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Number: MB-330
Passing Score: 800
Time Limit: 120
File Version: 16.0

Exam Code: MB-330
Exam Name: Microsoft Dynamics 365 Supply Chain Management

01 - Implement Inventory management

QUESTION 1
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
B. Inventory transfer journal
C. Inventory movement journal
D. Inventory counting journal

Correct Answer: A, C
Section:
Explanation:
Reference: https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/inventory-journals

QUESTION 2
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

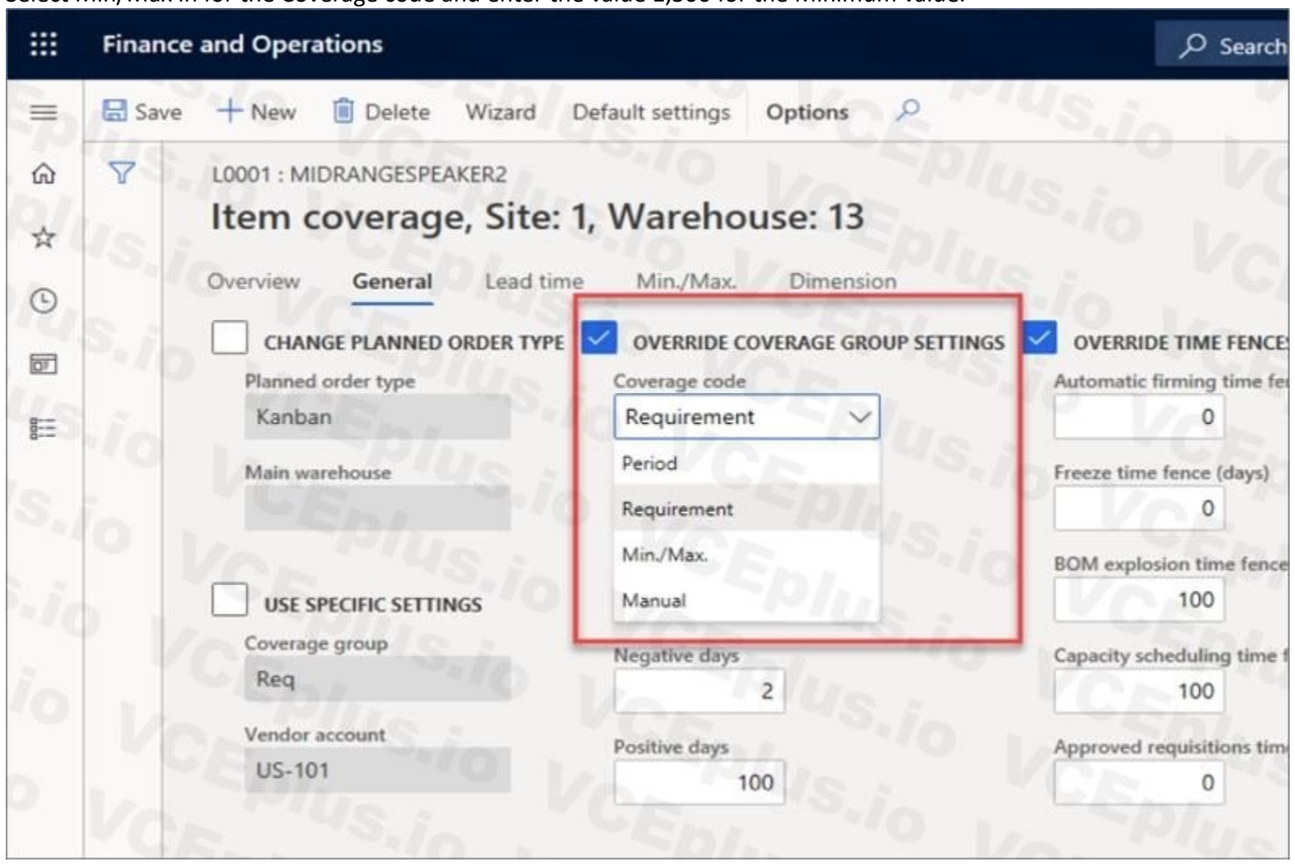
Correct Answer: C
Section:
Explanation:
Reference: https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/inventory-journals

QUESTION 3
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.

A.

Correct Answer: A
Section:
Explanation:

Answer: A
Explanation:
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

QUESTION 4
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	Configuration option
Create the push.	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

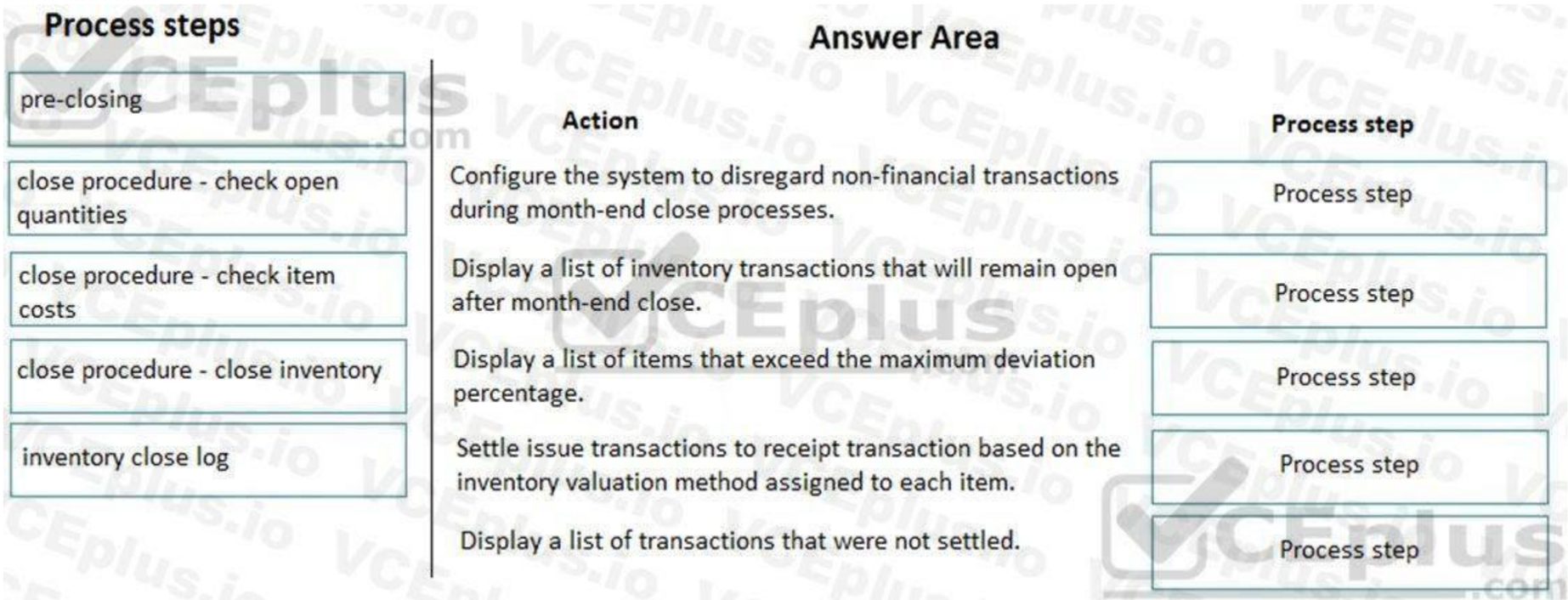
Answer Area:

Requirement	Configuration option
Create the push.	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

Section:
Explanation:

QUESTION 5
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:



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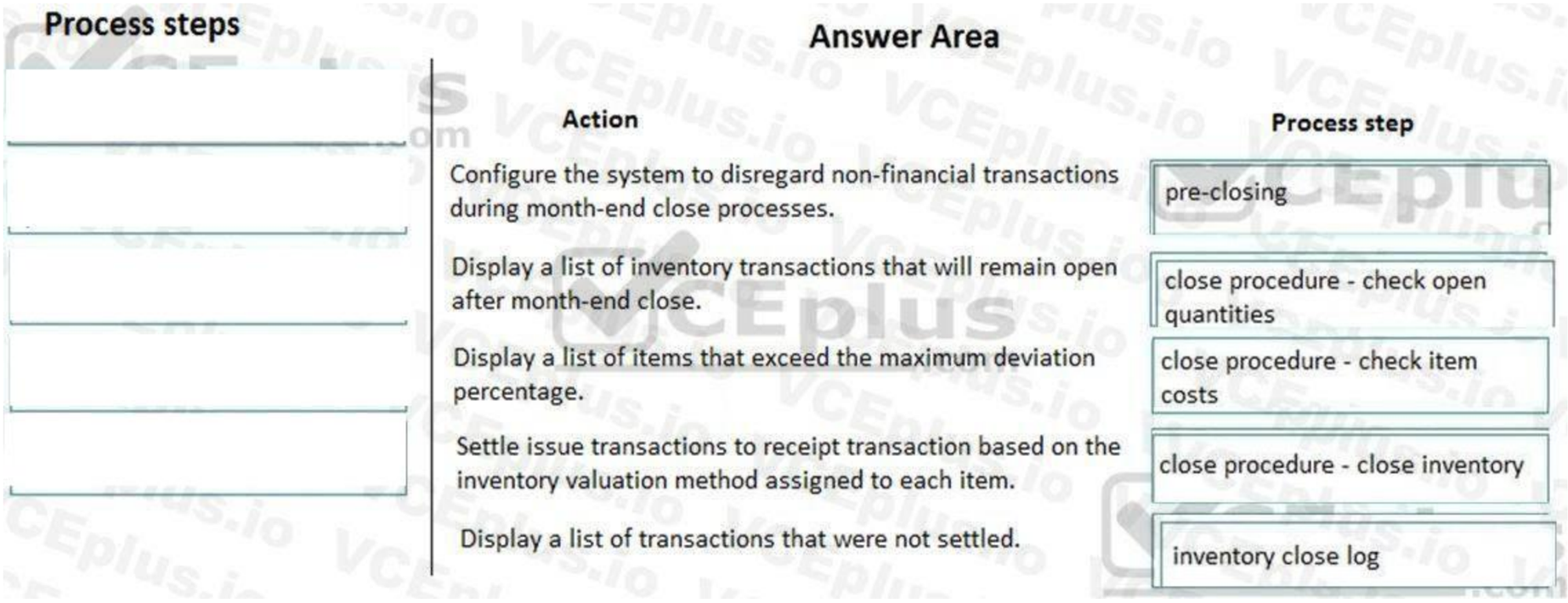
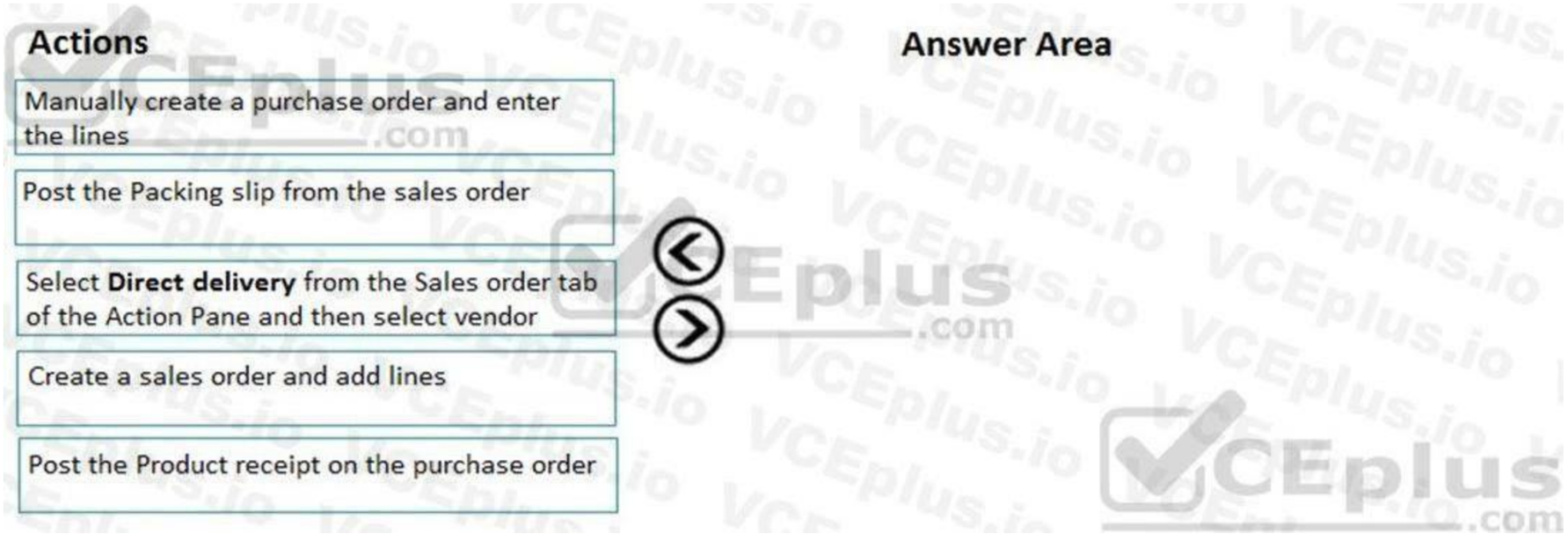


Section:
Explanation:

QUESTION 6
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:



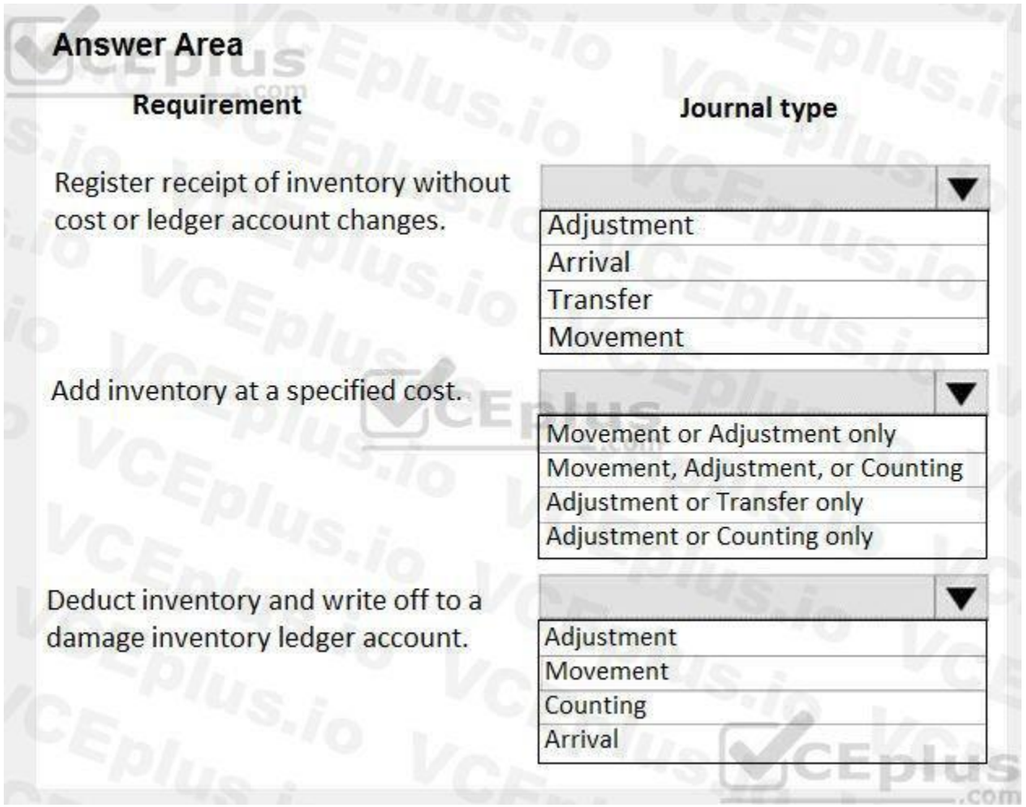
Correct Answer:

Section:
Explanation:
References:
https://community.dynamics.com/ax/b/abhijeethelestheaxeffect/archive/2018/09/19/direct-delivery-in-dynamics-365-for-finance-and-operations

QUESTION 7
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:

Answer Area

Requirement	Journal type
Register receipt of inventory without cost or ledger account changes.	Transfer
Add inventory at a specified cost.	Movement or Adjustment only
Deduct inventory and write off to a damage inventory ledger account.	Movement

Adjustment
Arrival
Transfer
Movement

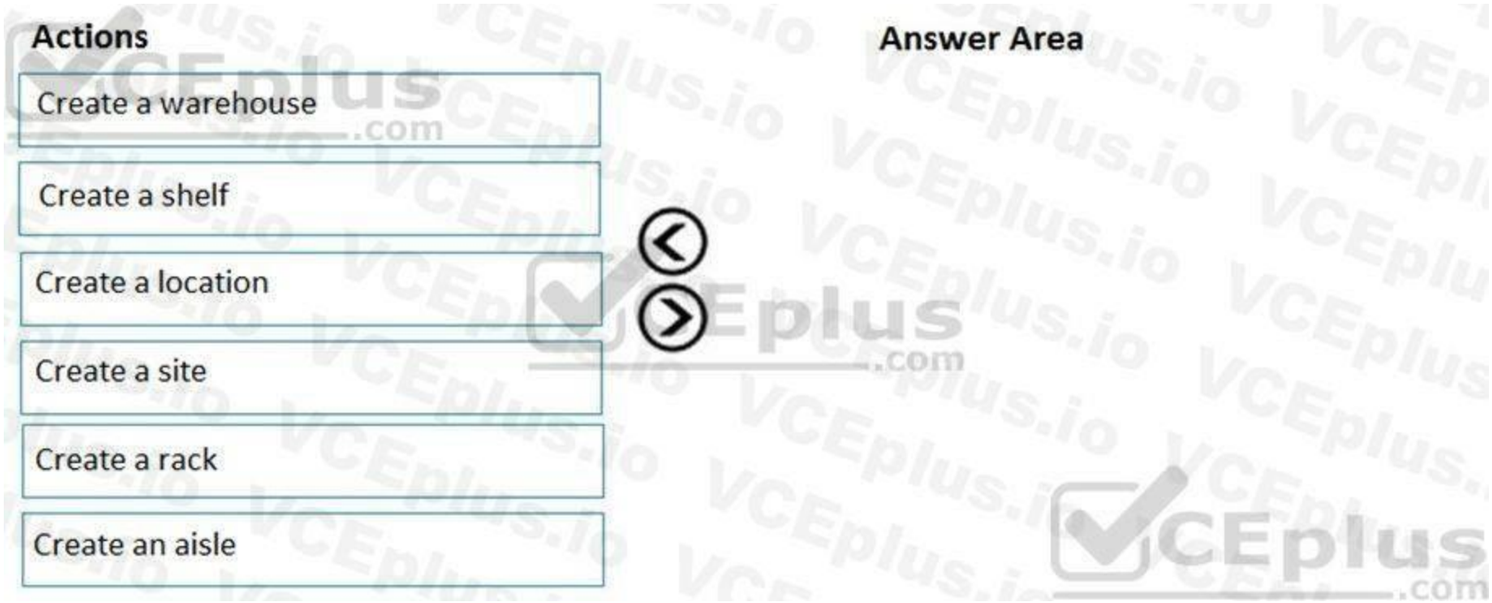
Movement or Adjustment only
Movement, Adjustment, or Counting
Adjustment or Transfer only
Adjustment or Counting only

Adjustment
Movement
Counting
Arrival

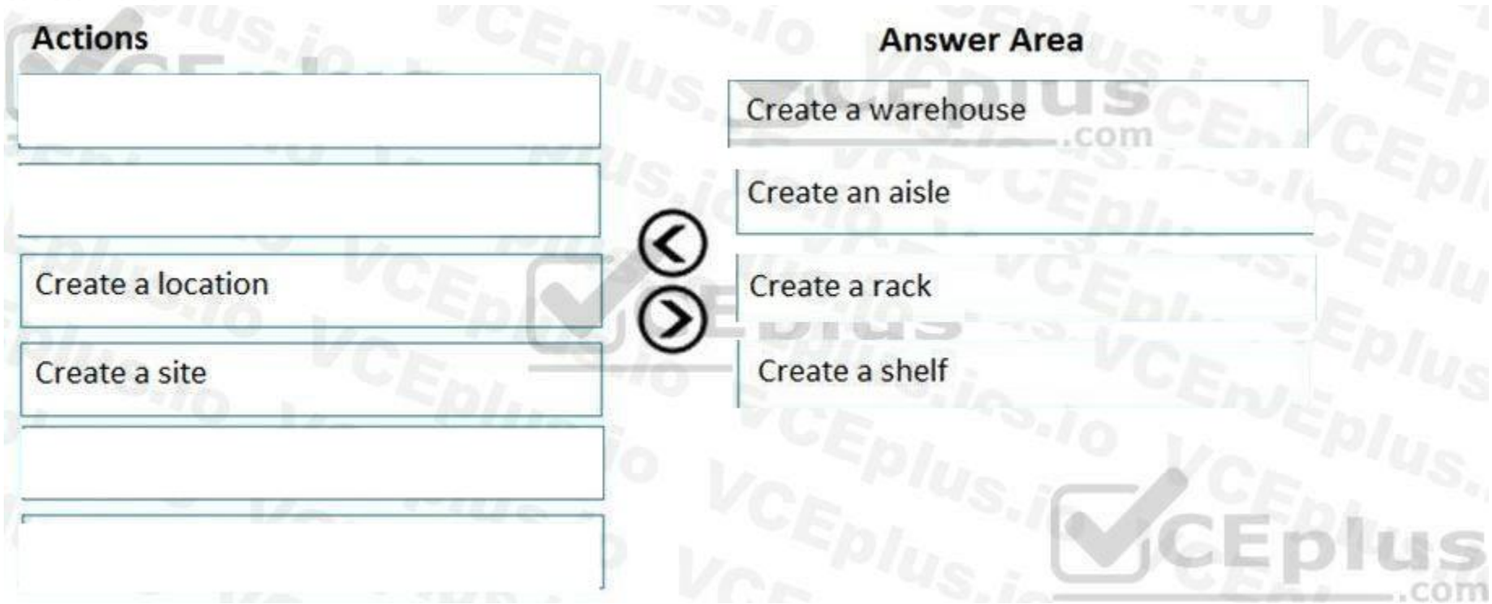
Section:
Explanation:

QUESTION 8
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:



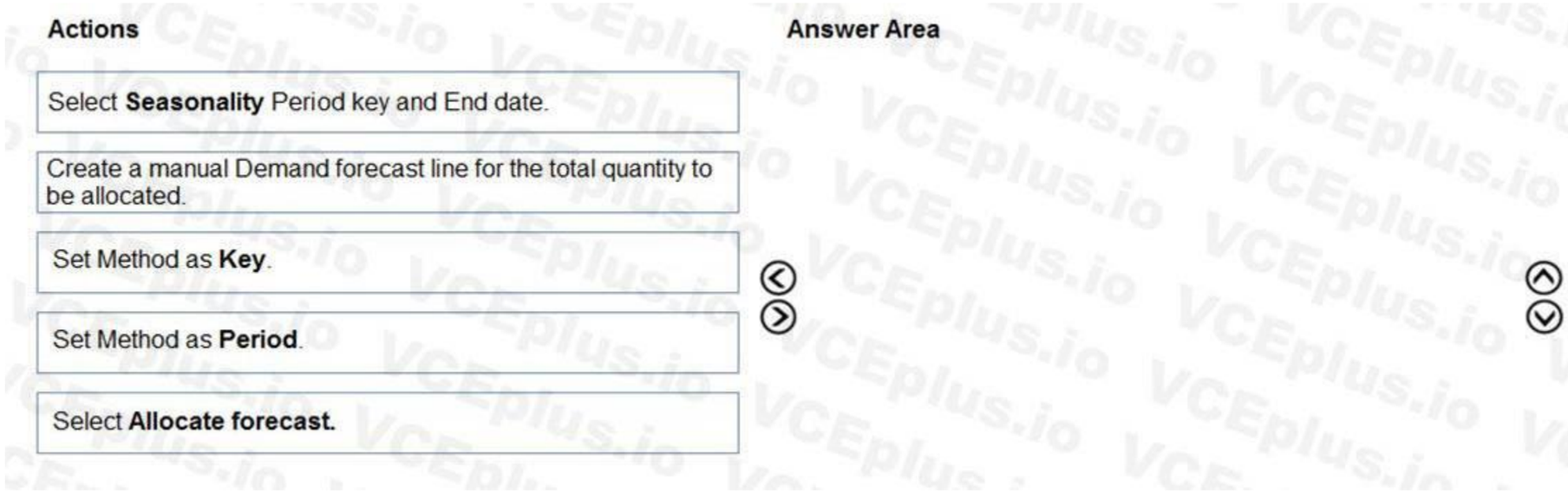
Correct Answer:



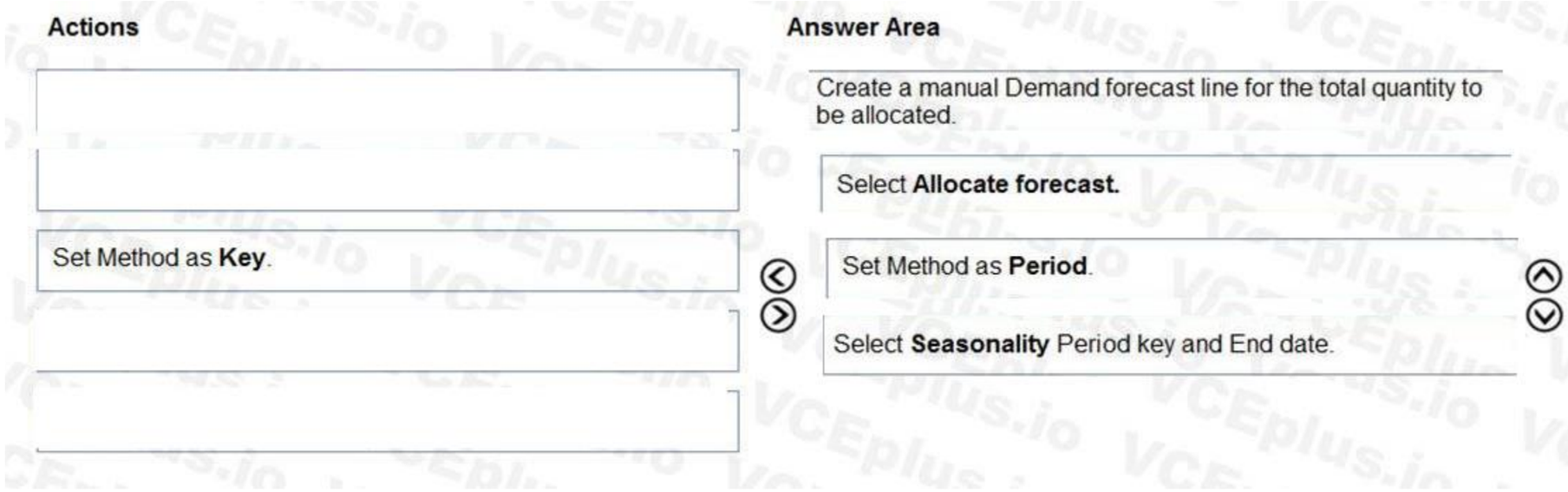
Section:
Explanation:

QUESTION 9
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:



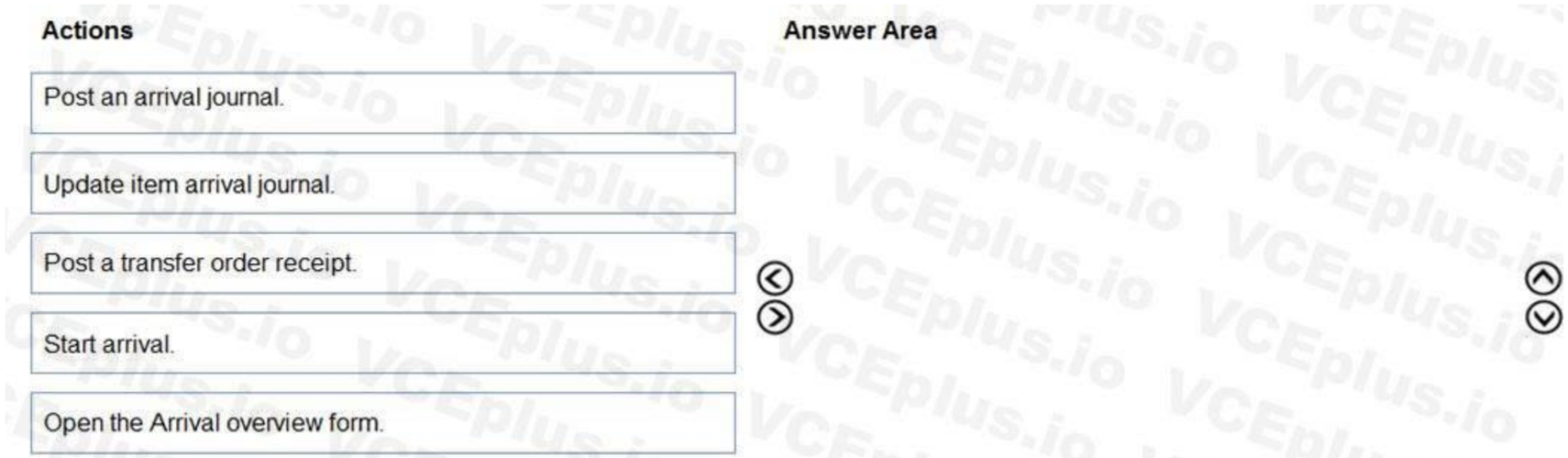
Correct Answer:



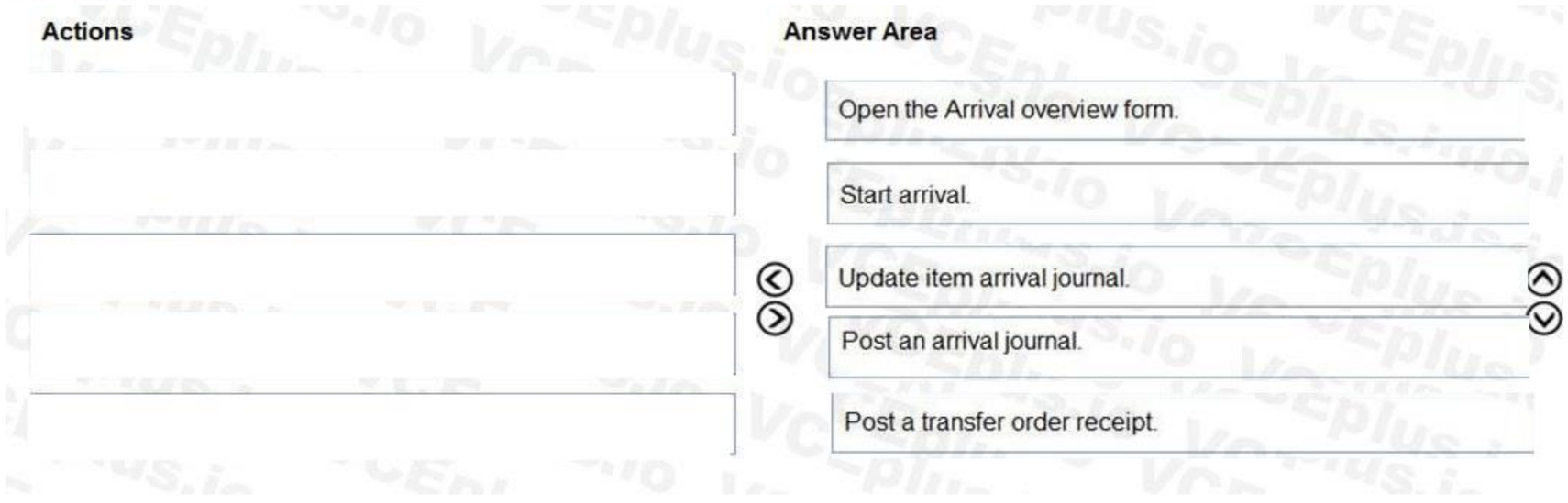
Section:
Explanation:

QUESTION 10
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:



Correct Answer:



Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/arrival-overview

QUESTION 11
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.

A.

Correct Answer: A
Section:

Explanation:
Answer: A
Explanation:
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

QUESTION 12
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.

A.

Correct Answer: A
Section:

Explanation:
Answer: A
Explanation:
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

QUESTION 13
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.

A.

Correct Answer: A
Section:
Explanation:
Answer: A
Explanation:
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/

QUESTION 14
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
Section:

QUESTION 15
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
Section:
Explanation:
References: https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/inventory-blocking

QUESTION 16
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
Section:
Explanation:
References: https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/inventory-blocking

QUESTION 17
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
Section:
Explanation:
References: https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/inventory-blocking

QUESTION 18
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: B, D
Section:
Explanation:
References: https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/inventory-blocking

QUESTION 19
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: A, C
Section:

QUESTION 20
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
Section:

QUESTION 21
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?

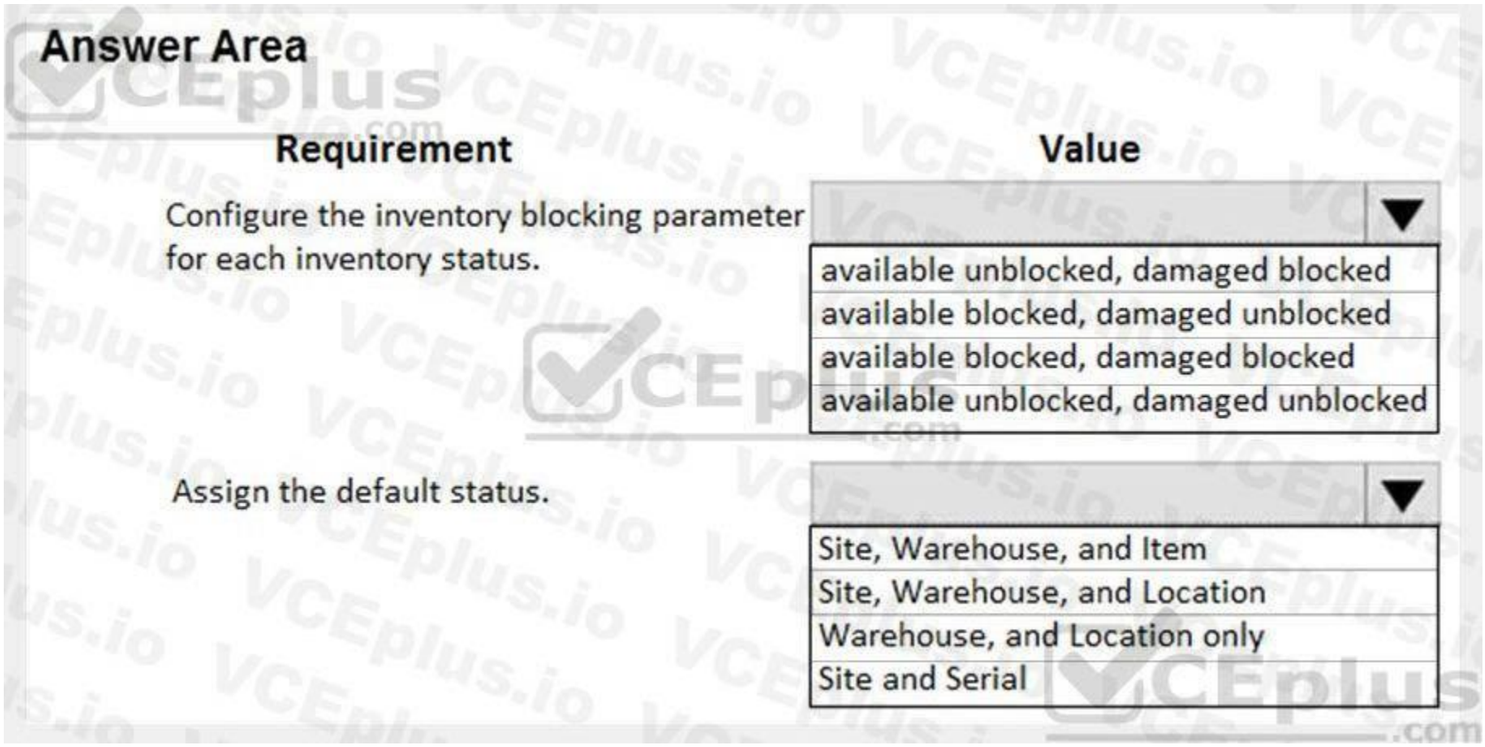
A. Create a movement journal, add the cost, and specify the offset ledger account on the line.
B. Create an adjustment journal, add the cost, and specify the offset ledger account on the line.
C. Create an arrival journal, add the cost, and specify the offset ledger account on the line.
D. Create a transfer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

Correct Answer: A
Section:

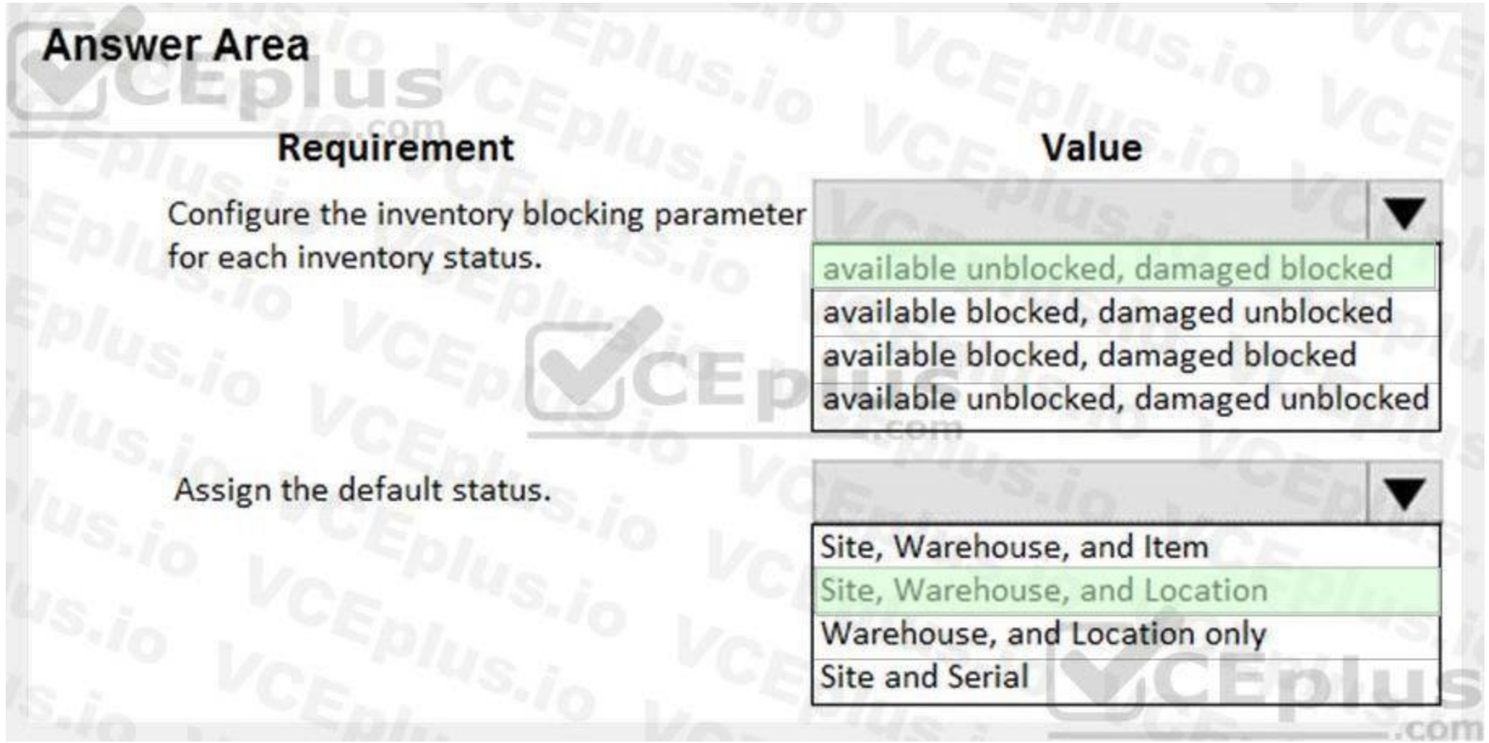
Explanation:
References: https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/inventory-journals

QUESTION 22
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:



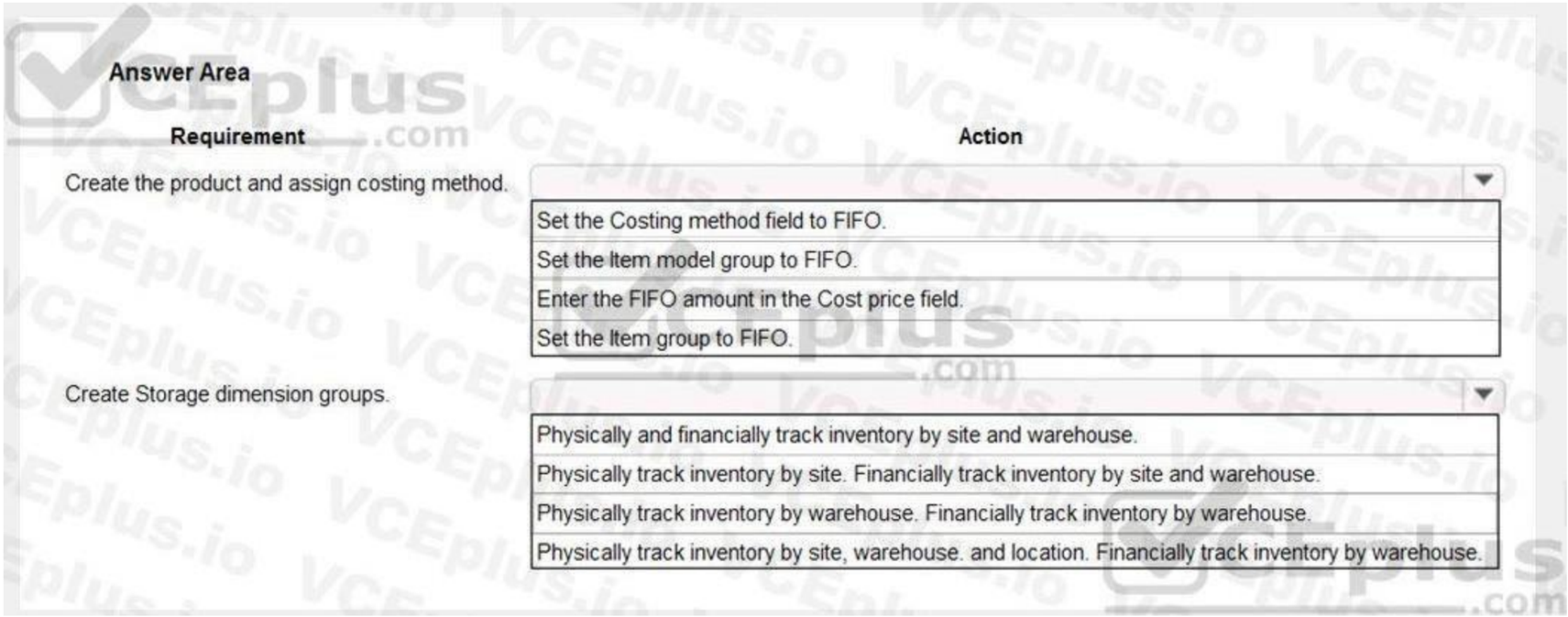
Answer Area:



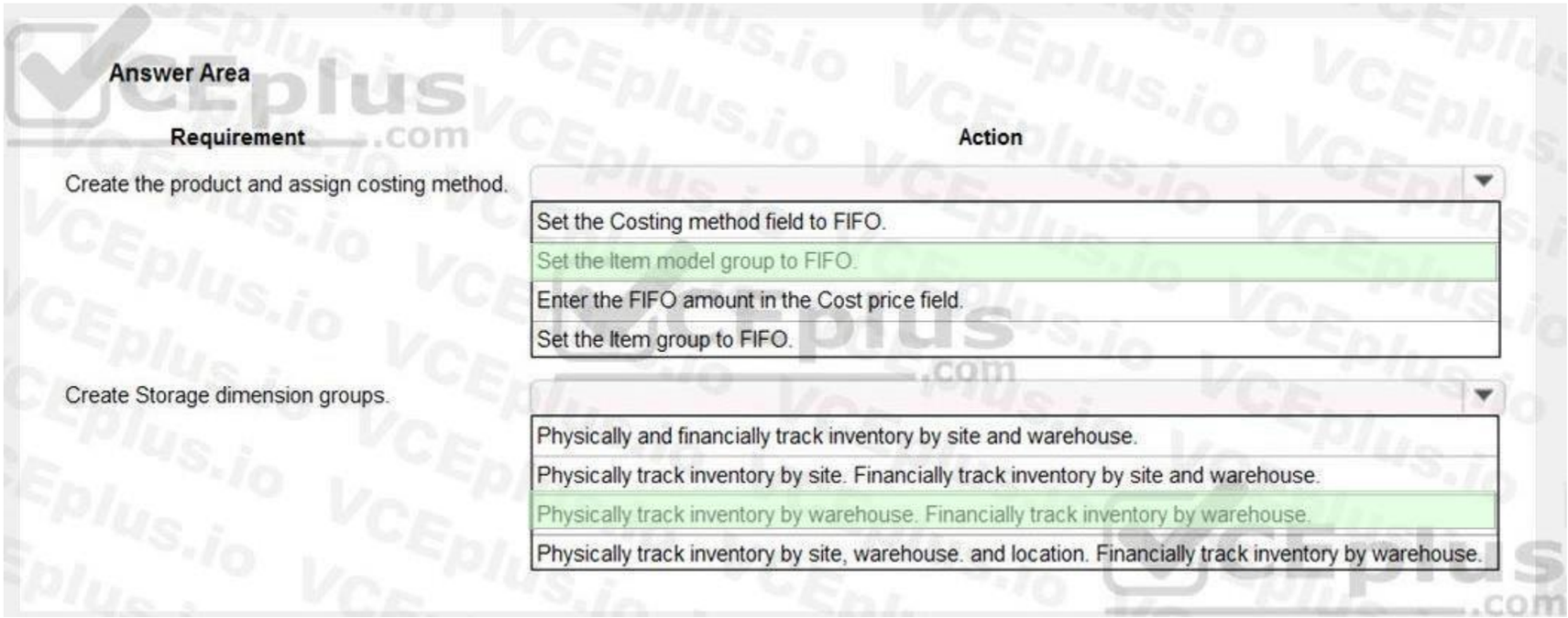
Section:
Explanation:

QUESTION 23
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:

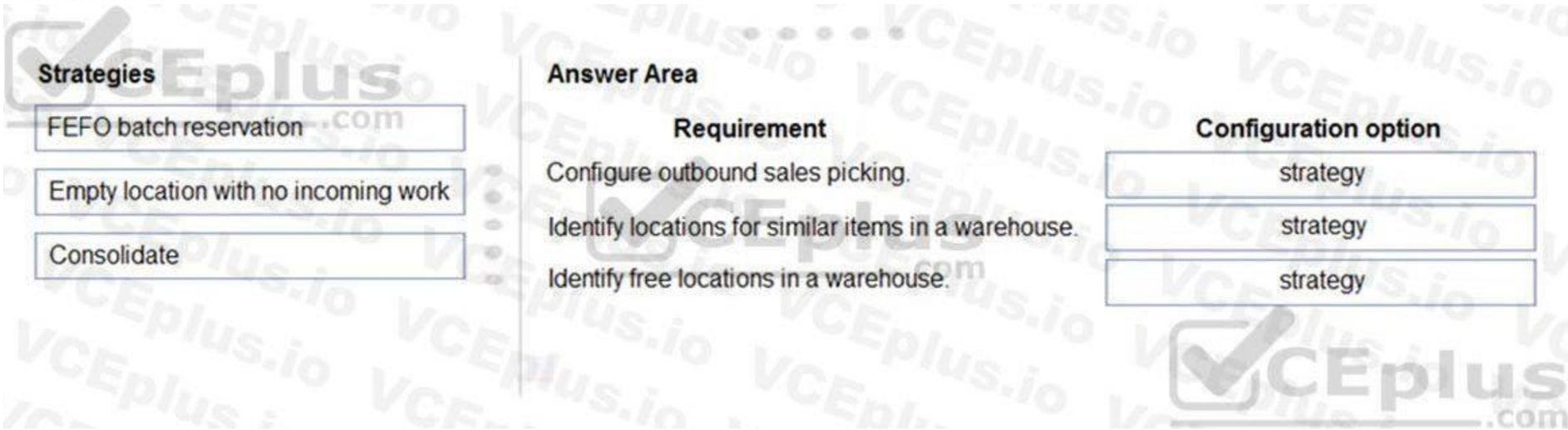


Section:
Explanation:

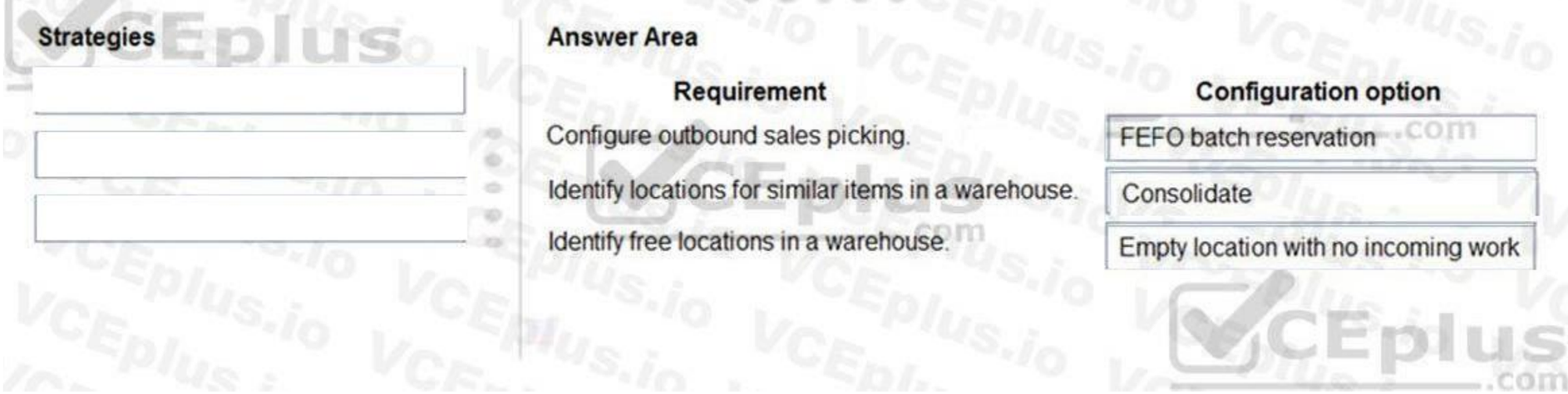
QUESTION 24
DRAG DROP
A company implements warehouse locations in Dynamics 365 Supply Chain Management.

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:



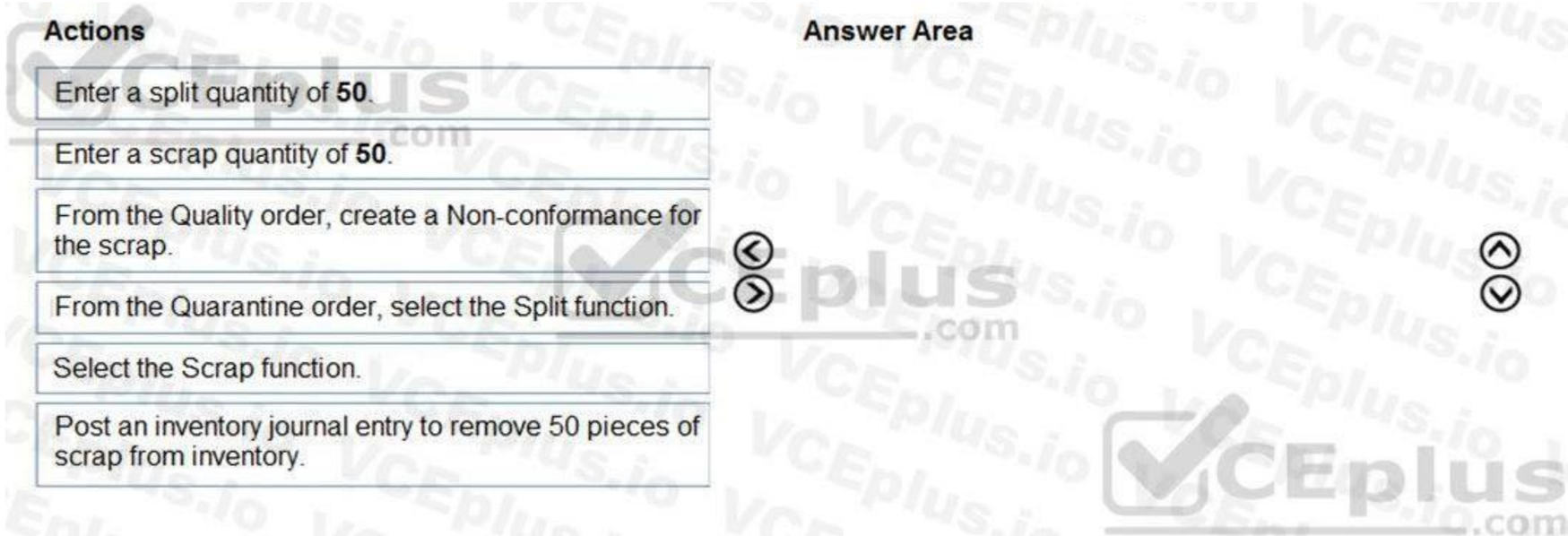
Correct Answer:



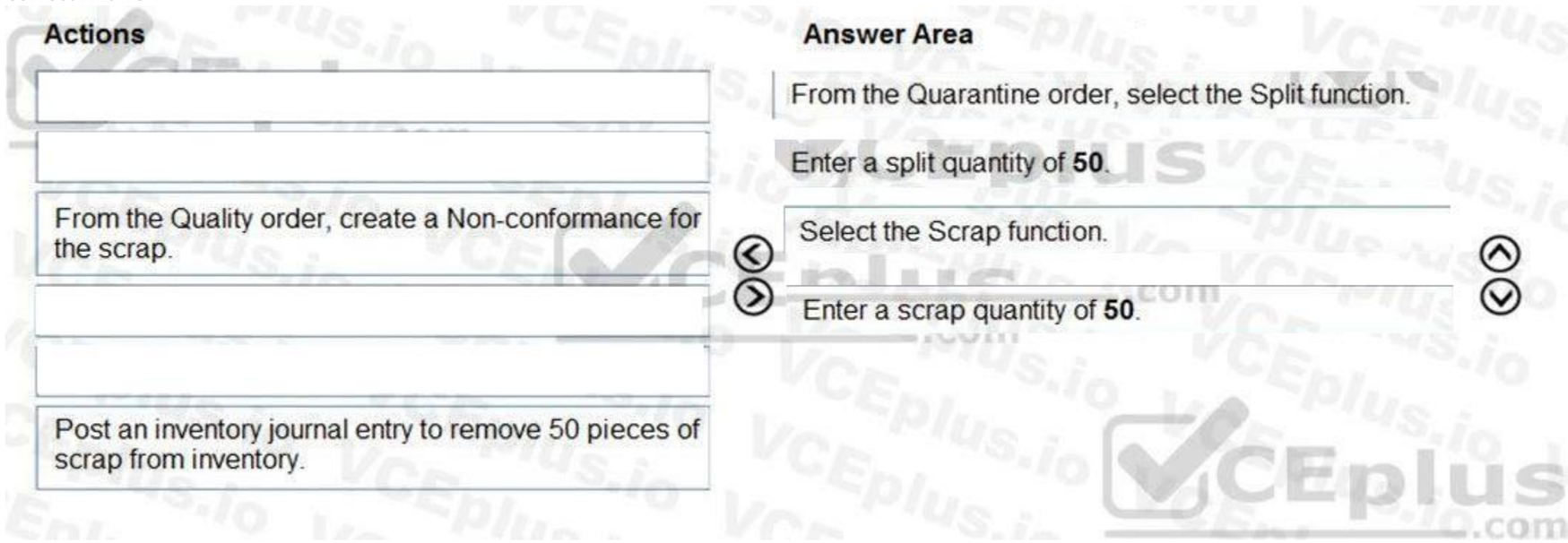
Section:
Explanation:

QUESTION 25
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:



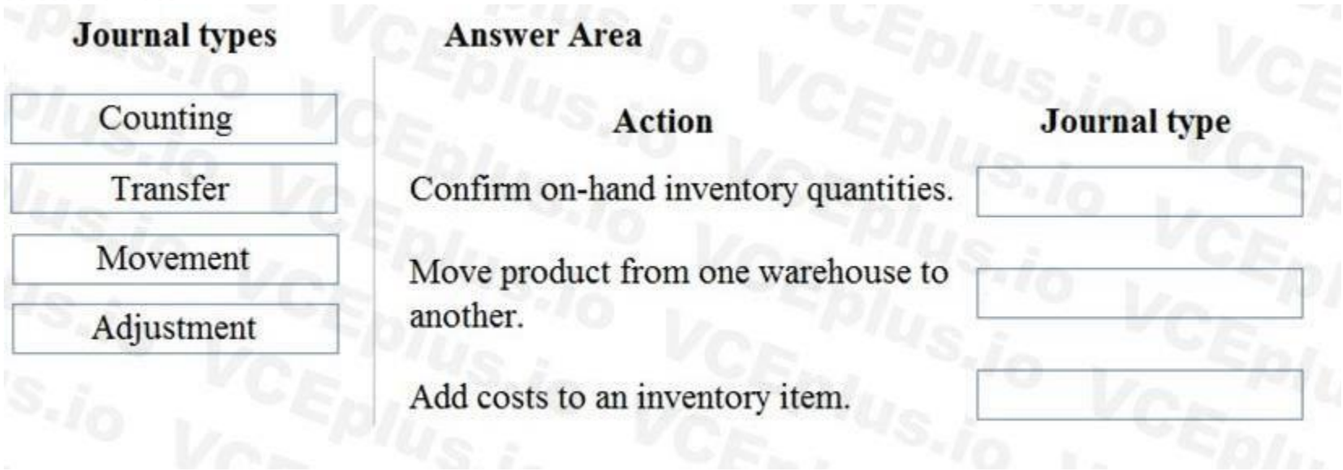
Correct Answer:



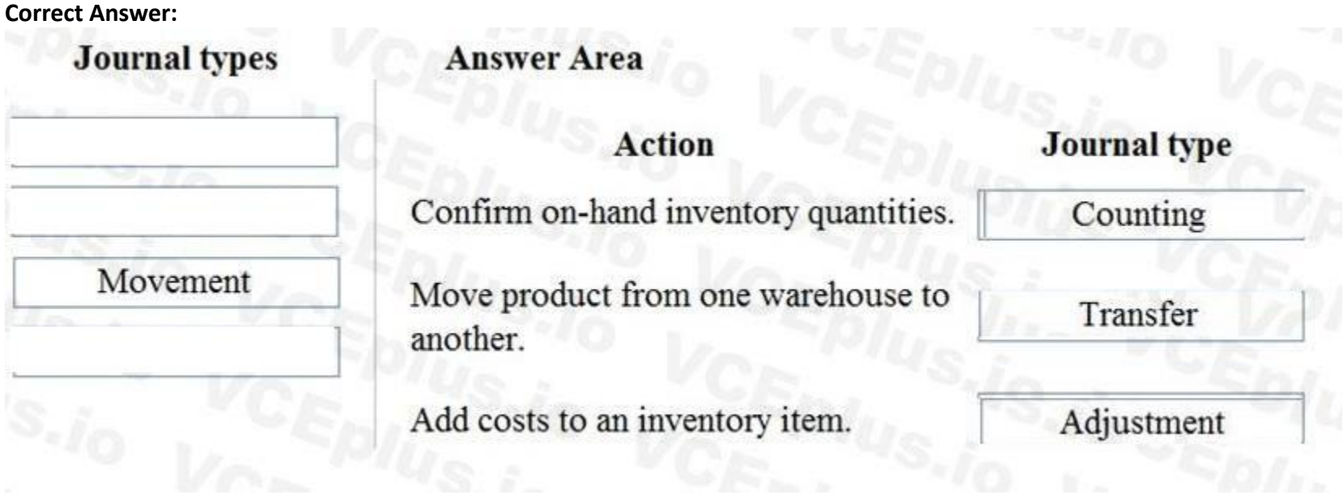
Section:
Explanation:

QUESTION 26
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:



Correct Answer:



Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/inventory-journals

QUESTION 27
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	The item status is set to sold at the quarantine warehouse.	
Ended		

Correct Answer:

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
	The item status is set to sold at the quarantine warehouse.	Ended

Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/quarantine-orders

QUESTION 28
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: A, D, E
Section:
Explanation:

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

QUESTION 29
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: A, C, E
Section:
Explanation:
Reference:
https://dynamics-tips.com/abc-classification-explained-d365-finance-and-operations/

QUESTION 30
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	Stop an item for purchase or sale. Change the inventory status to block Stop an item from inventory transactions Block an item group Create movement journals to hold the items
Create tests	Create variables and outcomes and set pass/fail Create quarantine order and run tests Create production orders to run tests Create a sales order to sell the tests to the consumers

Answer Area:

Answer Area

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

Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/quality-test-variables

QUESTION 31
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
Section:

QUESTION 32
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:

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.

Section:
Explanation:

QUESTION 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.
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
Section:

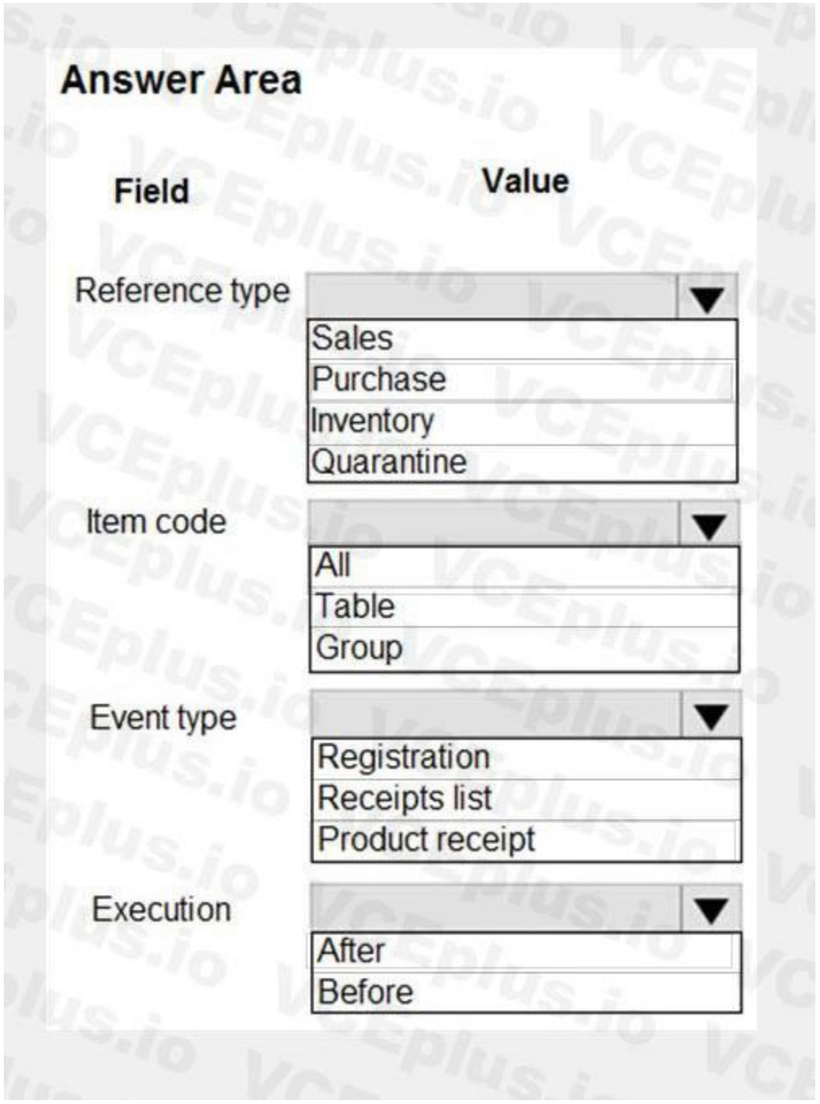
QUESTION 34
A company uses Dynamics 365 Supply Chain Management.
Orders are reserved against open purchase orders that have not yet been received. As a result, there are issues prioritizing deliveries, which is causing backorders on both sales orders and transfer orders.
Negative inventory is not currently 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.

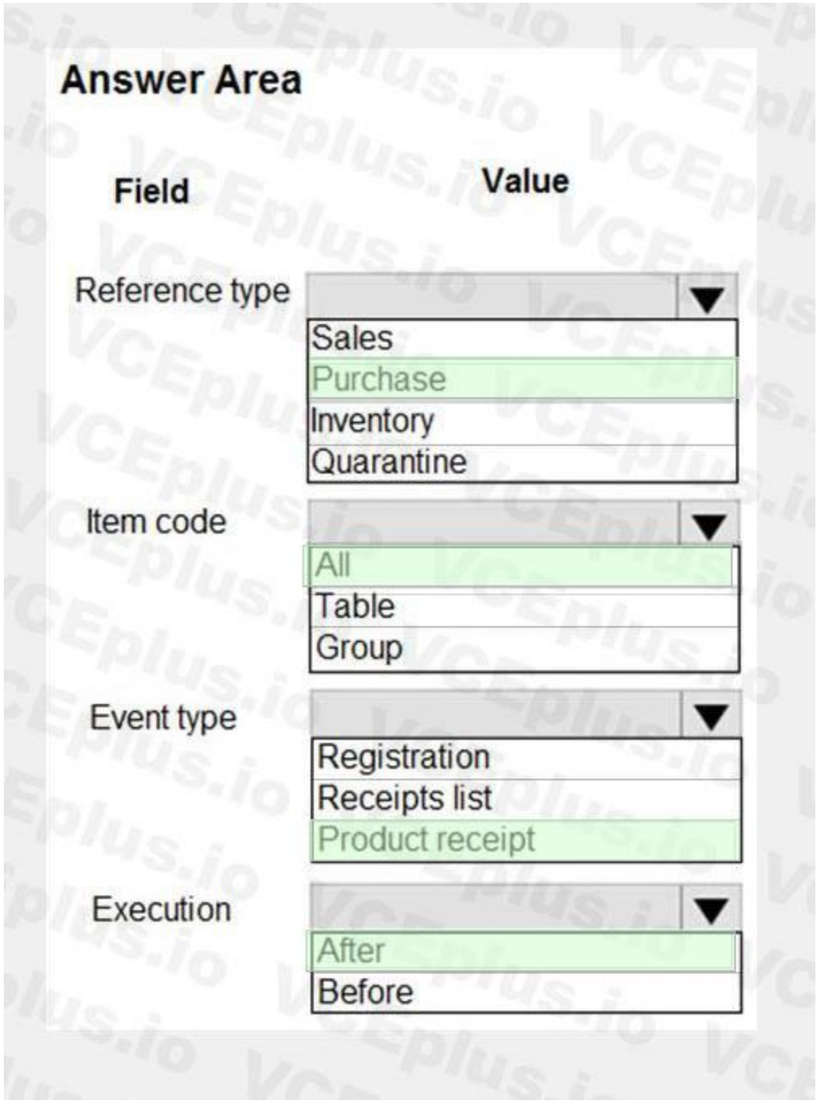
Correct Answer: B
Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/reserve-inventory-quantities

QUESTION 35
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
Sales
Purchase
Inventory
Quarantine
Item code
All
Table
Group
Event type
Registration
Receipts list
Product receipt
Execution
After
Before

Answer Area:



Section:
Explanation:
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

02 - Implement Inventory management
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displays information such as business requirements, existing environment, and problem statements. If the case study has an All Information tab, note that the information displayed is identical to the information displayed on the subsequent tabs. When you are ready to answer a question, click the Question button to return to the question.

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 wall-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 ref 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 retails stores.
Requirements. Reporting
Once the new products are available in stores, review 30 day 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 product 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 1
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: A, C
Section:
Explanation:

03 - Implement Inventory management
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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 customer, generate quotes
Inventory	Create product 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 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 ae 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 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 posts 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 1

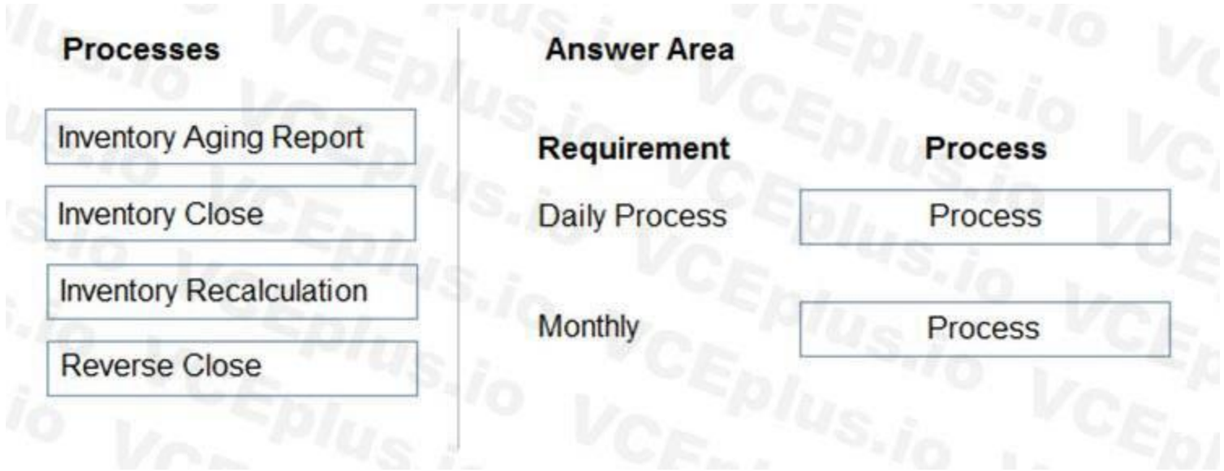
DRAG DROP

You need to configure the system to meet the inventory team cost control requirement.

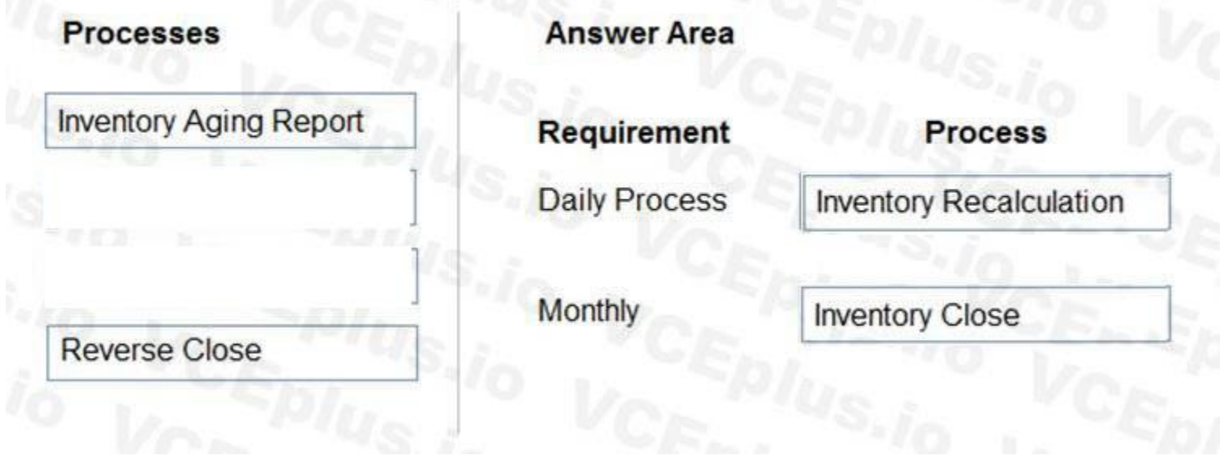
Which processes should you run? To answer, drag the appropriate processes to the correct requirements. Each process may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:



Correct Answer:



Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/cost-management/inventory-close

QUESTION 2
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	Report option
Configure the system to support the reports for the inventory control and warehouse teams.	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

Answer Area:

Answer Area

Requirement	Report option
Configure the system to support the reports for the inventory control and warehouse teams.	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

Section:
Explanation:

QUESTION 3
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

Answer 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

Section:
Explanation:

QUESTION 4
You need to identify the cause for the inventory issue reported by customer service representatives.
What is the root cause?

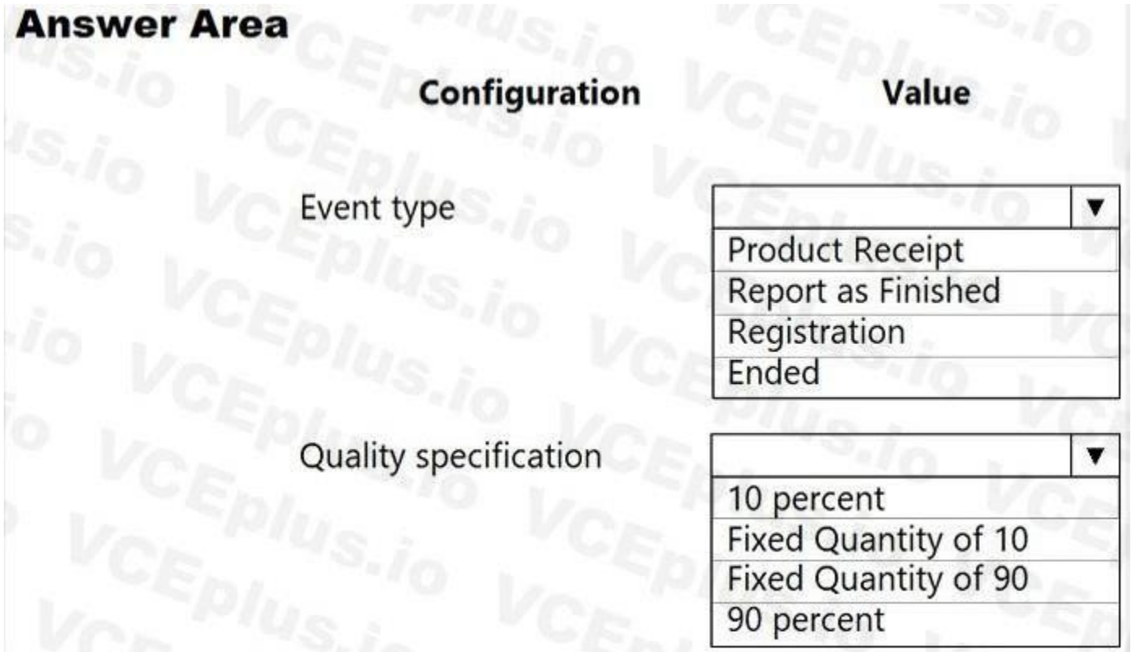
A. Run inventory close process.
B. Ordered reserved box should be checked, this will disable quantities.
C. Turn on automatic reservation.
D. Ordered reserved quantity is due to marking.
E. Turn off automatic reservation.

Correct Answer: D
Section:

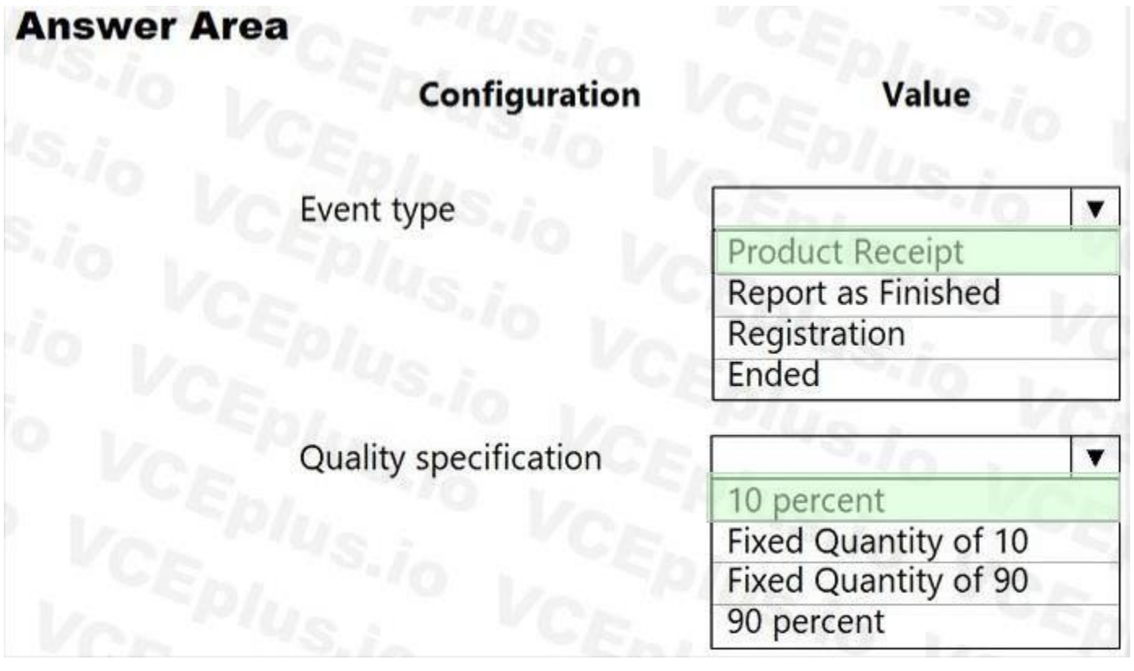
QUESTION 5

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:



Section:

Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/enable-quality-management

04 - Implement Inventory management
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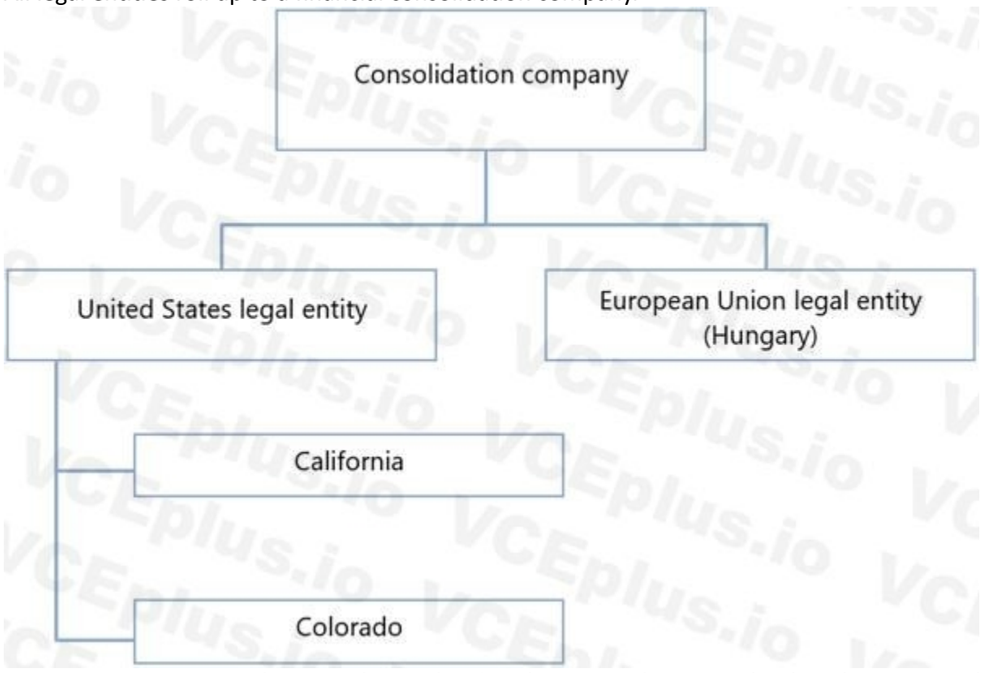
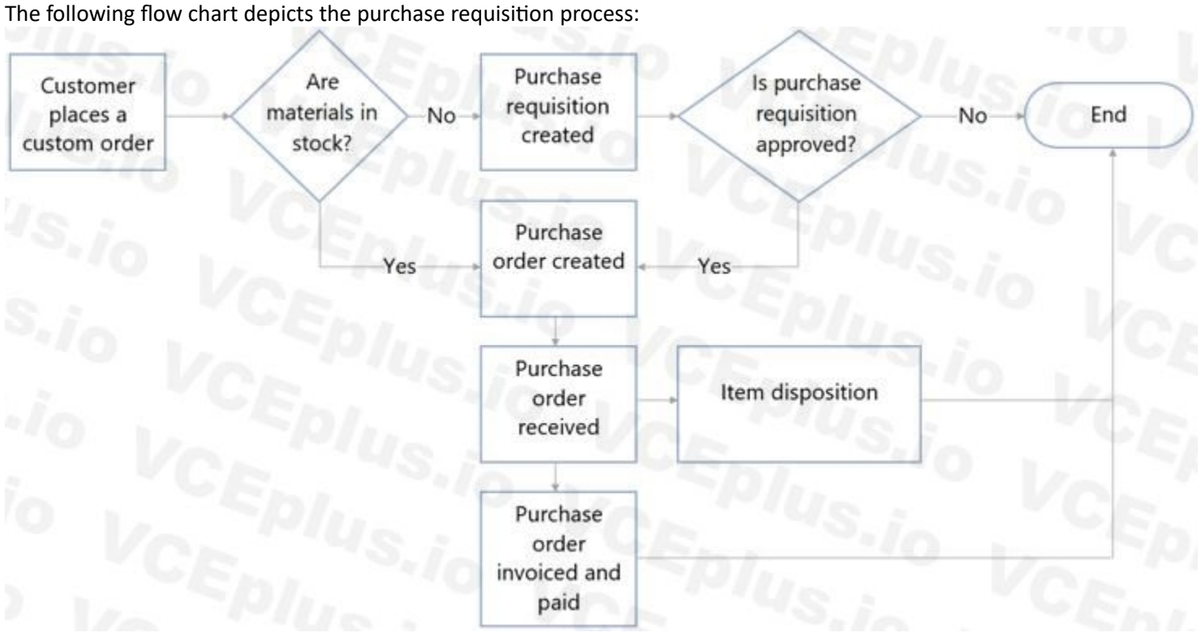
Background
Adventure Works Cycles builds stock and custom mountain bikes and is headquartered in San Diego. It has the following assembly and warehouse locations:
Denver, Colorado, United States
San Diego, California, United States
Budapest, Hungary
Most manufacturing is outsourced, with each facility 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. Purchasing 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.
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 26 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 1
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: A, D
Section:

QUESTION 2
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.
NOTE: Each correct selection is worth one point.

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.

Correct Answer: A, D
Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/enable-quality-management

QUESTION 3
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: B, D
Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/quality-orders

QUESTION 4
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
Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/quality-orders

01 - Implement Warehouse management and Transportation management and perform business processes

QUESTION 1
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: B, C
Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/system-directed-cluster-pick

QUESTION 2
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?

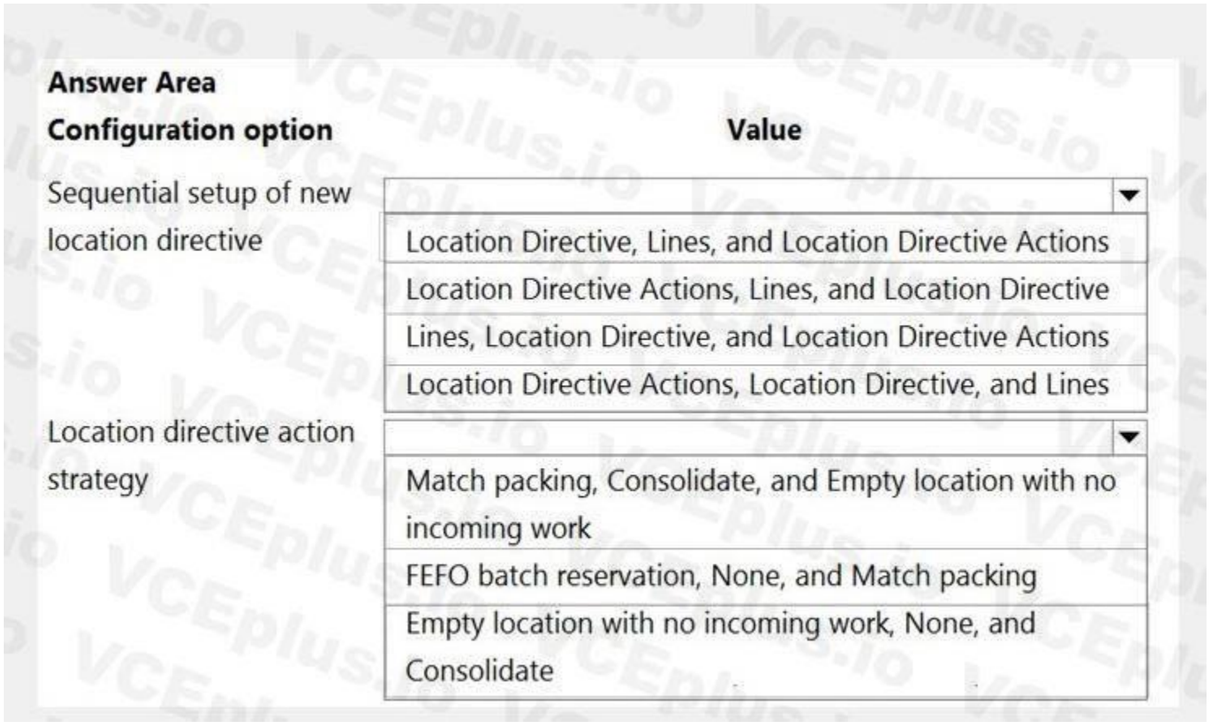
A. On the Mobile device menu items form, select an option for the Directed by field.
B. On the Cluster profile form, add a value to the Sequence Put-away field.
C. On the Cluster profile form, add a value to the Break cluster at field.
D. On the Mobile device menu items form, add a value for the Work type – Put-away field.

Correct Answer: C
Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/system-directed-cluster-pick
https://ellipsesolutions.com/dynamics-365-thing-called-cluster-picking/

QUESTION 3

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:

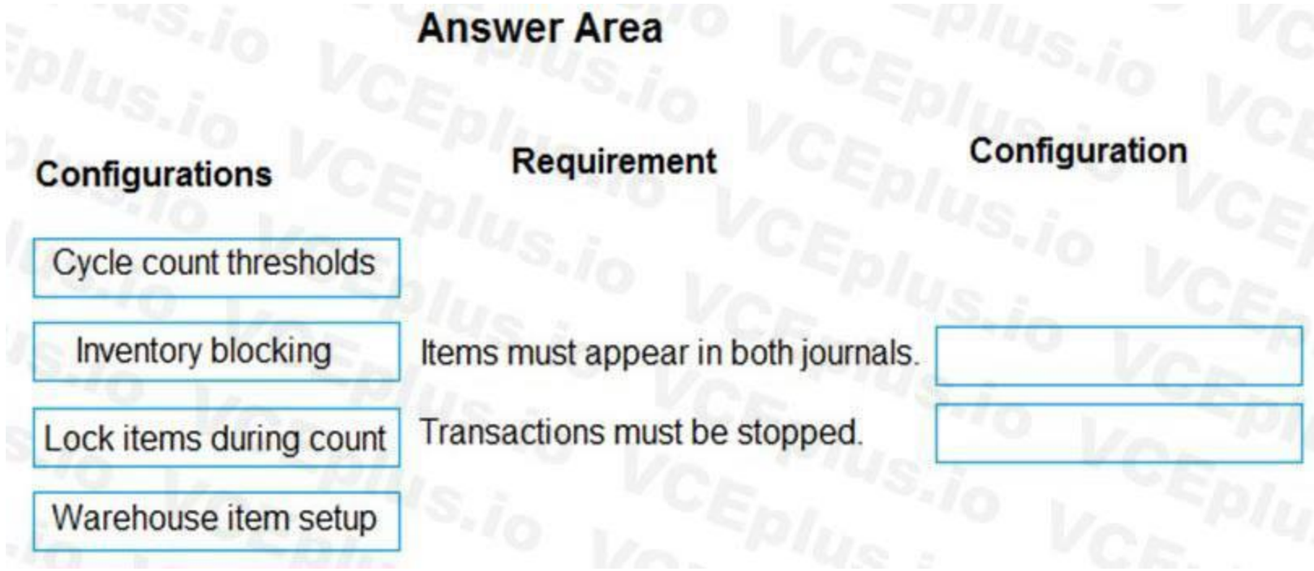


Answer Area:

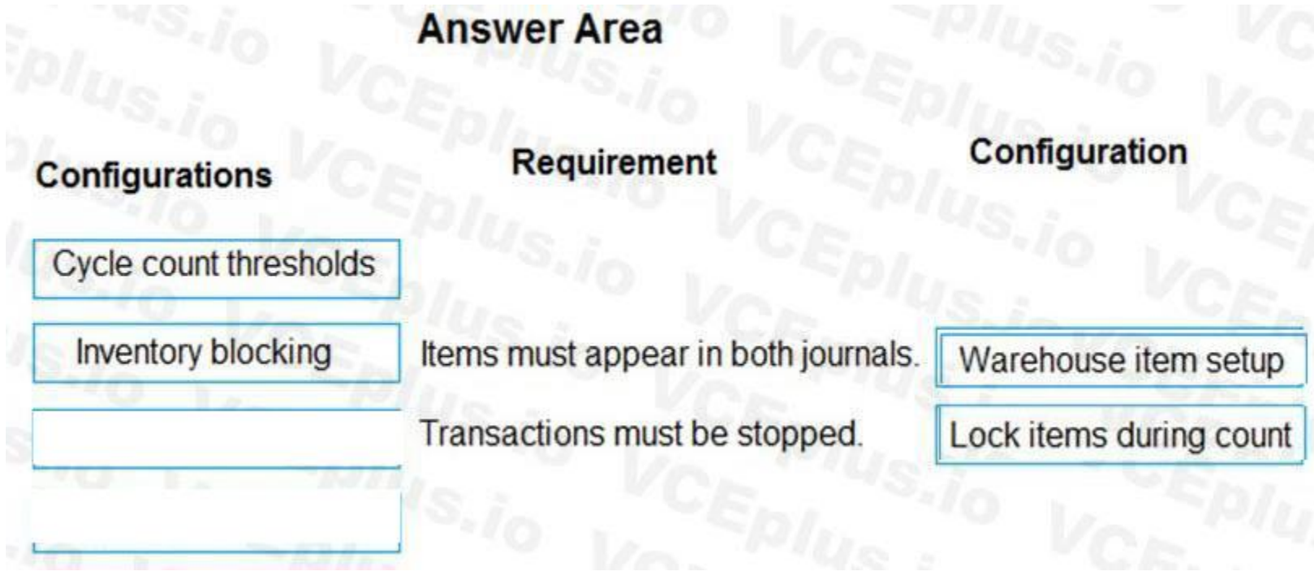
Section:
Explanation:
Reference:
https://dynamics-tips.com/location-directives-and-work-templates-explained/

QUESTION 4
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:



Correct Answer:



Section:
Explanation:

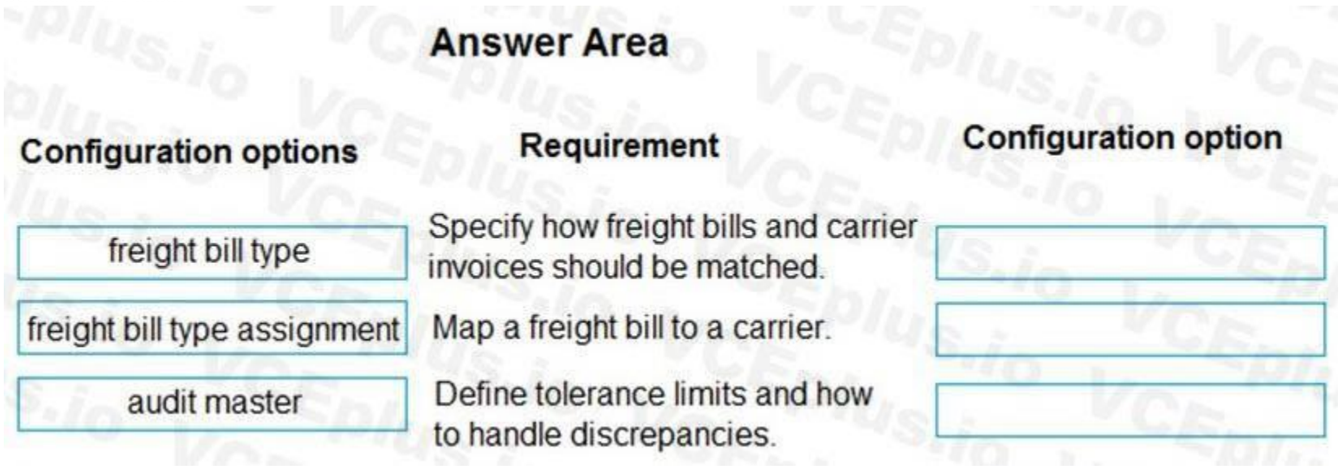
QUESTION 5
You are implementing warehousing in Dynamics 365 Supply Chain Management.
You need to configure and approve one warehouse that can be used to create additional warehouses.
What should you use?

A. inventory and warehouse management parameter setup
B. warehouse management parameter setup only
C. warehouse work template
D. warehouse configuration template

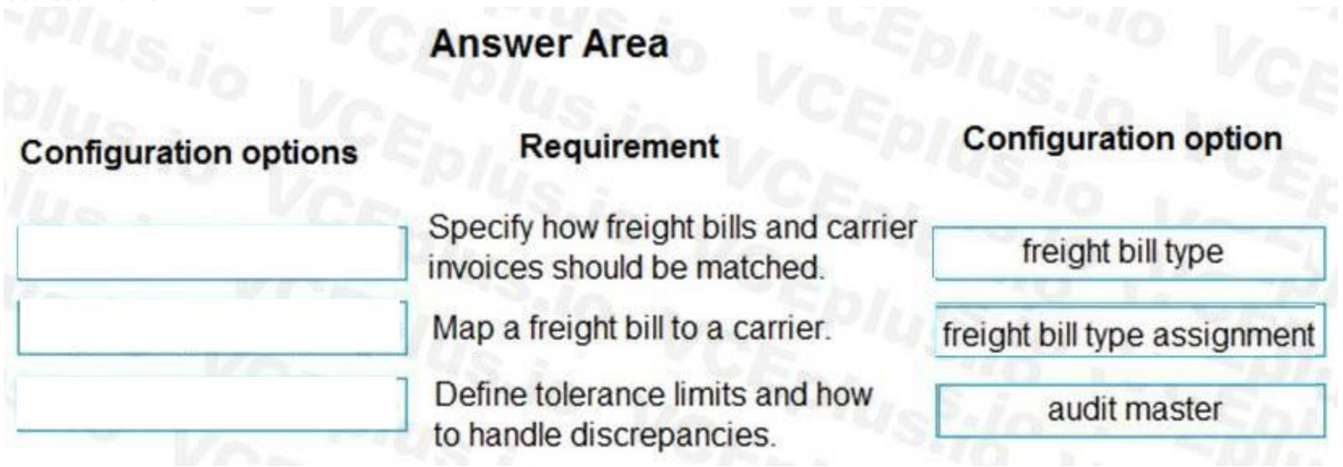
Correct Answer: D
Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/warehouse-template

QUESTION 6
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:



Correct Answer:



Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/transportation/tasks/set-up-automatic-freight-reconciliation

QUESTION 7
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
Section:
Explanation:
References: https://cloudblogs.microsoft.com/dynamics365/no-audience/2016/12/01/improved-packing-functionality-dynamics-365-for-operations-1611/

QUESTION 8
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: A, C, D
Section:
Explanation:
Reference: https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/warehousing/tasks/set-up-containerization

QUESTION 9
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
Section:

Explanation:
Reference: https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/warehousing/cycle-counting

QUESTION 10
You are implementing warehousing in Dynamics 365 Supply Chain Management.
You configure and approve one warehouse.
You need to use the established warehouse setup to create additional warehouses.
What should you use?

A. warehouse management parameter setup only
B. warehouse work template
C. warehouse configuration template
D. inventory and warehouse management parameter setup

Correct Answer: C
Section:
Explanation:
Reference: https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/warehouse-template

QUESTION 11
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 features 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: A, D, E
Section:
Explanation:
Reference: https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/warehousing/warehouse-management-overview

QUESTION 12
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
Section:
Explanation:
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/

QUESTION 13
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
Section:
Explanation:
Reference: https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/warehousing/configure-mobile-devices-warehouse

QUESTION 14
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?

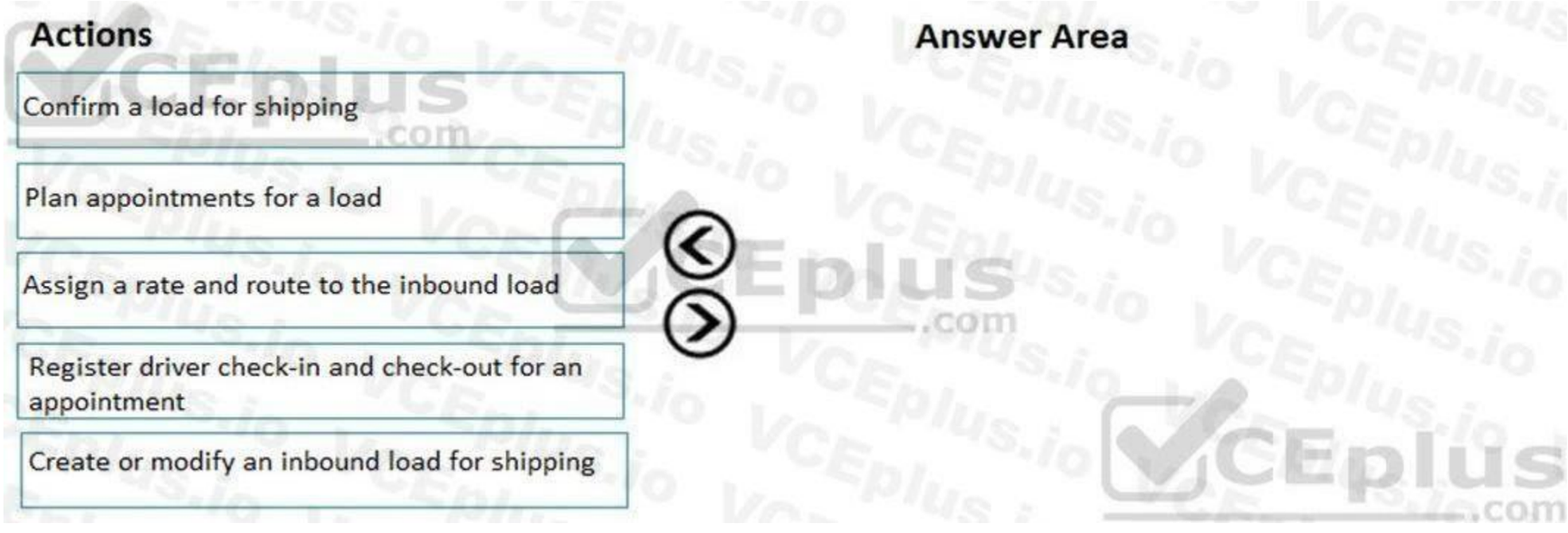
A. Automate wave release
B. Assign to open waves
C. Process wave automatically threshold
D. Automate wave creation

Correct Answer: D
Section:
Explanation:
Reference: https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/tasks/configure-wave-processing

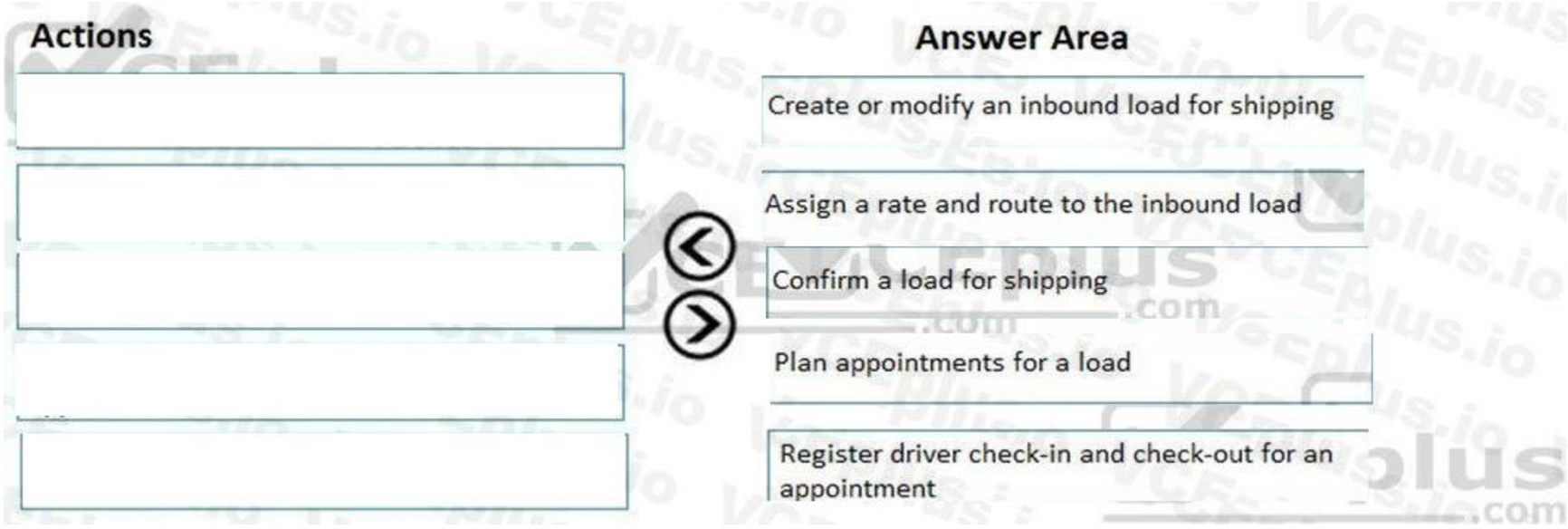
QUESTION 15
DRAG DROP
New order items arrive from vendors and come into a company's main warehouse.

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:



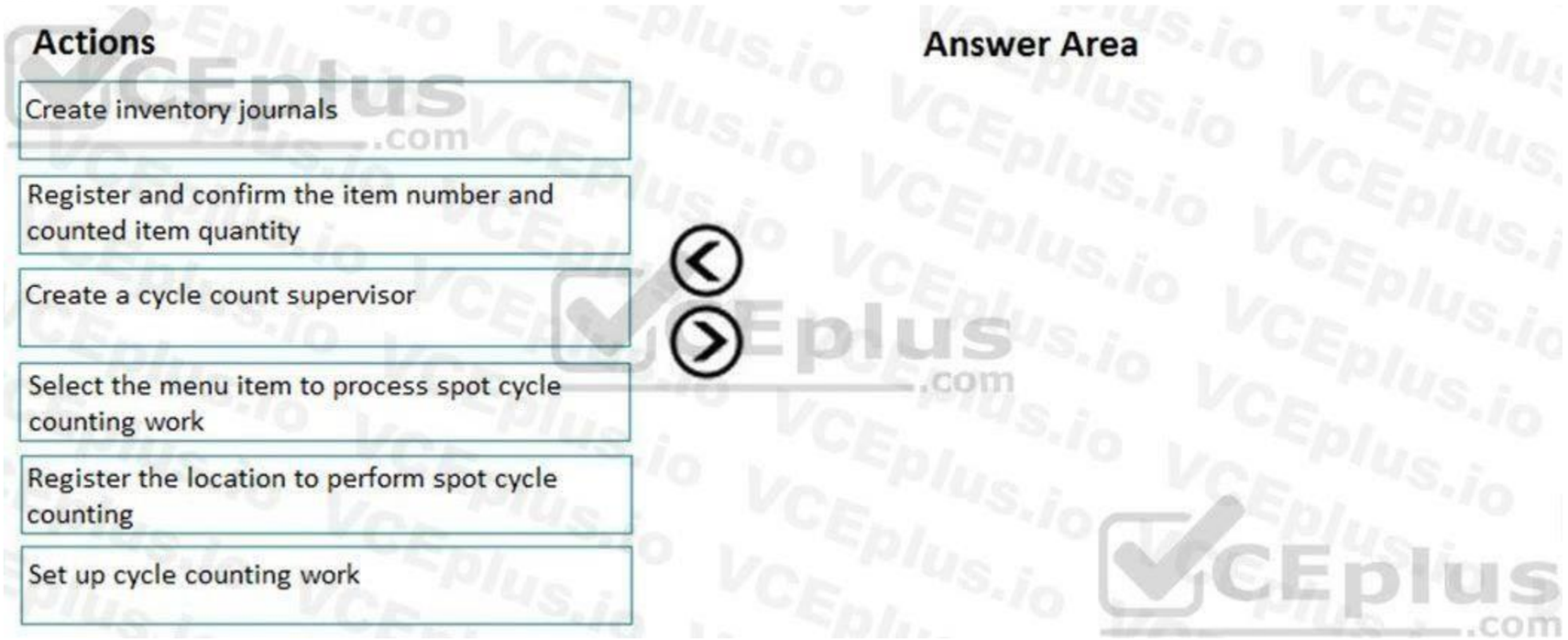
Correct Answer:



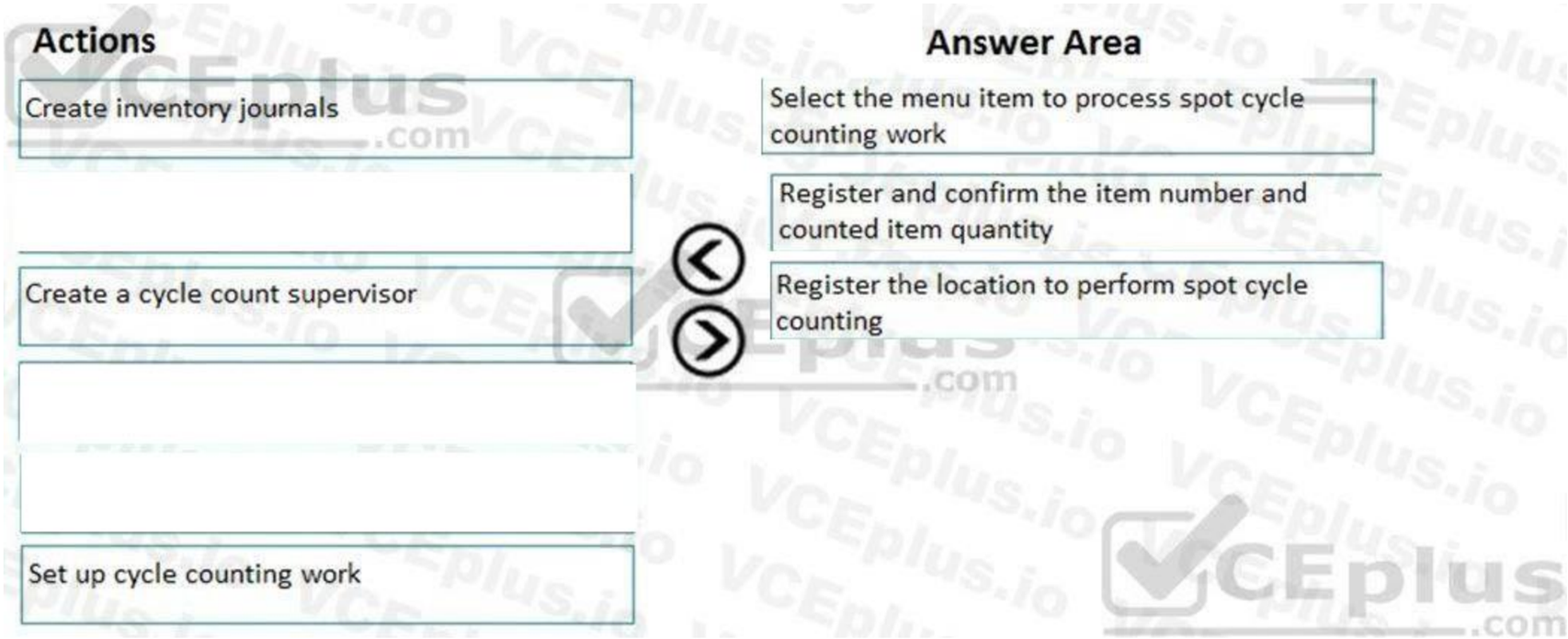
Section:
Explanation:
References:
https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/transportation/transportation-management-overview#inbound-transportation

QUESTION 16
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:



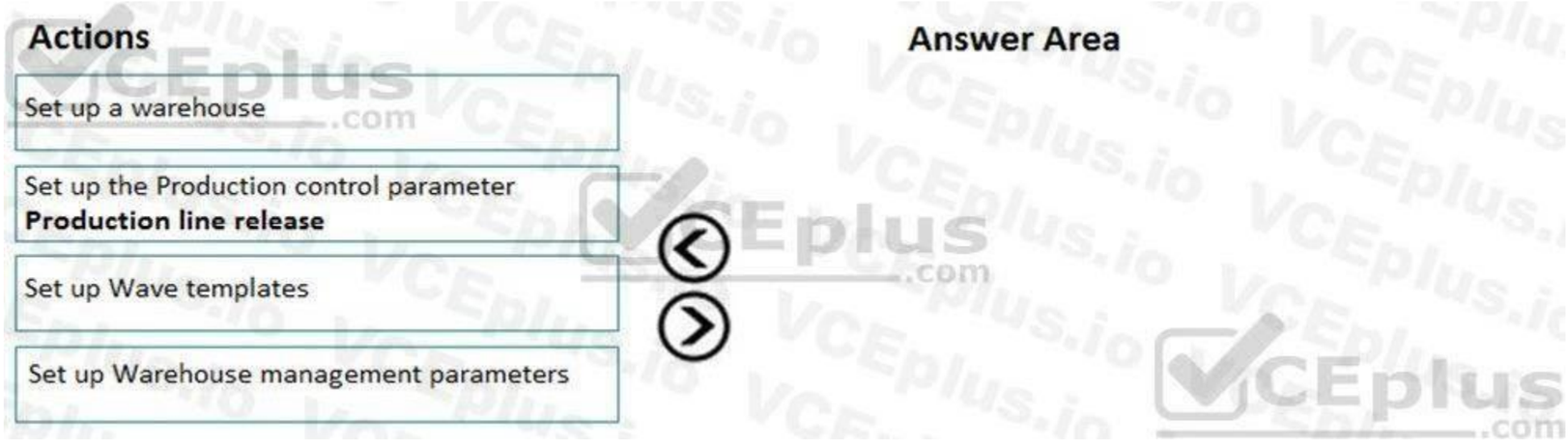
Correct Answer:



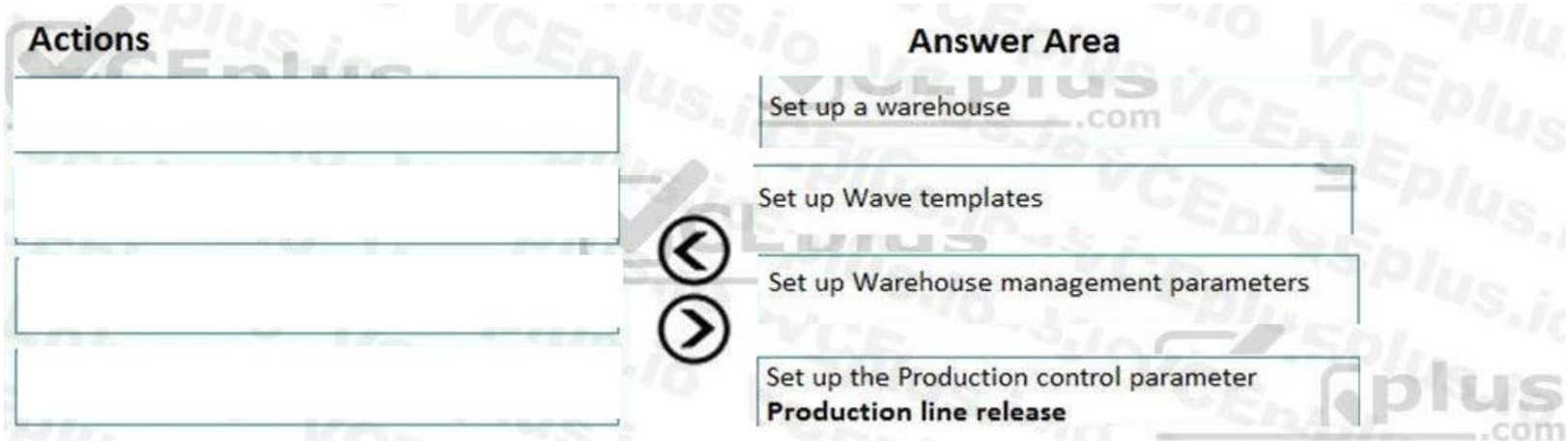
Section:
Explanation:
References:
https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/warehousing/cycle-counting#perform-a-cycle-count-by-using-a-mobile-device

QUESTION 17
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:



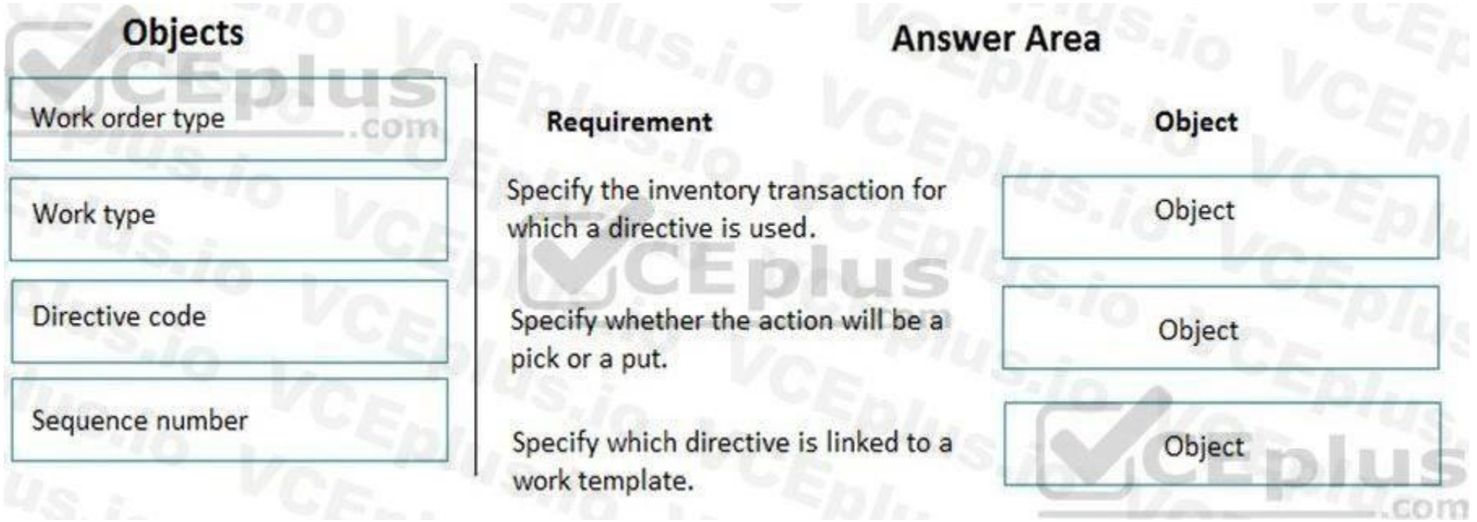
Correct Answer:



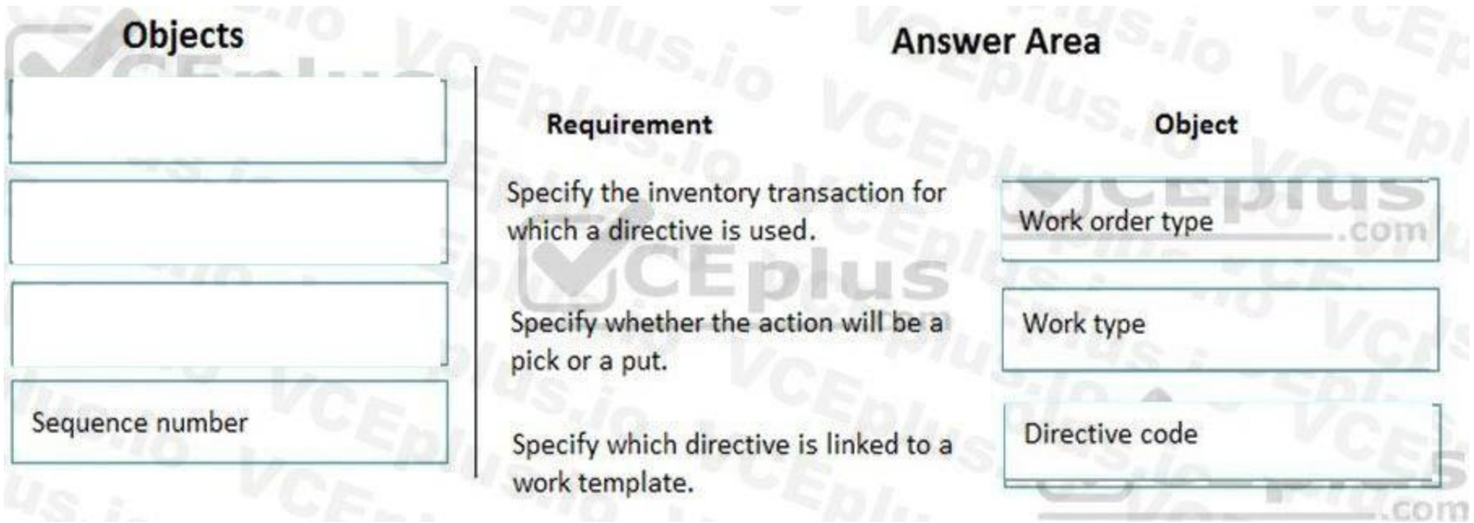
Section:
Explanation:
References:
https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/warehousing/tasks/configure-wave-processing

QUESTION 18
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:



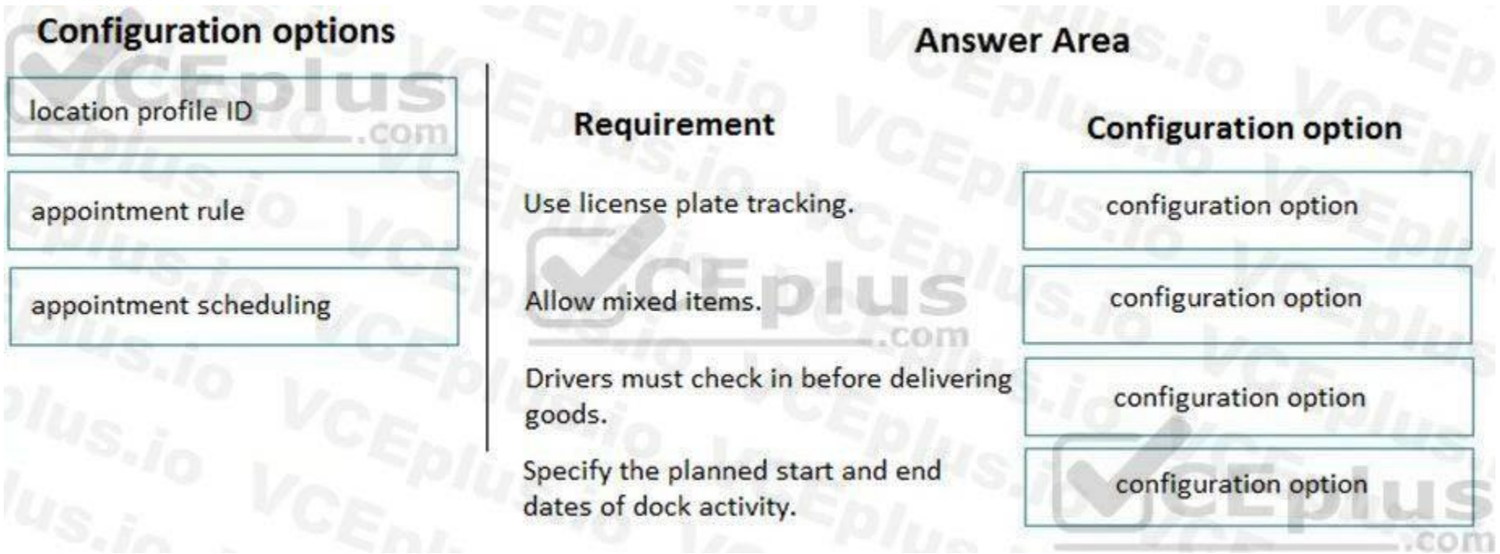
Correct Answer:



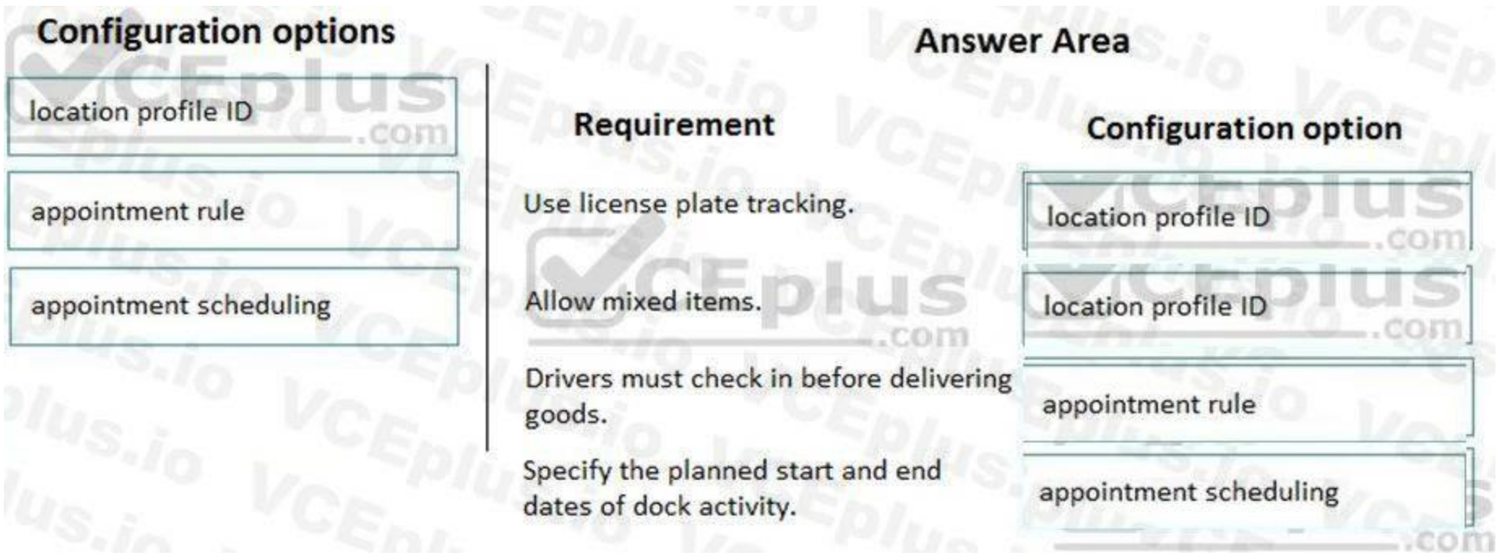
Section:
Explanation:
References:
https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/warehousing/control-warehouse-location-directives

QUESTION 19
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:



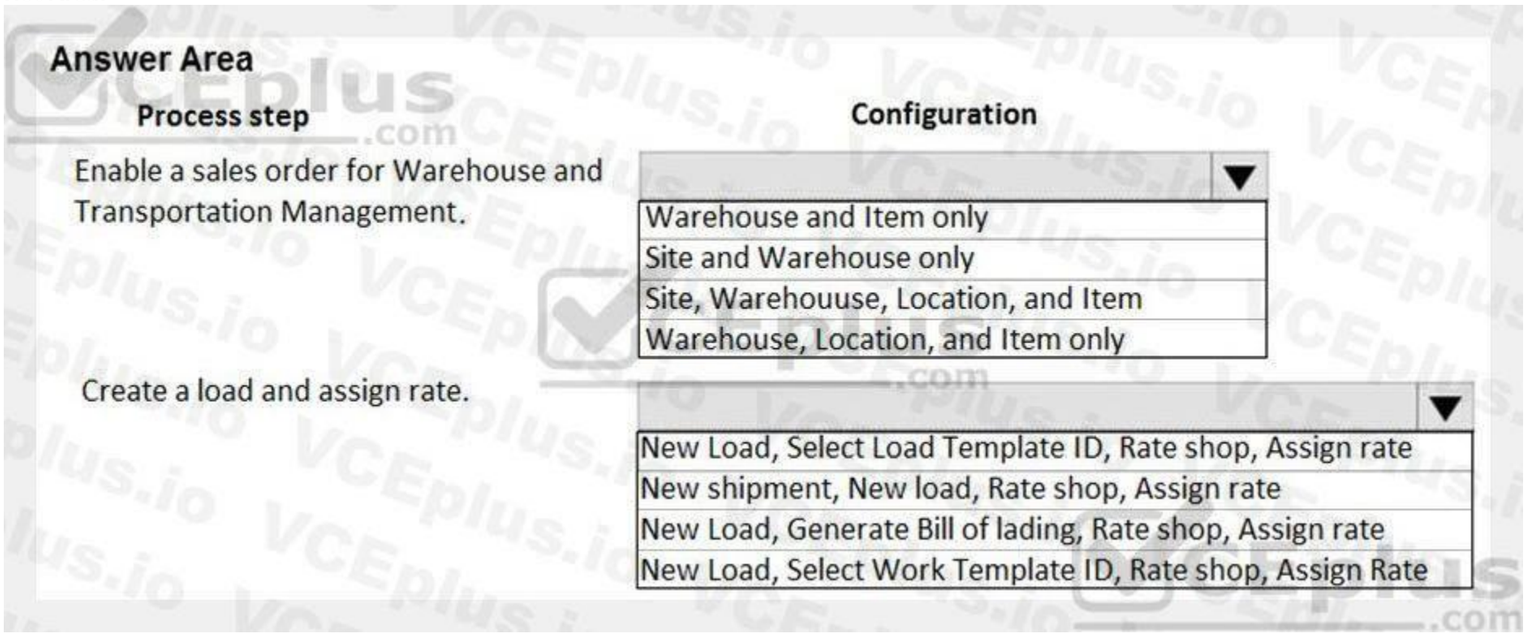
Correct Answer:



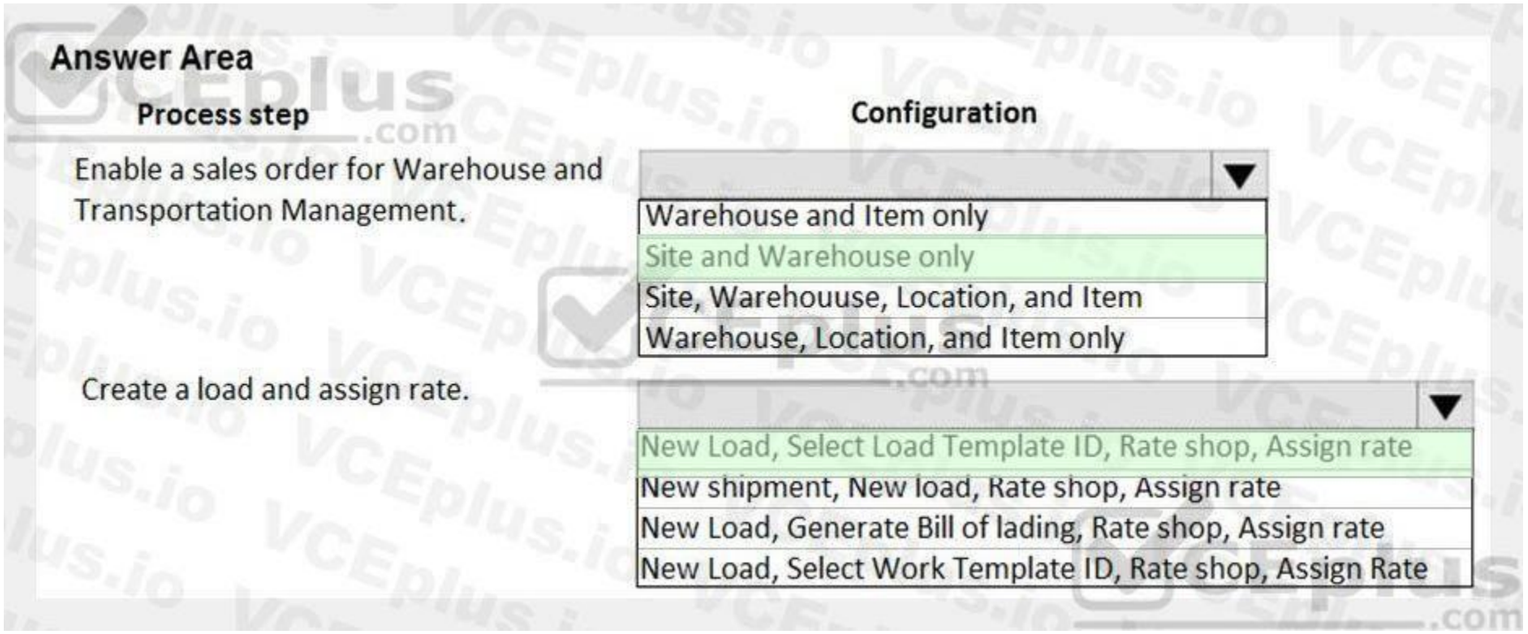
Section:
Explanation:

QUESTION 20
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:



Section:
Explanation:

QUESTION 21
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.

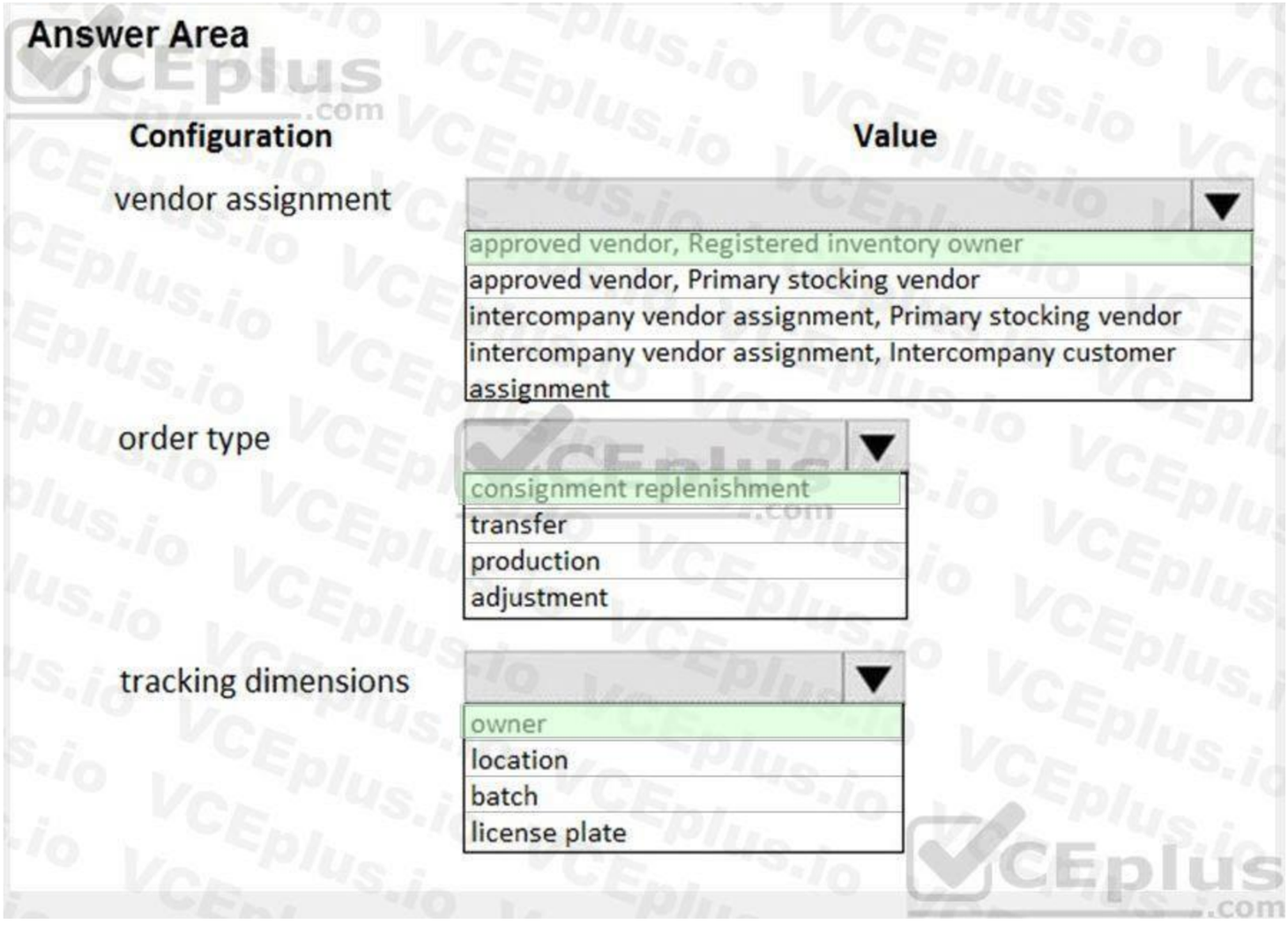
Hot Area:

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
tracking dimensions	owner location batch license plate

Answer Area:

Answer Area



Section:
Explanation:
References:
https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/tasks/create-consignment-replenishment-order

QUESTION 22
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: B, D
Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/control-warehouse-location-directives

QUESTION 23
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	Warehouse1 Transfer Orders Warehouse2 Transfer Orders Warehouse1 Purchase Orders Warehouse2 Purchase Orders
Process as a group	Firm Firm All Group orders Parallelize firming
Increase speed of processing	Firm All Parallelize firming Performance software development kit (SDK) Planning optimization

Answer Area:

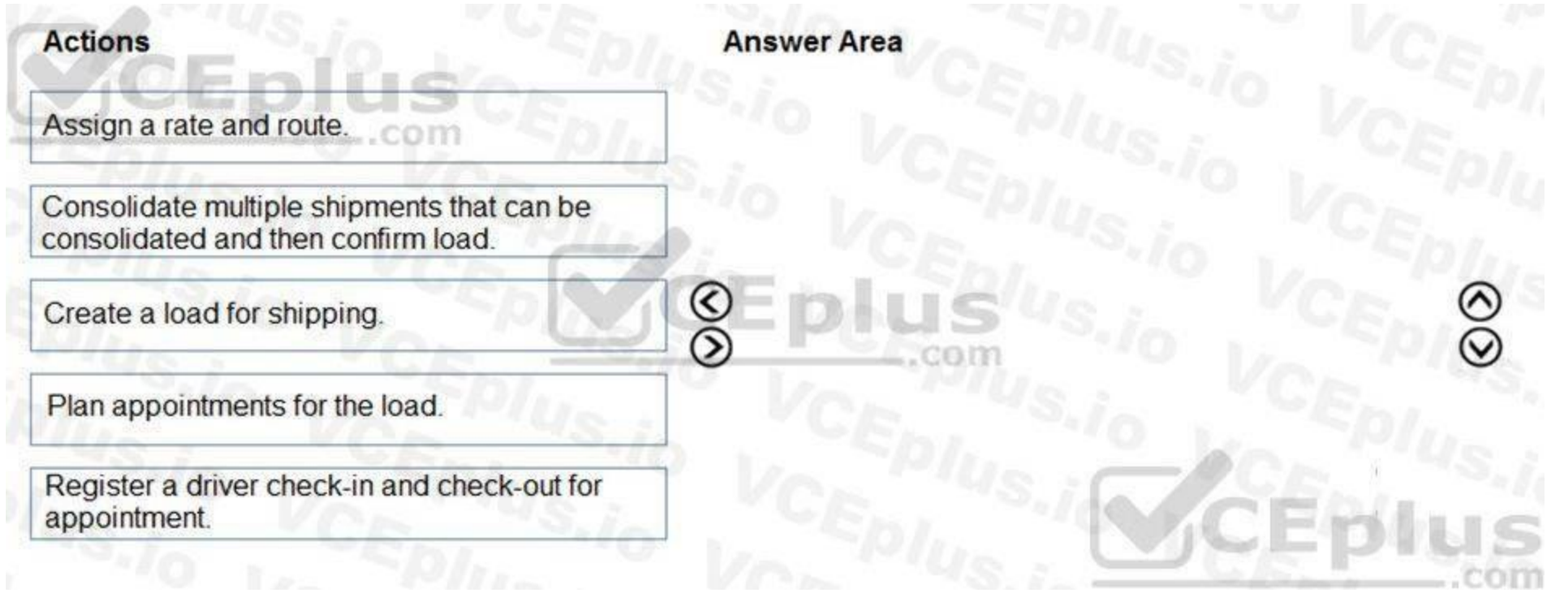
Answer Area

Requirement	Solution
Filter the appropriate planned orders	Warehouse1 Transfer Orders Warehouse2 Transfer Orders Warehouse1 Purchase Orders Warehouse2 Purchase Orders
Process as a group	Firm Firm All Group orders Parallelize firming
Increase speed of processing	Firm All Parallelize firming Performance software development kit (SDK) Planning optimization

Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/maintain-planned-orders

QUESTION 24
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:



Correct Answer:

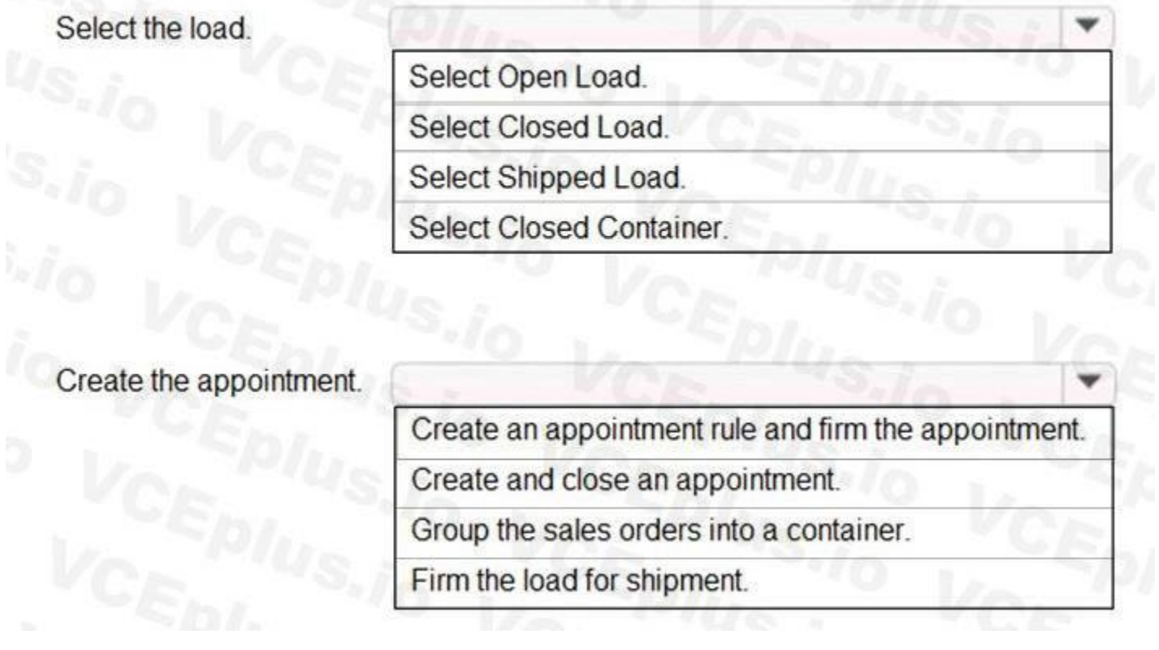
Section:
Explanation:
References:
https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/business-process-planning-transportation-for-inbound-loads

QUESTION 25
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 c module to schedule the loads.
How should you set up dock appointments? To answer, select the appropriate options i the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area



Answer Area:

Answer Area

Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/plan-appointments-for-a-load

QUESTION 26
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

Answer 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

Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/transportation/transportation-management-engines

QUESTION 27
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: B, D
Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/use-buyer-s-push-to-distribute-products

QUESTION 28
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. 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.
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 a Transit Time Engine to track days from New York City to Colorado. Set up rates in the Rate Master tied to day breaks.

Correct Answer: A
Section:

QUESTION 29
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
Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/tasks/configure-wave-processing

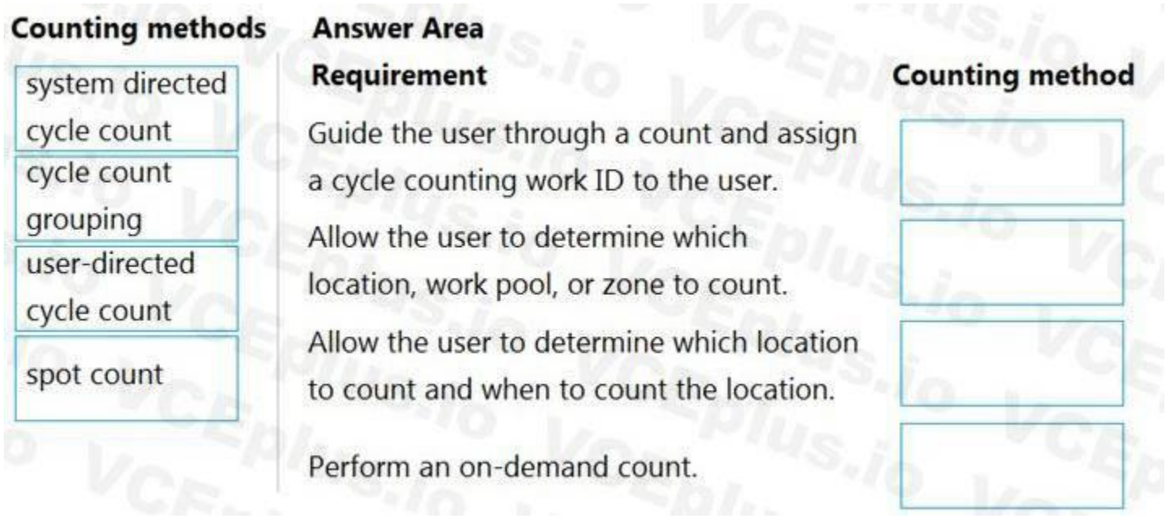
QUESTION 30
You are the logistics manager at a distribution company.
Your primary carrier service provides rates for transportation between New York City and Colorado. These rates are a flat rate depending on the city or general area of pickup as follows:
New York City = $500
Colorado = $450
You need 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.

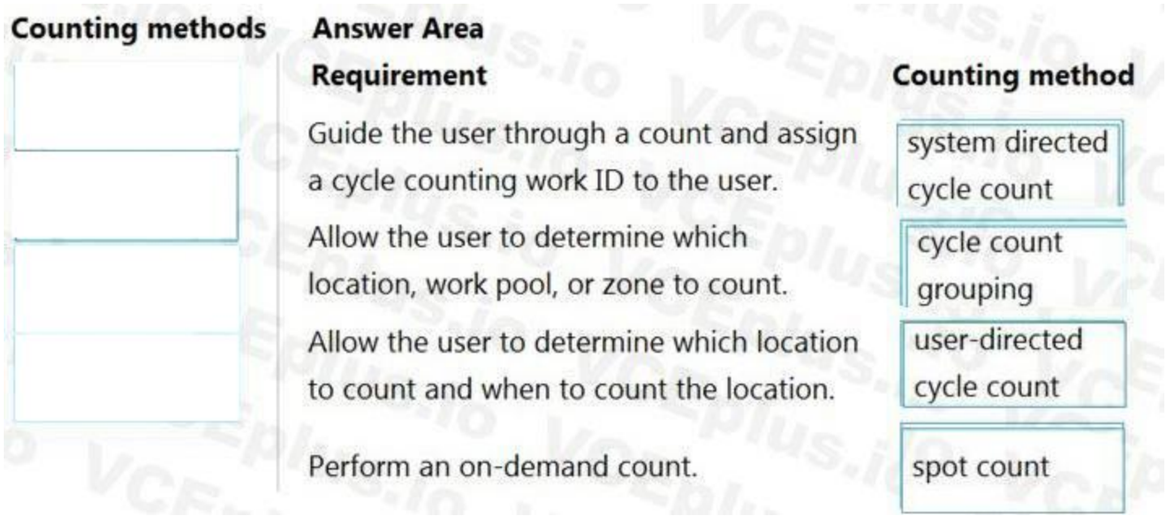
Correct Answer: C
Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/transportation/plan-freight-transportation-routes-multiple-stops

QUESTION 31
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:



Correct Answer:



Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/cycle-counting

02 - Implement Warehouse management and Transportation management and perform business processes
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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 wall-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 ref 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 retails stores.
Requirements. Reporting
Once the new products are available in stores, review 30 day 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 product 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.

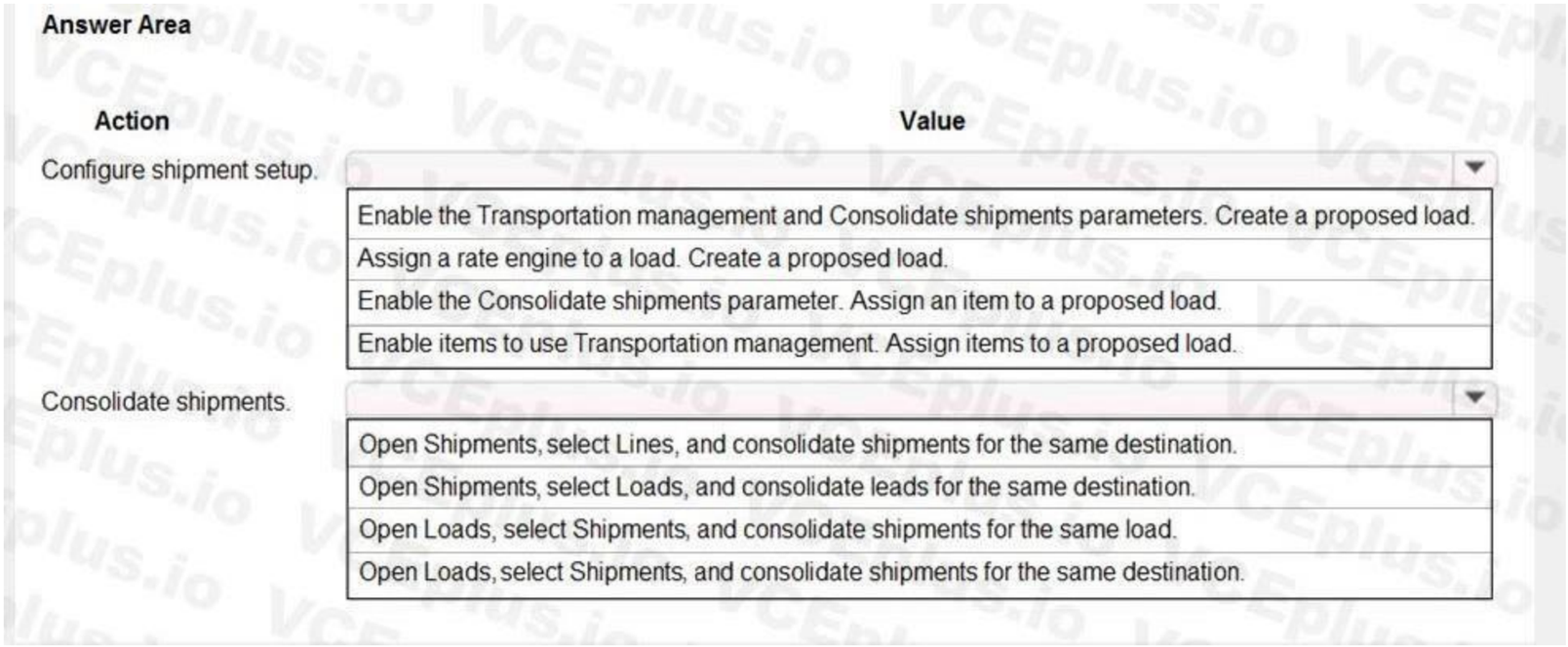
QUESTION 1
You need to complete the shipments.
What should you do?

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 shipments, generate shipping documents, and send an ASN.

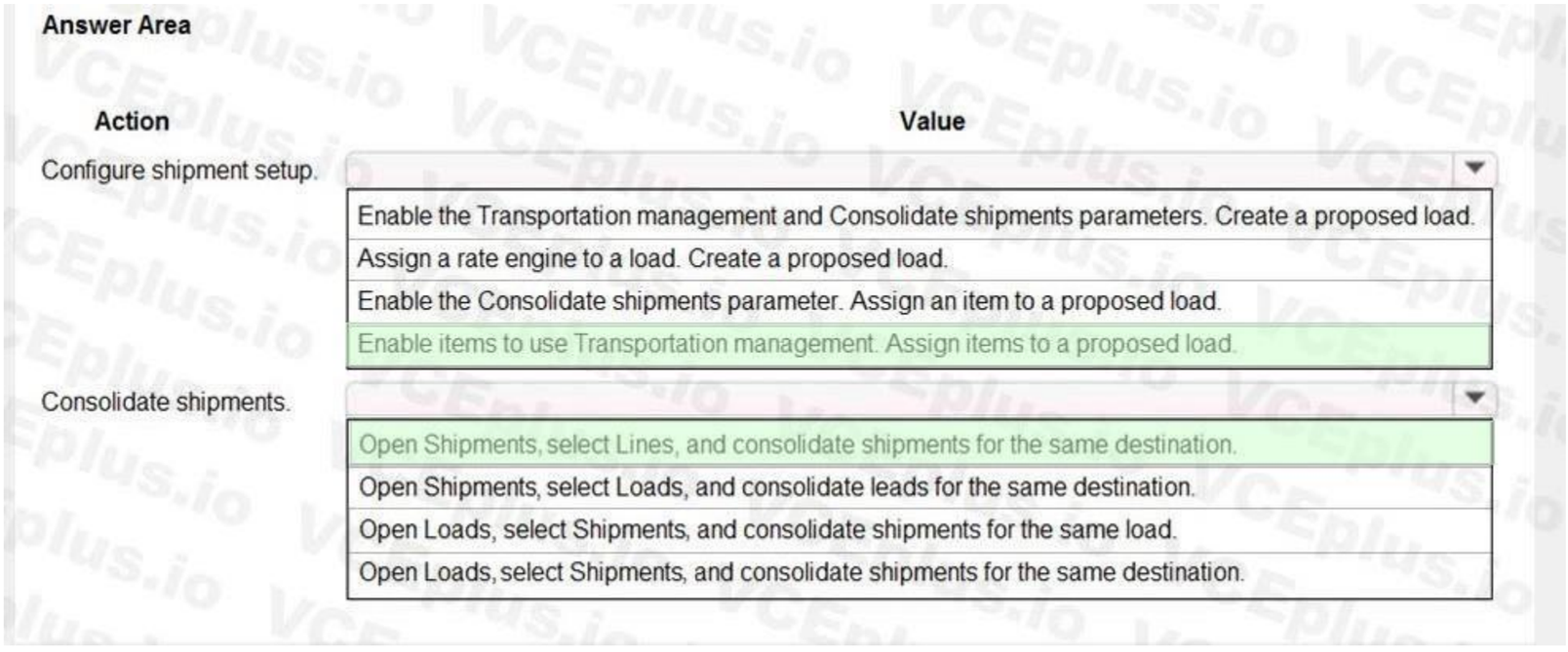
Correct Answer: B
Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/confirm-a-load-for-shipping

QUESTION 2
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:

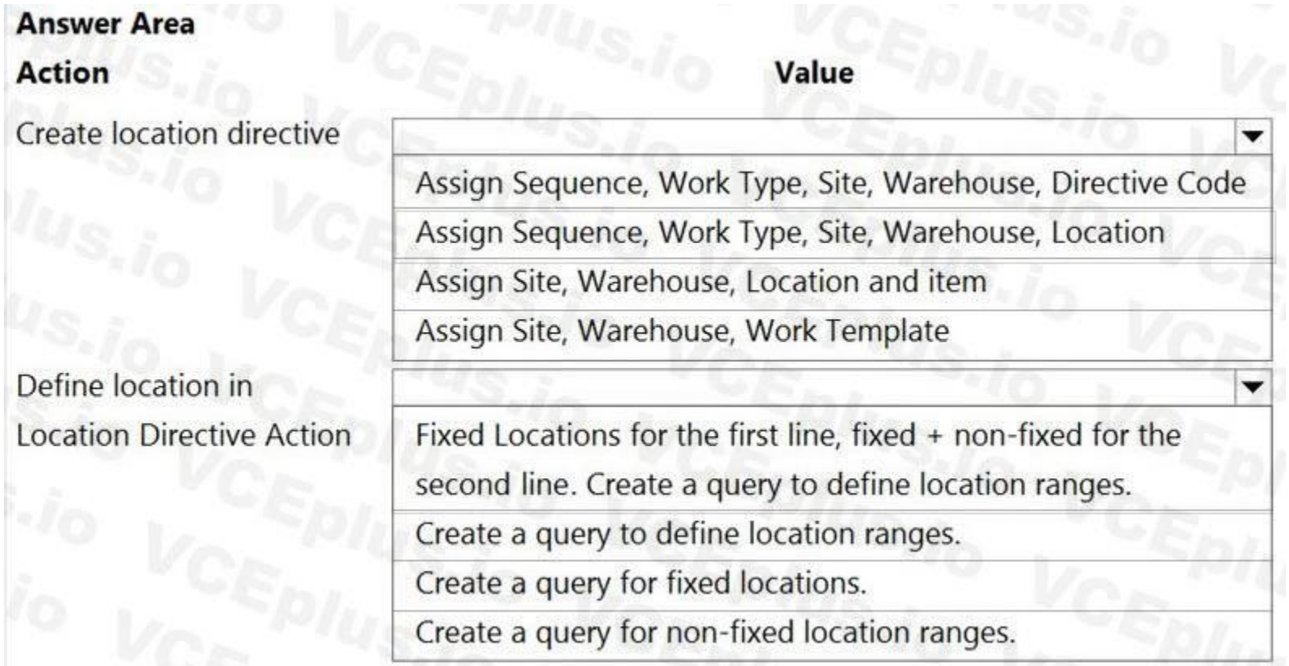


Section:
Explanation:

QUESTION 3
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:



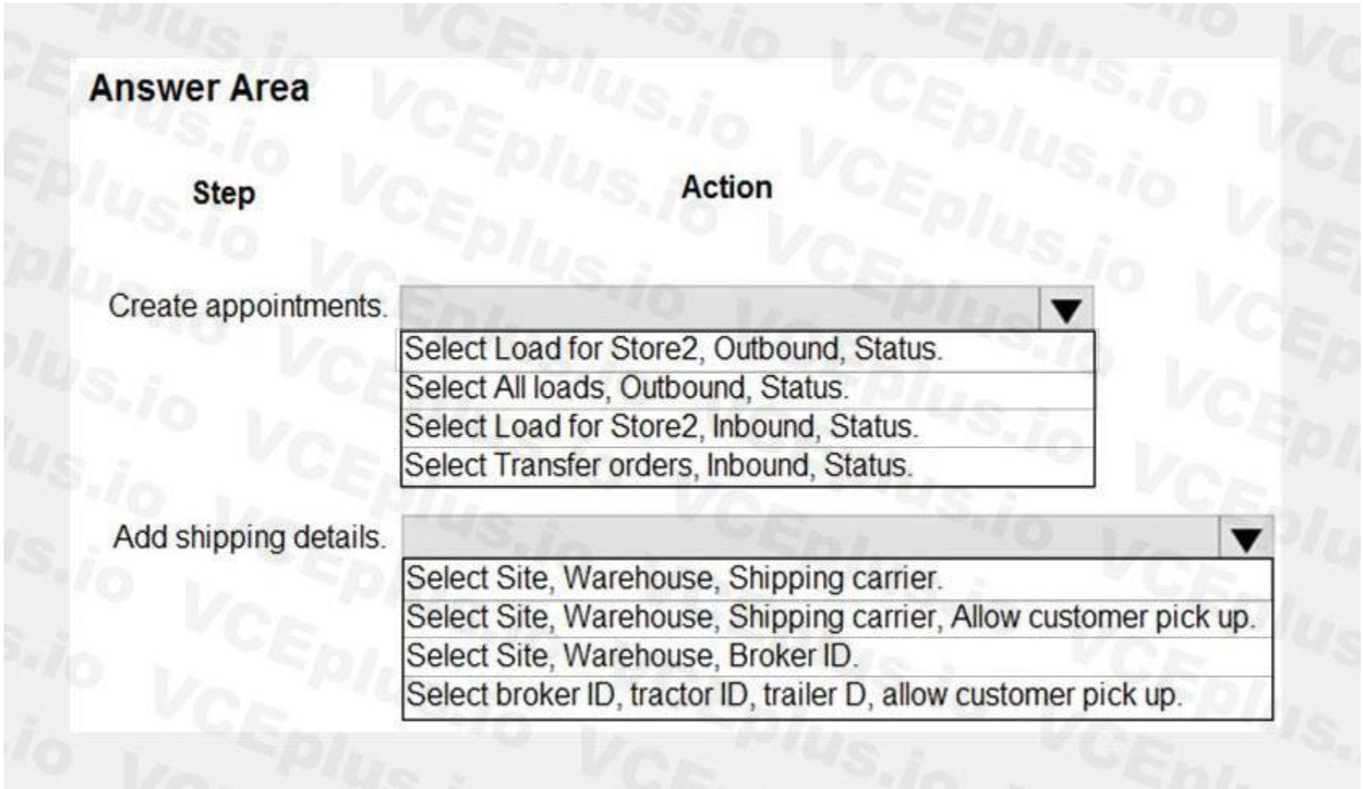
Answer Area:

Section:
Explanation:
Reference:

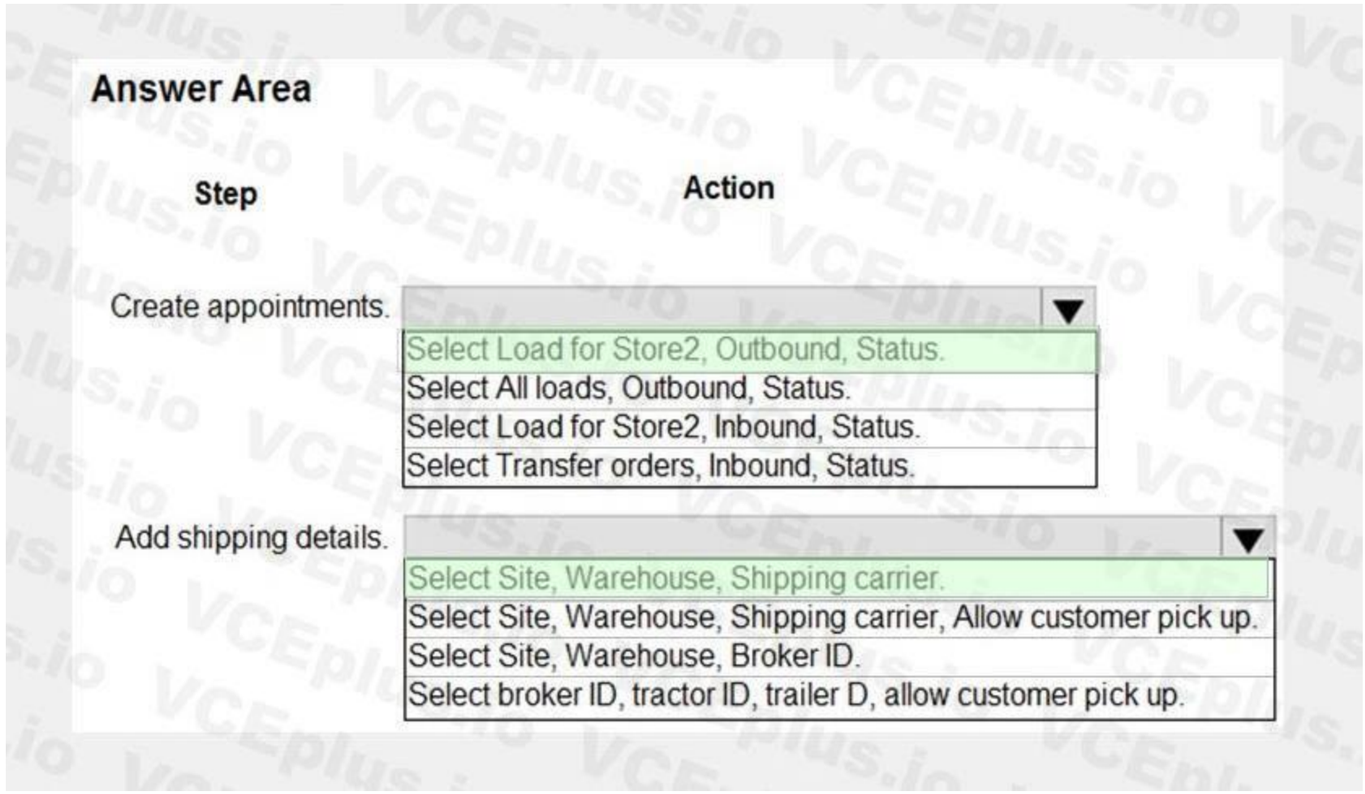
https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/create-a-location-directive
https://docs.microsoft.com/en-us/dynamics365/supply-chain/transportation/tasks/set-up-location-directive-purchase-order-put-away

QUESTION 4
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:



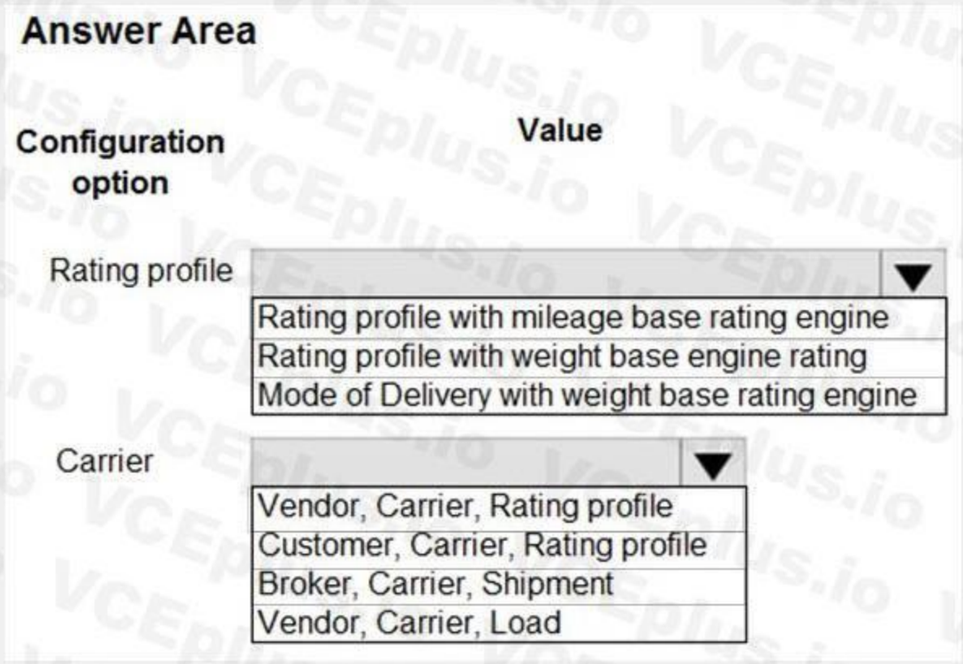
Answer Area:



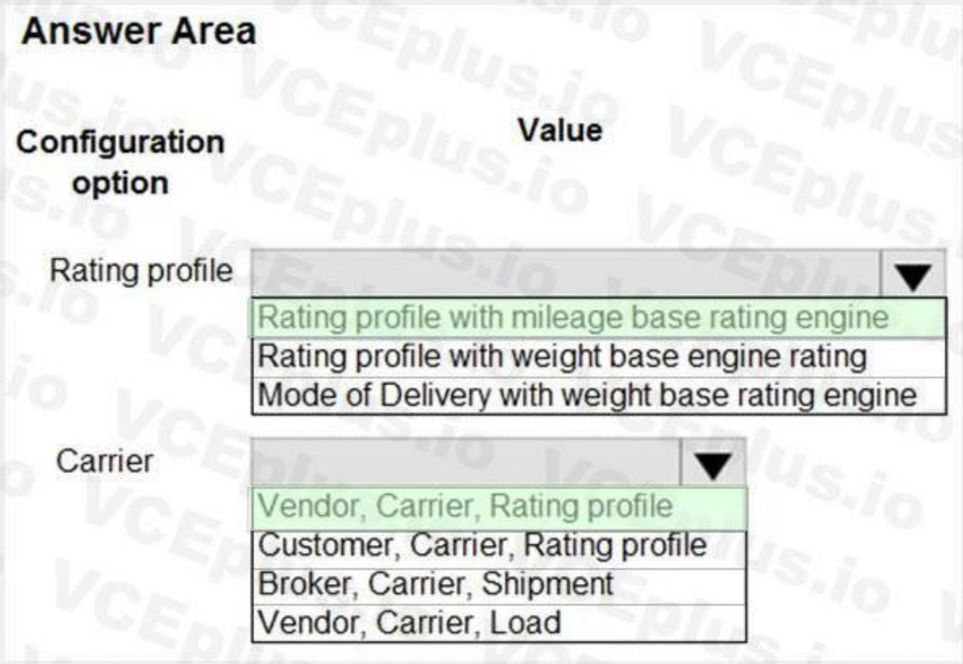
Section:
Explanation:

QUESTION 5
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
Rating profile with mileage base rating engine
Rating profile with weight base engine rating
Mode of Delivery with weight base rating engine
Carrier
Vendor, Carrier, Rating profile
Customer, Carrier, Rating profile
Broker, Carrier, Shipment
Vendor, Carrier, Load

Answer Area:



Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/transportation/tasks/set-up-shipping-carriers

QUESTION 6
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
Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/warehousing/wave-processing

03 - Implement Warehouse management and Transportation management and perform business processes
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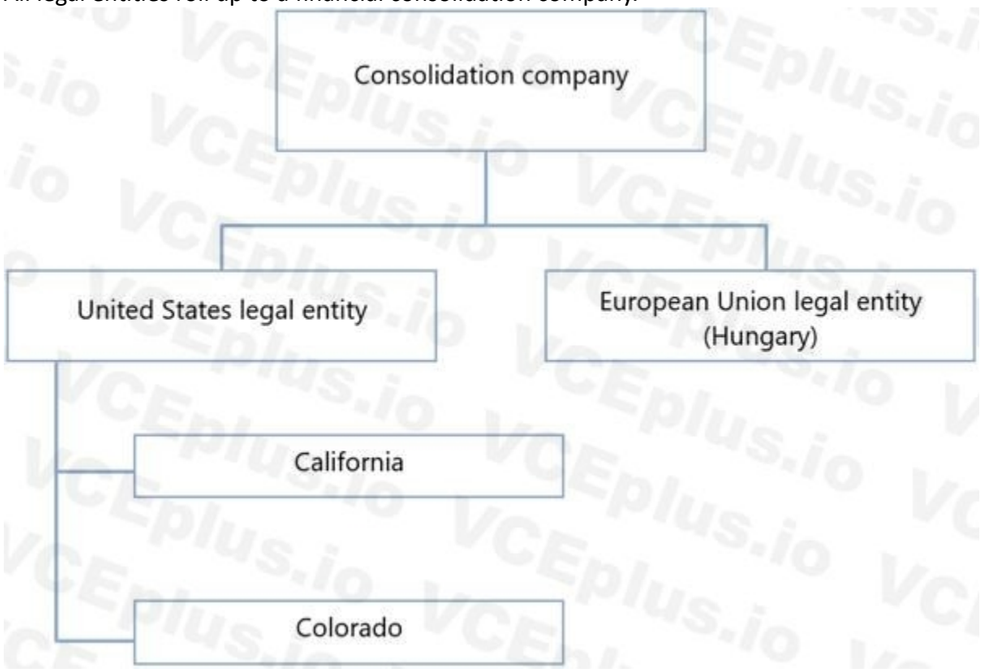
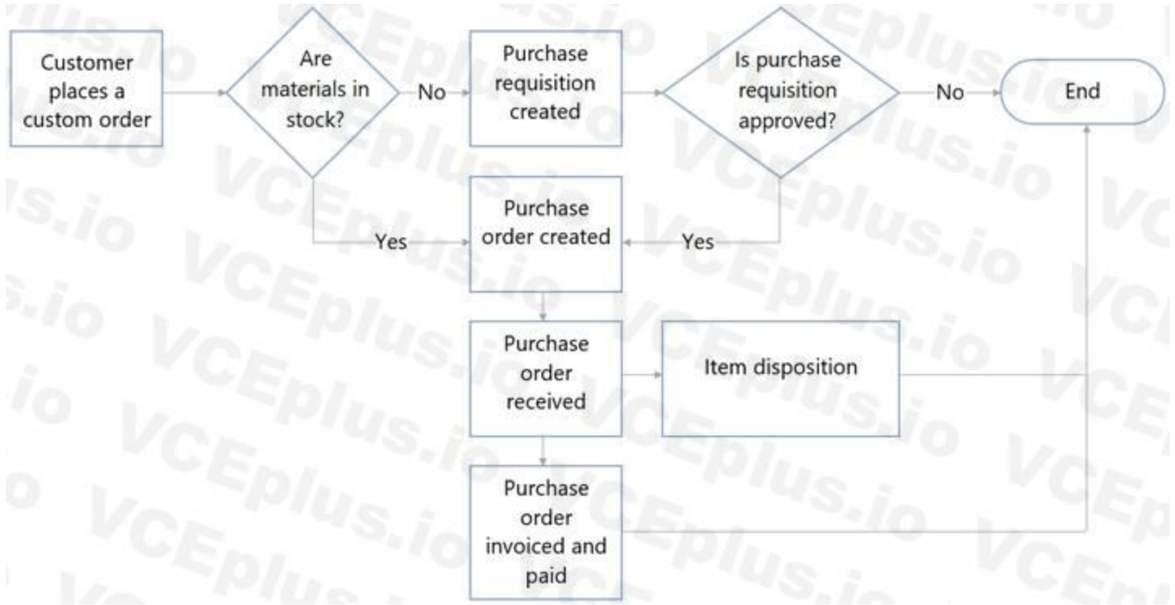
Background
Adventure Works Cycles builds stock and custom mountain bikes and is headquartered in San Diego. It has the following assembly and warehouse locations:
Denver, Colorado, United States
San Diego, California, United States
Budapest, Hungary
Most manufacturing is outsourced, with each facility 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. Purchasing 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.
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 1
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:

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

Section:
Explanation:

Exam H

QUESTION 1
A company uses Planning Optimization and first in, first out (FIFO) inventory valuation. The company also has special requirements on sales margins. Company policy states that marking must be a single issue that is fully marked against a single receipt, regardless of quantity.
What should you do to respect marking when planned orders are being firmed?
Select only one answer.

A. Allow negative inventory.
B. Enable Ordered Reserved.
C. Set the Update marking parameter to Extended.
D. Set the Update marking parameter to Standard.
E. Set the Update marking parameter to No.

Correct Answer: B
Section:

QUESTION 2
A company is considering using Planning Optimization instead of the built-in master planning engine.
What are three benefits of Planning Optimization? Each correct answer presents a complete solution.

A. It is a multitenant service.
B. It has multiple instances.
C. It is hyper scalable.
D. It has a single instance.
E. It is single threaded.

Correct Answer: A, C
Section:

QUESTION 3
A company uses Planning Optimization.
You need to ensure that the purchase price trade agreement lead time is used for an item.
What should you do?

A. Set the days forward parameter.
B. Set the Disregard lead time parameter to No.
C. Set the Disregard lead time parameter to Yes.
D. Override the item lead time parameter.
E. Set the days backward parameter.

Correct Answer: B
Section:

QUESTION 4
A company performs internal inspections of a specific product before releasing the products. This task adds two days for product handling once the product is in the warehouse. This process leads to delays in shipping. You

need to resolve the issues. What should you change?

A. Reorder margin
B. Minimum order quantity
C. Receipt margin
D. Maximum order quantity
E. Issue margin

Correct Answer: D
Section:
Explanation:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planningoptimization/safety-margins

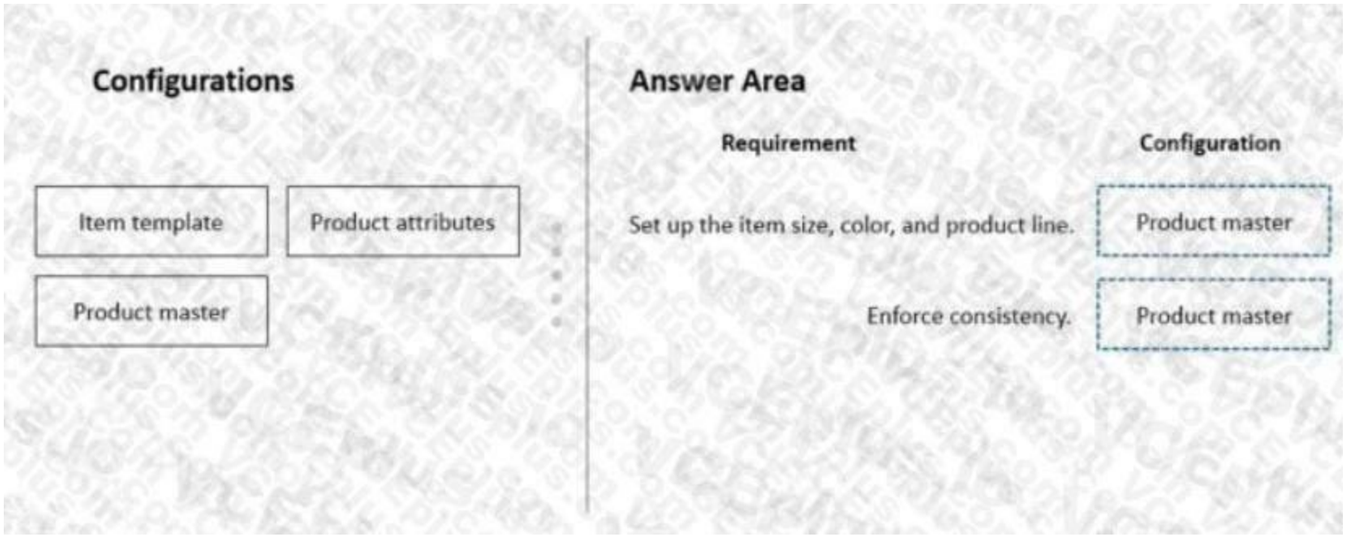
QUESTION 5
A company enables purchase trade agreements for Planning Optimization.
You need to be able to evaluate purchase trade agreements.
Which three configurations must be set up? Each correct answer presents part of the solution.
Select all answers that apply.

A. Find trade agreement
B. Search criterion
C. Agreements marked as effective
D. Purchase agreements with status of confirmed
E. Activate price/discount

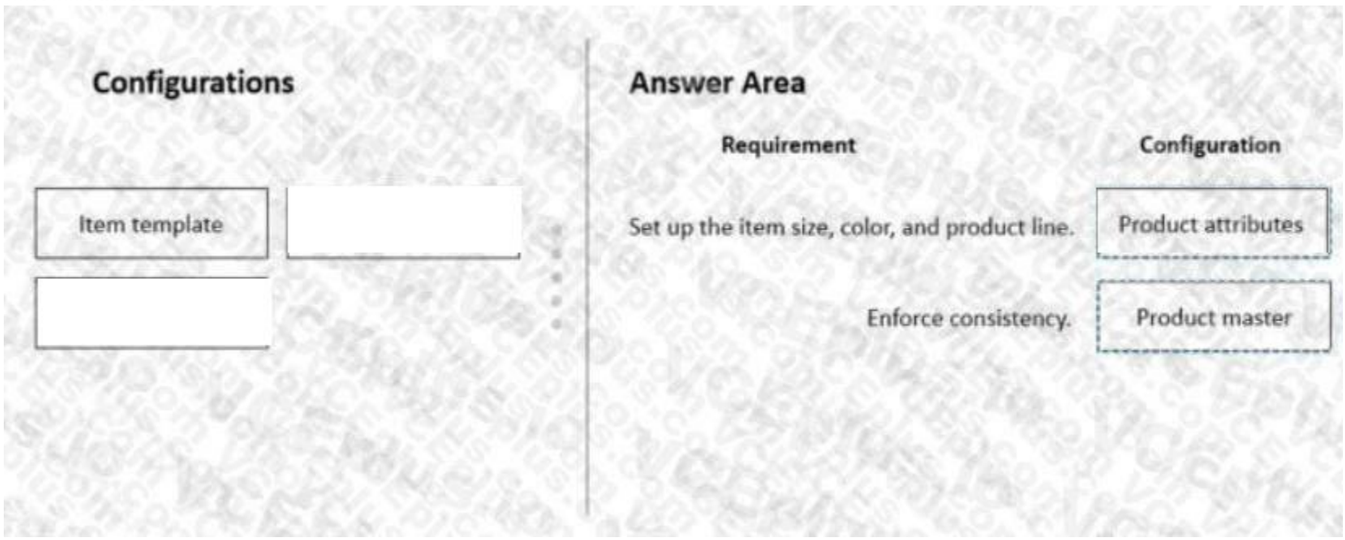
Correct Answer: A, B, E
Section:
Explanation:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planningoptimization/purchase-trade-agreement

QUESTION 6
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.

Select and Place:



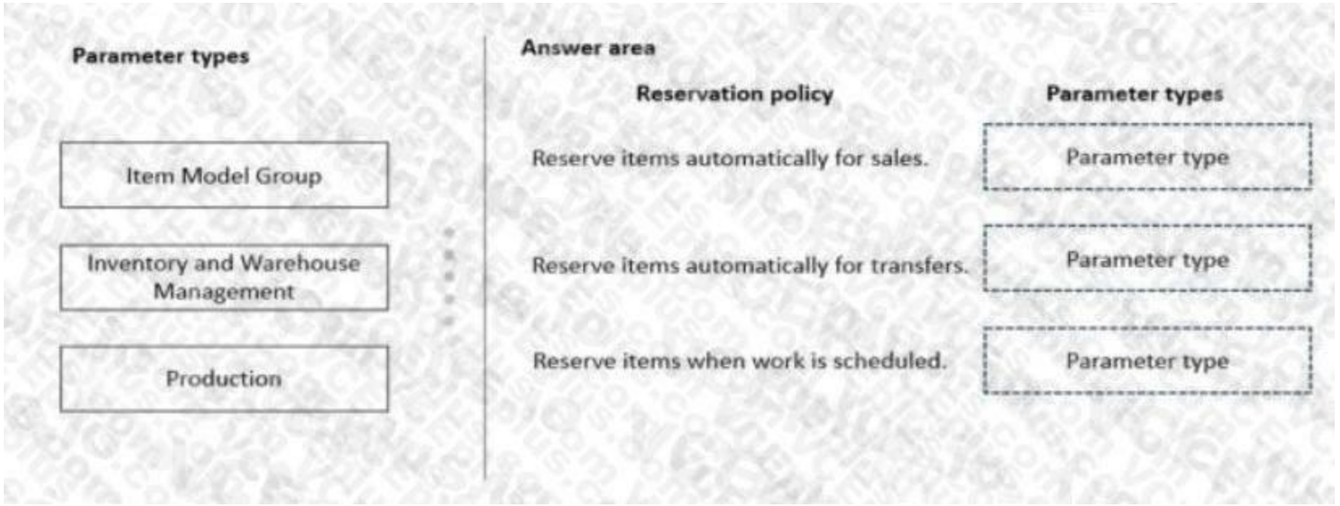
Correct Answer:



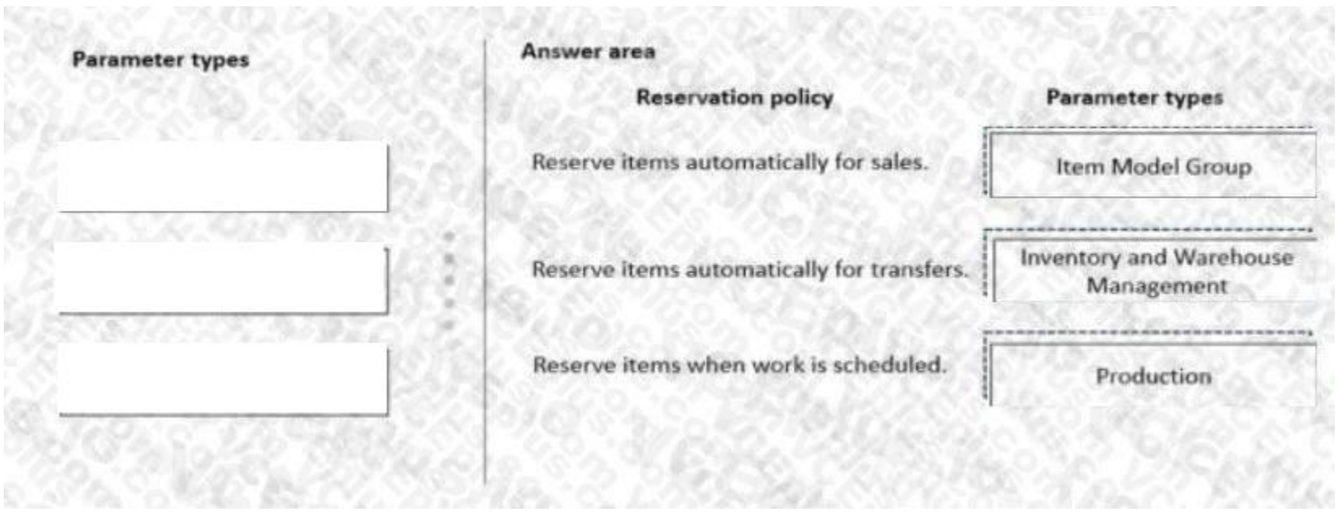
Section:
Explanation:
Reference: https://docs.microsoft.com/en-us/dynamics365/supply-chain/pim/product-information

QUESTION 7
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.

Select and Place:



Correct Answer:



Section:
Explanation:
Reference: https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/reserve-inventory-quantities

QUESTION 8
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

Section:
Explanation:
Reference: https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planning-optimization/planned-order-firming

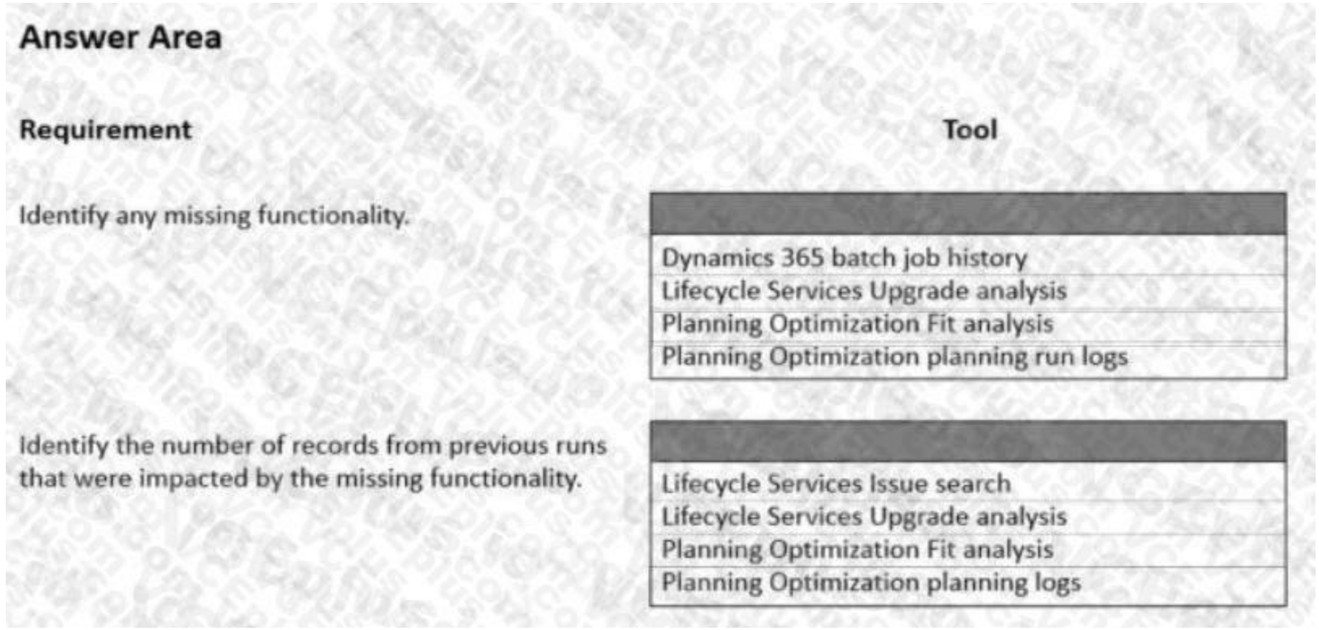
QUESTION 9
A company uses Dynamics 365 Supply Chain Management master planning. The company plans to run master planning throughout the day. Planning Optimization is not configured.
The company administrator reports that they are not able to configure any master planning features or enable master planning 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.

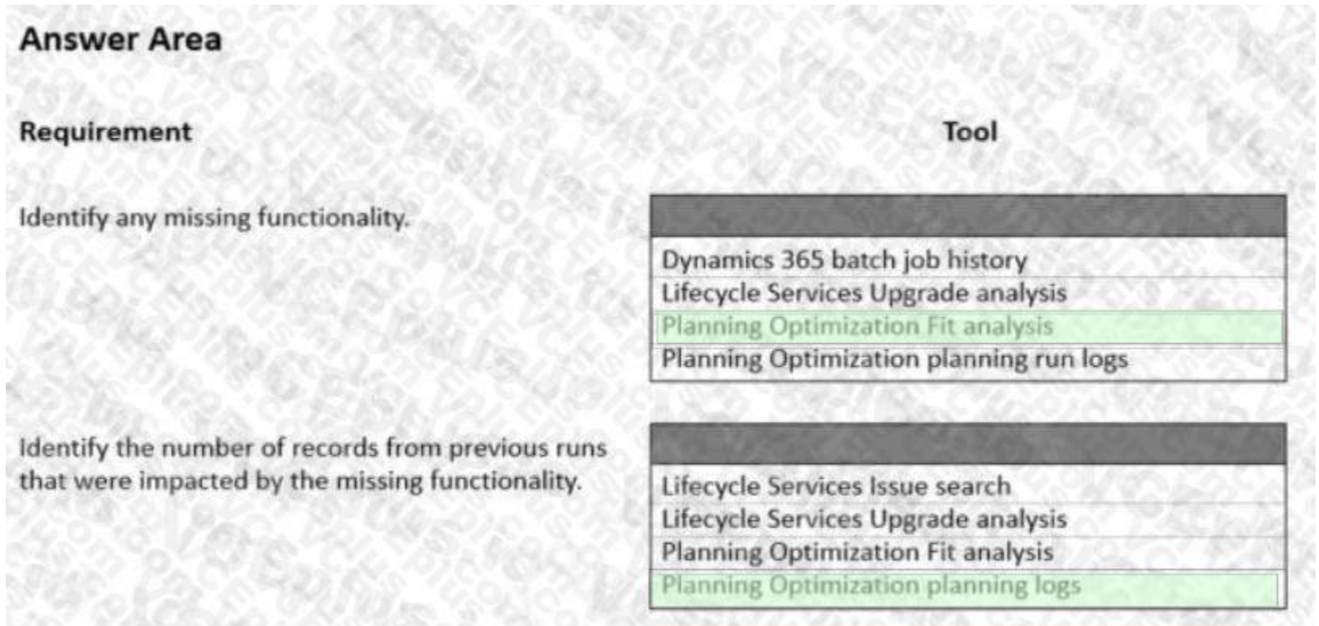
Correct Answer: A
Section:
Explanation:
Reference: https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planning-optimization/get-started

QUESTION 10
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.

Hot Area:



Answer Area:

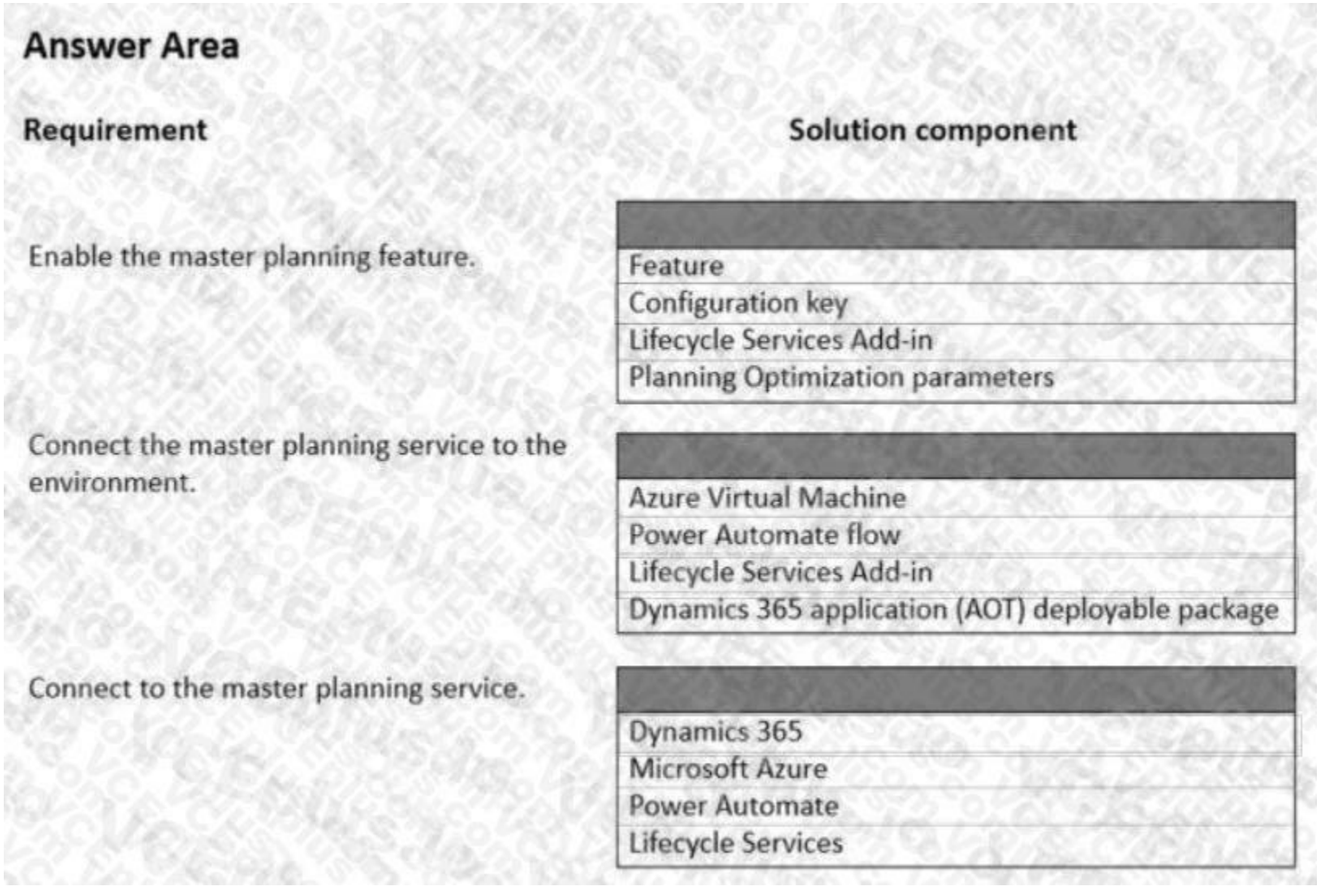


Section:
Explanation:
Reference: https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planning-optimization/planning-optimization-fit-analysis

QUESTION 11
HOTSPOT
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.

Hot Area:



Answer Area:

Answer Area

Requirement	Solution component
Enable the master planning feature.	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

Section:
Explanation:
Reference: https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planning-optimization/get-started

QUESTION 12
An engineering department designs a bill of materials (BOM) for a new finished good. The finished good must be sold with a 30 percent markup of the BOM cost.
You need to define the sales price for the finished good.
What should you set up on the cost group?
Select only one answer.

A. Profit setting percentage
B. Cost group Behavior
C. Cost group type Direct materials
D. Cost group type Indirect
E. Cost group type Undefined

Correct Answer: A
Section:
Explanation:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/cost-management/cost-groups

QUESTION 13
A company needs to be alerted when the calculated planned cost of a bill of materials (BOM) product is older than 30 days.
You need to configure the number of days validation in the system.
Where should you specify the number of days?
Select only one answer.

A. Cost price model
B. Stop explosion
C. Inventory and warehouse management parameters
D. BOM calculation groups
E. Released product

Correct Answer: D
Section:

QUESTION 14
A company produces finished goods that consist of some raw material items that are purchased and some raw material items that are produced.
The costs of some of the produced materials that are used in the sub-BOMs are updated. The costs of the purchased raw materials do not change.
You need to ensure that the updated costs are reflected in the finished goods planned costs. You do not need to recalculate the purchased raw materials.
Which explosion mode should you use in the bill of materials (BOM) calculation?
Select only one answer.

A. Multilevel
B. Make to order
C. Single level
D. According to BOM line type

Correct Answer: C
Section:

QUESTION 15
A company discovers that planned costs are being calculated incorrectly due to missing configurations.
You need to configure the system to prevent calculation of the planned cost for items that are missing the following:
• a valid bill of materials (BOM) version
• a valid cost price
In which two locations can you configure the validation?
Select all answers that apply.

A. Product information management parameters
B. Inventory and warehouse management parameters
C. Released products
D. Calculation groups
E. BOM version

Correct Answer: D
Section:

QUESTION 16
A manufacturing company uses Planning Optimization. Manned production orders are created, modified, and approved by the planner but are not yet firmed.
What is the effect on the planned production orders when you enable the Planning Optimization feature?

A. Modifications are ignored when Planning Optimization is run again.
B. Modifications are included when Planning Optimization is run again.
C. Approved orders are automatically firmed.
D. Approved orders are set to unprocessed.
E. Approved orders are set to completed.

Correct Answer: B
Section:
Explanation:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planningoptimization/purchase-trade-agreement

QUESTION 17
You are running Planning Optimization. A and B items need to be planned. C and D items do not need to be included in Planning Optimization.
Users sometimes mistakenly include the C and D items in the plans.
You need to prevent C and D items from inclusion when users manually start a plan. The solution must not require users to manually create a filter.
What should you configure?
Select only one answer.

A. Runtime filter
B. Quick filter
C. ter
D. Advanced filtering and query syntax
E. Filter code

Correct Answer: C
Section:

QUESTION 18
A company uses Planning Optimization as a scheduled batch job every Friday. A buyer observes that there are unposted inventory cycle counts left over from a weekend physical inventory count. The buyer decides to cancel the Planning
Optimization job, post the cycle counts, and run the job again.
Where should the buyer cancel the job?

A. Recurring integration scheduler (RIS)
B. Batch group
C. Feature management
D. Job history
E. Lifecycle Services (LCS)

Correct Answer: D
Section:
Explanation:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planningoptimization/cancel-planning-job

QUESTION 19
A single master plan is run with no filters applied.
Buyer1 is reviewing and approving planned orders that were created by Planning Optimization.
Buyer2 runs the same master plan again while Buyer1 is still reviewing planned orders.
What are the two outcomes on Buyer1's planned orders? Each correct answer presents a complete solution.
Select all answers that apply.

A. Approved planned orders remain unchanged.
B. Approved planned orders recalculate.
C. Completed planned orders remain unchanged.
D. Completed planned orders recalculate.
E. Unprocessed orders do not recalculate.

Correct Answer: C, D
Section:

QUESTION 20
A company uses Planning Optimization.
A customer calls a service agent at the company and asks about product availability dates when placing an order.
Capable to promise (CTP) is initiated from the customer's order.
What is the expected output?
Select only one answer.

A. An error occurs because CTP is not supported when Planning Optimization is enabled.
B. Built-in master planning runs the calculation if the master plan has a separate dynamic master plan specified.
C. A warning shows in the plan history log.
D. CTP runs if add-ins are installed from Feature management.
E. CTP calculates if all Planning Optimization jobs are withheld from batch scheduling.

Correct Answer: A
Section:
Explanation:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planningoptimization/planning-optimization-trouble-shooting

QUESTION 21
You plan to use Planning Optimization.
You configure a receipt margin.
How is the receipt margin applied?
Select only one answer.

A. from the issue date and backward from the receipt delivery date
B. from the receipt delivery date and forward from the requirement date
C. from the receipt delivery date and backward from the requirement date
D. from the issue date and backward from the requirement date
E. from the purchase trade agreement from date and backward from the requirement date

Correct Answer: C

Section:

QUESTION 22
A company classifies items as A, B, C, and D for planning purposes.
You run Planning Optimization for the C items with the following setup:
• a plan filter for the A, B, and D items
• a runtime filter for the C items
The Planning Optimization output does not create any planned orders.
You need to produce results in Planning Optimization for the C items without affecting the A, B, and D items.
What should you do?
Select only one answer.

A. Add the C items to the existing plan filter for the A, B, and D items. Set up a runtime filter for the A, B, and D items.
B. Create a master plan with plan filter for the C items only. Do not set up a runtime filter for C items.
C. Create a master plan with no plan filter or runtime filter. Add an advanced filter for the C items on the planned orders.
D. Create a dynamic plan and a static plan. Do not set up plan filters or runtime filters.
E. Retain the existing plan filter for the A, B, and D items. Set up a runtime filter for the A and C items.

Correct Answer: C
Section:

QUESTION 23
A company is considering using Planning Optimization instead of Master Planning.
What are two architectural benefits when using Planning Optimization? Each correct answer presents a complete solution.
Select all answers that apply.

A. occurs inside Dynamics 365 Supply Chain Management
B. reduces the load on Azure Data Lake
C. has minimal impact on the SQL database
D. minimizes server load
E. allows for BYOD (Bring your own database)

Correct Answer: C, D
Section:
Explanation:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planningoptimization/planning-optimization-overview

QUESTION 24
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
Section:

QUESTION 25
A manufacturing company has implemented Dynamics 365 Supply Chain Management. The company relies on machinery and equipment for its operations. It has a diverse range of assets, including manufacturing equipment, vehicles, and tools.
The company wants to optimize its asset maintenance processes to minimize downtime and improve overall productivity. The company wants to implement both preventive and reactive maintenance strategies on the following scenarios:
* Changing the tires and oil on the maintenance vehicle fleet.
* Replacing a faulty component on a box maker.
You need to determine the functionality to use for each maintenance requirement.
Solution: Create maintenance rounds for both the vehicle fleet and the box maker. Does the solution meet the goal?

A. Yes
B. No

Correct Answer: B
Section:

QUESTION 26
A manufacturing company has implemented Dynamics 365 Supply Chain Management. The company relies on machinery and equipment for its operations. It has a diverse range of assets, including manufacturing equipment, vehicles, and tools.
The company wants to optimize its asset maintenance processes to minimize downtime and improve overall productivity. The company wants to implement both preventive and reactive maintenance strategies on the following scenarios:
* Changing the tires and oil on the maintenance vehicle fleet.
* Replacing a faulty component on a box maker.
You need to determine the functionality to use for each maintenance requirement.
Solution: Create maintenance plans for the vehicle fleet and the box maker.
Does the solution meet the goal?

A. Yes
B. No

Correct Answer: B
Section:

QUESTION 27
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
Section:
Explanation:
Reference:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/master-planningperformance

QUESTION 28
A manufacturer of a bill of materials (BOM) part that is used in multiple products goes out of business.
The part needs to be replaced with a similar part from a different vendor.
You need to identify the products that are impacted to calculate the new cost of the part.
What should you use? Select only one answer.

A. BOM calculations group
B. Where-used report
C. In process production costing report
D. Calculation details for cost and price report
E. BOM version

Correct Answer: B
Section:

QUESTION 29
A company needs to calculate the cost for a group of bill of materials (BOM) products by different locations.
You need to select the cost price model for the products' purchase prices.
Which model should you use?
Select only one answer.

A. Item cost price
B. Item purchase price
C. Trade agreements
D. Inventory price

Correct Answer: C
Section:

QUESTION 30
A customer service agent creates a sales order for a custom bill of materials (BOM). You need to calculate the cost of the order-specific BOM. Where can you find the cost?

A. View calculation details
B. Active cost version
C. Pending cost version
D. BOM active version
E. Default inventory cost

Correct Answer: B

Section:
Explanation:
https://docs.microsoft.com/en-us/dynamics365/supply-chain/cost-management/bom-calculations

QUESTION 31
A company discovers that the standard cost of a raw material is incorrect.
You need to determine the impact of the incorrect cost on finished goods that contain the raw material.
Which two actions should you perform?

A. Activate the new standard cost of the raw material.
B. Set the fallback principle to Costing version.
C. Create a new pending cost for the raw material.
D. Set the fallback principle to Active.
E. Set the fallback principle to None.

Correct Answer: B, D
Section:

QUESTION 32
A company that uses standard cost agrees to a purchase price of raw materials from a vendor for a one-year period.
You create the cost for the annual time frame to run bill of materials (BOM) calculations.
You need to ensure that the cost does not change for the raw materials within the annual period.
Which two actions should you perform?
Select all answers that apply.

A. Set the Block field to Yes on the Costing version.
B. Set the Block activation field to Yes on the Costing version.
C. Create a pending cost with the annual date range.
D. Activate the pending cost and set the from date to the subsequent year
E. Create a pending cost and set the from date to the subsequent year.

Correct Answer: A, B
Section:

QUESTION 33
A company plans to create a product that contains multiple bill of materials (BOM) levels. The product has several components that have both constant and variable costs.
You need to calculate the planned cost for producing the product with manufacturing volumes.
Which explosion mode should you select?
Select only one answer.

A. Multilevel
B. Make to order
C. Single level
D. According to BOM line type

Correct Answer: A
Section:

Explanation:
https://www.dynamicsuser.net/t/make-to-order-or-bom-line-type-in-ax/42605

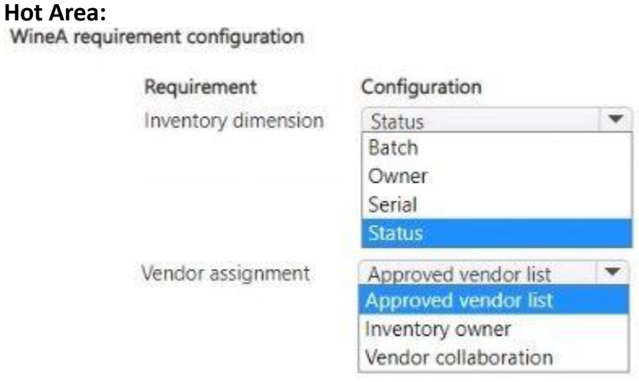
QUESTION 34
You need to configure cheese smart numbering to meet the requirement Which component should you configure?

A. Country of origin
B. Filter codes
C. Purchase agreement
D. Default order settings

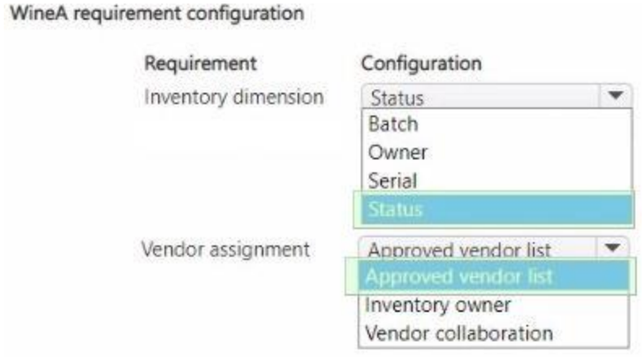
Correct Answer: B
Section:

QUESTION 35
HOTSPOT
You need to configure the requirements for WineA.
What should you configure? To answer, select the appropriate options in the answer area
NOTE: Each correct selection is worth one point.

Hot Area:



Answer Area:

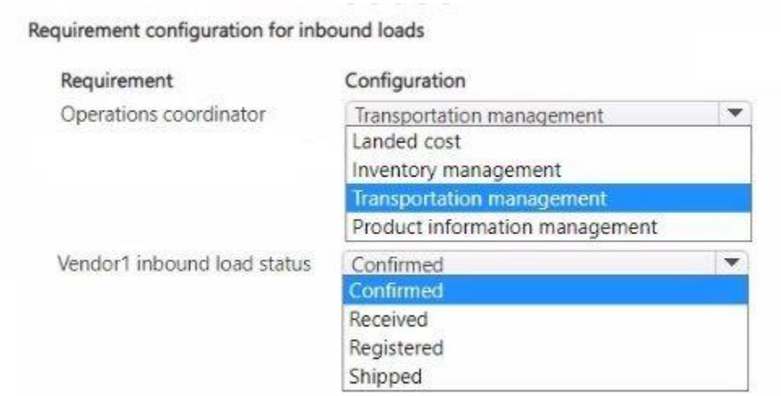


Section:
Explanation:

QUESTION 36

HOTSPOT
You need to configure the requirements for the operations coordinator and the inbound load for Vendor!
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.

Hot Area:



Answer Area:

Section:
Explanation:

QUESTION 37
You need to configure a new item that contains a vintage. What should you configure for the vintage?

A. Color
B. Configuration
C. Batch
D. Owner
E. Style

Correct Answer: B
Section: