

Item Purchase Replenishment

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Purpose of this document

This document explores the use of the Item Card to set replenishment and planning specifications.

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Table of Contents

PURPOSE..... 3

SPECIFYING REPLENISHMENT SETTINGS 3

SPECIFYING PLANNING SETTINGS..... 5

SAFETY STOCK VS. REORDER POINT 8

RELATED TOPICS..... 8

Purpose

Ceres has a purchase planning engine that can help assist you ensure that purchased inventory quantities are kept at a safe level. Through the Item Card, you can set replenishment and planning specifications. This enables Ceres to suggest replenishment of items by suggesting purchasing.

Note: The calculation engines ignore demand from kitting/backpack procedures. Additionally, Donated Items can ignore this setup.

Ceres Object release 4.00.00 is required for this functionality.

Specifying Replenishment Settings

1. Replenishment settings are specified on a per-item basis. The Item Card can be accessed from Departments → Warehouse → Planning & Execution → Items. You will see a List of Items that exist within Ceres.

Items ▾

Type to filter (F3) | No. ▾ → ▾

Filter: No • No

No.	Description	Description 2	Pack Size	Per... We...	Base Unit of Measure	Quantity on Hand
10256	Snacks	Combo's	18 / 12 ct cartons	<input checked="" type="checkbox"/>	CASE	333
10300	Cake Mix	Assorted Cake Mixes	12 / 18.25 oz boxes	<input checked="" type="checkbox"/>	CASE	178
10339	Diapers	Size 4	104 ct	<input checked="" type="checkbox"/>	CASE	3
10340	Diapers	Size 4	128 ct	<input checked="" type="checkbox"/>	CASE	203
10371	Brown Sugar	Light Brown Sugar	12 / 2 lb bags	<input checked="" type="checkbox"/>	CASE	10
10378	Frosting	Vanilla	100 / 1.5 oz cups	<input checked="" type="checkbox"/>	TUB	3
10401	Snacks	Fun Size Combo's	12 / 12 ct packs	<input type="checkbox"/>	CASE	423
10436	Snacks	Golden Oreo Cakesters	12 / 12 oz packs	<input checked="" type="checkbox"/>	CASE	20
10442	Brown Sugar	Dark Brown Sugar	12 / 2 lb bags	<input checked="" type="checkbox"/>	CASE	4
10451	Baking Mix	Cherry Orchard Bars	6 / 5 lb packs	<input checked="" type="checkbox"/>	CASE	204
10458	Hand Sanitizer	refills	4 /	<input checked="" type="checkbox"/>	CASE	1
10569	Tortillas	Wheat Tortillas	12 / 12 ct packs	<input checked="" type="checkbox"/>	CASE	114
10576	Sausage	Mild Breakfast Sausage	12 / 16 oz chubs	<input checked="" type="checkbox"/>	CASE	27

2. Go to the Replenishment FastTab

Replenishment

Replenishment System:

Purchase

Vendor No.:

Vendor Item No.:

Purch. Unit of Measure:

Lead Time Calculation:

Tiers:

Height:

- In the Replenishment System field, select Purchase (for Items that are replenished via Purchase Orders).
- In the Vendor No. field, select a Vendor. This specifies the Vendor that the Item is commonly purchased from. It is necessary to assign at least one Vendor to each Item that will be used by the planning engine.

Note: This selection only serves as a suggestion during planning calculations; different Vendors can still be used. If you wish to set up multiple Vendors, please refer to the Item Vendor Cross References and Prices document. Ceres will use these Vendors to make suggestions for the fastest fulfillment and best cost.

Purchase

Vendor No.:

Vendor Item No.:

Purch. Unit of Measure:

Lead Time Calculation:

Tiers:

Height:

No.	Name	City	ZIP Code	PT
V000025	Cosentino's Food Stores	Prairie Village	66208	81
V000026	CostCo Wholesale Membership	Seattle	98124-1783	
V000027	FedEx	Palatine	60094-4515	80
V000028	Ferrellgas	Denver	80217-3940	81
V000029	Fiddly Fig	Kansas City	64113	81
V000030	First Choice	St. Louis	63166	81
V000031	WCP-Fern Exposition Svcs LLC	Cincinnati	45203	81

- The Vendor Item No. is an optional field. If the Vendor specified in the Vendor No. field uses a different Item Identifier for this Item than you do, you can specify this identification here. This number will show on printed reports.

Purchase

Vendor No.:

Vendor Item No.:

- In the Lead Time Calculation field, you can choose to enter a date formula. This indicates the amount of time you expect will elapse between the point of Purchase Order entry up to the posting

of the Receipt. The example below shows that the item would arrive in 1 month and 2 days if we were to place an order today.

Lead Time Calculation:

Specifying Planning Settings

1. Planning engine settings are specified on a per-item basis. The Item Card can be accessed from Departments → Warehouse → Planning & Execution → Items. You will see a List of Items that exist within Ceres.

Items

Filter: No • No

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10576	Sausage	Mild Breakfast Sausage	12 / 16 oz chubs	<input checked="" type="checkbox"/>	CASE	27

2. Go to the Planning FastTab.

Planning

Reordering Policy:

Reserve:

Order Tracking Policy:

Stockkeeping Unit Exists:

Dampener Period:

Dampener Quantity:

Critical:

Safety Lead Time:

Safety Stock Quantity:

Lot-for-Lot Parameters

Include Inventory:

Lot Accumulation Period:

Rescheduling Period:

Reorder-Point Parameters

Reorder Point	Reorder Quantity	Maximum Inventory
<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>

Order Modifiers

Minimum Order Quantity	Maximum Order Quantity	Order Multiple
<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>

Show more fields

- Click on the Reordering Policy field and make a selection. The Reordering Policy offers the following choices: Blank, Fixed Order Quantity, and Maximum Qty are the only options that are supported in Ceres.

Blank - If you select this reordering policy, Ceres does not calculate order proposals for this item. The assumption is that you will plan for this item manually

Fixed Reorder Quantity - Ceres uses the quantity specified in the Reorder Quantity field as the standard lot size. Ceres may adjust this quantity to meet additional requirements or the specified inventory level. If you select this option, Ceres disables the Maximum Inventory field, which is used exclusively with the Maximum Quantity option.

Maximum Qty - Ceres uses the quantity specified in the Maximum Inventory field to determine the maximum lot size. Ceres may adjust this quantity to meet additional requirements or the specified inventory level. If you select this option, Ceres disables the Fixed Reorder Quantity field, which is used exclusively with the Fixed Reorder Quantity option.

Order - Not supported by Ceres.

Lot for Lot - Not supported by Ceres.

Note: Setting the Reordering Policy to a blank value will cause the Item to be ignored by the planning engine. This is a desirable setting for donated items. Also note that changing from one reordering policy option to another may result in Ceres disabling some planning parameter fields, which were previously active and still contain the most recently used values. The planning calculations will disregard these values (if you switch planning parameters after entries are made).

- If it is available, place a checkmark in the Include Inventory field if the planning engine should consider quantity on hand when performing supply calculations.
- Reserve field should always be set to NEVER; as this field is not used in Ceres

6. Select an option from the Order Tracking field to determine how Ceres should log tracking and action messages.

None – Indicates that neither tracking nor action message are created.

Tracking Only – Indicates that Ceres will maintain tracking messages for this Item, but will not issue any action messages

Tracking & Action Msg – Indicates that Ceres will create tracking and action messages.

7. In the Reorder Cycle field, you can choose to enter a date formula, which adjusts the replenishment cycle to fall within a certain date calculation. Requirements that are due within the reorder cycle are grouped together, and an order that is due within the reorder cycle may be rescheduled to fulfill a requirement.

The screenshot shows a 'Planning' window with several sections of input fields:

- Reordering Policy:** Fixed Reorder Qty. (dropdown)
- Reserve:** Never (dropdown)
- Order Tracking Policy:** None (dropdown)
- Stockkeeping Unit Exists:** No
- Dampener Period:** (text field)
- Dampener Quantity:** 0
- Critical:** (checkbox)
- Safety Lead Time:** (text field)
- Safety Stock Quantity:** 0
- Lot-for-Lot Parameters:**
 - Include Inventory:
 - Lot Accumulation Period: (text field)
 - Rescheduling Period: (text field)
- Reorder-Point Parameters:**

Reorder Point	Reorder Quantity	Maximum Inventory
0	0	0

 - Overflow Level: (text field)
 - Reorder Cycle:** 1M (text field, highlighted with a red circle)
- Order Modifiers:**

Minimum Order Quantity	Maximum Order Quantity	Order Multiple
0	0	0

At the bottom right, there is a link: [Show fewer fields](#)

8. In the Safety Lead Time field, you can choose to enter a date formula. This serves as a buffer time, which can help plan against delays.
9. Enter a number in the Safety Stock Quantity field to indicate the quantity that should be on inventory to protect against demand fluctuations. Safety Stock follows a 'just in time' philosophy, attempting to place the replenishment order as close to the demand date as possible. Inventory and Distribution demands are calculated as one source when possible.
10. Enter a number in the Reorder Point field to indicate the quantity that should be on inventory at all times. This field is similar to Safety Stock, but will attempt to keep the warehouse full at all times. Inventory and Distribution demands are calculated separately. For more help on choosing safety stock or reorder point, see the section titled Safety Stock vs Reorder Point.
11. Enter a number in the Reorder Quantity field to specify a standard lot size quantity to be used for all order proposals. Ceres will use this quantity at the minimum, although it may increase the final order quantity to meet additional requirements or the specified inventory level.

Note: It is advisable to set Reorder Quantity > Reorder Point > Safety Stock

12. Enter a number in the Maximum Inventory field to indicate a maximum quantity to have on hand. Depending on the current inventory at the time, this may result in order proposal quantities that cause the projected available balance to exceed the maximum inventory that you define.

Note: It is advisable to set Maximum Inventory > Reorder Point > Safety Stock.

13. Enter a number in the Minimum Order Quantity to indicate the minimum allowable quantity per order. Once Ceres has detected the need for replenishment and adjusted the lot size to meet the specified reordering policy, it will increase the quantity, if necessary, to meet the minimum order quantity that you define for the item. This field is intended to be used with a Make-to-Stock Manufacturing Policy.
14. Enter a number in the Maximum Order Quantity field to indicate the maximum allowable quantity per order. This is similar to the Minimum Order Quantity, except it will attempt to decrease the amount per order and place remaining quantities on separate orders as needed.
15. Enter a number in the Order Multiple field. When a replenishment order is created, the quantity will be multiplied by the Order Multiple.

Safety Stock vs. Reorder Point

At first glance, Safety Stock Quantity and Reorder Point settings are nearly identical. If all demand is for the present date and the planning engine is run for the present date, then both modifiers will act identically. If the planning engine needs to be sensitive to dates in the future, users should ask themselves these questions:

1. Choose Safety Stock if you answered yes to these questions:
 - a. Do I have limited warehouse space? Is the item perishable, subject to expiration, or otherwise volatile? Is there a cost for keeping it on hand?
 - b. Do I want just in time fulfillment?
 - c. Can Inventory and Sales be summed into a single demand?
2. Choose Reorder Point if you answered yes to these questions:
 - a. Do I have long order lead times? Is the item hard to acquire?
 - b. Do I need to have a certain quantity of the item on hand at any given time?
 - c. Do I need Inventory and Sales shown as separate demand?

Related Topics:

1. Item Vendor Cross References and Prices

2. Item Overview
3. Purchase Order Overview
4. Vendor Overview
5. Requisition Worksheet