

Materials Management SAP Implementation at IESCO

Training Document

Procurement of Consumable Materials

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Consumable Material Procurement

1 Purpose

This scenario deals with activities during the procurement process. It also describes the goods receipt of consumable material and invoice receipts by line item.

In addition, during goods receipt value is charged to expense account.

Upon receipt of invoices from the vendor, they are entered with reference to corresponding purchase order, providing a three-way match of purchase order value, goods receipt value and invoice value.

Prerequisites

Essential master and organizational data was created in your ERP system in the implementation phase, such as the data that reflects the organizational structure of your company and master data that suits its operational focus, for example, master data for materials, services and vendors.

1.1 Process Steps

In this document, you create procurement scenario for consumable materials.

1.1.1 Creating Purchase Requisition

Use

In this activity, you create a purchase requisition.

Procedure

1. Open "Create Purchase Requisition" App. from Fiori Launchpad.
2. On the Create Purchase Requisition screen, enter the following values and choose Enter:

Field name	Description	User action and values	Comments
Document Type		As per requirement	For example: IESCO Local Purchase
Material (Item Overview)		As per requirement	For example: 10123
Quantity (Item Overview)		As per requirement	1
Plant (Item Overview)		As per requirement	For exapample: 200
Purchasing Group		As per requirement	For exapample: 051
Account Assignment Category		As per requirement	K
Account Assignment		As per requirement	For example: 101000

3. After selecting the material, enter the Quantity, P/ Group, Plant and Storage Location and Press Enter.
4. Press the check button to see if there is any error

Create Purchase Requisition

Menu

IESCO Local Purchase ☒

Release group: 01 PR RELEASE
Release Strategy: FA Purchase Requisition
Release Indicator: x Blocked

Code	Description	Processor	Status
AA	Initiator		
AB	DD MM	MM 03	
HH	DD MM	MM-03	
DD	GM TECH	MM-03	

Sta...	Item	Short Text	Quantity	Unit	C	Deliv. Date	Matl Group	Plant	Stor. Loc.	PGI	Requisn.	Tracking...	Des. Suppl.	Fixed vendor	SPIL	POrg
	10	Meter Wire	1	M	D	20.04.2018	CABLES & At	IESCO RS Rav		051						1000

5. Choose Save
6. Document number will be generated: 5100000235

Result

Purchase requisition is created.

1.1.2 Approval of Purchase Requisition

Use

In this activity, you will approve Purchase Requisition.

Procedure

1. Open "Release Purchase Requisition" App. from Fiori Launchpad.
2. Enter Purchase Requisition Number: 5100000235 by selecting other Purchase Requisition and press Enter.
3. Go to the Release Strategy Tab in the Header Data and Release that Purchase Requisition.

Release Purchase Req. 5100000235

Release Purchase Req. 5100000235

◀

Save
Back
Exit
Cancel
System ▾
Document Overview On
Display/Change
Other Purchase Requisition

cal Purchase ▾

5100000235

Release strategy

up
ategy

licator

01

PR RELEASE

PA

Purchase Requisition

2

RFQ/purchase order

Code	Description	Processor	Status	Rele...
BB	C.E MM	MM-02	✓	↺
DD	GM TECH	MM-03	✓	↺
EE	C.E.O	MM-02	✓	↺
FF	BOD	MM-03	✓	↺

Press Save.

1.1.3 Creating Request of Quotation

Use

In this activity you create requests for quotations.

Procedure

1. Open "Create Request for Quotation" App. from Fiori Launchpad.
2. On the *Create RFQ: Initial Screen*, make the following entries and choose *Enter*:

Field name	Description	User action and values	Comment
RFQ type		As per requirement	For example: IESCO Local Purchase
Language		EN	
Quotation deadline		<A date before delivery date>	for example, today's date + 14 days
Purchasing Organization		As per requirement	For example: 1000
Purchasing Group		As per requirement	For example: 051





Menu 

Back Exit Cancel System  Overview

RFQ Type

IQ01

Language Key

EN

RFQ Date

20.04.2018

Quotation Deadline

20.04.2018

RFQ

Organizational Data

Purch. organization

1000

Purchasing Group

051

3. To create a quotation with reference to a purchase requisition, choose Create Referencing Requisition and enter the Purchase Requisition Number.

Create RFQ : Initial Screen

Create RFQ : Initial Screen

☒ Overview ☐ Header Details ☐ Copy Document ☐ **Reference to PReq**

Selection of Purchase Requisitions

Purchase Req.	5100000235	Q
Requisn. item		
Purch. Group	051	
Document Type		
Material		
MPN material		
Plant		
Item Category		
Acct Assgmt Cat		
Tracking Number		
Supplying Plant		
Assigned	☒	
Stock material	☒	
Open only	☒	

4. Select the line item and press Adopt + Details. All information of adopted material will be copied in RFQ document.



Create RF



Menu ▾

◀

Back

Exit

Cancel

System ▾

Adopt + Details

Adopt

	Pur. Req.	Item	Material	Short Text	Plnt	SLoc	I	A	C
	51000002...	10	10123	Meter Wire	200				
									
									
									

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SAP

Menu ▾

▶
Save
Back
Exit
Cancel
System ▾
Next
Delete

Item	10	ItCat.		Plant	
Material	10123			Stor. loc.	
Short Text	Meter Wire				
Mat. Grp	14000				
Quantity and Date					
RFQ Quantity	1	M	QuotDdlm	20.04.2018	
Delivery Date	D 21.04.2018				
Deadline Monitoring					
1st Rem./Exped.			TrackingNo		
2nd Rem./Exped.			S. Mat.		
3rd Rem./Exped.					
No. Exped.	0				

5. Enter the Delivery Date and press enter.

6. Choose Header Details.

The screenshot shows the SAP 'Create RFQ : Item Overview' screen. The top navigation bar includes the SAP logo and the title 'Create RFQ : Item Overview'. Below the navigation bar, there is a menu bar with buttons: Menu, Save, Back, Exit, Cancel, System, Select All Items, Deselect All, Select Start/End of Block, Enter Lines, Delete, Header Details, and Supplier Address. The 'Supplier Address' button is highlighted with a red box. Below the menu bar, there are input fields for RFQ, Vendor, RFQ Type (IQ01), RFQ Date (20.04.2018), and QuotDdlm (20.04.2018). At the bottom, there is a table titled 'RFQ Items' with columns: Item, I, Material, Short Text, RFQ Quantity, OUn, C, Deliv. Date, Mat. Grp, Plnt, SLoc, D, and Te... The table contains two rows: Item 10 with Material 10123 and Short Text Meter Wire, and Item 20 with Material 10123 and Short Text Meter Wire.

7. Choose Supplier Address (F7) or choose menu Header →Supplier Address.

8. On the *Create RFQ: Vendor Address* screen, enter vendor number (any vendor) or select from list.

Field name	Description	User action and values	Comment
Vendor	Vendor number	Any vendor number	For example: 10000000





Menu 

Save

Back

Exit

Cancel

System 

RFQ

Company Code

1000

Purch

RFQ Date

20.04.2018

RFQ Type

IQ01

Purch

Vendor

10000000 



 Preview



Name

Title

Company 

Name

Pak Elektron Limited

Search Terms

Search term 1/2

PEL

9. Choose Save: 6100000050
10. Repeat steps 7-9 if the RFQ will be sent to more than one vendor: 6100000051
11. Choose *Exit*.

Result

RFQs are created.

1.1.4 Maintaining Quotations

Use

In this activity you maintain the different quotations of the vendors.

Procedure

1. Open "Create Quotation" App. from Fiori Launchpad.
2. On the Maintain Quotation: Initial Screen, enter the first of your RFQ number.





Menu ▾

Back

Exit

Cancel

System ▾

Overview

Head

RFQ

6100000050



6100000050



Search Results

Purch.Doc.	Vendor	POrg	PGr	Doc. Date	C	OTyp
6100000050	10000000	1000	051	20.04.2...	A	IQ01
6100000005	10000010	1000	001	28.11.2...	A	IQ01
6100000051	10000011	1000	051	20.04.2...	A	IQ01
6100000000	10000000	1000	I55	10.10.2...	A	IQ01
6100000001	10000000	1000	I09	23.10.2...	A	IQ01
6100000002	10000000	1000	M04	05.11.2...	A	IQ01

- On the Maintain Quotation: Item Overview screen, enter a price in the Net Price field, and choose Save.

SAP Maintain Quotation : Item Overview

SAP Maintain Quotation : Item Overview

Menu System

RFQ 6100000050 RFQ Type IQ01 RFQ Date 20.04.2018
Vendor 10000000 Pak Elektron Limited QuotDdn 20.04.2018

Quotation Items

Item	Material	Short Text	RFQ Quantity	OU	C	Deliv. Date	Net Price	Per
10	10123	Meter Wire	1	M	D	21.04.20...	2,000.00	1

- Repeat these steps for all your RFQs or quotations.

1.1.5 Comparing and Selecting Vendors

Use

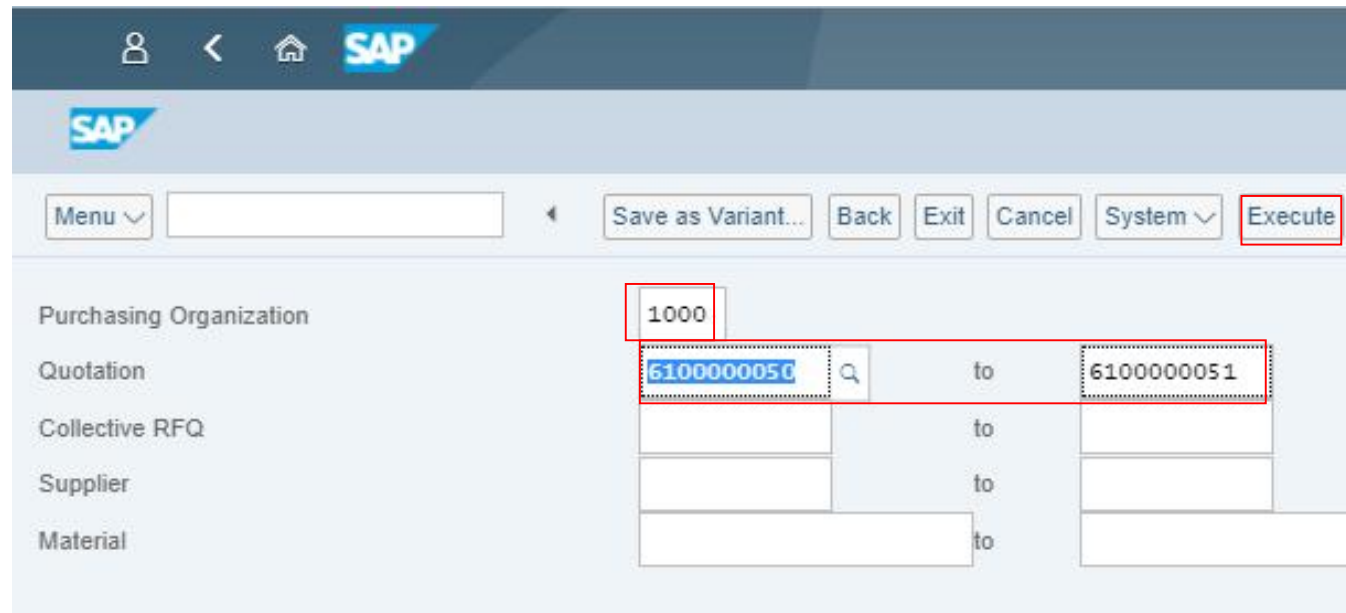
This can be done once all quotations have been entered. The quotations from the different vendors will now be compared.

Procedure

1. Open "Price Comparison List" App. from Fiori Launchpad.
2. On the *Price Comparison List* screen, make the following entries:

Field name	Description	User action and values	Comment
Purchasing Organization		As per requirement	For example, 1000,
Quotation Nos.		As per requirement	6100000050, 6100000051

3. Execute by choosing Execute or F8.



The screenshot shows the SAP RFQ Selection Screen. The top bar includes navigation icons and the SAP logo. Below the bar, there is a menu dropdown and a search field. The main area contains several input fields for selection criteria. The 'Purchasing Organization' field is set to '1000'. The 'Quotation' field is set to '6100000050' with a magnifying glass icon. The 'Collective RFQ' field is empty. The 'Supplier' field is empty. The 'Material' field is empty. The 'Execute' button is highlighted with a red box.

Field	Value
Purchasing Organization	1000
Quotation	6100000050
Collective RFQ	
Supplier	
Material	

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SAP

Menu ▾

System ▾

Material	Quot.:	6100000050	6100000051
Sh. Text	Bidder:	10000000	10000011
Qty. in Base Unit	Name:	Pak Elektron Limi	Mohsin Abbasi Tes
10123	Val.:	2,000.00	2,200.00
Meter Wire	Price:	2,000.00	2,200.00
1 M	Rank:	1 95 %	2 105 %
Total Quot.	Val.:	2,000.00	2,200.00
	Rank:	1 95 %	2 105 %

-
4. Select the vendor you want to reject, and choose the *Maintain Quotation*.
 5. On the *Maintain Quotation* screen, select the item line and choose *Item Details* (F2).
 6. On the *Maintain Quotation: Item Overview* screen, in the *Quotation data* section, select the Rej. Ind. checkbox (for rejection) and choose *Save*.

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SAP

Menu ▾
◀

Save

Back
Exit
Cancel

Item	6100000051	10	ItCat.
Material	10123		
Short Text	Meter Wire		
Mat. Grp	14000		
Quantity and Date			
RFQ Quantity	1	M	QuotDdln
Delivery Date	D 21.04.2018		
Deadline Monitoring			
1st Rem./Exped.			TrackingNo
2nd Rem./Exped.			S. Mat.
3rd Rem./Exped.			
No. Exped.	0		
Quotation Data			
Net Order Price	2,200.00 PKR / 1 M		
Qty Conv.	1 M	<->	1 M
Quot. Comment	AB1		
☒ Rej. Ind.			

7. Repeat steps 4 - 6 to reject additional vendors.

Result

Price Comparison has been performed.

1.1.6 Creating PO for Consumable Materials

Use

This activity creates a purchase order for consumable materials.

Procedure

Open “Create Purchase Order Advance” App. from Fiori Launchpad.

1. To create a Purchase Order with reference to a purchase requisition, choose *My Purchase Requisition from selection variant by document overview* and enter the *Purchase Requisition Number in document number field*. By doing this, system accesses all the information that is saved in the referenced document.
2. To create a Purchase Order with reference to a RFQ, choose *Request for Quotation from selection variant by document overview* and enter the *RFQ Number in document number field*. By doing this, system accesses all the information that is saved in the referenced document.

SAP

Menu Save as Variant... Back Exit Cancel

Program selections

Material Number		to
Selection Parameters		to
Plant		to
Material Short Text		to
Supplying Plant		to
Storage Location		to
Material Group		to
Purchasing Organization		to
Purchasing Group		to
Purchasing Document	6100000050	to
Name of Person Responsible		to
Document Type		to
Document Category	A	
Company Code	1000	to
Document Date		to

3. Select the RFQ Number and Adopt. All the Data will be copied from RFQ to PO.

The screenshot shows the SAP Document Overview interface for the document type SAP&MEPOANFR. The 'Save' button in the top toolbar is highlighted with a red box. The 'IESCO Local Purchase' dropdown menu is also highlighted with a red box. Below the document type, there is a table of purchase documents. The first row in this table, with document number '6100000050', is highlighted with a red box.

Purch. Doc.	
☐	6100000050

4. Check the PO and if there is no error Save the PO
5. PO number will be generated.7100000178

RESULT

Purchase order is created.

1.1.7 Print Purchase Order

Use

This procedure explains the steps for Purchase Order printing.

Procedure

1. Open "Print Purchase Order" App. from Fiori Launchpad.
2. Enter Purchase Order Number in Document Number.

Purchasing Document Data	
Document Number	7100000178
Supplier	
Purchasing Organization	
Purchasing Group	
Document Type	
Document Date	

3. Press Execute.

Display Message	(Shift+F8)
Message Details	(Shift+F8)
Trial Printout	(Shift+F4)

4. Tick the PO Line and press "Display Message". At next screen, tick Print Now and press Print Preview.

Print Preview of LP01

Print Preview of LP01

Menu Back Exit Cancel System

OFFICE OF THE MANAGER IESCO
(Material Management)
IESCO, Islamabad
Tel: Ext., Fax No.

PURCHASE ORDER

P.O. No. 7100000178 Dated. 20.04.2018

10000000

Company
Pak Elctric Limited
Wapda Road
GPOD LAHORE

SUBJECT:
Reference:

IESCO is pleased to place "PURCHASE ORDER" for the supply of under noted material at the rates mentioned hereunder, subject to the general conditions of the contract for purchase, WAPDA purchase procedure dated 17.08.1984 (amended to date) and special conditions laid down in this purchase order:

A. DESCRIPTION OF STORES

Item	Mat. Code	Description	Unit	Quantity	Unit Price	Value w/o GST	GST (%)	Grand Total
1	10122	Water Wire	M	1.000	2,000.00	2,000.00	0.00 (0 %)	2,000.00
Total		(ONE THOUSAND ONLY)						2,000.00

US4 (200) ac-hana-2

5. Press Print button to send print to printer.

Result

Purchase Order print will be done.

1.1.8 Approval of Purchase Order

Use

This activity is used to approve Purchase Order.

Procedure

1. Open "Release Purchase Order" App. from Fiori Launchpad.
2. Press Other Purchase Order, Enter Purchase Order: 7100000178 and press enter.

Release IESCO Local Purchase 7100000178

Release IESCO Local Purchase 7100000178

Menu Save Back Exit Cancel System Document Overview On Display/Change Other Purchase Order

IESCO Local Purchase 7100000178 Vendor 10000000 Pak Elektron Limited Doc. Date 20.04.2018

Delivery/Invoice Conditions Texts Address Communication Partners Additional Data Org. Data Status LC Data Release st

Release group	Release Strategy	Release indicator	Code	Description	Processor	Status	Rele
02 RFQ/PO Release	PA Purchase Order MM	R Released	AA	Initiator		✓	⤵
			AB	DD MM	MM-03	✓	⤵
			BB	C.E MM	MM-02	✓	⤵

3. Press Release Tick and Save PO.
4. It will be released by all other approving authorities in the same way.

1.1.9 Goods Receipt of Consumable Materials

Use

Post the receipt of consumable materials.

Procedure

1. Open "Post Goods Receipt" App. from Fiori Launchpad.
2. Select Action as Goods Receipt and Reference as Purchase Order. On the initial screen, enter the purchase order number and choose Enter.
3. On the General tab page of the Header Data, choose Collective Slip from drop down and then select the checkbox Print via Output Control.

Goods Receipt Purchase Order 7100000178 - MM-02

Goods Receipt Purchase Order 7100000178 - MM-02

Goods Receipt

Purchase Order

GR goods receipt

101

Document Date
20.04.2018

Posting Date
20.04.2018

☒

Collective Slip

Delivery Note

Bill of Lading

GR/GI Slip No.

Vendor
Pak Elektron Limited

HeaderText

Line	Sta...	Mat. Short Text	...	OK	Qty in UnE	EUn	SLoc	Profit Center	WIP Batch	Batch	Val
1	■	Meter Wire	☐	☒	1	M	RS Rwp Open Yard	10200			

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4. Select the Item OK checkbox and choose Check..
5. Choose Post.
6. The system message material document 5000000318 posted is displayed.

Result

Goods receipt document is posted.

1.1.10 Print Goods Received Note

Use

This procedure explains the Goods Received Note Printing.

Procedure

1. Open "Output Material Documents" App. from Fiori Launchpad.
2. Enter Material Document Number and press Execute.

SAP

Menu Save as Variant... Back Exit Cancel System Execute

Messages

Output Type

Transmission Medium

Sort Order 01

Processing Mode 1

Goods Movements

Material Document Year 2018

Material Document 5000000318

3. Tick line item as OK and press Print Preview.

The screenshot displays the SAP Materials Management (MM) interface. At the top, there is a navigation bar with icons for user, back, home, and the SAP logo. Below this is a menu bar with buttons: Menu, Back, Exit, Cancel, System, Process, Print preview (highlighted with a red box), Log, and S. The main area shows a table with columns: Mat. Doc., Item, Out., Med, Material, Descr., Plnt, and SLoc. The first row of data is highlighted with a red box, showing the line item '5000000318' with a checkmark in the selection column. The table data is as follows:

Mat. Doc.	Item	Out.	Med	Material	Descr.	Plnt	SLoc
5000000318	1	ZWE1	1	10123	Meter Wire	200	203

4. Press Print Preview.

SAP GUI for HTML

Output from Goods Movements

Print:

Output Device: **LP01** Beispieldrucker. Mit SPAD anpass

Page selection:

Spool Request

Name	SMART	LP01	MM-06
Title			
Authorization			

Spool Control

☒ Print Now

☒ Delete After Output

☐ New Spool Request

☐ Close Spool Request

Spool Retention: 8 Day(s)

Storage Mode: Print only

Number of Copies

Number: 1

☐ Group (1-1-1,2-2-2,3-3-3,...)

Cover Page Settings

SAP cover page: Do Not Print

Recipient:

Department:

Print preview Print

- Press Print Button and on the next screen press print.

Print Preview of LP01

Print Preview of LP01

Menu Back Exit Cancel System

smart.pdf 1 / 1

ISLAMABAD ELECTRIC SUPPLY COMPANY

Goods Received Note

Purchase Order	7100000178	Date	20.04.2018	GRN No.	5000000318	Date	20.04.2018
Agreement No.		Date		Vender Code	10000000	Pak Elektron Limited	
Store Name:	200	IESCO RS Rawalpindi		Additional Note			

S.No	Stack Code	Item Description	Unit	Total P.O. Qty	Received Qty.	Storage Location	Vender Value (Ex. Tax)	Remarks
1	10123		B	1.00	1.00	203 RD Dep Open Yard	2,000.00	
Total							2,000.00	

0.54 (200) an-hana-2

Result

Goods Receipt Note Print is Done.

1.1.11 Invoice Verification

Use

The invoice verification is done here.

Procedure

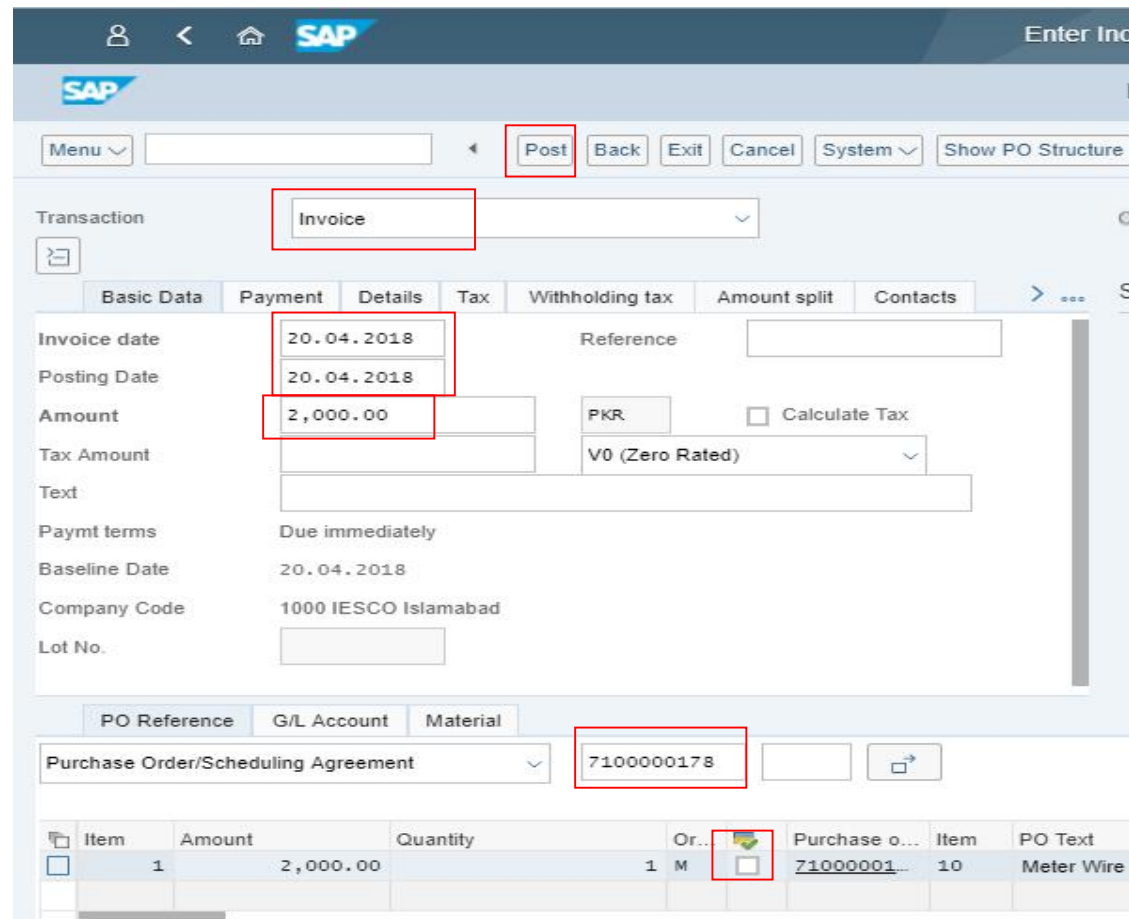
1. Open "Create Supplier Invoice Advance" App. from Fiori Launchpad.
2. If a dialog box appears, enter Company Code 1000, select the Basic data sub-screen and make the following entries:

Field name	Description	User action and values	Comment
Transaction		Invoice	
Invoice date		Date of the invoice (for example, today)	20.04.2018
Amount		Invoice (overall) amount (incl. Tax) or (without tax)	2,000.00
Calculate tax		Mark the flag "X"	

3. Go to the tab strip "PO reference" and make the following entries:

Field name	Description	User action and values	Comment
Purchase Order/Scheduling agreement		Relevant Purchase Order Number	7100000178

4. Press Enter to get the PO data in the Item screen. Make sure that all relevant PO data is listed in the Item screen.



The screenshot shows the SAP 'Enter Invoice' screen. The 'Transaction' dropdown is set to 'Invoice'. The 'Invoice date' and 'Posting Date' are both '20.04.2018'. The 'Amount' is '2,000.00'. The 'Purchase Order/Scheduling Agreement' dropdown is set to '7100000178'. The 'Item' table at the bottom shows one item with amount 2,000.00 and quantity 1, linked to purchase order 7100000178.

Item	Amount	Quantity	Or...	Purchase o...	Item	PO Text
1	2,000.00	1	M	7100000178	10	Meter Wire

5. Choose Simulate to simulate the invoice values. A dialog box Simulate Document in Document currency appears. Check that the balance has the amount 0 and choose Back.
6. Yellow messages are warnings and Red messages are show stoppers. Fix red messages and choose *Post* to save the transaction. A message appears that will confirm posting and also advise if it is blocked for payment.

Result

Invoice Document:5100000060