. The sales team in charge of each retailer manually enters the information into a shared Excel worksheet.

Retailers are required to submit one consolidated sales order by Wednesday every week so that the Adventure Works fulfillment team can organize and adjust sales order quantities based on availability.

Retailers are invoiced every three to five weeks. Adventure Works uses a manual process for invoicing. The increased volume of purchases makes it difficult to keep up with invoicing.

To accommodate the demand for the Adventure Works limited-edition bicycles, the sales team enters orders for these items for fulfillment as soon as they appear on the SKU list.

Retailers can sometimes bypass Adventure Works order restriction policy. When this happens, it creates additional work for the fulfillment team.

Outbound -

Finished bicycles are assigned a unique code to identify and track each bicycle.

Each bicycle that is picked for an outbound order is transferred to a quality control bench where it undergoes a 21-point mechanical inspection.

Bicycles that pass the mechanical inspection have their unique bicycle identification number recorded in the completed inspection list. The

number is also recorded in the shipping manifest for customers to be able to verify that the bicycle that was tested is the one that they received.

If a bicycle does not pass the mechanical inspection, the bicycle is moved to a quarantine location and another bicycle is picked and tested as a replacement for the order.

Inventory -

Replenishment is simple but manual. It is currently all handled in Excel.

Every bicycle part for each standard model has a line in an Excel worksheet.

Adventure Works wants each storage space in the warehouse to be filled to capacity with the current products.

The team knows how many bill of materials (BOM) items can fit in the spaces without overflowing.

BOM items that make up the bicycles have different storage capacities.

Adventure Works uses Excel worksheets to make decisions about planned orders by period based on the supply and demand for finished bicycles.

Wheels -

There are four types of wheels for all the bicycle models.

Customers often order a spare tire.

Wheels sometimes just disappear from the warehouse storage.

Adventure Works purchases wheels from only one manufacturer.

Master planning -

There is no formal master planning process.

Replenishment activities occur weekly.

Requirements -

Bicycles -

All BOM items used the manufacturing process must be configured as unique products in Dynamics 365 Supply Chain Management.

The following manufactured bicycles' properties must be configured in Dynamics 365 Supply Chain Management:

*

Size: XS, S, M, L, XL -

*

Frame style: Men, Women, Unisex -

*

Limited edition: [Blank], No, Yes

*

Year: 2010-2020 -

*

Manufacturer's note: Free form text up to 250 characters

*

Rear suspension travel: 130 millimeters, 150 millimeters

*

Full suspension: No, Yes -

Sales -

Limited-edition bicycles must be systematically restricted to one bicycle per sales order. Overrides must not be allowed.

Retailers must automatically be invoiced once a month in a consolidated invoice for all delivered sales orders.

Limited-edition model bicycles must not be allowed for inclusion on sales orders until the bicycles' official release date.

Outbound -

A bicycle's unique identification number must systematically be created as part of the standardized business process.

Bicycles must be pulled from a bin location in a First In, First Out (FIFO) inventory model and moved to a packing station.

Inventory -

Overflow of any bicycle parts in the warehouse must be prevented, except for wheels.

System-generated recommendations to adjust Adventure Works' on-hand stock of wheels based on historical trends must be provided.

BOM items must be replenished before they run out. There must always be quantity available on-hand.

The system must maintain all inventory requirements through automated processes.

Master planning (MRP)

The tool that replaces the Excel worksheet must be able to show the supply and demand for the product family of finished bicycles and BOMs by period in a single screen. This single form screen will also be used for general supply and demand inquiry only and not require intensive processing tasks. Inquiries to this form may result in non-system decisions and not with creating any planned orders.

The tool must allow for the creation of new planned production, sales, purchase, and transfer orders.

The MRP solution must have the best performance possible and allow for planned orders to be run in the middle of the day.

Planned orders that will not be firmed must not be changed. Adventure Works wants to be able to reference the planned orders later against any manual orders created until they feel more comfortable with the system.

Once Adventure Works is comfortable with the numbers that the system recommends, Adventure Works wants to implement a mechanism to fully automate the generation of orders.

Question

HOTSPOT -

You need to configure the bike properties based on the requirements.

Which configuration should you use for each requirement? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement	Configuration
Create the item	<div style="border: 1px solid black; padding: 5px; height: 150px;"><p>Product</p><p>Product master</p><p>Service product</p><p>BOM product</p></div>
Configure the size property	<div style="border: 1px solid black; padding: 5px; height: 150px;"><p>Inventory dimension</p><p>Product attribute</p><p>Financial dimension</p><p>Product categories</p></div>
Configure the year property	<div style="border: 1px solid black; padding: 5px; height: 150px;"><p>Inventory dimension</p><p>Product attribute</p><p>Financial dimension</p><p>Product categories</p></div>

Answer Area

Requirement	Configuration
Create the item	<div style="border: 1px solid black; padding: 5px; height: 150px;"><p>Product</p><p>Product master</p><p>Service product</p><p>BOM product</p></div>
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<https://docs.microsoft.com/en-us/dynamics365/supply-chain/pim/set-up-maintain-product-configuration-model>

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Current environment -

Technology -

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Question

HOTSPOT -

You need to ensure that a customer can verify that a bike they purchased has passed the 21-point inspection.

Which configurations should you use? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Action

Configuration

Link each unique bicycle to the 21-point inspection document

	▼
Product dimensions	
Product attributes	
Tracking dimensions	
Product variant	

Collect the unique identification number in the sales process

	▼
Packing	
Invoicing	
Confirmation	

Correct Answer:

Answer Area

Action

Link each unique bicycle to the 21-point inspection document

Configuration

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Product attributes	
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Information-only properties do not have standardization or validation, which makes it easy to mistype data during product entry and difficult to identify mistakes.

Some limited-edition bicycles are not properly marked as limited edition in the current product management system due to the yes/no key indicator defaulting to no. This causes significant issues with item searching and reporting on the different bicycle models.

Limited-edition bicycles -

The most recent limited-edition models include integrated face mask holders and extra storage containers welded to the bicycle frame.

The bicycles are restricted to one purchase per retailer per week.

The bicycles are announced on social media and are available for sale to retailers on the same day they are announced.

Customers can buy the bicycles at retailers shortly after they are announced.

The bicycles are sometimes available only through charity auctions.

Sales -

Due to the global pandemic, it is difficult to keep products in stock. Retailers are buying as much inventory as possible each week. Retailers email their sales to Adventure Works. The sales team in charge of each retailer manually enters the information into a shared Excel worksheet.

Retailers are required to submit one consolidated sales order by Wednesday every week so that the Adventure Works fulfillment team can organize and adjust sales order quantities based on availability.

Retailers are invoiced every three to five weeks. Adventure Works uses a manual process for invoicing. The increased volume of purchases makes it difficult to keep up with invoicing.

To accommodate the demand for the Adventure Works limited-edition bicycles, the sales team enters orders for these items for fulfillment as soon as they appear on the SKU list.

Retailers can sometimes bypass Adventure Works order restriction policy. When this happens, it creates additional work for the fulfillment team.

Outbound -

Finished bicycles are assigned a unique code to identify and track each bicycle. Each bicycle that is picked for an outbound order is transferred to a quality control bench where it undergoes a 21-point mechanical inspection. Bicycles that pass the mechanical inspection have their unique bicycle identification number recorded in the completed inspection list. The number is also recorded in the shipping manifest for customers to be able to verify that the bicycle that was tested is the one that they received. If a bicycle does not pass the mechanical inspection, the bicycle is moved to a quarantine location and another bicycle is picked and tested as a replacement for the order.

Inventory -

Replenishment is simple but manual. It is currently all handled in Excel. Every bicycle part for each standard model has a line in an Excel worksheet. Adventure Works wants each storage space in the warehouse to be filled to capacity with the current products. The team knows how many bill of materials (BOM) items can fit in the spaces without overflowing. BOM items that make up the bicycles have different storage capacities. Adventure Works uses Excel worksheets to make decisions about planned orders by period based on the supply and demand for finished bicycles.

Wheels -

There are four types of wheels for all the bicycle models. Customers often order a spare tire. Wheels sometimes just disappear from the warehouse storage. Adventure Works purchases wheels from only one manufacturer.

Master planning -

There is no formal master planning process. Replenishment activities occur weekly.

Requirements -

Bicycles -

All BOM items used the manufacturing process must be configured as unique products in Dynamics 365 Supply Chain Management. The following manufactured bicycles' properties must be configured in Dynamics 365 Supply Chain Management:

*

Size: XS, S, M, L, XL -

*

Frame style: Men, Women, Unisex -

*

Limited edition: [Blank], No, Yes

*

Year: 2010-2020 -

*

Manufacturer's note: Free form text up to 250 characters

*

Rear suspension travel: 130 millimeters, 150 millimeters

*

Full suspension: No, Yes -

Sales -

Limited-edition bicycles must be systematically restricted to one bicycle per sales order. Overrides must not be allowed.

Retailers must automatically be invoiced once a month in a consolidated invoice for all delivered sales orders.

Limited-edition model bicycles must not be allowed for inclusion on sales orders until the bicycles' official release date.

Outbound -

A bicycle's unique identification number must systematically be created as part of the standardized business process.

Bicycles must be pulled from a bin location in a First In, First Out (FIFO) inventory model and moved to a packing station.

Inventory -

Overflow of any bicycle parts in the warehouse must be prevented, except for wheels.

System-generated recommendations to adjust Adventure Works' on-hand stock of wheels based on historical trends must be provided.

BOM items must be replenished before they run out. There must always be quantity available on-hand.

The system must maintain all inventory requirements through automated processes.

Master planning (MRP)

The tool that replaces the Excel worksheet must be able to show the supply and demand for the product family of finished bicycles and BOMs by period in a single screen. This single form screen will also be used for general supply and demand inquiry only and not require intensive processing tasks. Inquiries to this form may result in non-system decisions and not with creating any planned orders.

The tool must allow for the creation of new planned production, sales, purchase, and transfer orders.

The MRP solution must have the best performance possible and allow for planned orders to be run in the middle of the day.

Planned orders that will not be firmed must not be changed. Adventure Works wants to be able to reference the planned orders later against any manual orders created until they feel more comfortable with the system.

Once Adventure Works is comfortable with the numbers that the system recommends, Adventure Works wants to implement a mechanism to fully automate the generation of orders.

Question

You need to configure the limited-edition bicycle to meet the requirement for the official release date.

Where should you configure this?

- A. Released product
- B. Sales price trade agreement
- C. Product lifecycle state
- D. Default order settings

Correct Answer: A

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/pim/product-information>

Community vote distribution

C (100%)

Introductory Info

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Background -

Adventure Works Cycles is high-end bicycle manufacturer in North America. The company sells 40 standard models as well as 100 limited-edition models per year to boutique retailers domestically.

Adventure Works has had the most success with the limited-edition bicycles. These bicycles have high margins, high demand, and a strong following with the younger generation biking community.

Current environment -

Technology -

During a recent global pandemic, the sales of bicycles increased enormously. To support this growth, Adventure Works is going to invest in Dynamics 365 Supply

Chain Management to standardize and streamline operations. Operations are currently managed with a custom enterprise resource planning (ERP) system and

Microsoft Excel worksheets that address ERP product gaps.

Many processes are still maintained in Excel worksheets and then loaded into the ERP application.

Adventure Works wants to implement only those Dynamics 365 features that are areas of future investment for Microsoft, even if it means they implement fewer features.

Bicycles -

Bicycle models can either be standard or made in a limited-edition release.

Bicycles are built based on a single item number that can have different sizes and frame styles. The sizes are XS, S, M, L, and XL. The frame styles are Male,

Female, and Unisex.

The size and frame style combinations have different prices and barcodes.

All other bicycle properties are informational only.

Information-only properties do not have standardization or validation, which makes it easy to mistype data during product entry and difficult to identify mistakes.

Some limited-edition bicycles are not properly marked as limited edition in the current product management system due to the yes/no key indicator defaulting to no. This causes significant issues with item searching and reporting on the different bicycle models.

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Once Adventure Works is comfortable with the numbers that the system recommends, Adventure Works wants to implement a mechanism to fully automate the generation of orders.

Question

HOTSPOT -

You need to configure a product attribute to indicate whether a product is a limited edition.

Which configuration should you use for each attribute. To answer, select the appropriate option in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Attribute Configuration

Type

	▼
Boolean	
Text	
Integer	

Values

	▼
Fixed list	
Value range	
Boolean	
Reference	

Answer Area

Attribute

Configuration

Type

	▼
Boolean	
Text	
Integer	

Correct Answer:

Values

	▼
Fixed list	
Value range	
Boolean	
Reference	

Reference:

<https://dynamics-tips.com/enable-product-attributes-d365-finance-and-operations/>

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Background -

Best for You Organics Company started as a home-based business. The founders began making handmade soaps and bath products in their kitchen. As sales increased, the business established a production facility and distribution center that supplies three retail stores. Soaps and bath products are manufactured in the production facility and are stocked in the warehouse for distribution to the retail stores. Employees at retail stores use mobile point of sale (MPOS) tablet devices to sell the products to customers.

The company structure is a single legal entity with two sites as shown in the diagram below:



Current environment -

Best for You Organics plans to introduce a new product line of face creams. Each product in the new line uses the same base ingredients but includes a different extract (for example, lime, avocado, kiwi). The marketing department is preparing to introduce the new product line. Minimal inventory will be held in the warehouse.

The company uses a cloud-based deployment of Dynamics 365 Supply Chain Management to manage finances for all company operations and locations. The company does not use Bill of Materials (BOM) versioning.

The production and warehouse facility is set up with the following organizational hierarchy:

User	Role
OpsManager	Operations manager
Employee1	Inventory control
StoreManager	Store manager
Employee2	Receiving clerk
Employee3	Shipping clerk
Employee4	Warehouse worker
Employee5	Production worker
Employee6	Store order clerk

External customers include:

CustomerA: a walk-in store customer (business-to-consumer)

CustomerB: a customer with an existing account (business-to-business)

External vendors include:

VendorA: a trucking company

VendorB: a raw materials supplier

Requirements. General -

The new product line must be set up in the system and readily available for sale when the company introduces the product line to the public at an upcoming trade show.

Requirements. Production -

You must configure the system to produce the new products:

Ensure that the warehouse stocks the minimum quantities of raw materials to produce the products.

Use a single version per item.

Implement FIFO inventory valuation methods.

Track raw and finished goods using different General ledger accounts.

Use a primary location to determine where to stock product in the warehouse.

Configure alternate locations in the warehouse to hold overstock products and refill the primary location as-needed.

Requirements. Shipments -

You identify the following requirements related to shipping:

Ship product to retail stores weekly.

Stores require a packing slip to check in merchandise. Drivers require transport documentation and charge per mile to the stores.

Shipments to Store1 must be scheduled for Monday, Wednesday, or Friday. Store1 will sometimes pick up their own deliveries when an order is small because they have their own van. Shipments to Store2 and Store3 must be scheduled for Tuesday or Thursday.

You must transmit Advance Shipping Notifications (ASN's) to the stores prior to deliveries.

Set up the system configuration to allow for store transfers.

Set up the system so that products may be shipped to the retail stores as bulk orders.

Set up the transport providers to deliver products from the warehouse to the retail stores.

Requirements. Reporting -

Once the new products are available in stores, review 30 days of historical sales data from day-to-day transactions will determine the reorder quantities.

Set up reporting to allow the product line to be costed and tracked independent of other items.

Requirements. Pricing and inventory

You identify the following requirements related to pricing and inventory:

Determine the quantity of the new products that can be produced and ready for sale within the first 90 days. Ensure that specialty packaging is on hand for retail sales. The packaging must be shipped directly to the stores from the vendor.

Stores must not inventory the packaging materials. Stores must maintain a 30-day supply of specialty packaging materials. Stores must reorder packaging materials as needed.

Retail store customers must pay full retail price. Resellers must receive a 10 percent discount off the list price.

Question

You need to configure inventory levels for the retail stores.

Which two actions should you perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Enter a manual forecast for the initial stock levels at the retail stores.
- B. After the first month of face mask sales, look at the warehouse sales orders for the past 30 days to generate a demand forecast.
- C. After the first month of face mask sales, review store sales for the past 30 days to generate a demand forecast.
- D. After the first month of face mask sales, create a forecast for the warehouse and a second forecast for the retail stores.
- E. After the first month of face mask sales, create a manual forecast for the warehouse and automatically generate a demand forecast for the stores.

Correct Answer: AC

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Background -

Wide World Importers is a distribution company whose primary customers are small boutique shops which sell globally-sourced products including unique or hand-crafted items such as perfumes and ceramicware. Through the Wide World Importers sales cycle, the commission-based sales team identifies opportunities and negotiates with shops by using a quoting process. The products may or may not already exist in the company's current product list.

The company has the following divisions and areas of responsibility:

Division	Responsibilities
Sales	Source customers, generate quotes
Inventory	Create products and associated setups, manage costing
Compliance	Define testing, set up regulatory requirements
Customer Service	Create and manage orders

Current environment -

Wide World Importers use Dynamics 365 Finance and Dynamics 365 Supply Chain Management. There is a single legal entity.

The primary distribution center for the company is located in Las Vegas, Nevada, USA. There is an additional warehouse in California which receives imported goods from container ships. When goods are received in California, the goods are transferred to Nevada for distribution. No orders are shipped directly from

California.

Requirements. Sales -

The company has two teams of sales representatives: East and West. Each team has one representative for each of the following categories of goods: perfumes, ceramicware, and all other goods. Sales representatives are paid commissions based on sales. Commissions must be paid based on the home office location for customers. For example, commission for a customer that is headquartered in the Western United States is paid to the West group of sales representatives.

Sales representatives are responsible for driving new business. Company executives must be able to see metrics that define the companies that the sales representatives are targeting, where there is potential to do business, and where quotes are being generated. Customer records must not be created until a sale is confirmed.

The sales team quoted a new perfume for a customer named Customer1. The customer has shipping locations in the following regions: United States, Austria, and Japan. Sales must only be made to the US and Japan due to product ingredients. Automated checks must be put into place so that users do not have to remember to select the correct item.

Requirements. Testing -

The company periodically performs testing on ceramicware as it is received to determine whether the products contain lead. The company labels and markets ceramicware as Lead Free or Not for food use. Perfumes may contain restricted ingredients that cannot be sold to customers in the European Union. The company performs testing on perfumes and has processes to ensure that perfumes containing restricted ingredients are not sold to customers in Europe.

Ten percent of all ceramicware items received must be tested for lead. The process for managing testing must be automated. There must be tolerances setup that define the acceptable amount of lead levels in a product.

Requirements. Inventory management

The inventory team must control costing of items by using FIFO principles. The finance team must be able to see updated FIFO adjustments throughout the month but will only settle FIFO for month-end reporting.

Inventory close must be run at the end of each month. A report must be provided to the finance team that includes the physical quantities and inventory value for items, with totals at the bottom. The warehouse team needs a similar report but does not want the inventory value included. During inventory close, some items cannot be fully costed because the issue cannot be settled against the receipt. The finance team must know which items were excluded.

Other inventory requirements -

Inventory must be reserved against physical inventory.

Items must be grouped so that the inventory costing can be posted to the ledger by using the following groups: perfumes, ceramicware, other goods.

All goods are

FIFO. Financial reports must be grouped by these three categories, even though transactions from all categories post to the same ledger accounts.

Wide World Importers plans to import a specific type of pottery from a local company in Mexico that handmakes the goods. The pottery must be available in orange or red colors. The cost is the same regardless of the color selection.

A new line of perfumes is being introduced. The procurement team must be able to identify which perfumes are men's or women's fragrances, and must be able to further categorize perfumes as Perfume, Eau de Perfume, Eau de Toilette, Eau de Cologne, or Eau Fraiche.

You must set up a structure of products for classifying each item for purchase, sales, and reporting analysis.

Issue -

Customer service representatives report that some inventory shows as ordered reserved when the ordered reserved parameter is turned off.

An item that is typically carried is out of stock. A customer named Customer2 wants to place a special rush order for the item. This will result in a significantly increased cost from the supplier. The finance team does not want to have this special order affect the FIFO tiers.

Question

DRAG DROP -

You need to configure the system to meet the inventory team cost control requirement.

Which processes should you run? To answer, drag the appropriate processes to the correct requirements. Each process may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Processes	Answer Area
Inventory Aging Report	
Inventory Close	Daily Process
Inventory Recalculation	Monthly
Reverse Close	

Processes	Answer Area
Inventory Aging Report	
Correct Answer:	Daily Process
	Inventory Recalculation
	Inventory Close
Reverse Close	

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Question

HOTSPOT -

You need to configure the inventory reports.

Which configuration settings should you use? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement

Configure the system to support the reports for the inventory control and warehouse teams.

Report option

Report ID
Resource ID
Detail Level
Inventory

Enable totals for the inventory close report.

Disable Summarize Print Totals
Enable Summarize and Print Totals
Inventory
Resource Group

Correct Answer:

Answer Area

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Resource Group

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Background -

Wide World Importers is a distribution company whose primary customers are small boutique shops which sell globally-sourced products including unique or hand-crafted items such as perfumes and ceramicware. Through the Wide World Importers sales cycle, the commission-based sales team identifies opportunities and negotiates with shops by using a quoting process. The products may or may not already exist in the company's current product list.

The company has the following divisions and areas of responsibility:

Division	Responsibilities
Sales	Source customers, generate quotes
Inventory	Create products and associated setups, manage costing
Compliance	Define testing, set up regulatory requirements
Customer service	Create and manage orders

Current environment -

Wide World Importers use Dynamics 365 Finance and Dynamics 365 Supply Chain Management. There is a single legal entity.

The primary distribution center for the company is located in Las Vegas, Nevada, USA. There is an additional warehouse in California which receives imported goods from container ships. When goods are received in California, the goods are transferred to Nevada for distribution. No orders are shipped directly from

California.

Requirements. Sales -

The company has two teams of sales representatives: East and West. Each team has one representative for each of the following categories of goods: perfumes, ceramicware, and all other goods. Sales representatives are paid commissions based on sales. Commissions must be paid based on the home office location for customers. For example, commission for a customer that is headquartered in the Western United States is paid to the West group of sales representatives.

Sales representatives are responsible for driving new business. Company executives must be able to see metrics that define the companies that the sales representatives are targeting, where there is potential to do business, and where quotes are being generated. Customer records must not be created until a sale is confirmed.

The sales team quoted a new perfume for a customer named Customer1. The customer has shipping locations in the following regions: United States, Austria, and Japan. Sales must only be made to the US and Japan due to product ingredients. Automated checks must be put into place so that users do not have to remember to select the correct item.

Requirements. Testing -

The company periodically performs testing on ceramicware as it is received to determine whether the products contain lead. The company labels and markets ceramicware as Lead Free or Not for food use. Perfumes may contain restricted ingredients that cannot be sold to customers in the European Union. The company performs testing on perfumes and has processes to ensure that perfumes containing restricted ingredients are not sold to customers in Europe.

Ten percent of all ceramicware items received must be tested for lead. The process for managing testing must be automated. There must be tolerances setup that define the acceptable amount of lead levels in a product.

Requirements. Inventory management

The inventory team must control costing of items by using FIFO principles. The finance team must be able to see updated FIFO adjustments

throughout the month but will only settle FIFO for month-end reporting.

Inventory close must be run at the end of each month. A report must be provided to the finance team that includes the physical quantities and inventory value for items, with totals at the bottom. The warehouse team needs a similar report but does not want the inventory value included. During inventory close, some items cannot be fully costed because the issue cannot be settled against the receipt. The finance team must know which items were excluded.

Other inventory requirements -

Inventory must be reserved against physical inventory.

Items must be grouped so that the inventory costing can be posted to the ledger by using the following groups: perfumes, ceramicware, other goods.

All goods are

FIFO. Financial reports must be grouped by these three categories, even though transactions from all categories post to the same ledger accounts.

Wide World Importers plans to import a specific type of pottery from a local company in Mexico that handmakes the goods. The pottery must be available in orange or red colors. The cost is the same regardless of the color selection.

A new line of perfumes is being introduced. The procurement team must be able to identify which perfumes are men's or women's fragrances, and must be able to further categorize perfumes as Perfume, Eau de Perfume, Eau de Toilette, Eau de Cologne, or Eau Fraiche.

You must set up a structure of products for classifying each item for purchase, sales, and reporting analysis.

Issue -

Customer service representatives report that some inventory shows as ordered reserved when the ordered reserved parameter is turned off.

An item that is typically carried is out of stock. A customer named Customer2 wants to place a special rush order for the item. This will result in a significantly increased cost from the supplier. The finance team does not want to have this special order affect the FIFO tiers.

Question

HOTSPOT -

You need to configure settlement reports for the finance team.

Which processes should you use? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement

Process

Identify Items that are not fully settled.

▼
Print Inventory Close Log
Run Recalculation
Print Inventory Valuation Report
Post Purchase Registrations

Reconcile differences between the expected and actual inventory values.

▼
Post Purchase Invoices
Post Purchase Registrations
Post Sales Picking Lists
Post inventory adjustments

Correct Answer:

Answer Area

Requirement

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Identify Items that are not fully settled.

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Sales representatives are responsible for driving new business. Company executives must be able to see metrics that define the companies that the sales representatives are targeting, where there is potential to do business, and where quotes are being generated. Customer records must not be created until a sale is confirmed.

The sales team quoted a new perfume for a customer named Customer1. The customer has shipping locations in the following regions: United States, Austria, and Japan. Sales must only be made to the US and Japan due to product ingredients. Automated checks must be put into place so that users do not have to remember to select the correct item.

Requirements. Testing -

The company periodically performs testing on ceramicware as it is received to determine whether the products contain lead. The company labels and markets ceramicware as Lead Free or Not for food use. Perfumes may contain restricted ingredients that cannot be sold to customers in the European Union. The company performs testing on perfumes and has processes to ensure that perfumes containing restricted ingredients are not sold to customers in Europe.

Ten percent of all ceramicware items received must be tested for lead. The process for managing testing must be automated. There must be tolerances setup that define the acceptable amount of lead levels in a product.

Requirements. Inventory management

The inventory team must control costing of items by using FIFO principles. The finance team must be able to see updated FIFO adjustments

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Question

You need to identify the cause for the inventory issue reported by customer service representatives.

What is the root cause?

- A. Run inventory close process.
- B. Ordered reserved box should be checked, this will disable quantities.
- C. Turn on automatic reservation.
- D. Ordered reserved quantity is due to marking.
- E. Turn off automatic reservation.

Correct Answer: D

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Question

HOTSPOT -

You need to configure the system to meet the item testing requirements.

How should you configure the system? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Configuration	Value
Event type	<div style="border: 1px solid black; padding: 5px; width: fit-content;"><p>▼</p><p>Product Receipt</p><p>Report as Finished</p><p>Registration</p><p>Ended</p></div>
Quality specification	<div style="border: 1px solid black; padding: 5px; width: fit-content;"><p>▼</p><p>10 percent</p><p>Fixed Quantity of 10</p><p>Fixed Quantity of 90</p><p>90 percent</p></div>

Answer Area

Correct Answer:

Configuration	Value					
Event type	<table border="1"><tr><td>▼</td></tr><tr><td>Product Receipt</td></tr><tr><td>Report as Finished</td></tr><tr><td>Registration</td></tr><tr><td>Ended</td></tr></table>	▼	Product Receipt	Report as Finished	Registration	Ended
▼						
Product Receipt						
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Ended						
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▼						
10 percent						
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Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/enable-quality-management>

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Background -

Adventure Works Cycles builds stock and custom mountain bikes and is headquartered in San Diego. It has the following assembly and warehouse locations:

Denver, Colorado, United States

San Diego, California, United States

Budapest, Hungary

Most manufacturing is outsourced, with each facility only assembling the bikes. Parts are stocked at all facilities and may be transferred between warehouses or legal entities. All of the parts are at standard cost.

Current environment. Organizational structure

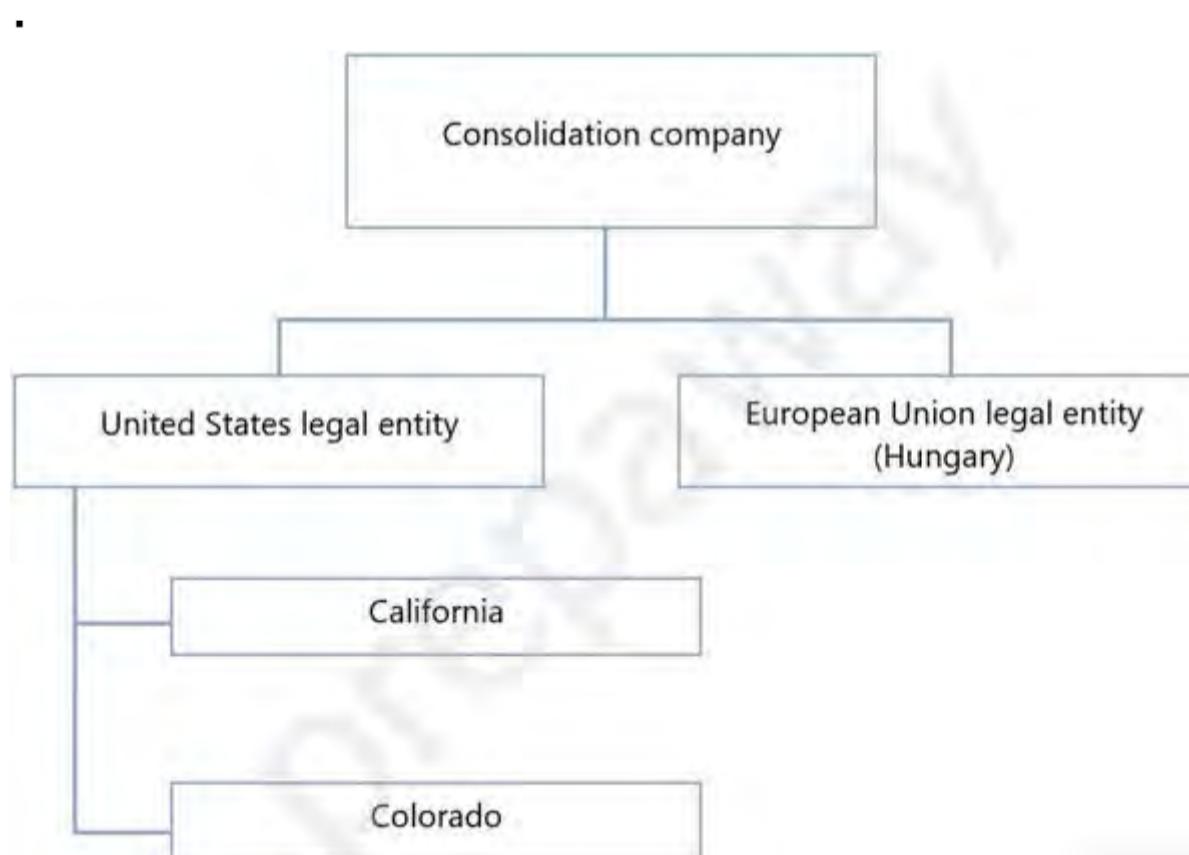
The following diagram shows the structure of Adventure Works Cycles.

Each of the physical locations in the United States (US) is a warehouse.

Hungary assembles and distributes products to the rest of the European Union (EU).

The EU legal entity is expected to add additional warehouse locations.

All legal entities roll up to a financial consolidation company.



Current environment. Purchasing -

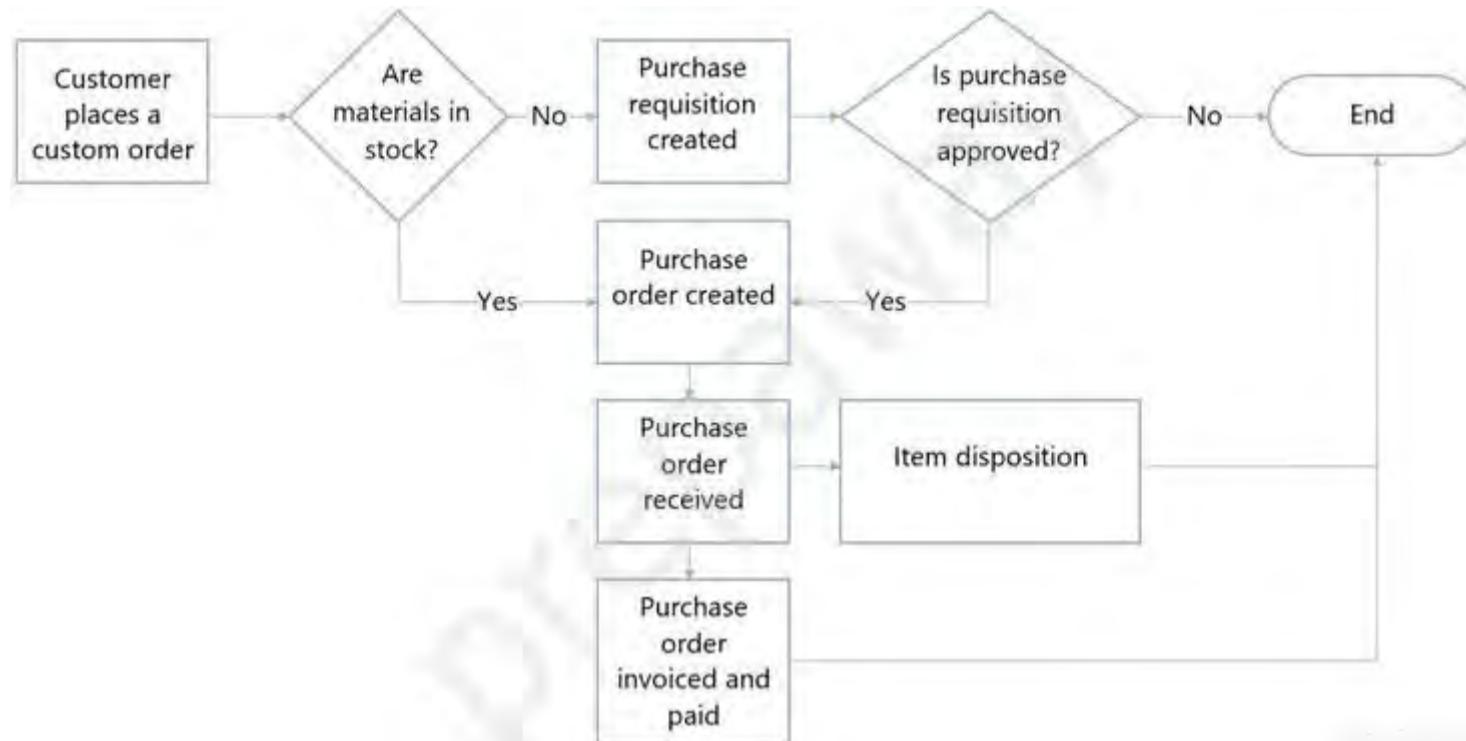
Higher quality tires that are used in new orders have become popular. Due to the volume of orders, the company wants to negotiate pricing with VendorC. The vendor agrees to a discounted price for 500 tires purchased within the next six months. Once the 500 tires have been purchased, the discount will be re-evaluated based on demand.

Once a purchase is approved, for audit purposes it cannot be changed.

Whenever possible, parts are purchased from vendors also within the EU. A purchase order was placed for a bike seat manufacturer in Italy. Parts for custom orders may not always be kept in stock and will need to be procured.

Current environment. Purchase requisitions

The following flow chart depicts the purchase requisition process:



Requirements. Purchasing -

Items for purchase requisitions are governed by each country. Each of the country-specific products will be grouped together for selection.

Purchase orders must follow the requisition process.

All existing purchase orders for brakes must account for the change to VendorB.

Requirements. Inventory -

Standard costs are based on purchase fluctuations within a single month.

Tires use floating zones due to limited warehouse space.

Requirements. Operations -

Due to recent brake failures, Adventure Works Cycles plans to purchase brakes from VendorB instead of VendorA. Although the brakes from Vendor B will continue to use the same item number as the brakes from VendorA, the price is slightly higher from VendorB. Adventure Works Cycles will pay list price from VendorB. The order for VendorB needs approval and the usual approver for purchase requisitions is on vacation.

All brakes from VendorA that are in stock must be tested. The process for brake testing must be implemented for all inbound orders. Quality orders must be automatically created upon receipt of the first shipment against a purchase order only. Inventory stocking locations must be consolidated after the brakes are tested.

UserC needs to consolidate brake inventory after it has been cleared for sale.

Ordering of the new brakes order will incur an additional cost because it is a rush order.

Requirements. Custom orders -

Custom orders are placed for items that do not exist in the item master.

Hungary does not process custom orders.

The United States does process custom paint orders. Most custom paint colors are special order and require purchase requisitions.

Quotes must be obtained from a minimum of two suppliers per company policy and compared for the shipping, costs, and other variables. Quotes will not be selected based on lowest price only.

Issues -

A special order for 2.6 high-end tires is received. This item is no longer in stock from the current vendor.

Goods have been received in stock, but the matching invoice has not yet been received at the time of month close.

UserA needs to set up pricing for the items purchased from VendorC and ensure that accounting validates the receipt and invoice against the agreement.

UserB needs to send out a request for quotation (RFQ) for custom paint. The vendor will be selected based on pricing, volume discounts, and lead time.

Question

You need to segregate inventory for the brakes that are in inventory.

Which two actions should you perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

A. Assign a blocked status to the inbound purchase order from VendorA.

B. Create a disposition code.

C. Set default inventory status on the item.

D. Assign an item filter code.

E. Assign a blocked status to the inbound purchase order from VendorB.

Correct Answer: AD

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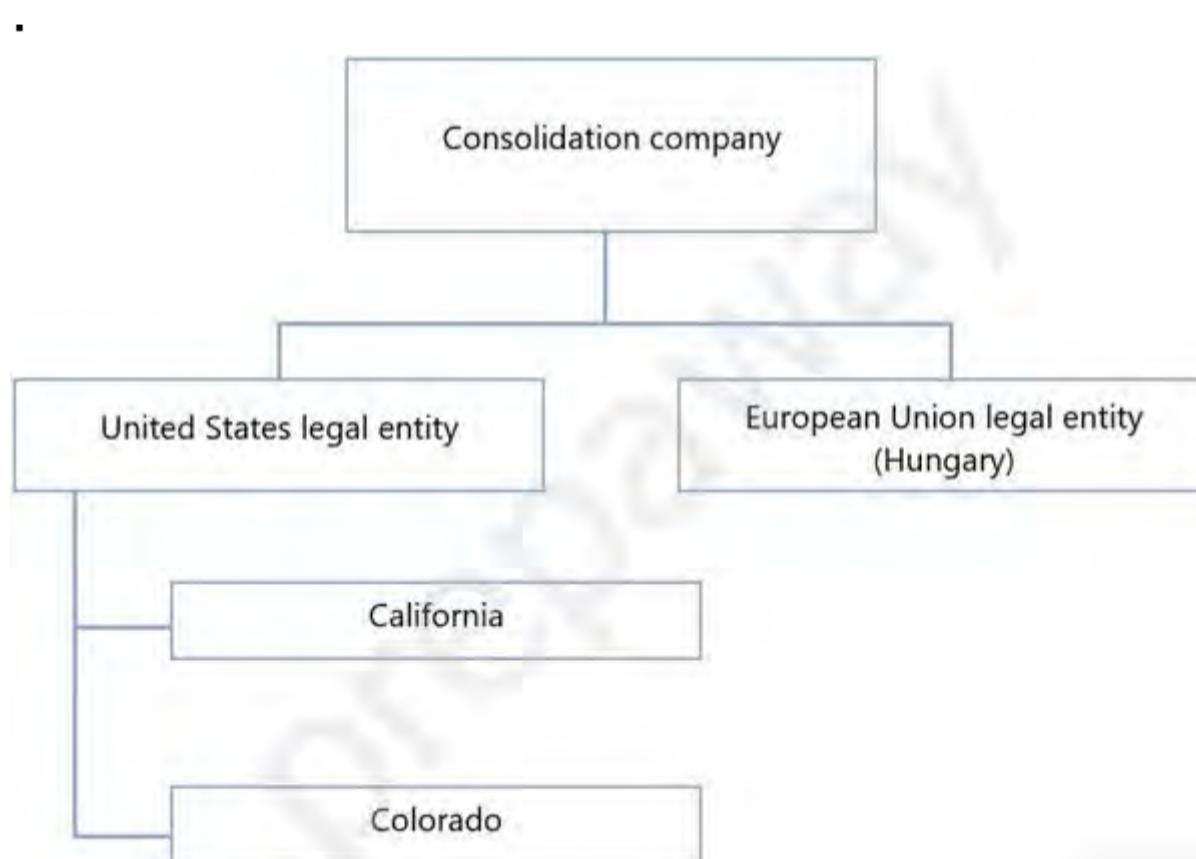
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Question

You need to set up testing for brakes to meet the operations requirements.

Which two actions should you perform? Each correct answer presents part of the solution.

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- A. Set execution to after product receipt.
- B. Set per updated quantity to yes.
- C. Set execution to before product receipt.
- D. Set per updated quantity to no.

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Most manufacturing is outsourced, with each facility only assembling the bikes. Parts are stocked at all facilities and may be transferred between warehouses or legal entities. All of the parts are at standard cost.

Current environment. Organizational structure

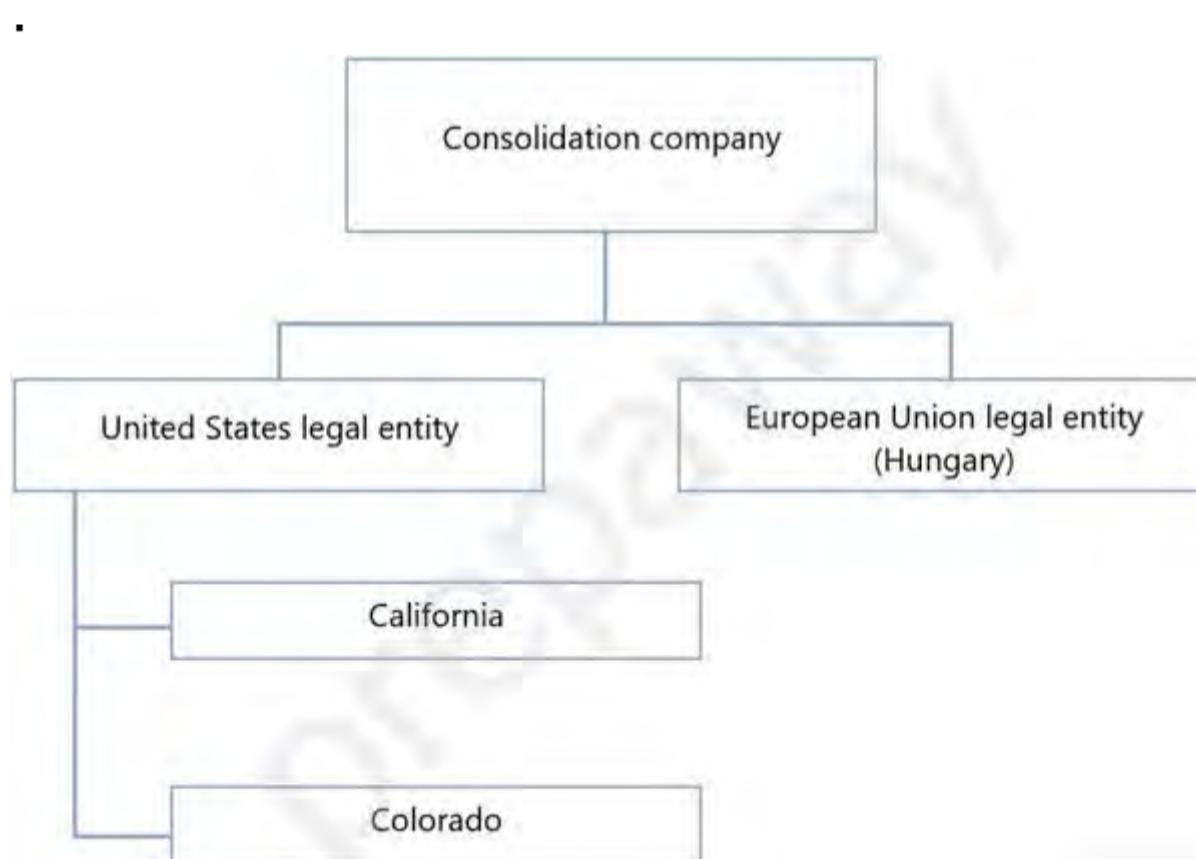
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All legal entities roll up to a financial consolidation company.



Current environment. Purchasing -

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Parts for custom orders may not always be kept in stock and will need to be procured.

Current environment. Purchase requisitions

The following flow chart depicts the purchase requisition process:



Requirements. Purchasing -

Items for purchase requisitions are governed by each country. Each of the country-specific products will be grouped together for selection.

Purchase orders must follow the requisition process.

All existing purchase orders for brakes must account for the change to VendorB.

Requirements. Inventory -

Standard costs are based on purchase fluctuations within a single month.

Tires use floating zones due to limited warehouse space.

Requirements. Operations -

Due to recent brake failures, Adventure Works Cycles plans to purchase brakes from VendorB instead of VendorA. Although the brakes from Vendor B will continue to use the same item number as the brakes from VendorA, the price is slightly higher from VendorB. Adventure Works Cycles will pay list price from

VendorB. The order for VendorB needs approval and the usual approver for purchase requisitions is on vacation.

All brakes from VendorA that are in stock must be tested. The process for brake testing must be implemented for all inbound orders. Quality orders must be automatically created upon receipt of the first shipment against a purchase order only. Inventory stocking locations must be consolidated after the brakes are tested.

UserC needs to consolidate brake inventory after it has been cleared for sale.

Ordering of the new brakes order will incur an additional cost because it is a rush order.

Requirements. Custom orders -

Custom orders are placed for items that do not exist in the item master.

Hungary does not process custom orders.

The United States does process custom paint orders. Most custom paint colors are special order and require purchase requisitions.

Quotes must be obtained from a minimum of two suppliers per company policy and compared for the shipping, costs, and other variables. Quotes will not be selected based on lowest price only.

Issues -

A special order for 2.6 high-end tires is received. This item is no longer in stock from the current vendor.

Goods have been received in stock, but the matching invoice has not yet been received at the time of month close.

UserA needs to set up pricing for the items purchased from VendorC and ensure that accounting validates the receipt and invoice against the agreement.

UserB needs to send out a request for quotation (RFQ) for custom paint. The vendor will be selected based on pricing, volume discounts, and lead time.

Question

You need to test the existing brakes in inventory.

What are two possible ways to achieve this goal? Each correct answer presents a complete solution.

NOTE: Each correct selection is worth one point.

- A. Assign a Phantom bill of materials (BOM) line.
- B. Create a manual quality order for existing inventory.
- C. Assign brakes to an inventory status that is blocked.
- D. Create an automatic quality order for existing inventory.

Correct Answer: *BD*

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/quality-orders>

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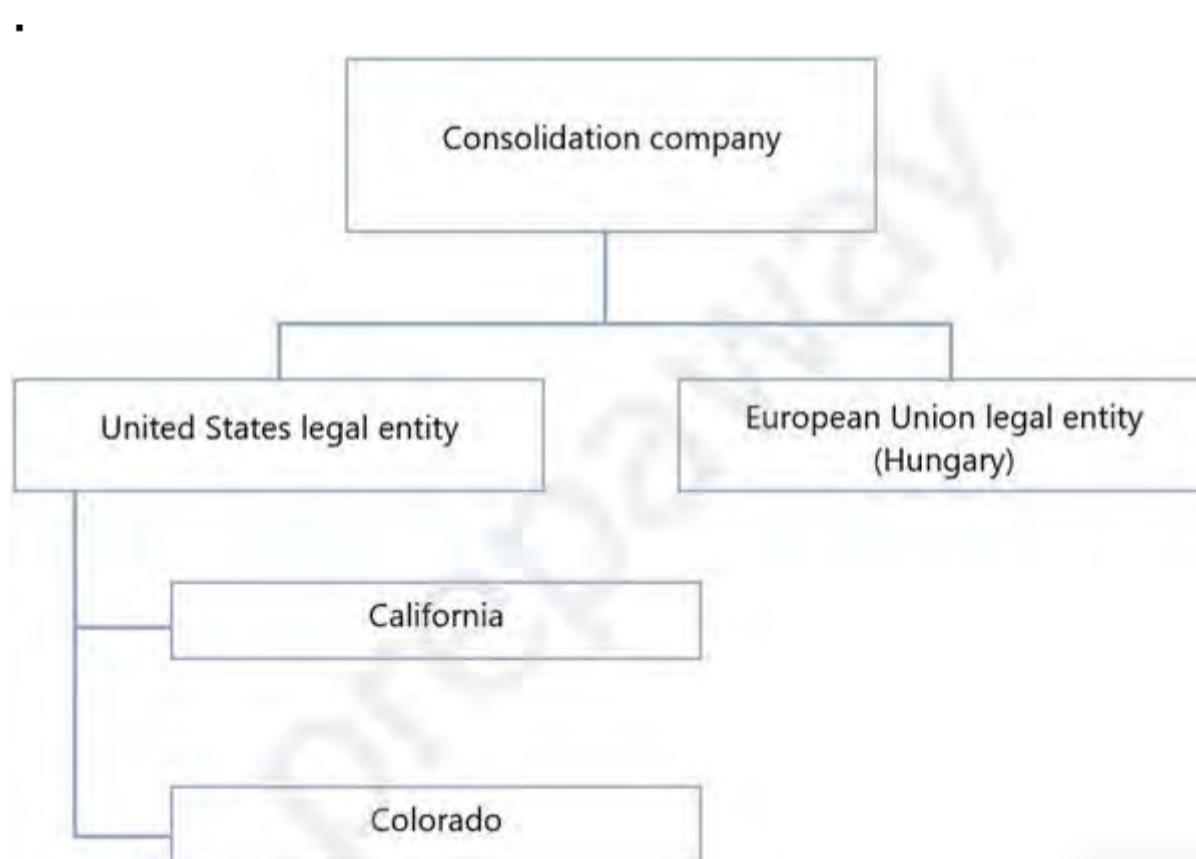
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Question

You need to resolve the issue for UserC.

What should you do?

- A. Change the inventory status only.

B. Change the inventory status and run the replenishment process.

C. Change the inventory status and complete a movement journal.

D. Create a transfer order and change the inventory status.

Correct Answer: A

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Background -

Wide World Importers is a distribution company whose primary customers are small boutique shops which sell globally-sourced products including unique or hand-crafted items such as perfumes and ceramicware. Through the Wide World Importers sales cycle, the commission-based sales team identifies opportunities and negotiates with shops by using a quoting process. The products may or may not already exist in the company's current product list.

The company has the following divisions and areas of responsibility:

Division	Responsibilities
Sales	Source customers, generate quotes
Inventory	Create products and associated setups, manage costing
Compliance	Define testing, set up regulatory requirements
Customer Service	Create and manage orders

Current environment -

Wide World Importers use Dynamics 365 Finance and Dynamics 365 Supply Chain Management. There is a single legal entity.

The primary distribution center for the company is located in Las Vegas, Nevada, USA. There is an additional warehouse in California which receives imported goods from container ships. When goods are received in California, the goods are transferred to Nevada for distribution. No orders are shipped directly from

California.

Requirements. Sales -

The company has two teams of sales representatives: East and West. Each team has one representative for each of the following categories of goods: perfumes, ceramicware, and all other goods. Sales representatives are paid commissions based on sales. Commissions must be paid based on the home office location for customers. For example, commission for a customer that is headquartered in the Western United States is paid to the West group of sales representatives.

Sales representatives are responsible for driving new business. Company executives must be able to see metrics that define the companies that the sales representatives are targeting, where there is potential to do business, and where quotes are being generated. Customer records must not be created until a sale is confirmed.

The sales team quoted a new perfume for a customer named Customer1. The customer has shipping locations in the following regions: United States, Austria, and Japan. Sales must only be made to the US and Japan due to product ingredients. Automated checks must be put into place so that users do not have to remember to select the correct item.

Requirements. Testing -

The company periodically performs testing on ceramicware as it is received to determine whether the products contain lead. The company labels and markets ceramicware as Lead Free or Not for food use. Perfumes may contain restricted ingredients that cannot be sold to customers in the European Union. The company performs testing on perfumes and has processes to ensure that perfumes containing restricted ingredients are not sold to customers in Europe.

Ten percent of all ceramicware items received must be tested for lead. The process for managing testing must be automated. There must be tolerances setup that define the acceptable amount of lead levels in a product.

Requirements. Inventory management

The inventory team must control costing of items by using FIFO principles. The finance team must be able to see updated FIFO adjustments throughout the month but will only settle FIFO for month-end reporting.

Inventory close must be run at the end of each month. A report must be provided to the finance team that includes the physical quantities and inventory value for items, with totals at the bottom. The warehouse team needs a similar report but does not want the inventory value included. During inventory close, some items cannot be fully costed because the issue cannot be settled against the receipt. The finance team must know which items were excluded.

Other inventory requirements -

Inventory must be reserved against physical inventory.

Items must be grouped so that the inventory costing can be posted to the ledger by using the following groups: perfumes, ceramicware, other goods.

All goods are

FIFO. Financial reports must be grouped by these three categories, even though transactions from all categories post to the same ledger accounts.

Wide World Importers plans to import a specific type of pottery from a local company in Mexico that handmakes the goods. The pottery must be available in orange or red colors. The cost is the same regardless of the color selection.

A new line of perfumes is being introduced. The procurement team must be able to identify which perfumes are men's or women's fragrances, and must be able to further categorize perfumes as Perfume, Eau de Perfume, Eau de Toilette, Eau de Cologne, or Eau Fraiche.

You must set up a structure of products for classifying each item for purchase, sales, and reporting analysis.

Issue -

Customer service representatives report that some inventory shows as ordered reserved when the ordered reserved parameter is turned off.

An item that is typically carried is out of stock. A customer named Customer2 wants to place a special rush order for the item. This will result in a significantly increased cost from the supplier. The finance team does not want to have this special order affect the FIFO tiers.

Question

DRAG DROP -

You need to configure the system to meet the metric requirement for sales representatives.

How should you configure the system? To answer, drag the appropriate entities to the correct requirements. Each entity may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Entities	Answer Area	Requirement	Entity
Lead		Create a record for a company for which you provide a quote.	Entity
Prospect		Create a record for a company that confirms an order.	Entity
Opportunity		Create a record for companies identified by sales representatives.	Entity
Customer			

Correct Answer:

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Question

HOTSPOT -

You need to configure the system to support regional sales requirements.

Which group assignments should you use? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

	Configurable object	Assignment
Customer		<div style="border: 1px solid black; padding: 5px;"><p>Commission group</p><p>Price group</p><p>Item group</p><p>Customer group</p></div>
Sales Rep		<div style="border: 1px solid black; padding: 5px;"><p>Sales group</p><p>Lead</p><p>Prospect</p><p>Item group</p></div>
Item		<div style="border: 1px solid black; padding: 5px;"><p>Commission group</p><p>Item group</p><p>Item Model group</p><p>Customer group</p></div>

Answer Area

Correct Answer:

Configurable object

Customer

Assignment

Commission group
Price group
Item group
Customer group

Sales Rep

Sales group
Lead
Prospect
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Item

Commission group
Item group
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Reference:

<https://www.dynamics-tips.com/sales-and-marketing/how-to-calculate-and-process-sales-commissions>

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Next Questions

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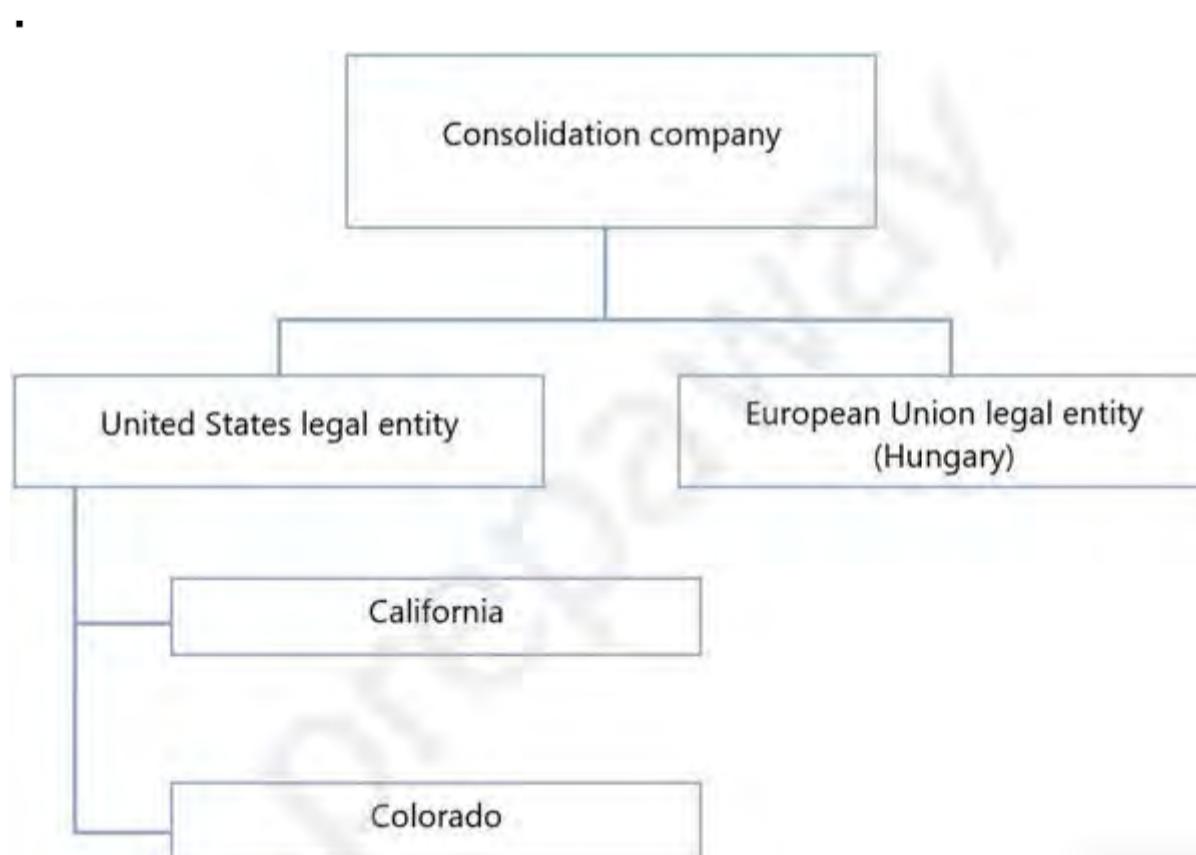
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Question

You need to include the items from the purchase order in the Intrastat journal.

What should you do?

A. Transfer the Product Receipt form to the Intrastat journal.

B. Create a free text invoice.

C. Transfer the invoice to the Intrastat journal.

D. Create a manual Intrastat journal transaction.

Correct Answer: C

Reference:

<https://docs.microsoft.com/en-us/dynamics365/finance/localizations/emea-intrastat>

Community vote distribution

A (100%)

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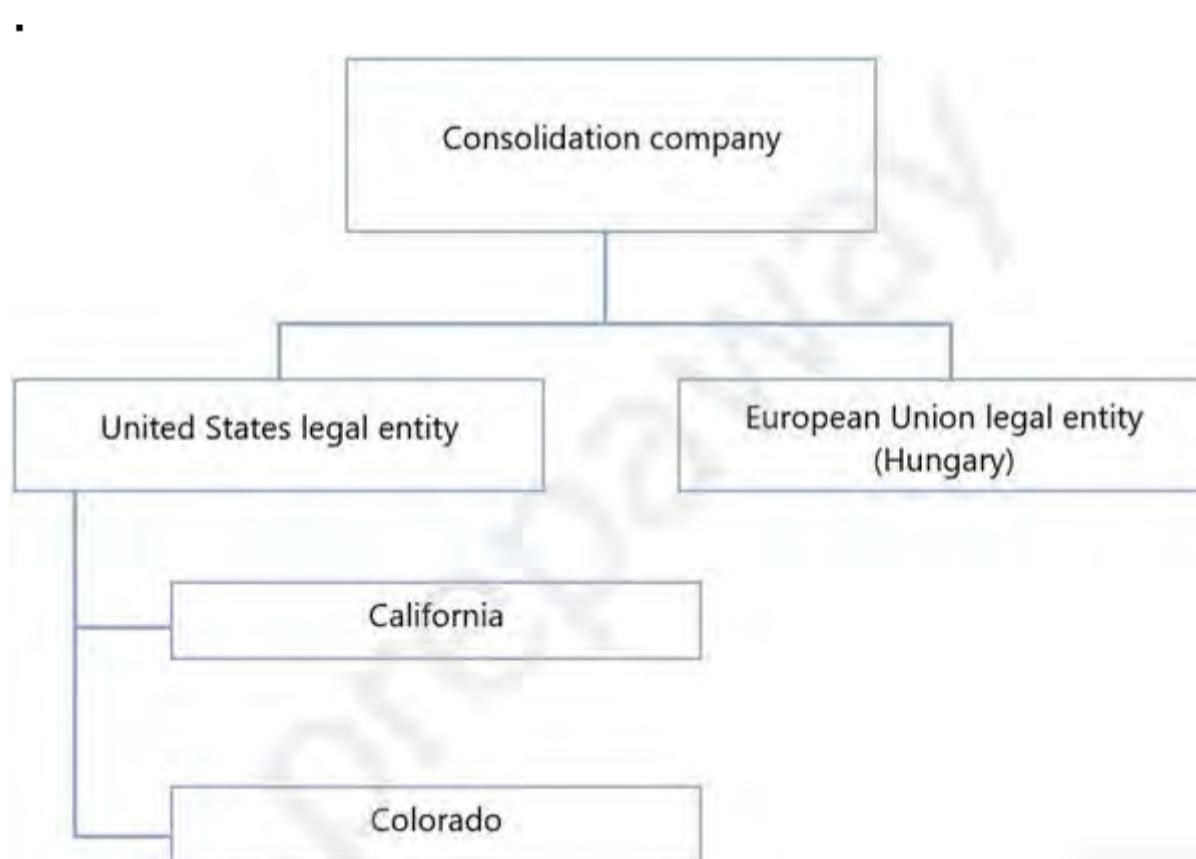
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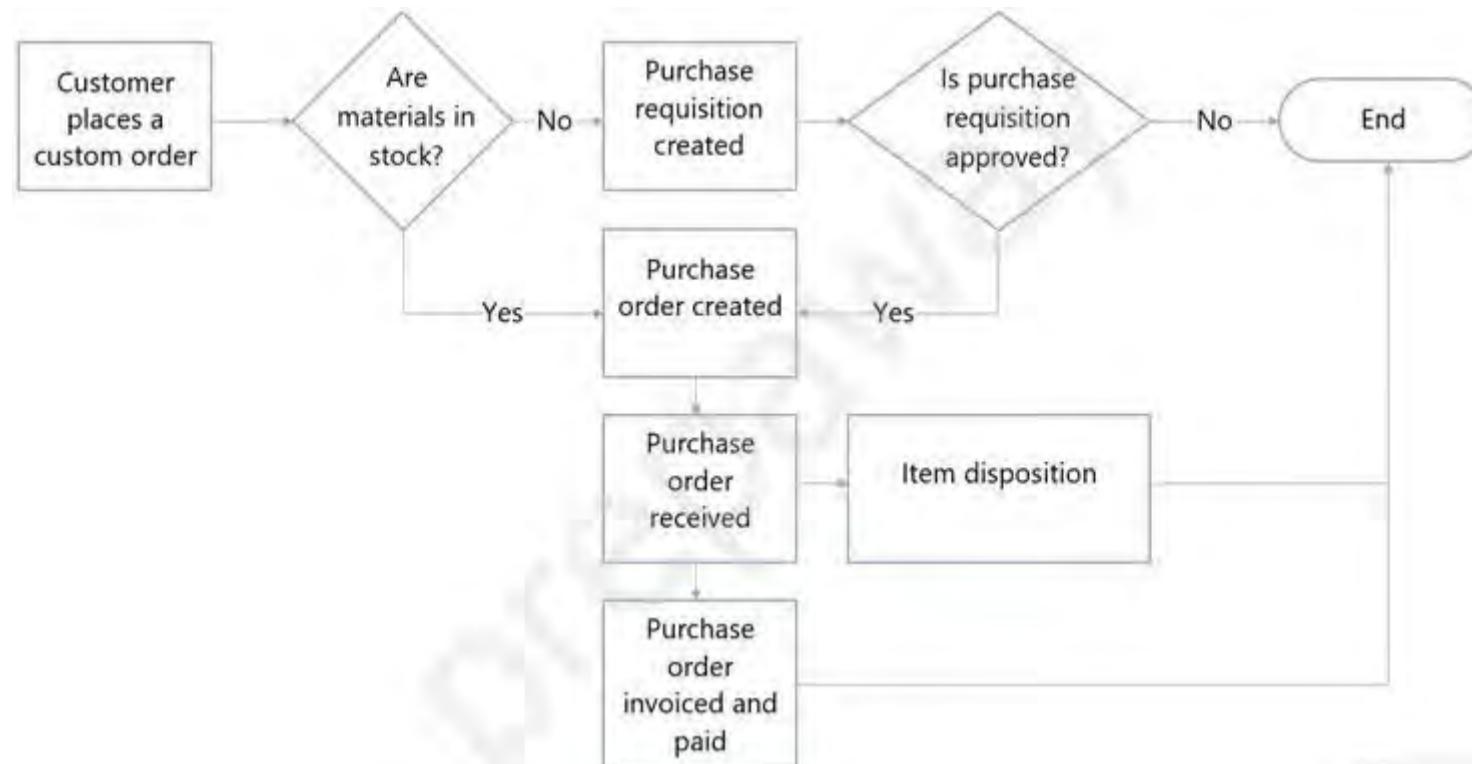
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VendorB. The order for VendorB needs approval and the usual approver for purchase requisitions is on vacation.

All brakes from VendorA that are in stock must be tested. The process for brake testing must be implemented for all inbound orders. Quality orders must be automatically created upon receipt of the first shipment against a purchase order only. Inventory stocking locations must be consolidated after the brakes are tested.

UserC needs to consolidate brake inventory after it has been cleared for sale.

Ordering of the new brakes order will incur an additional cost because it is a rush order.

Requirements. Custom orders -

Custom orders are placed for items that do not exist in the item master.

Hungary does not process custom orders.

The United States does process custom paint orders. Most custom paint colors are special order and require purchase requisitions.

Quotes must be obtained from a minimum of two suppliers per company policy and compared for the shipping, costs, and other variables. Quotes will not be selected based on lowest price only.

Issues -

A special order for 2.6 high-end tires is received. This item is no longer in stock from the current vendor.

Goods have been received in stock, but the matching invoice has not yet been received at the time of month close.

UserA needs to set up pricing for the items purchased from VendorC and ensure that accounting validates the receipt and invoice against the agreement.

UserB needs to send out a request for quotation (RFQ) for custom paint. The vendor will be selected based on pricing, volume discounts, and lead time.

Question

HOTSPOT -

You need to meet the operational requirements for VendorB.

What should you do? To answer, select the appropriate options in the area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement	Action
Confirm the purchase order.	Enter the PO and post the confirmation. Enter the PO and send a receipt. Enter the PO and submit it for approval.
Approve the workflow.	Assign the delegate. Define the approver. Set expiration to auto-approve. Set expiration to auto-reject.

Answer Area

Requirement	Action
Confirm the purchase order.	Enter the PO and post the confirmation. Enter the PO and send a receipt. Enter the PO and submit it for approval.
Correct Answer:	
Approve the workflow.	Assign the delegate. Define the approver. Set expiration to auto-approve. Set expiration to auto-reject.

Introductory Info

This is a case study. Case studies are not timed separately. You can use as much exam time as you would like to complete each case. However, there may be additional case studies and sections on this exam. You must manage your time to ensure that you are able to complete all questions included on this exam in the time provided.

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To start the case study -

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Background -

Adventure Works Cycles builds stock and custom mountain bikes and is headquartered in San Diego. It has the following assembly and warehouse locations:

Denver, Colorado, United States

San Diego, California, United States

Budapest, Hungary

Most manufacturing is outsourced, with each facility only assembling the bikes. Parts are stocked at all facilities and may be transferred between warehouses or legal entities. All of the parts are at standard cost.

Current environment. Organizational structure

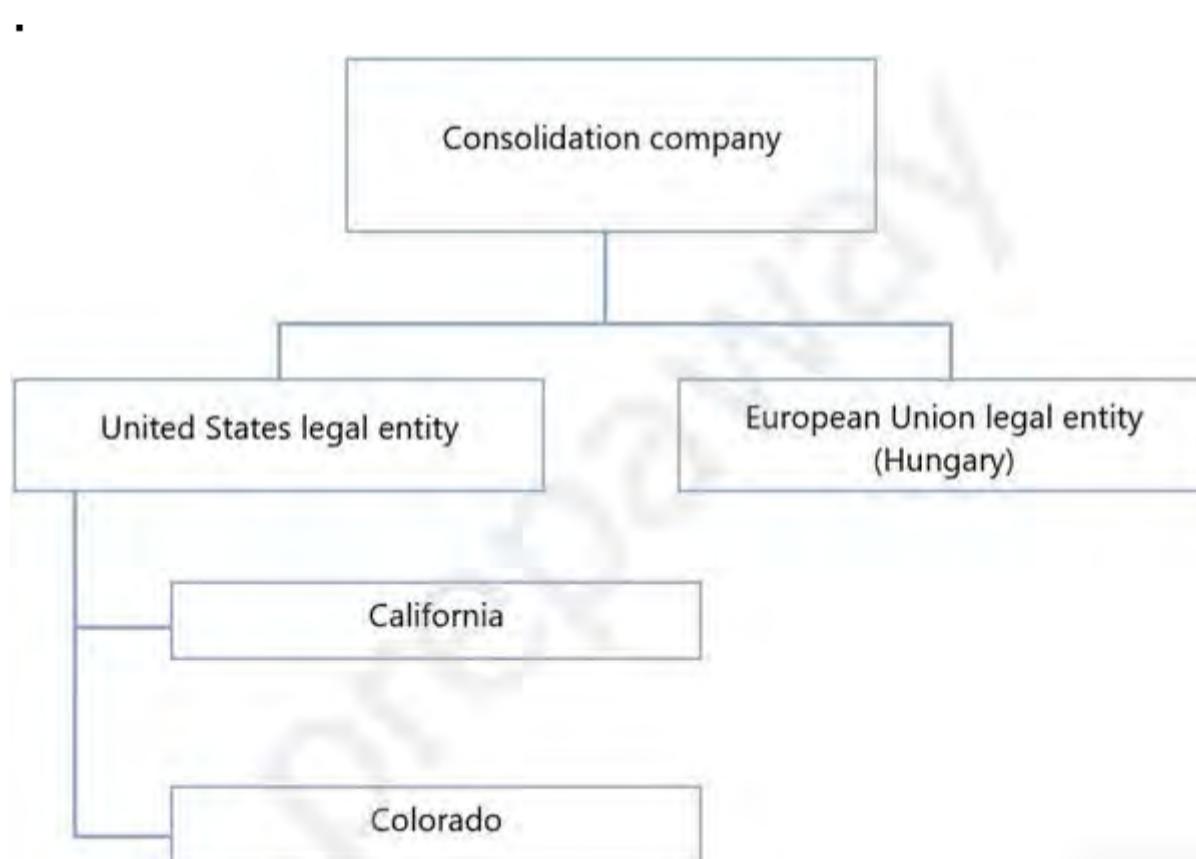
The following diagram shows the structure of Adventure Works Cycles.

Each of the physical locations in the United States (US) is a warehouse.

Hungary assembles and distributes products to the rest of the European Union (EU).

The EU legal entity is expected to add additional warehouse locations.

All legal entities roll up to a financial consolidation company.



Current environment. Purchasing -

Higher quality tires that are used in new orders have become popular. Due to the volume of orders, the company wants to negotiate pricing with VendorC. The vendor agrees to a discounted price for 500 tires purchased within the next six months. Once the 500 tires have been purchased, the discount will be re-evaluated based on demand.

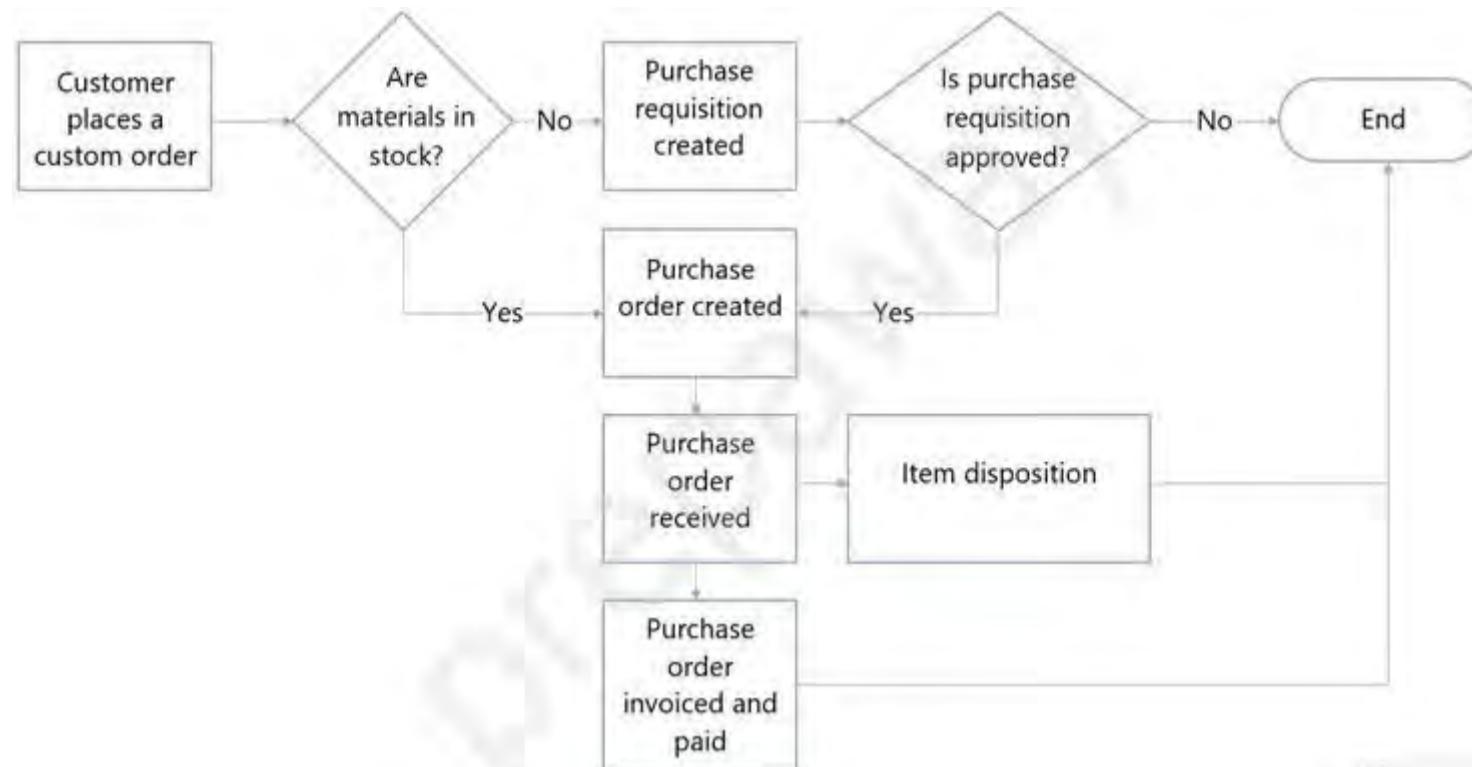
Once a purchase is approved, for audit purposes it cannot be changed.

Whenever possible, parts are purchased from vendors also within the EU. A purchase order was placed for a bike seat manufacturer in Italy.

Parts for custom orders may not always be kept in stock and will need to be procured.

Current environment. Purchase requisitions

The following flow chart depicts the purchase requisition process:



Requirements. Purchasing -

Items for purchase requisitions are governed by each country. Each of the country-specific products will be grouped together for selection.

Purchase orders must follow the requisition process.

All existing purchase orders for brakes must account for the change to VendorB.

Requirements. Inventory -

Standard costs are based on purchase fluctuations within a single month.

Tires use floating zones due to limited warehouse space.

Requirements. Operations -

Due to recent brake failures, Adventure Works Cycles plans to purchase brakes from VendorB instead of VendorA. Although the brakes from Vendor B will continue to use the same item number as the brakes from VendorA, the price is slightly higher from VendorB. Adventure Works Cycles will pay list price from

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Question

HOTSPOT -

You need to resolve the issue for UserB?

Which options should you use? To answer, select the appropriate options in the area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement	Option
--------------------	---------------

Configure an RFQ

Purchase agreement type, solicitation type with scoring method
Purchase order type, solicitation type with scoring method
Purchase requisition, case type with scoring method

Transfer an RFQ

Purchase agreement
From date
Purchase requisition

Answer Area

Requirement	Option
--------------------	---------------

Configure an RFQ

Purchase agreement type, solicitation type with scoring method
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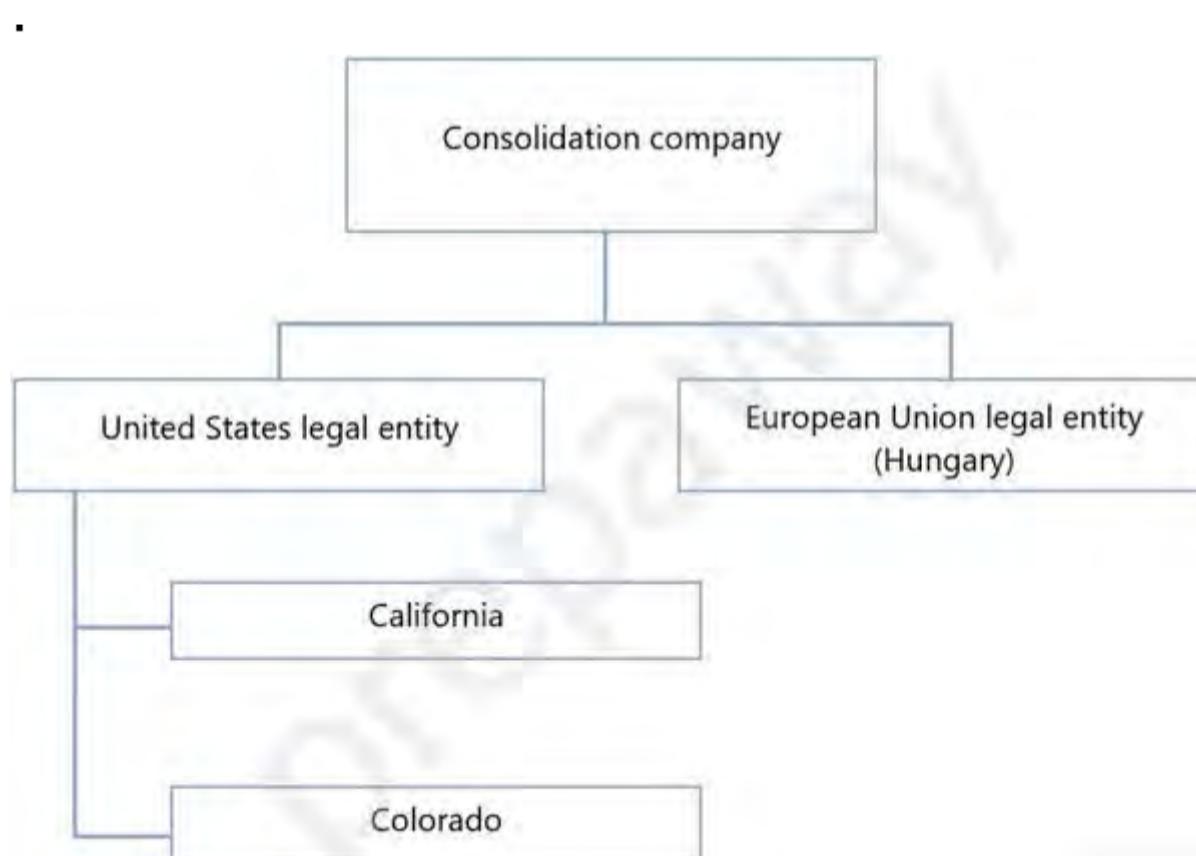
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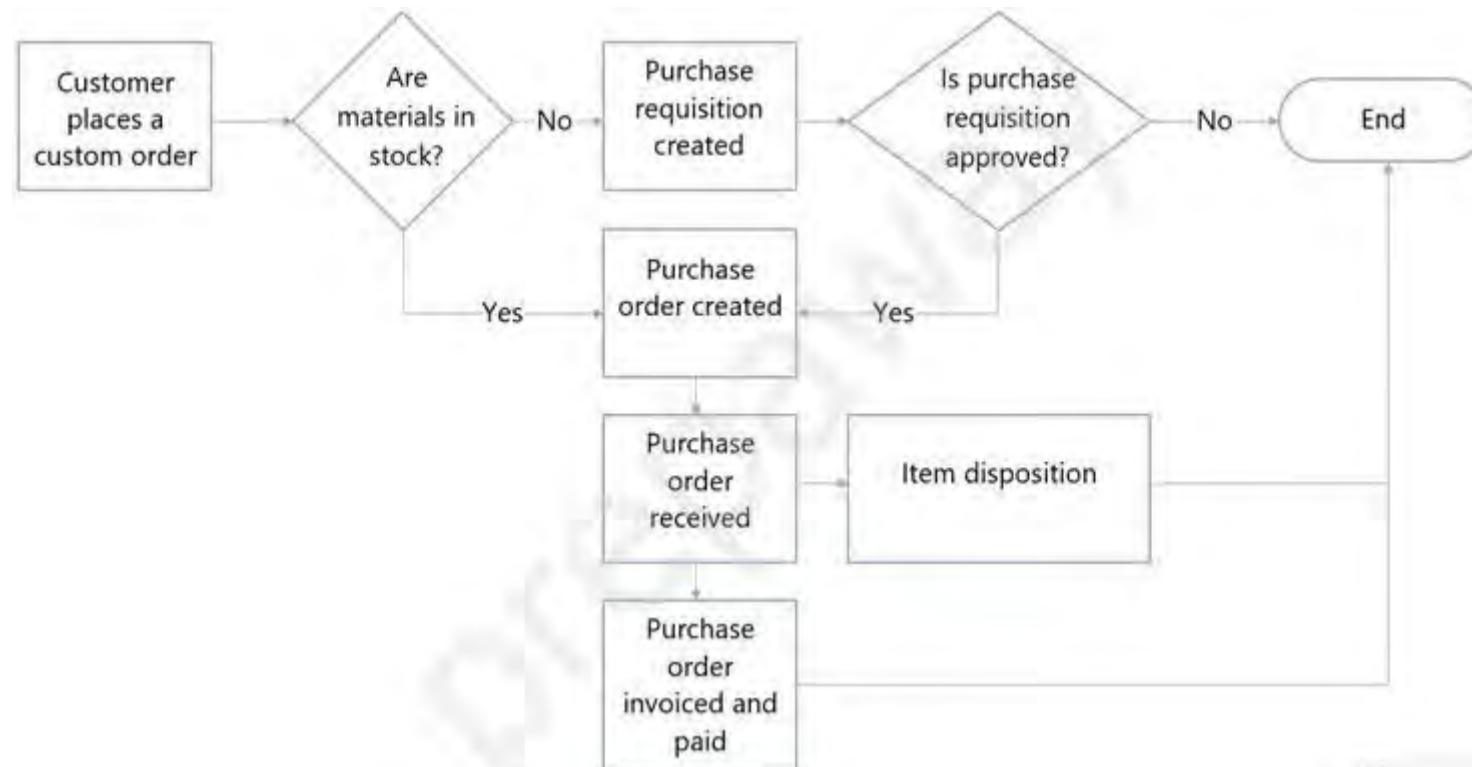
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Question

HOTSPOT -

You need to order the high-end tires.

What should you set up? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement	Action
-------------	--------

Create the order.

Create a new purchase agreement.
Create a new purchase order.
Create a new purchase requisition.

Add the tires.

Accept the default from Inventory Management parameters.
Create a new item.
Select an item on the purchase order line.
Select from the procurement category.

Answer Area

Requirement	Action
-------------	--------

Create the order.

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Correct Answer:

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Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/procurement/purchase-requisitions-overview>

Previous Questions