

Physical Inventory – Bar Coding Procedures

Store: _____ Manager: _____

DAY ONE

- ❑ **All steps must be completed on the Inventory Preparation Checklist prior to starting the Physical Inventory.**
- ❑ **9.20.1-CLEAR PRE-COUNTS** This menu path will clear all pre-counts on products in the warehouse and showroom.
- **No hand counting will be completed after pre-counts begin. All items are to be scanned into inventory. By scanning items, an accurate count and location will be recorded.**
- ❑ **9.20.2– CLEAR WAREHOUSE LOCATIONS** - During pre-counts, old warehouse locations will be available on the stock status screen (menu 19.6). As products are scanned, the current locations will be updated on the stock status screen.
- ❑ **Password Protect Menu Paths 9.20** - Use menu path 12.1.14 to maintain passwords for menu paths on 9.20. Password protect menus 9.20.1, 9.20.2, 9.20.4, 9.20.5, 9.20.6, 9.20.8, 9.20.10 and 9.20.12. Remove the password only when employees will need access to a menu path. Retaining a password on menu paths eliminate the possibility of an employee entering incorrect data.
- ❑ Confirm laptops, Wyse terminals and pc ports that will be used during the scanning process are set to login to the correct company (menu 12.10).
- ❑ Verify the showroom and warehouse locations are clearly marked.
- ❑ Assign one person as the “go to” person. The “go-to” person should not scan or have any involvement in the “day-to-day” operations during the inventory process.
 - Notify the “go to” person if an item is sold from a scanned area or received into stock.
 - The “go to” person is responsible for making all adjustments to the Inventory counts using menu path 9.20.4.

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- **9.20.4 – ENTER PRE-COUNTS** – Scan inventory in the warehouse that is least likely to change. As locations are completed, clearly mark the scanned locations with tape. All inventory scanning can be done using this menu path, the advantage is a store can remain open for business.

DAY TWO - AM

- Review end of day hangout report, any order picked-up or shipped must be finalized.
- **9.20.23 - LIST OF OPEN CONSIGNMENT PICKS** – Invoice consignment inventories to reduce stock on hand. Un-finalize these invoices after freezing the inventory - menu 9.20.5.

DAY TWO - AFTERNOON

- **9.20.3 – NEGATIVE ON HAND REPORT** – Use 8.4 to adjust negative on-hand quantities. Negative quantities will be zeroed out when the inventory is frozen. The General Ledger will be affected by negative on-hand quantities not adjusted.
- Receiving and shipping areas – return all stock to proper locations. Do not receive into the system any additional stock. Clearly mark un-received stock **DO NOT COUNT / DO NOT SELL.**
- **Password Protect menu path 9.20.4.**
- **9.20.5 – FREEZE INVENTORY** – All ports must be logged to the 'Big J'. After the inventory is frozen products not scanned using menu path 9.20.4, must be scanned into inventory using menu path 9.20.6.
- When the Inventory is frozen, a Negative On Hand Report will print. Retain this report for accounting. Items on this report have been adjusted against the general ledger.
- **Un-finalize Consignment Invoices.**
- **9.20.6 – SCAN INVENTORY** – Scan inventory not scanned during the pre-count stage.
- **9.20.7 – NOT SCANNED REPORT** – This report will display products that have not been scanned. A pattern will indicate if a warehouse or showroom location was missed, or scanned incorrectly. If a location has been missed use menu path 9.20.6 to scan into inventory. If a location has been scanned incorrectly, investigate further to uncover the cause, (i.e. incorrect scanning procedures).

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- **Password Protect menu path 9.20.6 and 9.20.7.**
Menu Paths 9.20.8, 9.20.9 and 9.20.10 must be run in this order. After adjustments are made through menu path 9.20.10, menu path 9.20.8 must be run to update changes and 9.20.9 must be rerun to confirm changes.
- **9.20.8 – UPDATE VARIANCE** – After the variance report is run, 9.20.4, 9.20.6, and 9.20.7 cannot be run. This program will calculate the difference (+/-) between the frozen on-hand quantity and the total inventory scanned for each item.
- **9.20.9 – VARIANCE REPORT** – This report is used as a basis for recounts. Divided this report among your inventory staff. Keep track of which employee will be recounting which area. During the first recount the focus will be on items (+ or -) \$200.00. On subsequent recounts the focus will be on items (+ or -) \$100.00 and (+ or -) \$50.00. When the variances have been checked enter actual counts using menu path 9.20.10.
- **9.20.10 – ENTER ACTUAL COUNTS** - Enter the tag number (use menu path 9.20.11 to find missing tag #s) from the variance report; enter the total count of any product that has changed. After the actual counts are entered, rerun menu 9.20.8 & 9.20.9. This sequence can be run as many times as needed as long as menu 9.20.12 has not been run.
- **9.20.11 – FIND TAG NUMBER FOR AN ITEM** – Use menu path 9.20.11, instead of scrolling through the variance report to find a tag number.
- **Rerun 9.20.8 and 9.20.9 prior to 9.20.12**
- **9.20.12 – UPDATE ON HAND QUANTITIES** - Confirm the final number on the Variance Report is correct. Stock status on-hand quantities will be updated and variance adjustments will be posted to the inventory history audit (INQ 7.B).
- **9.20.13 – P.I. VALUE COMPARISON REPORT** - Total inventory balance before and after the on-hand quantities have been updated.
- **9.20.15 Move Items for Location** – Use this program is used during the physical inventory process to change the warehouse location on all items with a wrong location to the correct warehouse location.
- **9.20.21 WARE.LOC Maint.** - Use this program to setup your warehouse locations. Enter the warehouse to create the location in. Enter the Location (ie SW1) you

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want to setup. _____

The Sequence and Cycle Count fields are for future use. Leave them blank.
Enter a Zone, if desired, that this location belongs in.

- **9.20.21 WARE.LOC Listing** – This report will list all of your warehouse locations