



Item Purchase Replenishment

Purpose of this document

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.

The calculation engines ignore demand from kitting/backpack procedures. Additionally, donated items can ignore this setup.

Ceres Object release 5.00.00 is required for the functionality described in this document.

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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. A List of items that exist within Ceres will display.

Items ▾					Type to filter (F3)	Description ▾ →	Filter: No • No	
No.	Description	Description 2	Pack Size	Quantity on Hand	Base Unit of Measure			
65013	Coop Whole Turkey		1 / 14 lbs	512	EACH			
65016	Coop Jelly Grape		12 / 18 oz	198	CASE			
65025	Coop Beef Patties	25 Patties per cs	7 lbs per case	114	CASE			
65029	Coop Hamburger Helper Beef Past...		12 / 6.5 oz	1,300	CASE			
65030	Coop Hamburger Helper Lasagna ...		12 / 6.5 oz	1,189	CASE			
65031	Coop Peaches		24 / 15 oz	2,653	CASE			
65036	Coop Hot Dogs	Chicken	24 / 16 oz	1,019	CASE			
65040	Coop Beef Patties	72 80/20 5.3 oz Patties per case	12-2#'s packages per ...	14	CASE			
65044	Coop Fruit Cocktail	Fruit Cocktail in Heavy Syrup	12 / 15.25 oz	520	CASE			

2. Select the item you would like to update and then click Edit on the Home Tab of the Ribbon.
3. Go to the Replenishment FastTab on the Item Card.

Replenishment		Purchase	
Replenishment System:	<input type="text" value="Purchase"/>	Vendor No.:	<input type="text"/>
Lead Time Calculation:	<input type="text"/>	Vendor Item No.:	<input type="text"/>
		Purch. Unit of Measure:	CASE
		Lead Time Calculation:	<input type="text"/>

4. In the Replenishment System field, select Purchase for Items that are replenished via purchase orders.
5. 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 Procedure Document. Ceres will use these vendors to make suggestions for the fastest fulfillment and best cost.

- 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.
- 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.

Replenishment	
Replenishment System:	Purchase
Lead Time Calculation:	5D
Purchase	
Vendor No.:	V000025
Vendor Item No.:	CFS34467
Purch. Unit of Measure:	CASE
Lead Time Calculation:	5D

Specifying Planning Settings

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

Items		Type to filter (F3)	Description	Filter: No • No	
No.	Description	Description 2	Pack Size	Quantity on Hand	Base Unit of Measure
65013	Coop Whole Turkey		1 / 14 lbs	512	EACH
65016	Coop Jelly Grape		12 / 18 oz	198	CASE
65025	Coop Beef Patties	25 Patties per cs	7 lbs per case	114	CASE
65029	Coop Hamburger Helper Beef Past...		12 / 6.5 oz	1,300	CASE
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65031	Coop Peaches		24 / 15 oz	2,653	CASE
65036	Coop Hot Dogs	Chicken	24 / 16 oz	1,019	CASE
65040	Coop Beef Patties	72 80/20 5.3 oz Patties per case	12-2#'s packages per ...	14	CASE
65044	Coop Fruit Cocktail	Fruit Cocktail in Heavy Syrup	12 / 15.25 oz	520	CASE

- Select the item you would like to update and then click Edit on the Home Tab of the Ribbon.

3. Go to the Planning FastTab on the Item Card.

Planning	
Reordering Policy:	<input type="text" value="Optional"/>
Reserve:	<input type="text" value="Optional"/>
Order Tracking Policy:	<input type="text" value="None"/>
Stockkeeping Unit Exists:	No
Safety Lead Time:	<input type="text" value=""/>
Safety Stock Quantity:	<input type="text" value="0"/>
Reorder-Point Parameters	
Reorder Point:	<input type="text" value="0"/>
Reorder Quantity:	<input type="text" value="0"/>
Maximum Inventory:	<input type="text" value="0"/>
Overflow Level:	<input type="text" value="0"/>
Reorder Cycle:	<input type="text" value=""/>
Order Modifiers	
Minimum Order Quantity:	<input type="text" value="0"/>
Maximum Order Quantity:	<input type="text" value="0"/>
Order Multiple:	<input type="text" value="0"/>

4. 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).

5. 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.

6. Reserve field should always be set to Never; as this field is not used in Ceres.
7. 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.

8. 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.

Planning			
Reordering Policy:	Fixed Reorder Qty. ▾	Reorder-Point Parameters	
Reserve:	Optional ▾	Reorder Point:	0
Order Tracking Policy:	None ▾	Reorder Quantity:	0
Stockkeeping Unit Exists:	No	Maximum Inventory:	0
Safety Lead Time:		Overflow Level:	0
Safety Stock Quantity:	0	Reorder Cycle:	1M
		Order Modifiers	
		Minimum Order Quantity:	0
		Maximum Order Quantity:	1,500
		Order Multiple:	0

9. 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.
10. 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.
11. 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.

12. 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.

13. 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.

14. 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.

15. 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.

16. 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. [Purchase Requisition Worksheet](#)