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Exam Code: MB-330

Exam Name: Microsoft Dynamics 365 Supply Chain Management

01 - Implement Product information management

QUESTION 1

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

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

Correct Answer: D

Section:

QUESTION 2

A company uses trade agreements for their customers. Prices for some customers must round to the nearest US dollar.
A customer reports that prices do not round to the nearest US dollar as required.
You need to resolve the issue.
In Trade agreement journals, which option should you use?

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

Correct Answer: D

Section:

Explanation:

Section: [none]

QUESTION 3

A company creates several item costing versions.
All new and existing items have costs associated with them. After defining the costs, the company notices the activation date has not been updated.
You need to update the items to the current date for activation.
What should you do?

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

Correct Answer: A

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Section:**Explanation:**

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

QUESTION 4

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

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

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

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

NOTE: Each correct selection is worth one point.

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

Correct Answer: C, D

Section:**QUESTION 5**

An employee at a company needs to lay out the various component to build custom bicycles.

You need to identify which constraints the employee should use to set up the bicycles.

Which two types of constraints the employee use? Each correct answer presents a complete solution.

NOTE: Each correct selection is worth one point.

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

Correct Answer: A, C

Section:**Explanation:**

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

QUESTION 6

A company manufactures and sells speaker boxes. The speaker boxes can be silver or black with a basic or upgraded wiring harness assembly.

The speaker box must be created in the item master so that the variables for colors and harness type can be assigned at order entry.

You need to create a new item that supports multiple variables.

What should you do?

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

Correct Answer: D

Section:

QUESTION 7

A company has items in inventory with two costing methods: FIFO and Standard.

The company needs to calculate the cost of all items at month end and provide a total inventory value to the finance department.

You need to determine the total value of inventory.

Which costing method requires running the inventory close?

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

Correct Answer: A

Section:

QUESTION 8

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

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

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

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

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

Solution:

Create a purchase agreement of type Product value commitment.

Add a line for item C0001.

Enter a product value of \$15,000 and enter an expiration date of one year.

Does the solution meet the goal?

- A. Yes
- B. No

Correct Answer: A

Section:

Explanation:

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

QUESTION 9

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

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

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

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

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

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

Does the solution meet the goal?

- A. Yes
- B. No

Correct Answer: B

Section:

Explanation:

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

QUESTION 10

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

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

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

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

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

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

Does the solution meet the goal?

- A. Yes
- B. No

Correct Answer: A

Section:

Explanation:

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

QUESTION 11

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

Barcodes will be entered manually.

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

What should you do?

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

Correct Answer: B

Section:

QUESTION 12

You are the planner for a distribution company.

You observe an increase in planned orders for item C0001. You must track the source for these planned orders and break them out based on their demand. You are not concerned with safety stock maximums for this item.

You need to ensure that the master planning batch job will create a unique planned purchase order for every new demand requirement for C0001.

Which coverage code should you use?

- A. Manual
- B. Period
- C. Min/Max
- D. Requirement

Correct Answer: D

Section:

Explanation:

Reference:

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

QUESTION 13

A company sells jars of sliced or whole pickles. The company produces jars of various sizes.

You need to set up the item to ensure that pickles have a single item number for all container sizes.

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

NOTE: Each correct selection is worth one point.

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

Correct Answer: B, D

Section:

Explanation:

Section: [none]

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

QUESTION 14

A company manufactures street, mountain, and racing bicycles.

The company wants to use product variants to control bicycle configuration.

You need to configure the bicycles in the system.

What should you do?

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

Correct Answer: A

Section:

QUESTION 15

A company implements the Dynamics 365 Supply Chain Management procurement module.

During testing, you observe that no transactions are posted to the product receipt journal when an item is received.

You need to configure the system to show the appropriate transactions in the product receipt journal.

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

NOTE: Each correct selection is worth one point.

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

Correct Answer: A, D

Section:

QUESTION 16

SIMULATION

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

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

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

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

A.

Correct Answer: A

Section:

Explanation:

Answer: A

Explanation:

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

Reference:

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

QUESTION 17

SIMULATION

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

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

Surface Pro 128GB: 750 US dollars for orders of 50 units or less

Surface Pro 128GB: 720 US dollars for orders from 50 units to 100 units

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

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

A.

Correct Answer: A

Section:**Explanation:**

Answer: A

Explanation:

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

Reference:

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

QUESTION 18**SIMULATION**

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

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

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

A.

Correct Answer: A

Section:**Explanation:**

Answer: A

Explanation:

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

QUESTION 19

DRAG DROP

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

You need to configure agreements in the system.

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

NOTE: Each correct selection is worth one point.

Select and Place:

Select and Place

Agreement types

purchase

sales

trade

Answer Area

Scenario

Customers who purchase between 51 and 100 units of Product A receive a \$10.00 discount per unit. Customers who purchase over 100 units receive a \$12.00 discount per unit.

A customer agrees to purchase 500 laptops over the next six months.

Your company agrees to purchase \$150,000 worth of office supplies within a year.

Agreement type

Agreement type

Agreement type

Agreement type

Reset OK

Correct Answer:

Select and Place

Agreement types

Answer Area

Scenario

Customers who purchase between 51 and 100 units of Product A receive a \$10.00 discount per unit. Customers who purchase over 100 units receive a \$12.00 discount per unit.

A customer agrees to purchase 500 laptops over the next six months.

Your company agrees to purchase \$150,000 worth of office supplies within a year.

Agreement type

trade

sales

purchase

Reset OK

Section:

Explanation:

QUESTION 20

DRAG DROP

A company manufactures wood furniture.

Cabinets can be purchased with different wood finishes including oak and maple.

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

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

Select and Place:

Actions

Add an attribute to the procurement category

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

Assign the attribute to the retail category

Create style dimensions for the different types of wood finishes

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

Create an attribute associated with an attribute type for Cabinet Finishing

Answer Area

⏪

⏩

Correct Answer:

Actions

Add an attribute to the procurement category

Create style dimensions for the different types of wood finishes

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

Answer Area

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

Create an attribute associated with an attribute type for Cabinet Finishing

Assign the attribute to the retail category

⬅

➡

Section:

Explanation:

References:

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

QUESTION 21

DRAG DROP

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

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

You need to set up these compliance requirements for C0001.

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

Select and Place:

Actions
Create an inclusive list type for New York, United States
Create an exclusive list type for California, United States
Add item C0001 to the restricted product lists
Open the Restricted products regional lists form
Create an inclusive list type for the United States
Create a regulated products regional list for California, United States. Add item C0001 to the list
Open the Regulated products regional lists

Answer Area



Correct Answer:

Actions
Create an inclusive list type for New York, United States
Create a regulated products regional list for California, United States. Add item C0001 to the list
Open the Regulated products regional lists

Answer Area

Open the Restricted products regional lists form
Create an inclusive list type for the United States
Create an exclusive list type for California, United States
Add item C0001 to the restricted product lists



Section:

Explanation:

QUESTION 22

HOTSPOT

You are configuring pricing for a new item.

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

You need to configure sales trade agreements.

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

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement	Action
Create price groups	<div> <div>▼</div> <div> Create and assign a customer group to the trade agreement line Set up and link a price group to the customer group Set up and link a price group to each customer Set up a price group on the trade agreement line and link the line to the customer </div> </div>
Create a sales price for a group of customers by quantity	<div> <div>▼</div> <div> Add a trade agreement line by customer group for quantity of 0-9 for \$10.00 Add a trade agreement line by price group for quantity of 1-9 for \$10.00 Add a trade agreement line for quantity of 0 for \$14.00 Add a trade agreement line for quantity of 10-100 at \$10.00 </div> </div>
Create a sales price for all customers by any quantity	<div> <div>▼</div> <div> Create a trade agreement for all items at \$14.00 Create a trade agreement line for customer group All for \$14.00 Create a trade agreement line for Part code type set to All and price of \$14.00 Create a trade agreement line for wholesale customers at \$14.00 </div> </div>

Answer Area:

Requirement	Action
Create price groups	<div><div>▼</div><div><div>Create and assign a customer group to the trade agreement line</div><div>Set up and link a price group to the customer group</div><div>Set up and link a price group to each customer</div><div>Set up a price group on the trade agreement line and link the line to the customer</div></div></div>
Create a sales price for a group of customers by quantity	<div><div>▼</div><div><div>Add a trade agreement line by customer group for quantity of 0-9 for \$10.00</div><div>Add a trade agreement line by price group for quantity of 1-9 for \$10.00</div><div>Add a trade agreement line for quantity of 0 for \$14.00</div><div>Add a trade agreement line for quantity of 10-100 at \$10.00</div></div></div>
Create a sales price for all customers by any quantity	<div><div>▼</div><div><div>Create a trade agreement for all items at \$14.00</div><div>Create a trade agreement line for customer group All for \$14.00</div><div>Create a trade agreement line for Part code type set to All and price of \$14.00</div><div>Create a trade agreement line for wholesale customers at \$14.00</div></div></div>

Section:

Explanation:

References:

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

QUESTION 23

HOTSPOT

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

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

You need to configure the category node.

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

NOTE: Each correct selection is worth one point.

Hot Area:

Item	Action
Baggage system hardware	<div>▼</div> <div> Create a new category node and select Classify as tangible Add to an existing category node and select Classify as tangible Add to an existing category node and clear Classify as tangible </div>
Service agreement	<div>▼</div> <div> Create a new category node and select Classify as tangible Add to an existing category node and select Classify as tangible Add to an existing category node and clear Classify as tangible </div>

Answer Area:

Item	Action
Baggage system hardware	<div>▼</div> <div> Create a new category node and select Classify as tangible Add to an existing category node and select Classify as tangible Add to an existing category node and clear Classify as tangible </div>
Service agreement	<div>▼</div> <div> Create a new category node and select Classify as tangible Add to an existing category node and select Classify as tangible Add to an existing category node and clear Classify as tangible </div>

Section:

Explanation:

QUESTION 24

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

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

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

NOTE: Each correct selection is worth one point.

- A. Assign security permissions to approve the BOM version but not the related BOM.
- B. Assign security permissions to the user for the approval form.
- C. Assign security permissions to the Vendor portal.
- D. Set up the approver as a vendor.
- E. Set up the approver as an employee.

Correct Answer: B, E

Section:

QUESTION 25

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

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

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

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

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

Solution:

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

Add a line for item C0001 for the vendor.

Enter a unit price of \$3,00 for a quantity up to 5,000 and enter an expiration date for next year.

Does the solution meet the goal?

- A. Yes
- B. No

Correct Answer: B

Section:

QUESTION 26

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

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

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

Why are you unable to delete the line?

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

Correct Answer: D

Section:

Explanation:

Reference:

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

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QUESTION 27

DRAG DROP

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

The configuration groups have been defined and created.

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

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

Select and Place:

Actions

- Create dimension-based configurations.
- Define configuration routes.
- Define configuration rules.
- Create a BOM for the dimension-based product master.
- Create and release a predefined variant product master.
- Create and release a dimension-based product master.

Answer Area



Correct Answer:

Actions	Answer Area
	Create a BOM for the dimension-based product master.
	Define configuration routes.
	Define configuration rules.
	Create dimension-based configurations.
Create and release a predefined variant product master.	
Create and release a dimension-based product master.	

Section:

Explanation:

Reference:

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

QUESTION 28

A company uses Dynamics 365 Supply Chain Management.

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

You need to configure unit conversion for the packaging cartons.

What should you do?

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

Correct Answer: C

Section:

Explanation:

Reference:

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

QUESTION 29

DRAG DROP

A company uses Dynamics 365 Supply Chain Management.
 The company needs to maintain item bar codes.
 You need to set up bar codes for the items.
 Which option should you use for each requirement? To answer, drag the appropriate options to the correct requirements. Each option may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to view content.
 NOTE: Each correct selection is worth one point.

Select and Place:

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

Correct Answer:

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

Section:

Explanation:

Reference:

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

QUESTION 30

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

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

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

Which method should you use?

A. released product data entity

- B. product master
- C. released product
- D. item template
- E. product

Correct Answer: C

Section:

QUESTION 31

DRAG DROP

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

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

You need to set up variants for the screw.

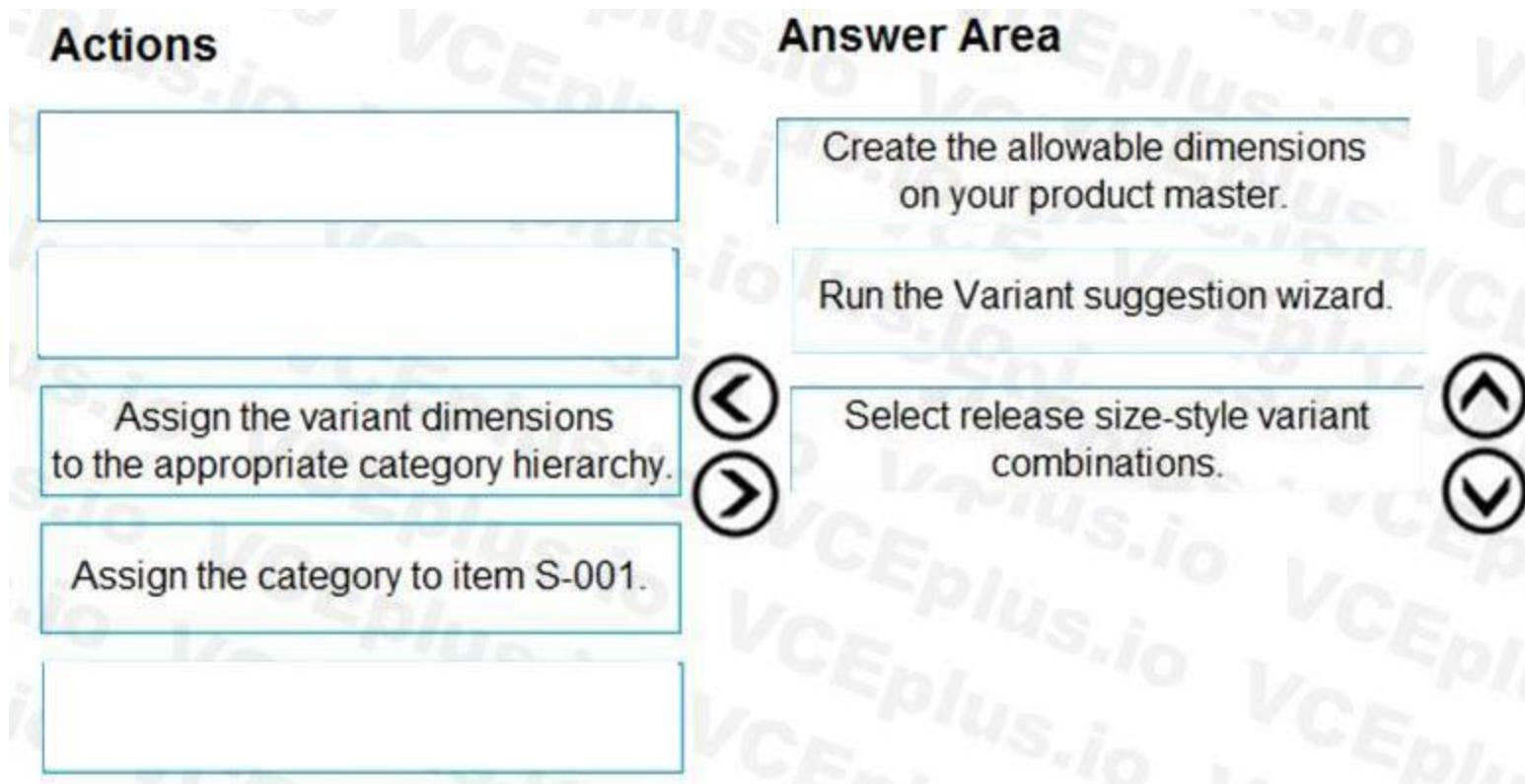
Which three actions should you perform in sequence? To answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions	Answer Area
Run the Variant suggestion wizard.	
Create the allowable dimensions on your product master.	
Assign the variant dimensions to the appropriate category hierarchy.	
Assign the category to item S-001.	
Select release size-style variant combinations.	

Navigation icons: Left arrow, Right arrow, Up arrow, Down arrow.

Correct Answer:



Section:

Explanation:

Reference:

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

QUESTION 32

A company uses Dynamics 365 Supply Chain Management.

The company does not use variants and sells items only out of a single legal entity.

You need to configure the system to avoid unnecessary product creation overhead.

What should you do?

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

Correct Answer: C

Section:

Explanation:

Reference:

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

QUESTION 33

A company uses Dynamics 365 Supply Chain Management. Inventory value is standard and updated only once per year.

The company wants to convert costing from standard to moving average.

You need to convert the items from standard to moving average.

Which three actions must you perform? Each answer presents a partial solution.

NOTE: Each correct selection is worth one point.

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

Correct Answer: B, C, E

Section:

Explanation:

Reference:

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

02 - Implement Product information 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 customers, generate quotes
Inventory	Create products and associated setups, manage costing
Compliance	Define testing, set up regulatory requirements
Customer service	Create and manage orders

Current environment

Wide World Importers use Dynamics 365 Finance and Dynamics 365 Supply Chain Management. There is a single legal entity.

The primary distribution center for the company is located in Las Vegas, Nevada, USA. There is an additional warehouse in California which receives imported goods from container ships. When goods are received in California, the goods are transferred to Nevada for distribution. No orders are shipped directly from California.

Requirements. Sales

The company has two teams of sales representatives: East and West. Each team has one representative for each of the following categories of goods: perfumes, ceramicware, and all other goods. Sales representatives are paid commissions based on sales. Commissions must be paid based on the home office location for customers. For example, commission for a customer that is headquartered in the Western United States is paid to the West group of sales representatives.

Sales representatives are responsible for driving new business. Company executives must be able to see metrics that define the companies that the sales representatives are targeting, where there is potential to do business, and where quotes are being generated. Customer records must not be created until a sale is confirmed.

The sales team quoted a new perfume for a customer named Customer1. The customer has shipping locations in the following regions: United States, Austria, and Japan. Sales must only be made to the US and Japan due to product ingredients. Automated checks must be put into place so that users do not have to remember to select the correct item.

Requirements. Testing

The company periodically performs testing on ceramicware as it is received to determine whether the products contain lead. The company labels and markets ceramicware as Lead Free or Not for food use. Perfumes may contain restricted ingredients that cannot be sold to customers in the European Union. The company performs testing on perfumes and has processes to ensure that perfumes containing restricted ingredients are not sold to customers in Europe.

Ten percent of all ceramicware items received must be tested for lead. The process for managing testing must be automated. There must be tolerances setup that define the acceptable amount of lead levels in a product.

Requirements. Inventory management

The inventory team must control costing of items by using FIFO principles. The finance team must be able to see updated FIFO adjustments throughout the month but will only settle FIFO for month-end reporting.

Inventory close must be run at the end of each month. A report must be provided to the finance team that includes the physical quantities and inventory value for items, with totals at the bottom. The warehouse team needs a similar report but does not want the inventory value included. During inventory close, some items cannot be fully costed because the issue cannot be settled against the receipt. The finance team must know which items were excluded.

Other inventory requirements

Inventory must be reserved against physical inventory.

Items must be grouped so that the inventory costing can be posted to the ledger by using the following groups: perfumes, ceramicware, other goods. All goods are FIFO. Financial reports must be grouped by these three categories, even though transactions from all categories post to the same ledger accounts.

Wide World Importers plans to import a specific type of pottery from a local company in Mexico that handmakes the goods. The pottery must be available in orange or red colors. The cost is the same regardless of the color selection.

A new line of perfumes is being introduced. The procurement team must be able to identify which perfumes are men's or women's fragrances, and must be able to further categorize perfumes as Perfume, Eau de Perfume, Eau de Toilette, Eau de Cologne, or Eau Fraiche.

You must set up a structure of products for classifying each item for purchase, sales, and reporting analysis.

Issue

Customer service representatives report that some inventory shows as ordered reserved when the ordered reserved parameter is turned off.

An item that is typically carried is out of stock. A customer named Customer2 wants to place a special rush order for the item. This will result in a significantly increased cost from the supplier. The finance team does not want to have this special order affect the FIFO tiers.

QUESTION 1

You need to configure the system to support the inventory costing requirement.

Which two actions should you perform? Each answer represents a complete solution.

NOTE: Each correct selection is worth one point.

- A. one default item group for all items
- B. one item group each for perfume, ceramicware, and other goods
- C. one FIFO item model group and one Standard item model group
- D. one FIFO item group
- E. one financial dimension for each item group

Correct Answer: B, C

Section:

QUESTION 2

You need to configure the structure for the new line of perfumes.

What should you do first?

- A. Create a procurement category hierarchy.
- B. Create a new product with racking dimensions.
- C. Create a new product with storage dimensions.
- D. Create product configurations.
- E. Set up a new product master and implement serial tracking.

Correct Answer: A

Section:

QUESTION 3

You need to address the inventory costing requirements.

What are two possible ways to achieve the goal? Each answer represents a complete solution.

NOTE: Each correct selection is worth one point.

- A. Use FIFO with marking.
- B. Create purchase orders from sales orders.
- C. Set up commodity pricing.
- D. Create a costing version.
- E. Set up a costing sheet.

Correct Answer: C, E

Section:

QUESTION 4

You need to configure the system to support the pottery line.

What should you do first?

- A. Set up a new product with product configuration.
- B. Create a new product with tracking dimensions.
- C. Create a new product master with pre-defined product variants.
- D. Create a new product with storage dimensions.

Correct Answer: C

Section:

Explanation:

Reference:

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

03 - Implement Product information management

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Background

Adventure Works Cycles builds stock and custom mountain bikes and is headquartered in San Diego. It has the following assembly and warehouse locations:

Denver, Colorado, United States

San Diego, California, United States

Budapest, Hungary

Most manufacturing is outsourced, with each facility only assembling the bikes. Parts are stocked at all facilities and may be transferred between warehouses or legal entities. All of the parts are at standard cost.

Current environment. Organizational structure

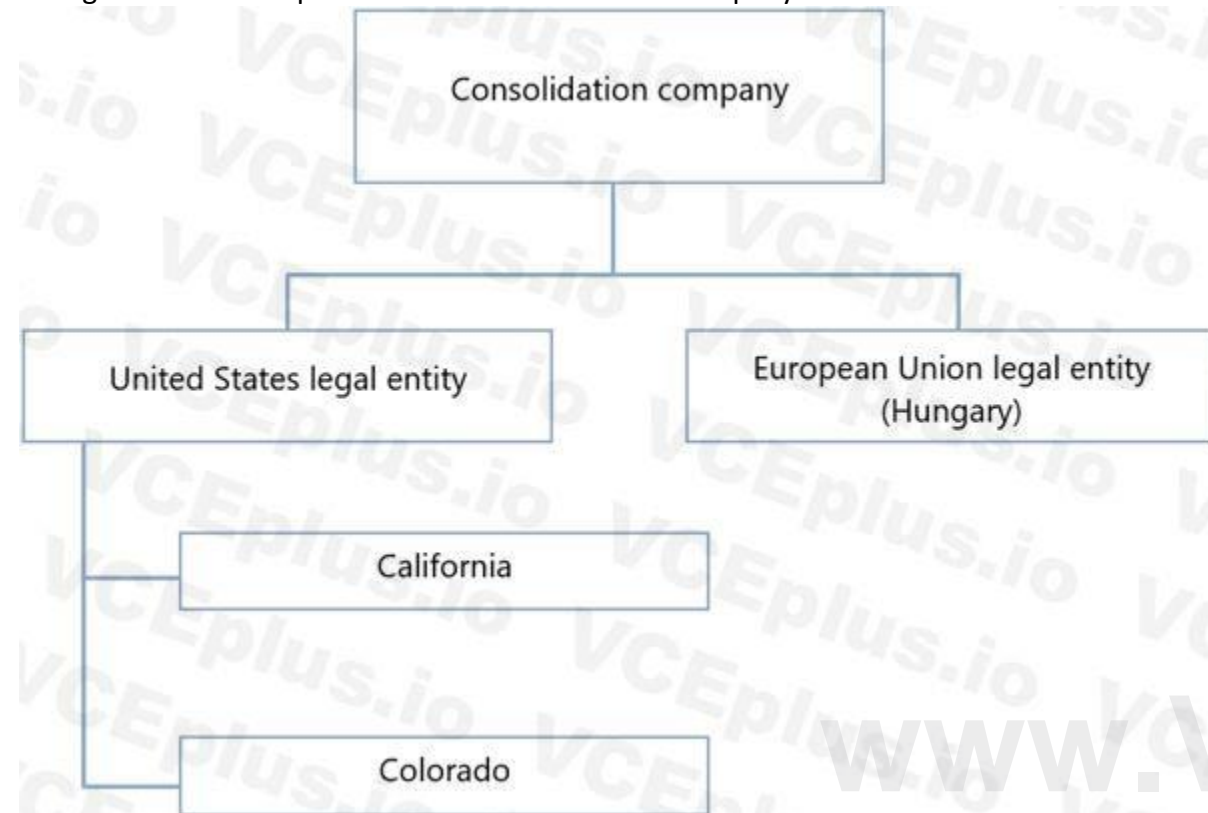
The following diagram shows the structure of Adventure Works Cycles.

Each of the physical locations in the United States (US) is a warehouse.

Hungary assembles and distributes products to the rest of the European Union (EU).

The EU legal entity is expected to add additional warehouse locations.

All legal entities roll up to a financial consolidation company.



Current environment. Purchasing Higher quality tires that are used in new orders have become popular. Due to the volume of orders, the company wants to negotiate pricing with VendorC. The vendor agrees to a discounted price for 500 tires purchased within the next six months. Once the 500 tires have been purchased, the discount will be re-evaluated based on demand.

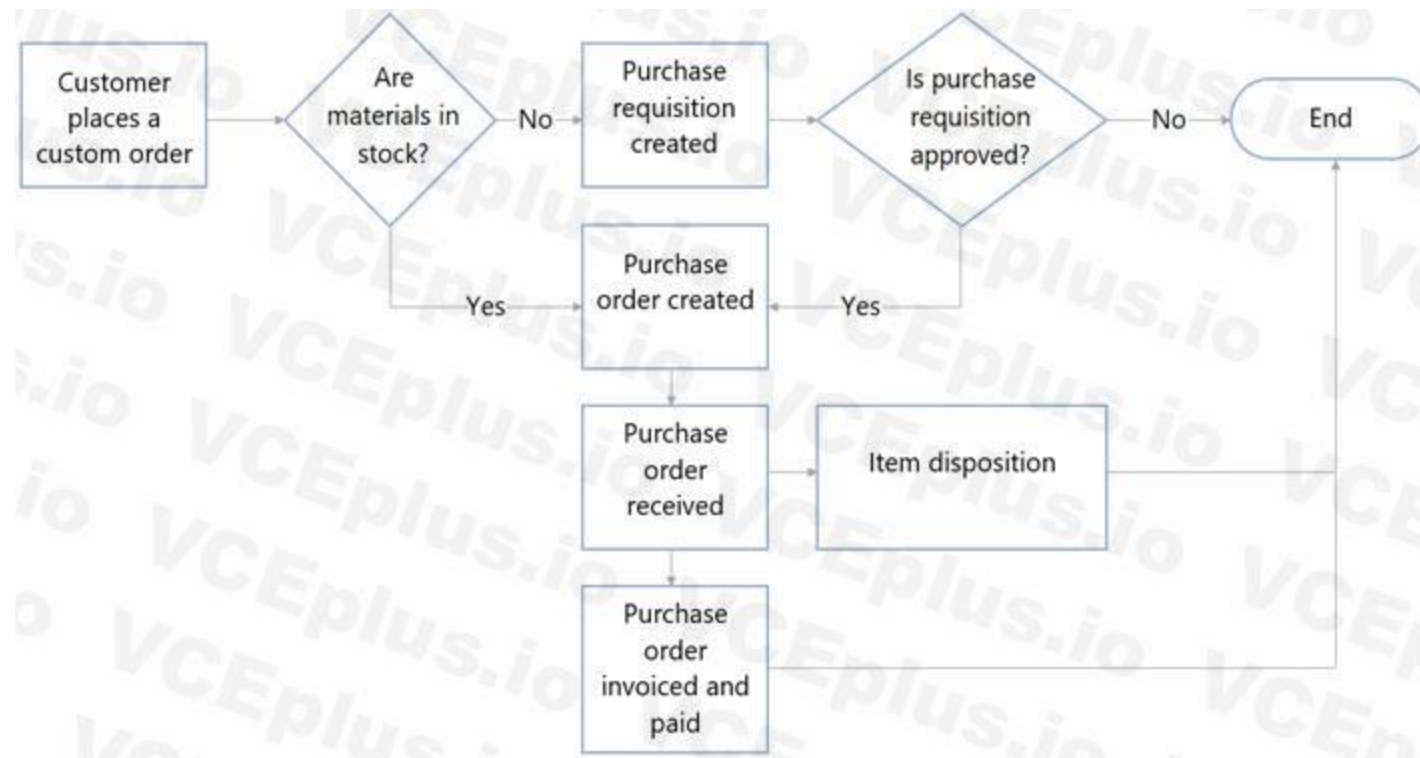
Once a purchase is approved, for audit purposes it cannot be changed.

Whenever possible, parts are purchased from vendors also within the EU. A purchase order was placed for a bike seat manufacturer in Italy.

Parts for custom orders may not always be kept in stock and will need to be procured.

Current environment. Purchase requisitions

The following flow chart depicts the purchase requisition process:



Requirements. Purchasing

Items for purchase requisitions are governed by each country. Each of the country-specific products will be grouped together for selection.

Purchase orders must follow the requisition process.

All existing purchase orders for brakes must account for the change to VendorB.

Requirements. Inventory

Standard costs are based on purchase fluctuations within a single month.

Tires use floating zones due to limited warehouse space.

Requirements. Operations

Due to recent brake failures, Adventure Works Cycles plans to purchase brakes from VendorB instead of VendorA. Although the brakes from Vendor B will continue to use the same item number as the brakes from VendorA, the price is slightly higher from VendorB. Adventure Works Cycles will pay list price from VendorB. The order for VendorB needs approval and the usual approver for purchase requisitions is on vacation.

All brakes from VendorA that are in stock must be tested. The process for brake testing must be implemented for all inbound orders. Quality orders must be automatically created upon receipt of the first shipment against a purchase order only. Inventory stocking locations must be consolidated after the brakes are tested.

UserC needs to consolidate brake inventory after it has been cleared for sale.

Ordering of the new brakes order will incur an additional cost because it is a rush order.

Requirements. Custom orders

Custom orders are placed for items that do not exist in the item master.

Hungary does not process custom orders.

The United States does process custom paint orders. Most custom paint colors are special order and require purchase requisitions.

Quotes must be obtained from a minimum of two suppliers per company policy and compared for the shipping, costs, and other variables. Quotes will not be selected based on lowest price only.

Issues

A special order for 2.6 high-end tires is received. This item is no longer in stock from the current vendor.

Goods have been received in stock, but the matching invoice has not yet been received at the time of month close.

UserA needs to set up pricing for the items purchased from VendorC and ensure that accounting validates the receipt and invoice against the agreement.

UserB needs to send out a request for quotation (RFQ) for custom paint. The vendor will be selected based on pricing, volume discounts, and lead time.

QUESTION 1

HOTSPOT

Negotiations with the vendor are complete.

You need to set up the new price for tires.

What should you configure to meet the business requirements? To answer, select the appropriate options in the area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Setting	Value
Agreement type	<div><div></div><div>Purchase</div><div>Sales</div><div>Trade</div></div>
Date	<div><div></div><div>Expiration date</div><div>From date</div><div>Start date</div><div>To date</div></div>

Answer Area:

Answer Area

Setting	Value
Agreement type	<div><div></div><div>Purchase</div><div>Sales</div><div>Trade</div></div>
Date	<div><div></div><div>Expiration date</div><div>From date</div><div>Start date</div><div>To date</div></div>

Section:

Explanation:

Reference:

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

QUESTION 2

You need to set up the procurement category hierarchy in accordance with company policy.
What should you do?

- A. Add four nodes to the category hierarchy, one for US, one for Hungary, one for California, and one for Colorado.
- B. Create category hierarchy nodes per each country underneath the consolidated legal entity.
- C. Add three nodes to the category hierarchy, one for Hungary, one for California, and one for Colorado.
- D. Create a procurement category hierarchy and assign purchase policy per legal entity only.

Correct Answer: D

Section:

QUESTION 3

HOTSPOT

You need to define the value of the brakes.

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

NOTE: Each correct selection is worth one point.

Hot Area:



The screenshot shows a 'Hot Area' for a hotspot question. It contains two dropdown menus. The first dropdown is labeled 'Price' and has four options: 'Default purchase price', 'Price group', 'Purchase agreement', and 'Trade agreement'. The second dropdown is labeled 'Purchase price variance' and has four options: 'Active cost', 'Inventory close', 'Inventory recalculation', and 'Movement Journal'.

Setting	Value
Price	<div>▼</div> <ul style="list-style-type: none"> Default purchase price Price group Purchase agreement Trade agreement
Purchase price variance	<div>▼</div> <ul style="list-style-type: none"> Active cost Inventory close Inventory recalculation Movement Journal

Answer Area:

Answer Area

Setting	Value
Price	<div>▼</div> <div>Default purchase price</div> <div>Price group</div> <div>Purchase agreement</div> <div>Trade agreement</div>
Purchase price variance	<div>▼</div> <div>Active cost</div> <div>Inventory close</div> <div>Inventory recalculation</div> <div>Movement Journal</div>

Section:

Explanation:

04 - Implement Product information management

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Background

Best for You Organics Company started as a home-based business. The founders began making handmade soaps and bath products in their kitchen. As sales increased, the business established a production facility and distribution center that supplies three retail stores.

Soaps and bath products are manufactured in the production facility and are stocked in the warehouse for distribution to the retail stores. Employees at retail stores use mobile point of sale (MPOS) tablet devices to sell the products to customers.

The company structure is a single legal entity with two sites as shown in the diagram below:



Current environment

Best for You Organics plans to introduce a new product line of face creams. Each product in the new line uses the same base ingredients but includes a different extract (for example, lime, avocado, kiwi). The marketing department is preparing to introduce the new product line. Minimal inventory will be held in the warehouse.

The company uses a cloud-based deployment of Dynamics 365 Supply Chain Management to manage finances for all company operations and locations. The company does not use Bill of Materials (BOM) versioning.

The production and warehouse facility is set up with the following organizational hierarchy:

User	Role
OpsManager	Operations manager
Employee1	Inventory control
StoreManager	Store manager
Employee2	Receiving clerk
Employee3	Shipping clerk
Employee4	Warehouse worker
Employee5	Production worker
Employee6	Store order clerk

External customers include:

CustomerA: a walk-in store customer (business-to-consumer)

CustomerB: a customer with an existing account (business-to-business)

External vendors include:

VendorA: a trucking company

VendorB: a raw materials supplier

Requirements. General

The new product line must be set up in the system and readily available for sale when the company introduces the product line to the public at an upcoming trade show.

Requirements. Production

You must configure the system to produce the new products:

Ensure that the warehouse stocks the minimum quantities of raw materials to produce the products.

Use a single version per item.

Implement FIFO inventory valuation methods.

Track raw and finished goods using different General ledger accounts.

Use a primary location to determine where to stock product in the warehouse.

Configure alternate locations in the warehouse to hold overstock products and refill the primary location as-needed.

Requirements. Shipments

You identify the following requirements related to shipping:

Ship product to retail stores weekly.

Stores require a packing slip to check in merchandise. Drivers require transport documentation and charge per mile to the stores.

Shipments to Store1 must be scheduled for Monday, Wednesday, or Friday. Store1 will sometimes pick up their own deliveries when an order is small because they have their own van. Shipments to Store2 and Store3 must be

scheduled for Tuesday or Thursday.

You must transmit Advance Shipping Notifications (ASN's) to the stores prior to deliveries.

Set up the system configuration to allow for store transfers.

Set up the system so that products may be shipped to the retail stores as bulk orders.

Set up the transport providers to deliver products from the warehouse to the retail stores.

Requirements. Reporting

Once the new products are available in stores, review 30 days of historical sales data from day-to-day transactions will determine the reorder quantities.

Set up reporting to allow the product line to be costed and tracked independent of other items.

Requirements. Pricing and inventory

You identify the following requirements related to pricing and inventory:

Determine the quantity of the new products that can be produced and ready for sale within the first 90 days. Ensure that specialty packaging is on hand for retail sales. The packaging must be shipped directly to the stores from the vendor.

Stores must not inventory the packaging materials. Stores must maintain a 30-day supply of specialty packaging materials. Stores must reorder packaging materials as needed.

Retail store customers must pay full retail price. Resellers must receive a 10 percent discount off the list price.

QUESTION 1

You need to set up financial components for the new items.

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

NOTE: Each correct selection is worth one point.

- A. Assign items to a FIFO item model group.
- B. Assign the raw materials to a standard cost item model group. Assign finished goods to a FIFO item model group.
- C. Create item model groups for raw materials and finished goods by using different ledger accounts. Assign items to these groups.
- D. Assign raw materials to a standard cost item group. Assign finished goods to a FIFO item group.
- E. Create item groups for raw materials and finished goods by using different ledger accounts. Assign items to these groups.

Correct Answer: A, E

Section:

QUESTION 2

Employee1 needs to set up the new items for the product line.

Which two actions should Employee1 perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Create new finished goods and release to the legal entity. Raw material products are not required for these items.
- B. Create new finished goods with predefined variants and release to the legal entity.
- C. Create new raw materials with variants and release to the legal entity.
- D. Create new raw materials and release to the legal entity.
- E. Create new finished goods and release to the legal entity.

Correct Answer: B, D

Section:

QUESTION 3

Employee1 must set up the new BOM.

Which three actions should Employee1 perform? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

- A. Create a new BOM for Store1, Store2, and Store3.
- B. Activate the BOM.
- C. Add the raw materials to the BOM and approve the BOM version.
- D. Add the raw materials to the BOM and approve it.
- E. Create a new BOM for Site1 only.

Correct Answer: B, C, E

Section:

Explanation:

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/production-control/bill-of-material-bom>

05 - Implement Product information management

Case study

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Background

Adventure Works Cycles is high-end bicycle manufacturer in North America. The company sells 40 standard models as well as 100 limited-edition models per year to boutique retailers domestically.

Adventure Works has had the most success with the limited-edition bicycles. These bicycles have high margins, high demand, and a strong following with the younger generation biking community.

Current environment

Technology

During a recent global pandemic, the sales of bicycles increased enormously. To support this growth, Adventure Works is going to invest in Dynamics 365 Supply Chain Management to standardize and streamline operations. Operations are currently managed with a custom enterprise resource planning (ERP) system and Microsoft Excel worksheets that address ERP product gaps.

Many processes are still maintained in Excel worksheets and then loaded into the ERP application.

Adventure Works wants to implement only those Dynamics 365 features that are areas of future investment for Microsoft, even if it means they implement fewer features.

Bicycles

Bicycle models can either be standard or made in a limited-edition release.

Bicycles are built based on a single item number that can have different sizes and frame styles. The sizes are XS, S, M, L, and XL. The frame styles are Male, Female, and Unisex.

The size and frame style combinations have different prices and barcodes.

All other bicycle properties are informational only.

Information-only properties do not have standardization or validation, which makes it easy to mistype data during product entry and difficult to identify mistakes.

Some limited-edition bicycles are not properly marked as limited edition in the current product management system due to the yes/no key indicator defaulting to no. This causes significant issues with item searching and reporting on the different bicycle models.

Limited-edition bicycles

The most recent limited-edition models include integrated face mask holders and extra storage containers welded to the bicycle frame.

The bicycles are restricted to one purchase per retailer per week.

The bicycles are announced on social media and are available for sale to retailers on the same day they are announced.

Customers can buy the bicycles at retailers shortly after they are announced.

The bicycles are sometimes available only through charity auctions.

Sales

Due to the global pandemic, it is difficult to keep products in stock. Retailers are buying as much inventory as possible each week.

Retailers email their sales to Adventure Works. The sales team in charge of each retailer manually enters the information into a shared Excel worksheet.

Retailers are required to submit one consolidated sales order by Wednesday every week so that the Adventure Works fulfillment team can organize and adjust sales order quantities based on availability.

Retailers are invoiced every three to five weeks. Adventure Works uses a manual process for invoicing. The increased volume of purchases makes it difficult to keep up with invoicing.

To accommodate the demand for the Adventure Works limited-edition bicycles, the sales team enters orders for these items for fulfillment as soon as they appear on the SKU list.

Retailers can sometimes bypass Adventure Works order restriction policy. When this happens, it creates additional work for the fulfillment team.

Outbound

Finished bicycles are assigned a unique code to identify and track each bicycle.

Each bicycle that is picked for an outbound order is transferred to a quality control bench where it undergoes a 21-point mechanical inspection.

Bicycles that pass the mechanical inspection have their unique bicycle identification number recorded in the completed inspection list. The number is also recorded in the shipping manifest for customers to be able to verify that the bicycle that was tested is the one that they received.

If a bicycle does not pass the mechanical inspection, the bicycle is moved to a quarantine location and another bicycle is picked and tested as a replacement for the order.

Inventory

Replenishment is simple but manual. It is currently all handled in Excel.

Every bicycle part for each standard model has a line in an Excel worksheet.

Adventure Works wants each storage space in the warehouse to be filled to capacity with the current products.

The team knows how many bill of materials (BOM) items can fit in the spaces without overflowing.

BOM items that make up the bicycles have different storage capacities.

Adventure Works uses Excel worksheets to make decisions about planned orders by period based on the supply and demand for finished bicycles.

Wheels

There are four types of wheels for all the bicycle models.

Customers often order a spare tire.

Wheels sometimes just disappear from the warehouse storage.

Adventure Works purchases wheels from only one manufacturer.

Master planning

There is no formal master planning process.

Replenishment activities occur weekly.

Requirements

Bicycles

All BOM items used the manufacturing process must be configured as unique products in Dynamics 365 Supply Chain Management.

The following manufactured bicycles' properties must be configured in Dynamics 365 Supply Chain Management:

- Size: XS, S, M, L, XL
- Frame style: Men, Women, Unisex
- Limited edition: [Blank], No, Yes
- Year: 2010-2020
- Manufacturer's note: Free form text up to 250 characters
- Rear suspension travel: 130 millimeters, 150 millimeters
- Full suspension: No, Yes

Sales

Limited-edition bicycles must be systematically restricted to one bicycle per sales order. Overrides must not be allowed.

Retailers must automatically be invoiced once a month in a consolidated invoice for all delivered sales orders.

Limited-edition model bicycles must not be allowed for inclusion on sales orders until the bicycles' official release date.

Outbound

A bicycle's unique identification number must systematically be created as part of the standardized business process.

Bicycles must be pulled from a bin location in a First In, First Out (FIFO) inventory model and moved to a packing station.

Inventory

Overflow of any bicycle parts in the warehouse must be prevented, except for wheels.

System-generated recommendations to adjust Adventure Works' on-hand stock of wheels based on historical trends must be provided.

BOM items must be replenished before they run out. There must always be quantity available on-hand.

The system must maintain all inventory requirements through automated processes.

Master planning (MRP) The tool that replaces the Excel worksheet must be able to show the supply and demand for the product family of finished bicycles and BOMs by period in a single screen. This single form screen will also be used for general supply and demand inquiry only and not require intensive processing tasks. Inquiries to this form may result in non-system decisions and not with creating any planned orders.

The tool must allow for the creation of new planned production, sales, purchase, and transfer orders.

The MRP solution must have the best performance possible and allow for planned orders to be run in the middle of the day.

Planned orders that will not be firmed must not be changed. Adventure Works wants to be able to reference the planned orders later against any manual orders created until they feel more comfortable with the system.

Once Adventure Works is comfortable with the numbers that the system recommends, Adventure Works wants to implement a mechanism to fully automate the generation of orders.

QUESTION 1

HOTSPOT

You need to configure the bike properties based on the requirements.

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

NOTE: Each correct selection is worth one point.

Hot Area:

www.VCEplus.io

Answer Area											
Requirement	Configuration										
Create the item	<table><tr><td></td><td>▼</td></tr><tr><td colspan="2">Product</td></tr><tr><td colspan="2">Product master</td></tr><tr><td colspan="2">Service product</td></tr><tr><td colspan="2">BOM product</td></tr></table>		▼	Product		Product master		Service product		BOM product	
	▼										
Product											
Product master											
Service product											
BOM product											
Configure the size property	<table><tr><td></td><td>▼</td></tr><tr><td colspan="2">Inventory dimension</td></tr><tr><td colspan="2">Product attribute</td></tr><tr><td colspan="2">Financial dimension</td></tr><tr><td colspan="2">Product categories</td></tr></table>		▼	Inventory dimension		Product attribute		Financial dimension		Product categories	
	▼										
Inventory dimension											
Product attribute											
Financial dimension											
Product categories											
Configure the year property	<table><tr><td></td><td>▼</td></tr><tr><td colspan="2">Inventory dimension</td></tr><tr><td colspan="2">Product attribute</td></tr><tr><td colspan="2">Financial dimension</td></tr><tr><td colspan="2">Product categories</td></tr></table>		▼	Inventory dimension		Product attribute		Financial dimension		Product categories	
	▼										
Inventory dimension											
Product attribute											
Financial dimension											
Product categories											

Answer Area:

Answer Area

Requirement	Configuration
Create the item	<div><div></div><div>▼</div></div> <div>Product</div> <div>Product master</div> <div>Service product</div> <div>BOM product</div>
Configure the size property	<div><div></div><div>▼</div></div> <div>Inventory dimension</div> <div>Product attribute</div> <div>Financial dimension</div> <div>Product categories</div>
Configure the year property	<div><div></div><div>▼</div></div> <div>Inventory dimension</div> <div>Product attribute</div> <div>Financial dimension</div> <div>Product categories</div>

Section:
Explanation:
Reference:
<https://docs.microsoft.com/en-us/dynamics365/supply-chain/pim/set-up-maintain-product-configuration-model>

QUESTION 2
HOTSPOT
You need to ensure that a customer can verify that a bike they purchased has passed the 21-point inspection.
Which configurations should you use? To answer, select the appropriate options in the answer area.
NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area											
Action	Configuration										
Link each unique bicycle to the 21-point inspection document	<table><tr><td></td><td>▼</td></tr><tr><td colspan="2">Product dimensions</td></tr><tr><td colspan="2">Product attributes</td></tr><tr><td colspan="2">Tracking dimensions</td></tr><tr><td colspan="2">Product variant</td></tr></table>		▼	Product dimensions		Product attributes		Tracking dimensions		Product variant	
	▼										
Product dimensions											
Product attributes											
Tracking dimensions											
Product variant											
Collect the unique identification number in the sales process	<table><tr><td></td><td>▼</td></tr><tr><td colspan="2">Packing</td></tr><tr><td colspan="2">Invoicing</td></tr><tr><td colspan="2">Confirmation</td></tr></table>		▼	Packing		Invoicing		Confirmation			
	▼										
Packing											
Invoicing											
Confirmation											

Answer Area:

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Answer Area

Action

Link each unique bicycle to the 21-point inspection document

Collect the unique identification number in the sales process

Configuration

	▼
Product dimensions	
Product attributes	
Tracking dimensions	
Product variant	

	▼
Packing	
Invoicing	
Confirmation	

Section:

Explanation:

QUESTION 3

You need to configure the limited-edition bicycle to meet the requirement for the official release date.

Where should you configure this?

- A. Released product
- B. Sales price trade agreement
- C. Product lifecycle state
- D. Default order settings

Correct Answer: A

Section:

Explanation:

Reference:

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

QUESTION 4

HOTSPOT

You need to configure a product attribute to indicate whether a product is a limited edition.

Which configuration should you use for each attribute. To answer, select the appropriate option in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Attribute

Type

Values

Configuration

▼

Boolean

Text

Integer

▼

Fixed list

Value range

Boolean

Reference

Answer Area:

Answer Area

Attribute

Configuration

Type

▼

Boolean

Text

Integer

Values

▼

Fixed list

Value range

Boolean

Reference

Section:

Explanation:

Reference:

<https://dynamics-tips.com/enable-product-attributes-d365-finance-and-operations/>

Exam F

QUESTION 1

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 2

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 3

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 4

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 5

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 6

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 7

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 8

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 9

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 10

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 11

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 12

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>

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QUESTION 13

A buyer reviews the orders generated by Planning Optimization. The buyer observes that the output for some orders appears incorrect. The buyer reviews the history and planning logs. Which two types of information are in the history and planning logs? Each correct answer presents part of the solution. Select all answers that apply.

- A. list of planned orders created
- B. start time a job was run and the status
- C. additional information and warnings
- D. end time a job stopped and the status
- E. list of planned orders with firm history

Correct Answer: B, C

Section:

Explanation:

<https://docs.microsoft.com/en-us/learn/modules/work-costing-sheet-dyn365-supply-chain-mgmt/>

<https://docs.microsoft.com/en-us/learn/modules/planning-optimization/>

QUESTION 14

A company is evaluating sales pricing strategies in a costing version of a bill of materials (BOM) product that will use a cost-plus-markup strategy. You need to configure the system to provide three prices based on different profit models. Where should you configure the markup values? Select only one answer.

- A. Released product
- B. Inventory model group
- C. BOM calculation group
- D. BOM version
- E. Cost group

Correct Answer: C

Section:

QUESTION 15

A company requires that a percentage of the building overhead costs as well as a percentage of overall labor must be added to a costing sheet for each item. The company also requires that the labor and overhead costs be calculated independently and then rolled up to a total amount. Which three actions should you perform to meet the requirements? Select all answers that apply.

- A. Select Cost group type as a node.
- B. Create indirect cost subnodes.
- C. Define the costing sheet format.
- D. Define the rate amount on the node.
- E. Define the rate amount on the cost group.

Correct Answer: A, C, D

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Section:

QUESTION 16

A manufacturing company uses standard costs for raw materials.

The company opens a new manufacturing location that will have different standard costs for the raw materials. The differences in costs must be reflected on the finished goods.

You need to configure the site setup for the different costs.

Which two configurations can be set up?

Select all answers that apply.

- A. Costing version Recording tab
- B. Item default order setting
- C. Define site on BOM lines
- D. Pending cost lines
- E. Active cost lines

Correct Answer: C, E

Section:

QUESTION 17

You run Planning Optimization. You create a static master plan with a plan filter for A and B items.

Purchasing agents for the A items start to review the A item output. You must re-run planning for the B items due to a change. Re-running the B items must not impact the existing planned orders for the A items.

You need to re-run planning for the B items.

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

Select all answers that apply.

- A. Re-run the static plan with the runtime filter set for the A items.
- B. Delete the planned orders for the B items and re-run the static plan.
- C. Run a dynamic plan with a plan filter for the B items.
- D. Run a dynamic plan with a plan filter for the A items.
- E. Re-run the static plan with the runtime filter set for the B items.

Correct Answer: C, D

Section:

QUESTION 18

A buying agent is evaluating vendors for sourcing an item. Prices and lead times vary by vendor.

The buyer requires that the planning engine be set up to provide the best price while considering the lead time.

Manual correction must not be required after planned purchase orders have been created.

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

Select all answers that apply.

- A. Use Planning Optimization.
- B. Use built-in master planning.
- C. Set Purchase trade agreements.
- D. Set the default vendor on the item.

E. Set the override lead times on the item to yes.

Correct Answer: C, D

Section:

QUESTION 19

A company decides to implement Planning Optimization.

Company auditors need to know where the service will run physically once it is enabled for Dynamics 365 Supply Chain Management.

In which location will the service run?

Select only one answer.

- A. on-premises at the company
- B. on the same SQL server as the Dynamics 365 Supply Chain Management instance
- C. in any data center, regardless of where the Dynamics 365 Supply Chain Management instance exists
- D. in the same data center country or region as the Dynamics 365 Supply Chain Management instance
- E. in the Microsoft Dataverse

Correct Answer: B

Section:

QUESTION 20

A company uses the built-in master planning engine but plans to use Planning Optimization instead.

You enable auto-firming. You need to ensure that planned orders are firmed within the current month. What should you do?

- A. Set the firming time fence to one month plus issue margin.
- B. Set the firming time fence to one month plus receipt margin
- C. Set the firming time fence to one month plus lead time if the lead time is greater than one week.
- D. Set the firming time fence to one month
- E. Set the firming time fence to one week plus lead time if the lead time is less than one week.

Correct Answer: D

Section:

QUESTION 21

You are setting up safety margins.

Which unit of measure is used to represent safety margins in planning optimization calculations?

Select only one answer.

- A. Period
- B. Month
- C. Week
- D. Day

Correct Answer: D

Section:

QUESTION 22

A company allows negative inventory because they ship outbound orders before receipts are processed for items.

On-hand inventory for an item has the following setup:

- Coverage planning for site, warehouse, and location
- Location A = 10 on hand
- Location B = -11 on hand
- Minimum quantity = 20
- Maximum quantity = 30

Which quantity will be reordered when Planning Optimization is run?

Select only one answer.

- A. 20
- B. 29
- C. 30
- D. 31
- E. 40

Correct Answer: B

Section:

QUESTION 23

A manufacturing company produces finished goods that contain raw materials that are costed using first-in, You need to set up a costing version to support planned costs of the finished goods.

What should you configure in the costing version?

Select only one answer.

- A. costing type to standard and block activation to yes
- B. costing type to planned and block activation to yes
- C. costing type to planned and block activation to no
- D. costing type to standard and block activation to no

Correct Answer: C

Section:

QUESTION 24

A company uses Planning Optimization. The company sets up working day calendars to exclude weekends from lead time calculations.

You configure lead times and safety margins. The system does not use the safety margins in calculations.

You need to ensure that Planning Optimization uses safety margins.

What should you do?

Select only one answer.

- A. Enable Margins for Planning Optimization in Feature Management.
- B. Set Working days to No.
- C. Update the Safety stock journals.
- D. Enable Purchase Trade Agreements for Planning Optimization in Feature management.
- E. Create a coverage group.

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Correct Answer: E

Section:

QUESTION 25

A company uses Planning Optimization. The company uses the product lifecycle state setup to exclude some items from planning. Items may exist in more than one warehouse.

What configuration is required so that Planning Optimization excludes these items?

Select only one answer.

- A. Planning Optimization will respect the lifecycle state if it is enabled from Lifecycle Services.
- B. The items will respect the lifecycle state if manual planning on the warehouse setup is set to No.
- C. The items will respect the lifecycle state if manual planning on the warehouse setup is set to Yes.
- D. The product lifecycle state must be set up on the items only.
- E. Planning Optimization will respect the lifecycle state if it is enabled from Feature management.

Correct Answer: B

Section:

QUESTION 26

A company plans to use the Planning Optimization add-in.

How is data communicated to Planning Optimization?

Select only one answer.

- A. through a connector
- B. through an automated entity store refresh
- C. with Business process modeler
- D. mapped between solutions
- E. with Microsoft Dataverse

Correct Answer: A

Section:

QUESTION 27

A company uses Planning Optimization. The company decides to set up purchase trade agreements.

What should you verify in Supply forecast to ensure that purchase trade agreements are used?

Select only one answer.

- A. Reduction keys are removed.
- B. The vendor is not specified on any of the rows
- C. The vendor account is specified on the rows
- D. The forecast model is cleared
- E. The forecast time period is cleared.

Correct Answer: C

Section:

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QUESTION 28

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

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

You must configure ItemA to ensure the buying rules are implemented

What should you configure?

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

Correct Answer: D

Section:

Explanation:

Release product variants

You can release product variants when you release the product master. You can also release the variants or any new variants at any time.

Reference: <https://learn.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/key-tasks-releaseproducts#release-product-variants>

QUESTION 29

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 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. Deallocate the Current environment.
- B. Enable the Planning Optimization configuration key.
- C. Activate the Planning Optimization license.
- D. Place the environment into maintenance mode
- E. Set the value of Use Planning Optimization field to yes

Correct Answer: D

Section:

Explanation:

Reference:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/master-planning/planningoptimization/get-started>

QUESTION 30

A company uses planning optimization in Dynamics 365 Supply Chain Management A new item is set up for production with a bill of materials (BOM) and is included in planning optimization.

You need to identify the planning output for the item

What are two parts of the output? Each answer represents a partial solution

- A. production order
- B. action message
- C. purchase order
- D. Warning

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Correct Answer: B, C

Section:

Explanation:

Action messages are generated by the master planning calculation in response to changed requirements. For example, the ship date or quantity is changed on a sales order after you've already created a purchase order to fulfill the demand for that sales order. In this case, the master planning calculation generates one or more action messages that suggest that you update the purchase order.

You decide whether to make the changes that are suggested.

Actions that are related to components of bills of material (BOMs) must be applied before the actions of their parent items, because further orders that are related to higher-level BOMs might be affected.

Reference: <https://learn.microsoft.com/en-us/dynamics365/supply-chain/master-planning/actionmessages>

QUESTION 31

A company is implementing Dynamics 365 Supply Chain Management. The company manages inventory by using a just-in-time A purchase order arrives for an item. The system must allow sales order shipments of the item to posted before the purchase order invoice is received.

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

Which parameter should you enable?

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

Correct Answer: B

Section:

Explanation:

Financial negative inventory:

If checked, the system will allow you to raise a Sales Order and directly Invoice while bypassing packing Slip only if the available physical quantity having status receipt as Received or Purchased.

Means at least your available physical quantity should be physically posted.

If unchecked, system will not allow you to do the invoice even if all the items in the order are physically updated that means cost price should be known for the quantity that is financially pulled from inventory.

<https://community.dynamics.com/ax/f/microsoft-dynamics-ax-forum/265813/physical-negativeinventory-and-financial-negative-inventory-on-item-model-group?pifragment-96834=1>

QUESTION 32

A company with two legal entities uses Dynamics 365 Supply Chain Management. You are creating new products and learn that CompanyA plans to use Warehouse management (WMS) but CompanyB will not. Each storage, tracking and production dimension name and configuration must be identical in each company.

You need to set up the dimensions that affect WMS for the new products.

Which two actions should you perform? Each correct answer presents a complete solution

- A. Assign a tracking group to the product and release it to both companies. changing one tracking group after release.
- B. Leave storage group blank on the product and assign after release to both companies.
- C. Create a product master assign configuration
- D. Assign storage group to the product and release to both companies, changing one after release.

Correct Answer: D

Section:

QUESTION 33

A retail distributor is implementing Dynamics 365 Supply Chain Management Wholesale customers receive 10 percent off list price for the current calendar year. CustomerA is a wholesaler that agreed to a pilot program for a new product.

with terms to receive a discounted set price for 100 each of the products for the next six months. The distributor will charge penalties to CustomerA If the 100 each are not sold within the period You must configure pricing Customer A.

Which three configurations should you set up? Each correct answer presents part Of the solution

- A. Create a trade agreement for wholesalers.
- B. Create a sales agreement with the max parameter set to yes
- C. Set the effective date on the trade agreement to begin after sales agreement.
- D. Create a sales agreement with the price and discount is fixed parameter set to yes
- E. Set the find next parameter on trade agreements.

Correct Answer: A, C, D

Section:

QUESTION 34

A company uses Dynamics 365 Supply Chain Management.

A large item fits only one item per pallet. A purchase order for the item must be a minimum of 24.

Additional line quantities for the item must be in multiples of 24.

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

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

What should you do?

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

Correct Answer: A

Section:

Explanation:

Use strict or standard validation of default order quantities You can choose how strict the system should be when validating quantities entered in the Default order settings for a product. When you use the new strict option, the Standard order quantity must always be a multiple of the specified

Multiple value for purchase orders, inventory, and sales orders.

If you are using strict validation, you won't be able to save default order settings that don't meet this requirement (and an error is shown in the message bar).

Reference: <https://learn.microsoft.com/en-us/dynamics365/supply-chain/productioncontrol/default-order-settings>

QUESTION 35

A company uses Dynamics 365 Supply Chain Management.

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

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

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

NOTE: Each correct selection is worth one point.

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

Correct Answer: A, D

Section:

Explanation:

Changing the product dimension group for a product master The setup of the product dimension group for a product master can be changed if the product master has not been released, and if no dimensions have been created.

Otherwise, the following rules apply:

If a product master has been shared, the setup of the product dimension group cannot be changed.

This rule applies both to the shared instance of the product master and to any company-specific instances.

If a product master is created as a released product master, the product dimension group cannot be changed.

If dimensions have been created for a product master, the product dimension group cannot be changed. However, if the dimension setup of a new product dimension group is identical to the dimension setup of the original product dimension group, the new product dimension group can be changed.

Reference: <https://docs.microsoft.com/en-us/dynamicsax-2012/appuser-itpro/about-inventorydimensions-and-dimension-groups>

QUESTION 36

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

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

You need to configure the system to meet the request.

Which configuration should you set up?

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

Correct Answer: C

Section:

Explanation:

Default order settings in Dynamics 365 Supply Chain Management define the site and warehouse where items will be sourced from or stored, the minimum, maximum, multiple and standard quantities that will be used for trading or inventory management, the lead times, the stop flag, and the order promising method. Default order settings are used when creating purchase orders, sales orders, transfer orders, inventory journals, and by master planning for generating planned orders.

Default order settings can be item specific, site specific, product variant specific, or product dimension specific.

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

QUESTION 37

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

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

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

What should you use?

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

Correct Answer: A

Section:

Explanation:

QUESTION 38

A warehouse uses mobile devices for locating products.

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

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

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

NOTE: Each correct selection is worth one point.

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

Correct Answer: C, D

Section:

Explanation:

Require workers to confirm the product, location, or quantity when they pick items You can set up work confirmations that require that a worker use a mobile device to register the location or quantity when they perform work in the warehouse. Work confirmations help ensure that the worker is at the correct location or is handling the correct quantity of items. You can also enable Supply Chain Management to automatically confirm the worker's registration. If you enable automatic confirmation, you can't also require confirmations for location or quantity. Work confirmations also include products and product variants. Additionally, you can register confirmations by scanning a bar code. To confirm products and product variants, you must enter an ID for the product or product variant. This ID can be a product ID, product search ID, external ID, GTIN, or bar code. After you enter the ID or scan the bar code, the dimensions for the product variant are displayed on the mobile device.

Reference: <https://learn.microsoft.com/en-us/dynamics365/supply-chain/warehousing/configuremobile-devices-warehouse#require-workers-to-confirm-the-product-location-or-quantity-when-they-pick-items>

QUESTION 39

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

The company must begin documenting nonconformances.

You need to configure the nonconformance functionality.

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

NOTE: Each correct selection is worth one point.

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

Correct Answer: B, C, D

Section:

Explanation:

Nonconformance management configuration process Before you can start to use the nonconformance management features and generate nonconformances, you must configure the system and prerequisites.

Here is a list of the steps that are required to configure nonconformance management.

Enable quality and nonconformance management.

Configure workers who are responsible for approving nonconformances.

Configure problem types.
Configure quarantine zones.
Configure diagnostic types.
Configure operations.
Optional: Configure quality charges.
After the configuration is completed, you can start to create and process nonconformances.
Reference: <https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/enable-qualitymanagement>

QUESTION 40

A company uses the nonconformance functionality in Dynamics 365 Supply Chain Management.
When a manufactured part fails a quality test, a quality clerk creates a nonconformance. You determine that additional items are needed to correct the issue.
You must record the additional items for the nonconformance.
What should you do?

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

Correct Answer: D

Section:

Explanation:

Add items to an operation

To add items to an operation, follow these steps.

1. Go to Inventory management > Periodic tasks > Quality management > Non conformances.
2. In the list, select the nonconformance that you want to update.

Note: You can add or update operations only for nonconformances that are approved.

3. On the Action Pane, select Related operations.
4. On the Related operations page, select the operation that you want to add items to.
5. On the Action Pane, select Items.
6. On the Related operations page, on the Action pane, select New to add a row to the grid. Then set the following fields for new row:
Item number – Select the product that will be consumed as part of the selected operation.
Quantity – Enter the number of items that will be consumed.
7. Repeat the previous step for each additional item that you must add.
8. Close the pages.

Reference: <https://docs.microsoft.com/en-us/dynamics365/supply-chain/inventory/tasks/createprocess-non-conformance>

QUESTION 41

A company uses Dynamics 365 Supply Chain Management and has a single legal entity.
The company manually creates and adds new items frequently. Many of these items require the same setup as existing items. The company requires a streamlined process to copy fields from another item upon creation and allow for other employees to use the same process.
You need to configure the simplified process.
What should you do?

- A. Create a personalization.
- B. Release the product master.
- C. Create an item template.

D. Create a new product master.

Correct Answer: D

Section:

Explanation:

Product masters A product master is the starting point for any product configuration process. For the dimension-based product configuration, you need a product master with this configuration technology and a product dimension group that includes the configuration product dimension.

Dimension-based product configuration Dimension-based product configuration represents a simple solution for creating many product variants from a single product master and its bill of materials.

Reference: <https://learn.microsoft.com/en-us/training/modules/create-products-product-mastersdyn365-supply-chain-mgmt/6-product-master-variants>

QUESTION 42

A company uses Dynamics 365 Supply Chain Management.

A customer negotiated a sales price for 100 items for the next 60 days. Management reviews reports on how many items the customer has purchased at this price. The customer has an existing order for the agreed sales agreement quantity. The customer calls to add an additional quantity that exceeds the sales agreement maximum amount. The customer is not entitled to the discounted sales price outside of the agreement. You need to ensure that the customer receives the ordered amount and that the management reports are correct.

Which action should you perform?

- A. Modify the sales agreement quantity as unconfirmed.
- B. Edit the sales order quantity and when prompted to save changes, select Yes.
- C. Modify the sales agreement to clear the Max Enforced checkbox and do not confirm.
- D. Create a new sales order for the quantity that exceeds the sales agreement amount.

Correct Answer: B

Section:

Explanation:

Reference: <https://docs.microsoft.com/en-us/dynamics365/supply-chain/salesmarketing/tasks/enter-sales-agreements>

QUESTION 43

A company is implementing Dynamics 365 Supply Chain Management with batch-controlled items.

The management team wants to ensure that sales margins are calculated based on the cost of the product. Because the company values inventory using FIFO, the cost of the product fluctuates. The product is typically less expensive in the beginning of a sales cycle and becomes more expensive toward the end of the sales cycle. You must ensure that products are sold and that margins are calculated based on the cost of the inventory.

You need to ensure that the correct costs are assigned.

What should you configure?

- A. Run the Update expiry date job.
- B. Configure Reserve ordered items.
- C. Enable automatic reservation.
- D. Configure an item model group reservation policy.

Correct Answer: D

Section:

Explanation:

Reserve the same batch for a sales order Same batch reservation lets you reserve inventory for a sales order line against a single batch of inventory. For example, a customer who orders wallpaper can request that the whole order be filled from the same batch or lot, to avoid inconsistencies among the rolls. To set up a product to use same batch reservation, the following settings must be active in the item model group, tracking dimension group, and storage dimension group that you assign to the product:

* Item model groups – The item model group must have the Same batch selection and Consolidate requirement fields selected in the Reservation field group for inventory policies.

* Etc.

Reference: <https://docs.microsoft.com/en-us/dynamics365/supply-chain/sales-marketing/reservesame-batch-sales-order>

QUESTION 44

A distribution company uses Dynamics 365 Supply Chain Management.

The company implements a new safety policy. The policy dictates that all business units must undergo a rapid routine safety checkup every week

To follow the new policy, the warehouse manager must ensure the following:

- * The business unit must be unavailable for use during that period.
- * The maintenance activities must be conducted during the lunch break to avoid production downtime losses.

You must configure the system to meet the safety requirements.

Which two configurations should you complete? Each correct answer presents a part of the solution.

NOTE: Each correct selection is worth one point.

- A. Work order service levels
- B. Asset BOMs
- C. Attributes

Correct Answer: A, B

Section:

QUESTION 45

HOTSPOT

A company uses Dynamics 365 Supply Chain Management. The company is introducing a new line of products that require multiple pieces of new shop floor equipment.

The accounting manager requires the following:

- * The new equipment must be tightly controlled throughout the acquisition cycle with vendors.
- * All assets must have expected receipts.
- * The asset must be automatically created when it is received by the warehouse.

Hot Area:

Answer Area

Requirement

View all assets expected to be received.

Automatically create asset upon receipt.

Configuration

<div> <div></div> <div>Pending asset count</div> <div>Purchase requisitions</div> <div>Planned purchase orders</div> </div>
<div> <div></div> <div> <div> <div></div> <div> <div>Item status</div> <div>Lifecycle state</div> </div> </div> </div> </div>

Answer Area:

Answer Area

Requirement

View all assets expected to be received.

Configuration

	▼
Pending asset count	
Purchase requisitions	
Planned purchase orders	

	▼
Variants	
Item status	
Lifecycle state	

Section:

Explanation:

QUESTION 46

HOTSPOT

You need to configure the pricing for the white-labeled products.

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

NOTE: Each correct selection is worth one point.

Hot Area:

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Configuration

Configure the "Compare to" price for a white-labeled product.

System object

Price group
Trade agreement
Released product
Product attribute

Configure the mechanism for customer tier B.

Price group
Item group
Customer group
Trade allowance

Configure a price to use for customer tier B pricing.

Table
Group
All
Price group

Answer Area:

Configuration

Configure the "Compare to" price for a white-labeled product.

System object

Price group
Trade agreement
Released product
Product attribute

Configure the mechanism for customer tier B.

Price group
Item group
Customer group
Trade allowance

Configure a price to use for customer tier B pricing.

Table
Group
All
Price group

Section:

Explanation:

<https://docs.microsoft.com/en-us/dynamics365/supply-chain/sales-marketing/trade-allowance#promotional-fund-and-trade-allowance-agreement>

QUESTION 47

DRAG DROP

A company uses Dynamics 365 Supply Chain Management to manage procurement operations.

A purchasing clerk must process a purchasing request from an offshore vendor with the landed cost.

You need to explain the steps needed to perform this process

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

Select and Place:

Actions

Complete the journey leg by unloading and going through customs.
Post purchase order invoice with the default quantity for lines as the product receipt quantity.
Create a voyage.
Create a purchase order.
Post purchase order invoice with the default quantity for lines as the order quantity.
Create a shipping vendor's invoice to update the cost of goods.
Receive the goods at the destination warehouse.



Correct Answer:

Actions

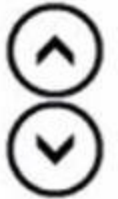
Complete the journey leg by unloading and going through customs.
Post purchase order invoice with the default quantity for lines as the product receipt quantity.



Section:

Explanation:

Answer area



Answer area

Create a voyage.
Create a purchase order.
Post purchase order invoice with the default quantity for lines as the order quantity.
Create a shipping vendor's invoice to update the cost of goods.
Receive the goods at the destination warehouse.

