

IES BUSINESS: DDP Profile Control

Purpose

The purpose of this Document is to explain the use of the DDP Profile, and how it impacts on the processing of DDP Orders.

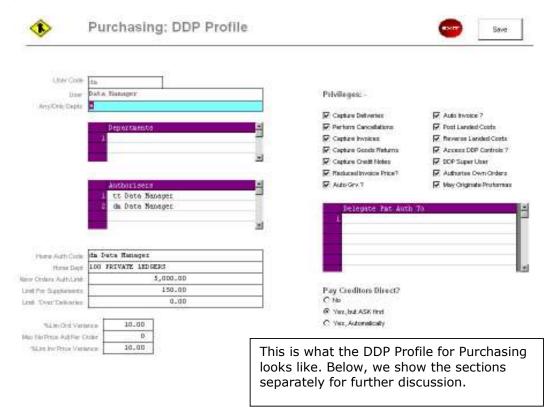
DDP = Delegated Direct Purchasing

Introduction

The DDP Order type originates from a DDP Proforma. DDP Purchasing is essentially the delegated privilege to perform Direct Ordering from User Departments, i.e. without using the Purchasing Department, in order to procure Direct Items (also Contracts, Projects, etc.) and deal with the Purchasing steps in connection therewith. This reduces the load on the Central Purchasing function, and additionally gives other divisions of the Enterprise more control over their procurement functions when what is ordered is NOT Stock.

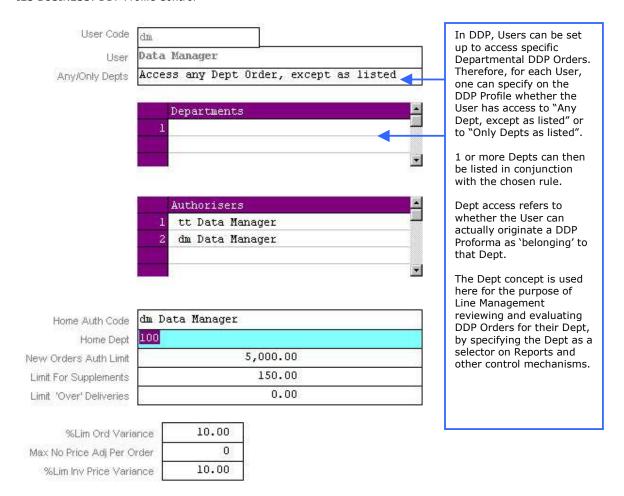
The DDP Profile

The DDP Profile oversees the User privileges when working with the DDP ordering system. In DDP, a User generally can only perform his/her privileges on a DDP Order of which he/she is the Originator or Authoriser. In other words, the DDP privileges do not extend to all DDP Orders.



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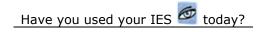
<u>Authorisers</u>: This list must have 1 or more Authorisers for the Originator of a Proforma to choose from. The Authoriser is the person who will authorize the Proforma so it can become an Order. Dependent on the total Value of the Proforma Order, the Originator may select a different Authoriser.

<u>Home Auth Code</u>: Authority Codes are widely used in DDP Order Processing, as a control. The Home Auth Code is the default authority code inserted by the system on Poformas originated by this User.

<u>Home Dept</u>: The Home Dept is the default Department code inserted by the system on Proformas originated by this User.

<u>New Orders Auth Limit</u>: A value of zero would prevent a User from authorizing a DDP Proforma to become an Order. Any value above zero constitutes the upper limit of the total Order value that may be approved by the User, and only when selected as Authoriser by the Originator of the Proforma.

<u>Limit for Supplements</u>: After a Proforma has been authorized, a User with a Value above Zero for Supplements, and with access to this particular DDP Order, may process Supplements on the Order. This means that the User can actually add new Items onto the Order without further Authorization being required, up to the





limit indicated for Supplements. A value of zero will preclude the User from doing Supplements.

<u>Limit on Over Deliveries</u>: More often than not, this is disallowed by stating zero. Any value above zero will allow the User, when processing Goods Received steps, to accept greater quantities than what was ordered, up to the value limit specified.

<u>%Lim Ord Price Variance</u>: For all Stock Items, the system keeps a history of what prices the Items are Ordered at. When an Item is ordered again, the system will check that the new Order price is within the boundaries stated, i.e. a 5% tolerance would allow Order Price creep of 5% between one Order and the next time the same Item is ordered. Note that the system manages separate history for each Item for Local Currency Orders and for Forex Orders, i.e. the system will not check the prior Forex Order price when ordering in Local Currency, and vice versa. While the User creates the Proforma, the system will be performing these checks on Order Prices as captured.

<u>%Lim Inv Price Variance</u>: When the Invoice processing steps are performed, then the system will check that the Invoice price is not higher than the Ordered (approved) price, and will allow tolerance as indicated. Zero will allow no tolerance, and 100 or above will allow any tolerance.

Privileges: -

 ✓ Capture Deliveries
 ✓ Auto Invoice ?

 ✓ Perform Cancellations
 ✓ Post Landed Costs

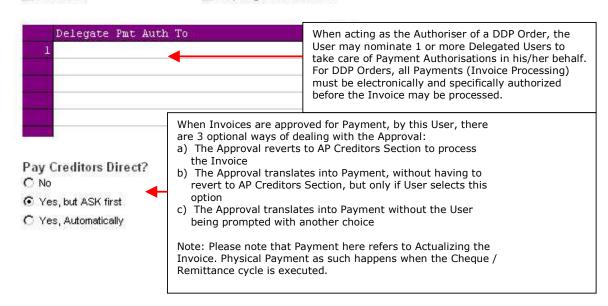
 ✓ Capture Invoices
 ✓ Reverse Landed Costs

 ✓ Capture Goods Returns
 ✓ Access DDP Controls ?

 ✓ Capture Credit Notes
 ✓ DDP Super User

 ✓ Reduced Invoice Price?
 ✓ Authorise Own Orders

 ✓ Auto Gry ?
 ✓ May Originate Proformas





<u>Capture Deliveries</u>: This privilege allows the User to process Goods Received steps on an Order processing screen.

<u>Perform Cancellations</u>: This privilege allows a User to cancel Line Items on an Order, 1 by 1 only.

<u>Capture Invoices</u>: This privilege is required for the User to be able to process Invoice steps. If not allowed, then the User may not process the Invoice steps.

<u>Capture Goods Returns</u>: This privilege gives the User access to Goods Return steps.

<u>Capture Credit Notes</u>: Without this privilege, the User is unable to process Credit Notes on a MOD Order.

Reduced Invoice Price: While Suppliers are not generally likely to charge less, it can happen, but the main purpose of this control is to reduce errors in Invoice Processing. Be that as it may, if 'y' is stated here, then the User is allowed to process a reduced Price at the Invoice step.

<u>Auto GRV</u>: This privilege allows the User to process Goods Received of all outstanding Order Items on an Order in 1 step.

<u>Auto Invoice</u>: Like auto GRV, this privilege allows processing of all Invoice Items in 1 step.

<u>Post Landed Costs</u>: This privilege provides access to NEW LANDED COST processing steps, but absence of the privilege does not disturb automatic Landed Cost processing (if in place), and the User may still use the Query and Report options.

<u>Reverse Landed Costs</u>: This privilege is required before Reversal steps for Landed Costs can be executed.

<u>Access DDP Controls</u>: This privilege allows amendment to the DDP Operational Controls, and should be restricted to the Administrator only.

<u>DDP Super User</u>: A DDP Super User has special rights in processing DDP Orders. A Super User may do Supplements on any DDP Order, even when not the Originator nor Authoriser, and a Super User may Create and Delete Payment Authorisations on any DDP Order, even when not the Authoriser.

<u>Authorize Own Orders</u>: Not the norm, but sometimes allowed for night-shift Operators in order to get an urgent Order out for early delivery of critical Items.

<u>May Originate Proformas</u>: This privilege is required in the 1^{st} instance in order to create a DDP Proforma.



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