

# Why is Inventory Valuation in All Order different than Order Time.

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## Why is Inventory Valuation in All Order different than Order Time

Both All Orders and Order Time use the **FIFO** inventory valuation method however there are some differences in their implementation between the two system.

### Negative Inventory

FIFO uses transactions such as adjustments, work orders and receivers to determine cost of goods. When you have negative inventory where should the costs come from? In All Orders when this occurred, we used the Std Cost while in Order Time we don't rather the cost will remain at zero until a transaction adding inventory with a cost is recorded. At that time, transactions with 0 cost of goods sold will be revalued.

### Location vs. Bins

In All Order valuations were done based on the inbound and outbound location of the transaction. Order Time does valuation based on the inbound and outbound bin. This may cause different valuations if say a location had 10 units split between the 2 bins where bin1 had 20 units and bin2 had -10 units.

You can run a ledger report in both All Orders and Order Time for a specific item to determine which transaction caused the differences.