ACTIVANT®

Warehouse Inventory Counts and Adjustments

Release 8.6.4 (Eterm)

Legal Notices

Activant® Eclipse™ 8.6.4 (Eterm) Online Help System

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Table Of Contents

Manual Warehouse Management Overview

The Warehouse Management program tracks inventory from receiving to shipping, along with the equipment used to perform these processes. Use Warehouse Management to do the following:

- Receive and put away material from vendors and other branches.
- Cross dock material.
- Pick and ship material to customers and other branches.
- Work with shipping manifests to aid in shipment delivery.
- Count inventory both to collect a baseline of your inventory and to then ensure that your inventory stays accurate and up-to-date in the system.
- Make inventory adjustments to keep inventory accurate.
- Define and maintain product and warehouse locations.
- Track equipment usage, profits, and costs.
- Control inventory you monitor closely for quality.
- Print bar code labels, ship tickets, and user-defined forms and labels.

Counting Inventory Overview

Perform manual physical inventories and cycle counts to collect a baseline of your inventory, and to then ensure that your inventory stays accurate and up-to-date in the system.

> **Note:** Although you can use RF Warehouse Management to count products during your business day, we recommend that you perform a manual count when your business is closed. Plan on counting your inventory between the time you close for business on one day and re-open for business on the next day.

Physical Inventories

A full physical inventory is a count of *all* inventory items at your branch. This count provides a baseline for all items in your warehouse, including their location and quantity as of the count date.

Unlike a cycle count, a physical inventory count involves *all* products at a branch at once. Companies only conduct full physical inventories on an annual or semi-annual basis because of the preparation, effort, and number of products involved.

Cycle Count

A cycle count verifies that the on-hand quantities for *selected* inventory items are accurate at your branch.

Unlike a full physical inventory, a cycle count involves a *selection* of products at a branch. Companies cycle count inventory on a daily basis because it requires less effort and involves fewer products.

Counting Process

The basic process of counting inventory, whether for a manual physical inventory or cycle count, is as follows:

1. Generate a count control file.
2. Print either count sheets or count cards.
3. Count the items.
4. Enter the physical counts into the system.
5. Verify the physical counts.
6. Update your on-hand quantities.

Use additional counting utilities to aid in the count entry process, capture inventory costs, and re-verify that counts are accurate.

Count Control Files Overview

Generate count control files to select and organize products to count for both your manual full physical inventory counts and your manual cycle counts.

When you generate count control files, you define product attributes, such as product status or product activity, that the system uses in selecting the products to include in the count. The system then organizes the products included in the count by assigning a control number to each product in a location. If you store a product in multiple locations, the system assigns separate count control numbers for each location. You can use these control numbers to direct count sheets or cards to different printers to speed printing and to separate count sheets or cards so multiple employees can enter counts into the system.

In addition, you can create multiple generations of one count control file to speed counting. When you create multiple generations of a count control file, the system adds the new generation of products to the end of the file. You can then print each generation separately and assign them to different employees for counting.

After a count has been completed, delete count control files to recover disk space on your system.

Generating Count Control Files

Generate count control files to select and organize products to count for both your manual full physical inventory counts and your manual cycle counts. The system selects the products to include in the count control file based on attributes you define, such as whether to include both stock and nonstock products or whether to include only certain locations. The system then assigns control numbers to each product in a location. If you store a product in multiple locations, the system assigns separate count control numbers for each location. Use these control numbers to direct count sheets or cards to different printers to speed printing and to separate count sheets or cards so multiple employees can enter counts into the system.

You can also create multiple generations of one count control file to speed counting. When you create multiple generations of a count control file, the system adds the new generation of products to the end of the file. You can then print each generation separately and assign them to different employees for counting.

For example, you want to generate a count control file for both stock and nonstock products, but you want to keep the types of products separate for the count. Create and print a first generation of the count control file for stock products only and assign these products to one set of employees; create and print a second generation of the count control file for nonstock products and assign these products to a different set of employees.

To create multiple generations of one count control file, use the same count control file ID each time you generate the file with the unique generation settings.

To generate a count control file:

1. From the **Phys** menu, select **Generate Control File** to display the Generate Control File screen.
2. In the **Count# or 'New'** field, enter **New** to generate a new count control file.

   To recall an existing count control file, such as when you are creating multiple generations for one count control file, do one of the following:

   - Enter the count control file ID.
   - Press **F10** and select the count control file ID.

   If you are recalling an existing count control file, skip to step 5.
3. In the **Title** field, enter a title for the count control file.

   Provide a descriptive title to aid you in identifying and locating a count control file throughout the system.
4. In the **Branch** field, enter the branch in which you are performing the count.

5. Populate the following fields, as needed:

Field	Description
Product	Product to count if you want to count a specific product. Enter the product to count; otherwise, leave this field blank. • Use the **Multi** hot key to enter multiple products to count. • Use the **Price Line** hot key to enter a price line to count.
Sort by	How to organize the products in the count control file. Press **F10** and select one of the following sorting methods: • **Price Line** – Products are organized by price line. • Location – Product are organized by location, then price line, and then by product ID. • Line by Desc – Products are organized by price line and then by product description. • Line by Location – Products are organized by price line and then by location.
Only Stock Items With Activity in Last... Days	Time frame in which to include stock products with transactions and on-hand quantities. For example, you want to include all stock products that had transactions or on-hand quantities within the last 30 days only. Enter **30** in this field. The system will include only those stock products with activity over the last 30 days. Enter the number of days to define the time frame. Entering a zero (**0**) in this field causes the system not to check for product activity and thereby select all products. Enter zero (**0**) when conducting your first full physical inventory.
Only Nonstock Items With Activity in Last... Days	Time frame in which to include nonstock products with transactions and on-hand quantities. For example, you want to include all nonstock products that had transactions or on-hand quantities within the last 14 days only. Enter **14** in this field. The system will include only those nonstock products with activity over the last 14 days. The default value is 14, which assumes that you have shipped nonstock items to customers within the last 14 days. Enter a larger value if you hold onto nonstock items for longer periods of time.

Field	Description
Include Only Stock items?	Whether to include only stock items in the count control file. Enter one of the following: • **Y** – Include only stock products in this generation of the count control file. • **N** – Include both stock and nonstock products in this generation of the count control file. If you enter **Y** in this field, the system determines which stock products to include in the count control file as follows: • If the product has an on-hand quantity, the product status is **Stock**, and the value in the inventory **Stk** column is either **-** or **Y**, the system includes the product in the count control file. • If the product has an on-hand quantity but the value in the inventory **Stk** column is **N**, the system does not include the product in the count control file. • If the product does not have an on-hand quantity, the system determines how many times the product was entered on a sales order, purchase order, transfer order, or inventory adjustment during the time period you indicated in the **Only Stock Items With Activity in Last ___ Days** field. If it had activity within the time frame and its product status is Stock, then the system includes the product in the count control file. For example, if you enter **365** days in the **Only Stock Items With Activity in Last ___ Days** field, the system will include any product that was ordered or adjusted at least once in the last year, providing that the product status is Stock.
Only Items With Rank	Ranking breakpoints to use in limiting the selected products in the count control file. Separate multiple entries by commas, for example, **A,B**. Use this parameter along with the **Rank Number** parameter. For example, if you enter **1** in the **Rank Number** field and **A,B** in this field, the system selects products with a rank of A1 and B1. Using these two ranking parameters allows you to count products according to their standing in various sales-related situations, such as demand, sales hits, and gross sales dollars. In addition, use these parameters when you select products to count from one or more price lines to limit the count to the selected ranking products only.
Rank Number	Ranking method to use in limiting the selected products in the count control file. Use this parameter along with the **Only Items With Rank** parameter. For example, if you enter **A,B** in the **Only Items With Rank** field and **1** (one) in this field, the system selects products with a rank of A1 and B1. Using these two ranking parameters allows you to count products according to their standing in various sales-related situations, such as demand, sales hits, and gross sales dollars. In addition, use these parameters when you select products to count from one or more price lines to limit the count to the selected ranking products only.

Field	Description
Only Items with Hits Greater Than	Minimum number of hits to use in limiting the selected products in the count control file. The system only selects a product if it has more than the specified number of sales occurrences. Use this parameter to cycle counting fast-moving products within one or more price lines. Enter the minimum number of hits. **Note:** You must run the Update Demand program before generating the count control file.
Begin Location	Range of warehouse locations to use in limiting the selected products in the count control file. Specifying a location range excludes products not located in the specified locations and products with blank locations from the count control file. Enter the beginning location for the range. **Note:** Perform any product location maintenance, such as adding products to or moving products from a location, before generating the count control file.
End Location	Range of warehouse locations to use in limiting the selected products in the count control file. Specifying a location range excludes products not located in the specified locations and products with blank locations from the count control file. Enter the ending location for the range. **Note:** Perform any product location maintenance, such as adding products to or moving products from a location, before generating the count control file.
Include All Related Locations	Whether to include secondary locations for the selected products. Enter one of the following: • **Y** – Include secondary locations for the selected products. • **N** – Do not include secondary locations for the selected products.

Field	Description
Include All Location Types	Whether to include products of all product location quantity type. Use this parameter in conjunction with the Location Types To Include In Physical Count control maintenance record, where the product location quantity types to include in inventory counts are defined. For cycle counts, use this parameter to define only those product location quantity types to include in the entire count control file. For full physical inventories, use this parameter to define the product location quantity types to include in each generation of the count control file. Enter one of the following for cycle counts: • **N** – Includes only those product location quantity types defined in the Location Types To Include In Physical Count control maintenance record. • **Y** - Includes all available product location quantity types, regardless. Enter one of the following for full physical inventories: • **N** - Includes only those product location quantity types defined in the Location Types To Include In Physical Count control maintenance record. When generating the count control file multiple times, select this option to limit which quantity types appear together in the first generations. For the last count control file generation, the system adds those quantity types not added in previous generations. These quantity types display at the end of the count control file. When you print your count sheets or count cards, you can count these locations separate from regular stock and nonstock locations. • **Y** - Includes all available product location quantity types, regardless. **Note:** Perform any product location maintenance, such as adding products to or moving products from a location, before generating the count control file.
Include Locations from Past Year	Whether to include locations from the previous full physical inventory count in the current count control file. Use this parameter to verify that all quantities were relocated since the last physical inventory. In addition, use this parameter if you have made changes to your warehouse locations, or if you instruct the system to delete locations when the on-hand quantity in a location is reduced to zero. Enter one of the following: • **Y** – Include locations from the previous full physical inventory count in the current count control file. • **N** – Include only current locations in the current count control file. **Note:** To use this parameter, you must have completed a full physical inventory the previous year using the system.

6. Generate the count control file and press **Esc** to exit the screen.

More Options from the Generate Control File Screen

The Generate Control File screen also offers these options:

Hot Key	Function
Del	Deletes the current count control file.
Loc Status	Limits the selected products in the count control file by one or more product location statuses. Enter the product location statuses to include on the displayed Selection screen. Products with a blank location are included in the count control file, unless a location range is specified. **Note:** Perform any product location maintenance, such as adding products to or moving products from a location, before generating the count control file.

Deleting Count Control Files

If there are cycle count control files on your system that are older than 30 days or full physical inventory count control files that are older than 1 year, we recommend deleting them to recover disk space.

You can delete individual count control files using the Generate Control File screen or a group of files using the Purge Physical Count Files program.

To delete a count control file using the Generate Control File screen:

1. From the **Phys** menu, select **Generate Control File** to display the Generate Control File screen.
2. In the **Count# or 'New'** field, enter the count control file ID of the count control file to delete.
3. Use the **Del** hot key to display a confirmation prompt.
4. At the prompt, type **Delete** to delete the count control file.

   The system returns you to a blank Generate Control File screen.
5. Press **Es**c to exit the screen.

To delete count control files using the Purge Physical Count Files program:

1. From the **Files > Merge/Purge** menu, select **Purge Physical Count Files** to display the purge prompt
2. At the purge prompt, enter the last count control file ID in the group of count control files to delete.

   The system deletes all count control files *prior to* the count control file ID you enter.
3. Press **Enter** or **Esc** to purge the files and exit the screen.

Count Sheets and Count Cards Overview

After generating count control files, print the selected products to count on either count sheets or count cards by using the Print Count Sheet program.

The Print Count Sheet program allows you to select which products in a count control file to include on a count sheet or card, as well as define whether to include space in which to record unexpected inventory. You can also use the program to generate a report listing where your inventory is located as recorded in the system.

Before using the Print Count Sheet program, review the following information:

- When to use count sheets versus count cards.
- How to include space on sheets or cards for recording unexpected inventory.
- Tips for printing sheets and cards.

Count Sheets and Count Cards

Count sheets and count cards have different uses. Review the below comparison to determine which is best for your company's counting needs.

	Count Sheets	Count Cards
Best Usage Scenario	• Full physical inventory counts. • Regular cycle counts. • Warehouses organized by price line.	• Annual physical inventory counts. • Large cycle counts.
How To Use	• If your warehouse is organized by price line, divide the count sheets by price lines, making inventory counting easy for persons familiar with the products in that area. • Distribute count sheets to inventory teams before counting the inventory. • When counting a location, each counter should note the quantity at the location on the sheet. • When completed, each counter should return the sheets to a central location so you can enter the counts into the system.	• Pre-place count cards at product locations so individuals unfamiliar with the products can still count the inventory. • When counting the location, each counter should note the quantity at the location on the card and collect the card. • When completed, each counter should return the cards to a central location so you can enter the counts into the system.

	Count Sheets	Count Cards
Information Included on Document	• Count control file ID, title, and branch. • Selected product sorting option. • Space for signature and count date. • Product description. • Stocking location. • Price line to which the item is assigned. • Units of measure used for stocking the product at the location. • Assigned count control number. **Note:** Count sheets might include other information you requested when printing count sheets.	• Space for initials and count date. • Product description. • Stocking location. • Assigned count control number. **Note:** Count cards might include other information you requested when printing count cards. If you need to customize your count cards to include additional information, contact Eclipse Support.
Advantages	• Easy to handle. • Able to separate sheets by price line. • Print faster than count cards. • Do not require any complicated distribution prior to the count. • Standard form does not require prior set up from Eclipse Support personnel.	• Count teams do not need to be familiar with the inventory they are counting. • Since you place cards at each stock location before the inventory count, locations without cards immediate product location maintenance. • Pre-made cards are included in the base system. • Customized count cards are available to meet the physical counting needs of a company.
Disadvantages	• Count teams might need to be familiar with the inventory they are counting to ensure the correct items are being counted. • Possible confusion over items stocked in multiple locations	• Cannot separate by price line. • Takes longer to print than count sheets, especially when printing for full physical inventories. • Requires extra time to dispense within warehouse.

Blank Control Numbers

Blank count control numbers enable you to account for inventory found in unexpected locations by providing space on count sheets or blank count cards on which to record the unexpected inventory.

When printing the count control file multiple times, you can instruct the system to add blank count control numbers.

On the Print Count Sheets screen manually increment the value of the **End Control #**. On subsequent count control generations, the starting control number equals the previous ending control number plus one, plus any added blank count control numbers. See the examples below.

Example 1: Printing Without Blank Control Numbers

In this example, you generate the count control file once for stock items, again for nonstock items, and finally for all other product location quantity types. After each generation, you print the count sheets without blank count control numbers:

1. The first generation adds 10,000 items to the count control file. The Print Count Sheets screen indicates that the **Last Control #** is **10,000**.

   Print count sheets for these stock items by setting the **Start Control #** to **1** and the **End Control #** to **10,000**.

2. The second generation adds 500 items to the count control file. The Print Count Sheets screen indicates that the **Last Control #** is **10,500**.

   Print count sheets for these nonstock items by setting the **Start Control #** to **10,001** and the **End Control #** to **10,500**.

3. The third generation adds 500 items to the count control file. The Print Count Sheets screen indicates that the **Last Control #** is **11,000**.

   Print count sheets for these remaining items by setting the **Start Control #** to 10,501 and the **End Control #** to **11,000**.

Example 2: Printing With Blank Control Numbers

In this example, you generate the count control file once for stock items, again for nonstock items, and finally for all other product location quantity types. After each generation, you print the count sheets and add blank control numbers:

1. The first generation adds 10,000 items to the count control file. The Print Count Sheets screen indicates that the **Last Control #** is **10,000**.

   Print count sheets for these stock items and include 100 blank count control numbers by setting the **Start Control #** to **1** and the **End Control #** to **10,100**.

2. The second generation adds 500 items to the count control file. The Print Count Sheets screen indicates that the **Last Control #** is **10,600**.

   Print count sheets for these nonstock items and include 20 blank count control numbers by setting the **Start Control #** to **10,101** and the **End Control #** to **10,620**.

3. The third generation adds 500 items to the count control file. The Print Count Sheets screen indicates that the **Last Control #** is **11,120**.

   Print count sheets for the remaining items and include 20 blank count control numbers by setting the **Start Control #** to 10,621 and the **End Control #** to **11,140**.

Count Sheet and Count Card Printing Tips

Before printing count cards and sheets, review the following printing tips:

- Print count sheets and count cards as close to the count date as possible. You might have a situation where you must print a week or more in advance of the count date; for example, one branch in your organization is responsible for printing all count cards and shipping them to branches.
- Use control numbers to break a large print job into several smaller print jobs and distribute them over several printers.
- Lock the count date prior to printing your count sheets. Locking the count date is useful for large cycle counts or full physical inventory counts, as it saves you from having to enter the count date manually as you enter the counts.
- When working with multiple generations of the count control file, print count sheets or count cards after you complete each generation.
- If you misplace count sheets during an inventory count, re-print the missing sheets by entering the starting and ending control numbers of the missing sheets.

In addition, ensure that print phantoms and overnight updates do not conflict with the date of the inventory count. You do not want to be picking and shipping inventory during the physical count. Do any of the following to ensure that this conflict does not occur:

- Print picking and shipping tickets before the count, and pick products before the count. Do not receive inventory on the count date.
- If you lock the count date, set shipping, transfer, and receive dates on transactions to a date other than the count date.
- Have customers pick up will-call items before the count, or hold will-call items until after the count.
- Suspend phantom jobs during the count.

Printing Count Sheets or Count Cards

After generating your count control file, print either count sheets or count cards to use in counting the inventory.

When you print count sheets or cards, select the products to include on each sheet or card with the count control numbers assigned to the products in the count control file. In addition, add blank control numbers for the following reasons:

- When printing a new set of sheets or cards for each count control file generation.
- When printing sheets or cards to count products that are either not recorded in the system or that are stocked in locations other than what is expected.

  Note: If you are counting products that are tagged to sales orders, set the Exclude Tagged Location Information On Physical Sheets control maintenance record to **Y** so your count sheets or cards do not indicate that tagged quantities exist at the location.

To print count sheets or count cards from a count control file:

1. From the **Phys** menu, select **Print Count Sheets** to display the Print Count Sheets screen.
2. In the **Count ID#** field, enter the ID of the count control file to print.

   The system populates the following fields:

Field	Description
Title	Title assigned to the selected count control file.
Branch	Branch in which the count is occurring.
Last Control #	Last control number assigned to product in the count control file. When you create multiple generations of a count control file, this number increases as more items are added with each generation.

3. In the **Sort By** field, press **F10** and select **Ctrl #** to sort the products on the count sheets or cards by control number.

   Note: When printing count sheets for reporting purposes, you can select a alternate sort option.

4. In the **Start Control #** and **End Control #** fields, enter the range of count control numbers to print on the count sheets or count cards.

   Add blank control numbers to the range, as needed.

5. In the **Print Sheets or Cards** field, press **F10** and select whether to print count sheets or count cards.

6. In the **Page Break on** field, press **F10** and select one of the following:
   - **No Page Breaks** – Prints the selected range of count control numbers without page breaks.
   - **Line** – Inserts a page break after each price line.
   - **Row**, **Section**, or **Shelf –** Inserts a page break after each row, section, or shelf.

   Use the **Column** hot key to change the columns that display on the count sheet.
7. Set options, if needed, and print the sheets or cards.

Printing Count Sheets for Reporting Purposes

In addition to counting inventory, use the Generate Control File and Print Count Sheet programs for reporting purposes. By generating count control files and then printing them in the form of count sheets, you can view where your inventory is located as recorded in the system. Depending on the sorting option you use to print the report, you can review your inventory by price line, location, product description, sell group, or control number.

To print count sheets for reporting purposes:

1. From the **Phys** menu, select **Generate Control File** to display the Generate Control File screen.
2. Generate a count control file for the inventory on which to report.
3. From the **Physical** menu, select **Print Count Sheets** to display the Print Count Sheets screen.
4. In the **Count ID#** field, enter the ID of the count control file.

   The system populates the following fields:

Field	Description
Title	Title assigned to the selected count control file.
Branch	Branch for which the report is being generated.
Last Control #	Last control number assigned to product in the count control file. When you create multiple generations of a count control file, this number increases as more items are added with each generation.

5. In the **Sort By** field, press **F10** and select one of the following sorting options:

Option	Description
Ctrl #	Sorts by count control number. Use this option when you do not have warehouse locations set up for each product and your warehouse is not arranged by price line.
Price Line By Description	Sorts first by price line and then by product description. Use this option when your warehouse is arranged by price line.
Location By Ctrl #	Sorts first by product location and then by count control number within each location. Use this option when your warehouse is not arranged by price line.
Location By PLine By Desc	Sorts first by product, then by price line within each location, and finally by product description within each price line. Use this option when your warehouse is arranged with price lines assigned to warehouse locations.
Location By PLine By SellGroup	Sorts first by price line and then by sell group. Use this option when your warehouse is arranged by price line and discount class assigned to warehouse locations.

Option	Description
Location By Description	Sorts first by product location and then by product description. Use this option when you have warehouse locations assigned to each product.

Note: When printing multiple generations of a count control file, use the same **Sort By** selection each time you print count sheets.

6. In the **Start Control #** and **End Control #** fields, enter the range of count control numbers to print on the count sheets.
7. In the **Print Sheets or Cards** field, press **F10** and select **Sheets**.
8. In the **Page Break on** field, press **F10** and select one of the following:
   - **No Page Breaks** - Prints the selected range of count control numbers without page breaks.
   - **Line** - Inserts a page break after each price line.
   - **Row**, **Section**, or **Shelf** - Inserts a page break after each row, section, or shelf.
9. Set options, if needed, and generate the report.

Counting Recommendations and Guidelines Overview

When performing inventory counts, we recommend the following:

- Lock the count date for large cycle counts or full physical inventory counts. This action saves you from having to manually enter the count date for each product when entering inventory count information. Instead, the system automatically populates all product count dates with the locked count date.
- Capture inventory costs when performing a full physical inventory count. Use these costs to create cost bases, which the system in turn uses as benchmarks when running various reports.
- Decide how to use null entries when entering inventory counts into the system – whether they indicate that a line item has zero quantities or has not been counted. Use this definition consistently throughout the physical inventory programs for a single count.

In addition, we recommend the following guidelines when counting your inventory

- Start as early in the day as possible.
- Count by team by price line or by team by location.
- Include blank count numbers when printing count sheets or count cards to accommodate for unexpected inventory.
- Perform any necessary location maintenance *after* the inventory count is complete.
- Count from bin to the count sheet or count card.
- If there is nothing in the bin, write zero (**0**) on the count sheet or count card. Do not use blanks for zero quantities as this can be misinterpreted as an item that was skipped during the count.
- Return count sheets or count cards to a single location where they can be collated for entering into the system.
- Verify that print phantoms and overnight updates do not conflict with the count date.
- Enter counts into the system as soon as count teams complete their sections.

We also recommend that you *do not* do the following:

- Count during regular business hours as inventory moving in and out of your warehouse can affect the accuracy of the count.

  Note: Customers with RF Warehouse Management can cycle count during regular business hours because RF units communicate with the system in real-time.

- Pick products or load trucks for shipping during a physical count.
- Pre-count slow-moving items with the idea that if any items are sold, you can "leave a note in the bin."

- Include on-hand quantities when printing the count sheets or count cards. There is too much temptation to misuse this information when counting.
- Move items found in unexpected locations to their "correct" locations until after the physical count is complete.
- Move items from an over-stocked location to an under-stocked location and adjust the quantities on the count sheet.

Locking Count Dates

Locking the count date saves you from manually entering the count date for each product included in large cycle counts or full physical inventory counts. Instead the system automatically populates the date for inventory counts with the locked count date.

> **Note:** The system does not populate a count date for null (blank) entries, regardless of whether you lock the count date.

You can lock the count date before or after printing your count sheets or cards.

To lock the count date:

1. From the **Phys** menu, select **Lock Physical Count Date** to display the Lock Physical Count Date screen.
2. In the **Count ID #** field, enter the count control file ID for the inventory you are counting.

   The system populates the **Title** and **Branch** fields with the count control file's title and branch respectively.
3. In the **Lock Count Date To** field, enter the count date.
4. Press **Esc** to save changes and exit the screen.

Capturing Inventory Costs After Inventory Counts

When performing a full physical inventory count, capture the average cost, last cost, landed average cost, and landed cost for products at a branch as of the count date. By capturing these costs, you create the following four additional cost bases:

- Frozen Average Cost
- Frozen Last Cost
- Frozen Landed Average Cost
- Frozen Landed Cost

These cost bases provide benchmarks for running various reports, including the LIFO Inventory Valuation Report and the Gross Margin Return On Investment (GMROI) Reports.

Use the Capture Average Cost program to capture and create these cost bases. Run this program after printing count sheets or cards and before entering the inventory counts.

> **Note:** When the Should Inventory Adjustment Update Avg/Last Cost control maintenance record is set to **Y**, inventory adjustments cause the system to recalculate the LAST-COST and AVG-COST global cost bases.

To capture the average cost and last cost after an inventory count:

1. From the **Phys** menu, select **Capture Avg Cost** to display the Average Cost Capture screen.
2. In the **Br/Tr/All** field, enter the branch or territory for which to capture the average cost and last cost for products.

   Enter **All** to capture the average cost and last cost for products in all branches and territories.
3. In the **Type** field, press **F10** and select a product group type for which to capture costs:

Type	Description
All	Captures average cost and last cost for all products in the inventory.
Changed	Captures average cost and last cost for all products whose average cost has changed since the last time the average cost and last cost were captured. You need to capture the average cost and last cost at least once in a prior period.
Line	Captures average cost and last cost for all products in a price line. The Average Cost Capture screen prompts for a single price line for which to capture costs. In the **Price Line** field, enter a price line.
Physical	Captures average cost and last cost for all products in the current count control file. The Average Cost Capture screen prompts for the ID of the count control file for which to capture costs. In the **Control #** field, enter the count control file ID.

Type	Description
Product	Captures average cost and last cost for a single product. The Average Cost Capture screen prompts for a single product for which to capture costs. In the **Product** field, enter the product.

4. Use the **Begin** hot key to run the program.

   When complete, the Phantom Scheduler displays a confirmation message.

5. Press **Esc** to exit the screen.

How to Apply Null Entries to Inventory Counts

When you enter inventory counts into the system, you can leave the count for a line item blank to create a null entry. Null entries can indicate one of the following:

- **Zero quantities** – Indicates that there are zero on-hand quantities for the line item.
- **No count entries** – Indicates that the line item has not been counted.

Null entries come up throughout various physical inventory programs, such as the Count Variance Report. Decide which of the above definitions you want to use for null entries, and apply this definition consistently throughout the physical inventory programs for a single count.

The Effect of Count Dates on Null Entries

How you enter count dates effect how the system processes null entries, whether you lock the count date or manually enter the count date. Review the following table to see the effect of count dates on null entries.

Note: The system does not populate a count date on the Physical Count Load-In screen for null entries, even if you lock the count date.

If the Count Date is...	And in the Cnt Date field you...	Then other physical inventory programs consider null entries as...
Locked	Do not enter a count date	• Zero quantities when the **Nulls=0 (Y/N)** field is set to **Y**. • No count entries when the **Nulls=0 (Y/N)** field is set to **N**. The system uses the locked count date as the count date.
Locked	Enter a count date	• Zero quantities when the **Nulls=0 (Y/N)** field is set to **Y**. • No count entries when the **Nulls=0 (Y/N)** field is set to **N**. The system uses the count date you entered as the count date.
Manually entered	Do not enter a count date	No count entries *regardless* of the **Nulls=0 (Y/N)** field setting. The system does not use a count date for null entries.
Manually entered	Enter a count date	• Zero quantities when the **Nulls=0 (Y/N)** field is set to **Y**. • No count entries when the **Nulls=0 (Y/N)** field is set to **N**. The system uses the count date you entered as the count date.

Entering Inventory Counts Overview

Upon completing your inventory counts, enter them into the system using the Physical Count Load-In utility. With this utility, you have the following options:

- A single user can enter an entire count, or multiple users can simultaneously enter one count into the system by using control numbers assigned to products in the count control file. Each user enters counts for a selected range of control numbers.
- Enter count results on a different date than when the count occurred by locking the count date or by manually entering the actual count date.
- Enter counts for unexpected inventory using blank control numbers generated with count sheets or cards.

As you enter inventory counts, verify that the counts are accurate by using the Load-In Verification Report. You can also subtract tagged items from your final inventory counts using the Fill Tag Entry program.

Before entering inventory counts, be certain you know the following:

- Whether the count date was locked for the count.
- How null entries are being handled for the count.
- How to handle items entered on blank control numbers.

Entering Inventory Counts

When inventory counts are completed, enter them into the system using the Physical Count Load-In utility.

The Physical Count Load-In utility allows multiple people to enter the same count simultaneously by using different ranges of count control numbers within the count control file. Each person entering the count selects the starting control number for their range. They then enter count information from their starting control number up to the next person's starting control number.

In addition, you can finish recording the counts on a date other than the actual count date by entering actual count dates for each item in the count control file.

For example:

You cannot enter the results of a count until two days after the count. For each product counted, capture the actual count date. Once processed, all transactions use the on-hand quantities of the actual count date.

To enter inventory counts into the system:

1. From the **Phys** menu, select **Physical Count Load-In** to display the Physical Count Load-In screen.
2. In the **Count ID#** field, enter the ID of the count control file for which to enter inventory counts.

   The system displays the following information:

Field	Description
Title	Title assigned to the count control file.
Br#	Branch in which the count occurred.
Description	Each product within the count control file.
Location	Location for each product within the count control file.
Ctrl #	Control number assigned to each product within the count control file.

3. In the **Count** field, enter the quantity and the unit of measure recorded on the count sheets or count card for each product and its associated location.

   Note: If you leave the **Count** field blank, you create a null entry for the count control number. Make sure you are consistent in how you are using null entries on subsequent physical inventory screens.

4. In the **Cnt Date** field, enter the count date for each physical count.

   The system advances to the **Count** field of the next item, applying this count date to subsequent entries. Edit the count date for each line item, as needed.

If you locked the count date, the preset count date appears in the **Cnt Date** field. Accept or change the date.

5. Repeat steps 3-4 until you process all the items on the count sheet or set of count cards.
6. Press **Esc** to save changes and exit the screen.

More Options from the Physical Count Load-In Screen

The Physical Count Load-In screen also offers these options:

Hot Key	Function
Ctrl#	Use to select a range of control numbers for which to enter count information. At the **Enter Ctrl #** prompt, enter the beginning control number for which to record count information and press **Esc**. The system places the control number and associated product at the top of the list.
Product	Locates a product within the count control file. At the **Product** prompt, enter the product to locate and press **Esc**. • If the product exists within the count control file, the system places the cursor on the product. • If the product does not exist within the count control file, the system displays the Physical Count Load-In screen with the cursor in the same location it was before you conducted the search. To add the product to the count control file, enter it into the count using a blank control number.
Product Maint	Displays the Product Maintenance screen for the selected product. Use this screen to view the units of measure assigned to the product, along with other product information. **Note:** To create new products, you must access the Product Maintenance screen its menu.
Inv Inq	Displays the Inventory Inquiry screen for the selected product. Use this screen to review product availability and other inventory information.

Entering Counts for Blank Control Numbers

When unexpected inventory is discovered during a count, you need to record the count using blank control numbers.

Using the Physical Count Load-In utility, locate the blank control number to which the unexpected inventory was assigned during the count. Then enter the unexpected product, its location, and its count information for the blank control number.

Note: We recommend verifying that the unexpected inventory was accurately counted before entering it into the Physical Count Load-In utility.

To enter count information for a blank control number:

1. From the **Phys** menu, select **Physical Count Load-In** to display the Physical Count Load-In screen.
2. In the **Count ID#** field, enter the ID of the count control file for which to enter the inventory count information.

   The system displays the following information:

Field	Description
Title	Title assigned to the count control file.
Br#	Branch in which the count occurred.
Description	Each product within the count control file.
Location	Location for each product within the count control file.
Ctrl #	Control number assigned to each product within the count control file.

3. Use the **Ctrl #** hot key to locate the blank count control number to which the unexpected count was assigned.
4. In the **Description** field, enter the unexpected product.
5. In the **Location** filed, enter the location in which the product was counted.
6. In the **Count** field, enter the quantity and unit of measure for the product in the location.
7. In the **Cnt Date** field, enter the count date of the actual count.

   Note: If you create a duplicate entry (the same product and location)when entering count information for a blank control number, the system combines the duplicate entries and displays a plus sign (+) next to the combined line item's description. Recount possible duplicate entries.

8. Press **Esc** to save changes and exit the screen.

Running the Load-In Verification Report

As you enter inventory counts into the system, run the Load-In Verification Report to check the accuracy of the inventory count entry. Verification reports are identical to count sheets, with the exception that they display the counts that have been entered on the Physical Count Load-In screen.

After running the verification report, make corrections to the physical count using the Physical Count Load-In screen.

For a description of the report, see What the Report Shows at the end of the topic.

To run the Load-In Verification Report:

1. From the **Phys** menu, select **Load-In Verification Report** to display the Load-In Verification Report screen.
2. In the **Count ID #** field, enter the count control file ID of the inventory count for which to run the report.

   The system populates the following fields:

Field	Description
Title	Title assigned to the selected count control file.
Branch	Branch in which the count occurred.
Last Control #	Last control number assigned to product in the count control file.

3. In the **Sort By** field, press **F10** and select the same sorting option you used when printing your count sheets or count cards:

Option	Description
Ctrl #	Sorts by count control number. Use this option when you do not have warehouse locations set up for each product and your warehouse is not arranged by price line.
Price Line By Description	Sorts first by price line and then by product description. Use this option when your warehouse is arranged by price line.
Location By Ctrl #	Sorts first by product location and then by control number within each location. Use this option when your warehouse is not arranged by price line.
Location By PLine By Desc	Sorts first by product, then by price line within each location, and finally by product description within each price line. Use this option when your warehouse is arranged with price lines assigned to warehouse locations.
Location By PLine By SellGroup	Sorts first by price line and then by sell group. Use this option when your warehouse is arranged by price line and discount class assigned to warehouse locations.

Option	Description
Location By Description	Sorts first by product location and then by product description. Use this option when you have warehouse locations assigned to each product.

4. In the **Start Control #** and **End Control #** fields, enter the range of control numbers on which to run the report.
5. In the **Page Break on Line** field, press **F10** and select one of the following:
   - **No Page Breaks** – Prints the selected range of control numbers without page breaks.
   - **Line** – Inserts a page break after each price line.
   - **Aisle –** Inserts a page break after each aisle.
6. Set options, if needed, and generate the report.

What the Report Shows

The Load-In Verification Report shows the following information:

Column	Description
Product Description	Product counted.
Prc Line	Price line to which the counted product is assigned.
Location	Location in which the product was counted.
Count	Quantity of the product counted in the location, and the unit of measure in which the product was counted.
Ctrl#	Control number assigned to the product.

Running the Fill Tag Entry Program

After entering inventory counts into the system, you can subtract all tagged quantities from the on-hand amount by running the Fill Tag Entry program.

Important: Subtracting tagged quantities assumes you entered **Y** in the **Include All Location Types** field on the Generate Control File screen to count items tagged to sales orders. If you entered **N** in this field, *do not* run the Fill Tag Entry for Physical On Hand program.

If you keep tagged items in a separate staging area and not on the same shelf as regular stock, treat this area as a separate inventory count by doing the following:

- Generate a separate count control file for the location.
- Count the items.
- Enter the counts into the system.
- Run the Fill Tag Entry program for the count.
- Check for variances before updating on-hand quantities.

  Note: The Exclude Tagged Location Information On Physical Sheets control maintenance record determines whether your count sheets or cards indicate that tagged quantities exist at the location.

To run the Fill Tag Entry for Physical On Hand program:

1. From the **Phys** menu, select **Fill Tag Entry for Physical On Hand** to display the Fill Tag Entry for Physical On Hand screen.
2. In the **Count ID#** field, enter the count control file ID of the inventory count for which to run the program.

   The system populates the following fields:

Field	Description
Title	Title assigned to the selected count control file.
Branch	Branch in which the count occurred.
Last Control #	Last control number assigned to product in the count control file.

3. In the **Ctrl/Prc Line** field, press **F10** and select one of the following options for which to run the program:

Note: This option enables you to update portions of the physical inventory counts, instead of waiting for all counts to be verified.

Option	Description
Ctrl#	Runs the program for a range of control numbers. • In the **Start Control #** field, enter the first control number in the range for which to run the program. • In the **End Control #** field, enter the last control number in the range for which to run the program. **Note:** The **Price Line** field is not accessible.
Prc Line	Runs the program for an individual price line. In the **Price Line** field, enter a price line for which to run the program. **Note:** You can only run the program for one price line at a time. In addition, the **Start Control #** and **End Control #** fields are not accessible.

4. In the **Valid Tag Location Types to Fill** field, press **F10** and select the location type from which to subtract tagged quantities.
   - To subtract from all location types, leave this field blank.
   - To enter multiple location types, separate each type with a comma (**,**).
5. Use the **Update** hot key to run the program and exit the screen.

Count Variance Report Overview

The Count Variance Report shows the differences between the system's on-hand quantities prior to an inventory count and the actual counted on-hand quantities. Use this report to discover possible discrepancies in counting.

There are two types of Count Variance Reports that you can use to identify counting discrepancies:

- Partial Count Variance Report – Use to identify discrepancies for the parts of an inventory count that have been completed and entered into the system.
- Full Count Variance Report – Use to identify discrepancies for a full physical inventory count before updating your on-hand quantities in the system.

Important: For full physical inventory counts, Eclipse Support *requires* that you run a full Count Variance Report *before* updating your on-hand quantities. Running the Update Physical On Hand program deletes the data the system uses to create Count Variance Reports, and so it is *imperative* that you correctly run this report before updating your on-hands.

When generating Count Variance Reports, set different options to specify which products to include in the report, the type of information to include in the report, and how to organize the report.

Running Partial Count Variance Reports

To identify discrepancies for the parts of an inventory count that have been completed and entered into the system, run partial Count Variance Reports. Running partial Count Variance Reports enables you to identify discrepancies as you complete your inventory count.

For example:

You have counted a third of your inventory for a full inventory count, and you have entered the count results into the system. Instead of waiting until the full inventory count is completed to compare count results with inventory quantities in the system, run a partial Count Variance Report for that third of your inventory. Use the report results to identify discrepancies for that portion of the count.

After running and checking a partial Count Variance Report, re-count your inventory and re-enter the count results as necessary

> **Note:** You must regenerate a partial Count Variance Report each time you change count results in the system.

For a description of the report, see What the Count Variance Report Shows.

To run a partial Count Variance Report:

1. From the **Phys** menu, select **Count Variance Report** to display the Count Variance Report screen.
2. In the **Count ID #** field, enter the count control file ID of the inventory count on which to run the report.

Field	Description
Title	Title assigned to the count control file.
Br#	Branch in which the count occurred.
Last Control #	Last control number assigned to product in the count control file.

3. In the **Ctrl/Prc Line** field, press **F10** and select whether to run the report based on control numbers or price lines:

Option	Description
Ctrl#	Runs the report for a range of control numbers. • In the **Start Control #** field, enter the first control number in the range for which to run the report. • In the **End Control #** field, enter the last control number in the range for which to run the report.
Prc Line	Runs the report for an individual price line. In the **Line** field, enter a price line for which to run the report. Use the **Line** hot key to enter multiple price lines for which to run the report.

4. In the **Sort** field, press **F10** and select the way in which to sort the report.

5. In the **Cost Basis** field, press **F10** and select the global cost basis to apply to your inventory and to use in making inventory adjustments in the general ledger.

   Note: Use the same cost basis for all Count Variance Reports generated for a single count.

6. In the **Price Date** field, enter the date of the inventory count.

   Note: The system uses this date to select the product price sheets in effect as of the count date so that the inventory is valued correctly.

7. In the **Sum/Det/Var/Product Var** field, press **F10** and select the level of detail to apply to the report.
8. In the **Nulls = 0 (Y/N)** field, enter **Y** or **N** to indicate how null entries are being applied to the count.

   If you set this field to **N** and sort by **Descending Count**, the products with no counts sort to the bottom of the report. By grouping the no counts at the bottom of the report, you can see all products that were not counted.
9. In the **Tagged Locs (Incl/Excl/Only)** field, press **F10** and select the location types to include in the report.
10. In the **Show Post Dated Orders** field, press **F10** and select the level of post dated order detail to include in the report.
11. In the **Min Variance** field, select the minimum variance parameters to indicate which products to include in the report.
12. Set options, if needed.
13. At the prompt asking whether you have picked all post dated orders, enter **Y** or **N** to indicate whether post dated orders have been picked.

    The system generates the report.

Running Full Count Variance Reports

For full physical inventory counts, Eclipse Support *requires* that you run a full Count Variance Report *before* updating your on-hand quantities. Support requires this report to aid you in resolving any inventory-related problems that might occur at your site following the count. Running the Update Physical On Hand program deletes the data the system uses to create Count Variance Reports, and so it is *imperative* that you correctly run this report before updating your on-hands.

For a description of the report, see What the Count Variance Report Shows.

To run a full Count Variance Report:

1. From the **Phys** menu, select **Count Variance Report** to display the Count Variance Report screen.
2. In the **Count ID #** field, enter the count control file ID of the inventory count on which to run the report.

Field	Description
Title	Title assigned to the count control file.
Br#	Branch in which the count occurred.
Last Control #	Last control number assigned to product in the count control file.

3. In the **Ctrl/Prc Line** field, press **F10** and select whether to run the report based on control numbers or price lines:

Option	Description
Ctrl#	Runs the report for a range of control numbers. • In the **Start Control #** field, enter the first control number in the range for which to run the report. • In the **End Control #** field, enter the last control number in the range for which to run the report.
Prc Line	Runs the report for an individual price line. In the **Line** field, enter a price line for which to run the report. Use the **Line** hot key to enter multiple price lines for which to run the report.

4. In the **Sort** field, press **F10** and select the way in which to sort the report.
5. In the **Cost Basis** field, press **F10** and select the global cost basis to apply to your inventory and to use in making inventory adjustments in the general ledger.
6. In the **Price Date** field, enter the date of the inventory count.

   Note: The system uses this date to select the product price sheets in effect as of the count date so that the inventory is valued correctly.

7. In the **Sum/Det/Var/Product Var** field, press **F10** and select **Detail** as the level of detail option to apply to the report.

8. In the **Nulls = 0 (Y/N)** field, enter **Y** to indicate that null entries equate to zero quantities for the inventory count.

   If you set this field to **N** and sort by **Descending Count**, the products with no counts sort to the bottom of the report. By grouping the no counts at the bottom of the report, you can see all products that were not counted.

   Note: You must enter **Y** in this field when running a full Count Variance Report.

9. In the **Tagged Locs (Incl/Excl/Only)** field, press **F10** and select **Include** to include all product quantity location types in the report.
10. In the **Show Post Dated Orders** field, press **F10** and select **Detail** as the level of post dated order detail to include in the report.
11. In the **Min Variance** field, select the minimum variance parameters to indicate which products to include in the report.
12. Set options, if needed.
13. At the prompt asking whether you have picked all post dated orders, enter **Y** or **N** to indicate whether post dated orders have been picked.

    The system generates the report.

Count Variance Report Options

When generating Count Variance Reports, you can select the following options to apply:

- Sorting method to use in organizing the products included.
- Level of detail to include.
- Product location quantity types to include.
- Whether post date orders have been picked and the level of post dated order detail to include.
- Minimum variance parameters to use in selecting products to include.

Report Sort By Method

Select one of the following sort by methods to use in organizing the products included in the report.

Sort By Method	Description
Ascending Control Number	Organizes the products by control numbers from lowest to highest.
Descending Count	Organizes the products by extended count quantities from highest to lowest. To sort products with no counts to the bottom of the report, select this sorting method and set the **Null = 0** option to **Yes**.
Descending Count Dollars	Organizes the products by dollar value of the extended count quantities from highest to lowest.
Product By Location	Organizes the products by description and then by location. **Note:** This option groups products in multiple locations together on the report.
Descending Count Difference	Organizes the products by the difference between the system's on-hand quantity and the actual counted quantity from highest to lowest. **Note:** This difference is useful for double-checking count entries.
Descending Count Dollar Difference	Organizes the products by the difference of the dollar value between the system's on-hand quantity and the actual counted quantity from highest to lowest. **Note:** This difference is useful for double-checking count entries.

Report Level of Detail

Select the level of detail to include in the report.

Option	Description
Summary	Includes only summary information for each selected price line. If you select to sort the report by control numbers, then one of the following summaries is included: • If the control numbers were originally generated by price line, then a summary of the price lines within the range of the selected control numbers displays. • If the control numbers were originally generated by location, then a bottom-line summary of the selected price lines displays.
Detail	Includes full detail of every selected product in the selected price lines. **Note:** Eclipse Support requires that you select this level of detail when you run a full Count Variance Report before updating your on-hand quantities.
Location Variance Only	Includes only those products with a variance greater than the selected minimum variance for each product location. Use this option with cycle counts. For example: You run the report looking for products with a variance greater than the selected minimum variance of 5%. • Product A in Location 1 has an expected on-hand of 500, but only 440 are counted. This count produces a variance of -12%. Product A at Location 1 does not display on the report as -12% is less than 5%. • Product A in Location 2 has an expected on-hand of 100, but 110 are counted. This count produces a variance of +10%. Product A at Location 2 displays on the report as +10% is greater than 5% .
Product Variance Only	Includes only those products with a variance greater than the selected minimum variance for all product locations. Use this option with physical inventories. For example: You run the report looking for products with a variance greater than the minimum variance of 5%. • Product A in Location 1 has an expected on-hand of 500, but only 440 are counted. This count produces a variance of -12%. • Product A in Location 2 has an expected on-hand of 100, but 110 are counted. This count produces a variance of +10%. The report totals the variances as -12% + 10% = -2%. The total variance for Product A (2%) is less than the minimum variance (5%), so Product A does not display on the report. **Note**: Using this option requires that you sort the report by price line and by product by location. Selecting this option forces the report to use these settings.

Report Location Types

Select the product location quantity types to include in the report:

Option	Description
Include	Includes all product location quantity types in the report. When running your final full detail variance report, include all product location quantity types.
Exclude	Excludes all product location quantity types other than **Stock** from the report.
Only	Includes only product location quantity types other than **Stock** in the report. This option is useful for creating a report of products to address manually, such as products on display in your showroom.

Report Level of Post Dated Order Detail

Post dated orders, including transfers and return purchase orders, are transactions that print before the count date but have a ship date that is after the count date. They can occur, for example, when afternoon picking for next day shipping overlaps with a scheduled cycle count.

Before generating the Count Variance Report, the system prompts whether post dated orders have been picked. Your answer to this prompt is important as it effects inventory counts as follows:

If post dated orders...	Then...
Have been picked	The system adds the ship quantity of the post dated orders to the counted on-hand quantities. For example: A postdated order prints on Friday but has a Monday ship date. The inventory is being counted Saturday, and the Lock Count Date is set to Sunday. If the material has been picked on Friday for the Monday shipment, the ship quantity is not on the shelf to be counted, and so the system adds the picked quantity to the count as if it exists on the shelf.
Have not been picked	The system uses the counted on-hand quantities and ignores post dated order ship quantities. For example: A postdated order prints on Friday but has a Monday ship date. The inventory is being counted Saturday, and the Lock Count Date is set to Sunday. If the material has not been picked on Friday for the Monday shipment, the ship quantity is still on the shelf and can be counted.

In addition, select the level of post date order detail to include in the report:

Option	Description
Detail	Includes item shipped quantity for each post dated order.
Summary	Includes only the total item shipped quantity for all post dated orders.

Report Minimum Variance Parameters

Indicate a minimum variance parameter to use in selecting the products to include in the report based on the following:

Option	Description
Minimum Dollar Amount	Indicate a minimum dollar amount variance. If the difference between the system's dollar amount and the actual count results is greater than this variance, then the products are included in the report. If the difference is less than this variance, then the products are excluded from the report.
Minimum Percentage	Indicate a minimum count percentage. If the difference between the system's on-hand quantities and the actual count results is greater than this variance, then the products are included in the report. If the difference is less than this variance, then the products are excluded from the report.

In addition, you can set minimum variance parameters for both dollar amount and percentage, or for just one or the other by using the AND and OR logical operator.

For example:

You can limit the report to exclude products with the following variances:

- Less than $25 *and* a 10% difference between the system's on-hand quantities and the actual count quantities.
- Less than $25 *or* a 10% difference between the system's on-hand quantities and the actual count quantities.

What the Count Variance Report Shows

The Count Variance Report shows the following information:

Note: The information generated in the report depends on the type of report run and the options applied to the report.

Field/Column	Description
Count ID #	Count control file ID for the inventory count.
Count Date	Date on which the count occurred.
Control #s	If the report was run for specific control numbers, the selected control numbers.
Price Line	If the report was run for specific price lines, the selected price lines.
Variance Greater Than	Selected minimum variance parameters assigned to the report.
Sort by	Selected sort by option assigned to the report.
Valued at	Selected global cost basis applied to the inventory count.
Prc Date	Price date applied to the inventory count.
Ctrl #	Control number assigned to each product selected for the report.
Product Description	Each product selected for the report.
Prc Line	Price line to which the associated product is assigned.
Location	Location in which the associated product was counted.
UM	Unit of measure in which the associated product was counted.
Count	Amount of the product counted in the location.
Onhand	System's on-hand quantity for the product in the location prior to the count.
Diff	Difference between the system's on-hand quantity and the actual count for the product in the location.
Diff%	Percentage difference between the system's on-hand quantity and the actual count for the product in the location.
Unit$	Product's unit of value in dollars.
Count$	Actual counted quantity in dollars.
Onhand$	System's on-hand quantity in dollars.
Difference$	Dollar amount difference between the system's on-hand quantity and the actual count for the product in the location.
Grand Totals	Totals for each column of information.
Gross Qty Difference	Total percentage difference between the system's on-hand quantity and the actual count.
Gross Dollar Difference	Total dollar difference between the system's on-hand quantity and the actual count.

Updating On-Hand Quantities Overview

After entering your inventory counts into the system, verifying their accuracy, and running a final full Count Variance Report, you can update your on-hand quantities in the system.

Use the Update Physical On Hand utility to update on-hand quantities in the system for an inventory count. This utility auto-loads the counts for a count control file using the count data entered in Physical Count Load-In utility.

When you update on-hand quantities, differences between a product's current and previous on-hand quantities generate inventory adjustments as follows:

- If the count was greater than the previous on-hand quantity, the system posts an "In" quantity to the Inventory History Ledger.
- If the count was less than the previous on-hand quantity, the system subtracts an "Out" quantity from the Inventory History Ledger.

Review any inventory adjustments using various G/L utilities and the Inventory History Ledger. In addition, when you perform on update to on-hand quantities, the system indicates a product was counted in its product maintenance log even if the on-hand quantity did not change.

Updating On-Hand Quantities after Inventory Counts

Use the Update Physical On Hand utility to update on-hand quantities in the system for an inventory count. This utility auto-loads the counts for a count control file using the count data entered in Physical Count Load-In utility.

Before using the Update Physical On Hand utility, run your final full Count Variance Report to aid you in resolving any inventory-related problems that might occur at your site following the count

To update your on-hand quantities after an inventory count:

1. From the **Phys** menu, select **Update Physical On Hand** to display the Update Physical On Hand screen.
2. In the **Count ID#** field, enter the count control file ID of the inventory count for which to update on-hand quantities.

   The system displays the following information:

Field	Description
Title	Title assigned to the count control file.
Branch	Branch in which the count occurred.
Last Control #	Last control number assigned to product in the count control file.

3. In the **Ctrl#/Prc Line** field, press **F10** and select one of the following options for which to run the program:

   Note: This option enables you to update portions of the physical inventory counts, instead of waiting for all counts to be verified.

Option	Description
Ctrl#	Runs the program for a range of control numbers. • In the **Start Control #** field, enter the first control number in the range for which to run the program. • In the **Ending Control #** field, enter the last control number in the range for which to run the program. **Note:** The **Price Line** field is not accessible.
Prc Line	Runs the program for an individual price line. In the **Price Line** field, enter a price line for which to run the program. **Note:** You can only run the program for one price line at a time.

4. In the **Cost Basis** field, select the same global cost basis to value your inventory that you used on the full Count Variance Report.

5. In the **Price Date** field, enter the date to be used for selecting the correct price sheet for valuing inventory adjustments.

   Note: The system enters the count date as the default date in this field. If a count date does not exist, the system uses the lock date as the default date.

6. In the **Nulls = 0** field, enter **Y** or **N** to indicate how null entries are being applied to the count.

   Note: We recommend entering **Y** in this field as you did for the full Count Variance Report.

7. In the **G/L Acct** field, select the general ledger account to receive inventory adjustments as the result of the updates.
8. Use the **Update** hot key to begin the update.
9. At the prompt asking whether you have picked all post dated orders, enter **Y** or **N** to indicate whether post dated orders have been picked.

   The system updates your on-hand quantities.

Tools for Reviewing Inventory Adjustments Made from Inventory Counts

After an inventory count, you can review the outcome of inventory adjustments using the following system reporting tools.

Business Summary Screen

Use the **Inventory** field on the Business Summary screen to view a quick comparison of the money invested in your inventory before and after an inventory count. Adjust the date to see the inventory investment before and after the inventory count.

G/L Inquiry Screen

Use the G/L Inquiry screen to obtain summary or detailed information about stock adjustments. By selecting a stock adjustment for the day of the physical count load-in, you can see the debit or credit to the inventory investment.

G/L Detail Inquiry Screen

Use the G/L Detail Inquiry screen to see transactions comprising the debit or credit to the inventory adjustment, and the products involved in the inventory adjustment.

Inventory History Ledger Screen

Use the **Customer / Vendor** column on the Inventory History Ledger screen to view adjustments made to inventory from cycle counts and full physical inventories.

Cycle Counting Specific Utilities Overview

Use the following cycle counting specific utilities to perform and monitor manual cycle counts:

- Cycle Count Queue: Generate/Print Utility – Select products to count from the Cycle Count Queue. The Cycle Count Queue enables you to focus your cycle counting efforts to where they are needed as products in the queue have already been identified as requiring checking.
- Generate Random Cycle Counts Utility – Add products to the Cycle Count Queue to ensure that actual on-hand quantities match system on-hand quantities. The utility adds products from the product file to the Cycle Count Queue based on the product's status and activity.
- Adjustment Variance Report – View a summary of cycle count adjustments made for a period of time. Use this report for daily error rate calculation by branch, as it displays the totals of all adjustments.

Selecting Products from the Cycle Count Queue

Regular cycle counting helps maintain accurate on-hand inventory levels. Use the Cycle Count Queue: Generate/Print utility to select products to count from the Cycle Count Queue.

Unlike a scheduled cycle count created by generating a count control file, the products in the Cycle Count Queue have already been identified as requiring checking. This queue enables you to focus your cycle counting efforts to where they are needed.

The system places a product in the Cycle Count Queue whenever it identifies an inaccuracy in inventory caused by the following:

- A negative on-hand quantity.
- An inventory over-commitment.
- A change to the invoiced quantity. The system updates the Cycle Count Queue when the shipment quantity is changed on a closed sales order. However, if the Generate Cycle Count When Transfer Ship Quantities Change control maintenance record is set to **Y** the system also updates the queue for transfers.
- Changes in the quantity shipped on a transfer for a branch listed in the Generate Cycle Count When Transfer Ship Quantities Change control maintenance record.

You can also add products to the Cycle Count Queue by using the Generate Random Cycle Counts program.

After selecting products to count, the system removes those items from the Cycle Count Queue. If those items are not counted and updated within five days, the system returns them to the queue to be counted.

To select products to count from the Cycle Count Queue:

1. From the **Phys** menu, select **Cycle Count Queue: Generate/Print** to display the Cycle Count Queue: Generate/Print screen.
2. In the **Branch** field, enter the branch in which you are performing the cycle count.
3. In the **Product** field, do one of the following to select products to count:

To...	Do This...
Select a single product from the Cycle Count Queue	Enter the product. **Note:** You need to know that a product is already in the Cycle Count Queue to select it, such as when you discover cycle count discrepancies for a product and need to make sure the product is in the queue.

To...	Do This...
Select multiple products from the Cycle Count Queue	Use the **Product** hot key to select multiple products. **Note:** You need to know that a product is already in the Cycle Count Queue to select it, such as when you discover cycle count discrepancies for a product and need to make sure the product is in the queue.
Select all products in the Cycle Count Queue	Leave the **Product** field blank.

The system displays the number of items selected from the Cycle Count Queue in the **Item Count** field.

4. In the **Print Sheets or Cards** field, press **F10** and select whether to print count sheets or count cards for the cycle count.
5. In the **Page Break** field, press **F10** and select one of the following:
   - **No Page Breaks** – Prints the count sheets or cards without page breaks.
   - **Line** – Inserts a page break after each price line.
   - **Row**, **Section**, or **Shelf –** Inserts a page break after each row, section, or shelf.
6. In the **Include Locations from Past Year** field, enter **Y** to include locations from the previous full physical inventory count; otherwise, enter **N**.
7. Set options, if needed, and generate the report.

More Options from the Cycle Count Queue: Generate/Print Screen

The Cycle Count Queue: Generate/Print screen also the **View** hot key. Use this hot key to view products in the Cycle Count Queue as follows:

- If you use the **View** hot key before selecting products, then the system displays products in the Cycle Count Queue for the selected branch.
- If you use the **View** hot key after selecting products, then the system displays products in the Cycle Count Queue that match the product selection criteria.

Selecting Random Products to Cycle Count

As part of your inventory control practices, you might have your cycle count teams spot check inventory to ensure that actual on-hand quantities match the on-hand quantities in the system. To make such spot-checking easy, use the Generate Random Cycle Counts utility to add a number of random products from the product file to the Cycle Count Queue. By counting random products, you ensure that all the products you carry in inventory are cycle counted at least once.

Using the Generate Random Cycle Counts utility, you can add products to the Cycle Count Queue based on the product's status and activity. Once a randomly-selected item has been added to the queue and counted, the system does not to select that item again until all products with the same product status have been counted, or you reset the random counter. If you count an item and then change its product status, the system does not flag the item to be recounted under its new product status until the rest of the products with the old product status have been counted.

Schedule the random cycle count generation to run after you have run your normal cycle count and have corrected any discrepancies. Otherwise, the system adds the random cycle count to your existing cycle count generation. After generating the random cycle count, select the products from the Cycle Count Queue and print the count sheets or cards to perform the actual cycle count.

To select random products to cycle count:

1. From the **Phys** menu, select **Random Cycle Count Generation** to display the Generate Random Cycle Counts screen.
2. In the **Branch** field, enter the branch for which to generate the random cycle count.
3. In the **# of Products** field, enter the number of random products to select.

   Note: To ensure that you count all products in the Product File at least once a year, divide the number of products in the product file by 365 and schedule the application to run each day.

4. In the **Product Status** field, enter the product status of the products to include in the count.

   Use the **Status** hot key to select multiple product statuses.

   Note: Products with a product status of **MiscChrg**, **Comment**, and **LotItem** are not included in random cycle count generations.

5. In the **ReInitialize Random Counter** field, enter **Y** to restart the random counter for the current product status combination; otherwise, enter **N** to leave the random counter where it is for the current product status combination.

   Note: We recommend reinitializing the random counter only when you are certain that you have cycled through all products in your inventory, or when there have been significant changes to how you perform cycle counts to warrant resetting the counter.

6. In the **Only Stock Items With Activity in Last ___ Days** field, enter the time frame in which to include stock products with transactions and on-hand quantities.

   For example:

   You want to include all stock products that had transactions or on-hand quantities within the last 30 days only. Enter **30** in this field. The system will include only those stock products with activity over the last 30 days.

7. In the **Only Nonstock Items With Activity in Last ___ Days** field, enter the time frame in which to include nonstock products with transactions and on-hand quantities.

   For example:

   You want to include all nonstock products that had transactions or on-hand quantities within the last 14 days only. Enter **14** in this field. The system will include only those nonstock products with activity over the last 14 days.

   Note: The default value is 14, which assumes that you have shipped nonstock items to customers within the last 14 days. Enter a larger value if you hold onto nonstock items for longer periods of time.

8. In the **Zero On-Hand Quantities (Include/Exclude)** field, enter one of the following:

   - **Include** – Includes products with zero on-hand quantities in the cycle count.
   - **Exclude** – Limits the cycle count only to products with on-hand quantities.

9. You can now do one of the following to select products to count:

   - Use the **Begin** hot key to add random products to the Cycle Count Queue.
   - Use the **Schedule** hot key to schedule the adding of random products to the Cycle Count Queue on a regular basis.

10. Press **Esc** to exit the screen.

Running the Adjustment Variance Report

Use the Adjustment Variance Report to view a summary of cycle count or other adjustments made for a period of time. Adjustment quantities display with their variance percentages and dollar amounts. You can use this report for daily error rate calculation by branch, as it displays the absolute totals (without positive or negatives) of any adjustments made.

On-hand quantities displaying on the Adjustment Variance Report do not reconcile with the Inventory History Ledger, as the report displays location-specific on-hand quantities and the ledger displays total on-hand from all product locations.

Note: Eclipse Support needs to activate an internal control record, ADJ.VAR.RPT, for your RF site to use this report. This hidden control record updates and stores RF cycle count records in a separate WORK.MISC file. RF sites not using this report and non-RF sites using this report do not utilize this data.

For a description of the report, see What the Report Shows at the end of the topic.

To run the Adjustment Variance Report:

1. From the **Whse Mgt > Reports** menu, select **Adjustment Variance Report** to display the Adjustment Variance Report screen.
2. In the **Branch** field, enter the branch or territory for which to run the report.
3. In the **Start Date** and **End Date** fields, enter the date range of the period to be included on the report.
4. In the **Adj Type** field, press **F10** and select one of the following adjustment types for which to run the report:

Adjustment Type	Description
All	All cycle counts.
RF Counts	Items counted using RF, whether there was an adjustment or not.
Location Adjustments	RF cycle count adjustments based on location.
Cycle Counts	RF cycle count adjustments.
Return Goods	Returned good adjustments.
Product Merging	Merged product adjustments.

5. In the **Price Line** field, press **F10** and select a price line for which to run the report.
6. In the **Buy Line** field, press **F10** and select a buy line for which to run the report.
7. In the **Min Variance** field, select the minimum variance parameters to indicate which products to include in the report.

8. In the **Summary/Detail** field, press **F10** and select one of the following levels of detail to display in the report.

Level	Description
Product Detail	Generates the report for each adjustment entry by adjustment number for a product ID at a given location.
Product Summary	Generates the report for each adjustment number by product ID.
Line Summary	Generates the report for each buy line / price line with one or more adjustment numbers.

9. In the **Select** field, press **F10** and select one of the following to indicate whether to limit the report to products with quantity adjustments only:

Option	Description
Variance Only	Selects all products that have a quantity adjustment during the time period indicated in the **Start Date** and **End Date** fields. Products that have changed locations only do not display.
ALL	Selects all products even if the total quantity adjustment is zero (0). This total includes products that have changed locations.

10. In the **Sort By** field, press **F10** and select how to sort the report:

Option	Sorting Method
Price Line	First by branch, then by price line, buy line, and product. Select this option to print buy line, price line, and branch totals.
Location	By product location. Select this option to print branch totals only.

11. Set options, if needed, and generate the report.

What the Report Shows

The Adjustment Variance Report shows the following information:

Column	Description
Adjust # *	Transaction ID of the adjustment, for example, A1234567.
Product Desc *	First 20 characters of the product description.
Br	Branch at which the product is stocked.
Prc Ln	Price line to which the product belongs.
Buy Ln	Buy line to which the product belongs.
Location **	Location of the product.
UM	Unit of measure of the product.
Adjust	Adjustment quantity.
On Hand	On-hand quantity.

Column	Description
Total	Total adjusted quantity (**Adjust** + **On Hand**).
Diff %	Percentage difference between the adjustment quantity and the on hand quantity. For example: • If **Adjust** is 2 and **On Hand** is 0, the **Diff %** is 0.0%. • If **Adjust** is 5 and **On Hand** is 3, the **Diff %** is 166.7%.
Adjust $	Total dollar variance for the adjustment (Adjust $ = Cost Basis * the adjustment quantity). **Note:** Set the cost basis on the Update Physical On Hand screen.
On Hand $	Total dollar value of the on hand quantity (On Hand $ = COGS * the on hand quantity). **Note:** The system uses the COGS global basis.
Total $	Sum of **Adjust $** and **On Hand $**.
Product Id *	Eclipse Product ID for the item.

*** This data appears in Product Detail and Product Summary mode only.**

**** This data appears in Product Detail mode only.**

Inventory Adjustment Entry Overview

After cycle counts or manual physical inventory counts, use Inventory Adjustment Entry to view your inventory and make adjustments. You can create new inventory adjustment registers or edit existing entries.

You can also use Inventory Adjustment Entry to adjust inventory for the following situations:

- **You do not want to adjust inventory through an order.**

  For example, if a vendor gives you ten extra items on an order as a bonus for the month and you do not want to create a purchase order at zero dollars for these extra items, use Inventory Adjustment Entry to adjust the inventory.

  You do not want to create a purchase order because you use average costing and the zero dollar balance would affect your average cost records. Inventory adjustment allows you to adjust your inventory without affecting your monetary accounts.

- **You need to pull inventory for store-use purposes.**

  For example, you need to replace light bulbs in your showroom. You pull the light bulbs from your inventory. Use Inventory Adjustment Entry to adjust your light bulb inventory accordingly.

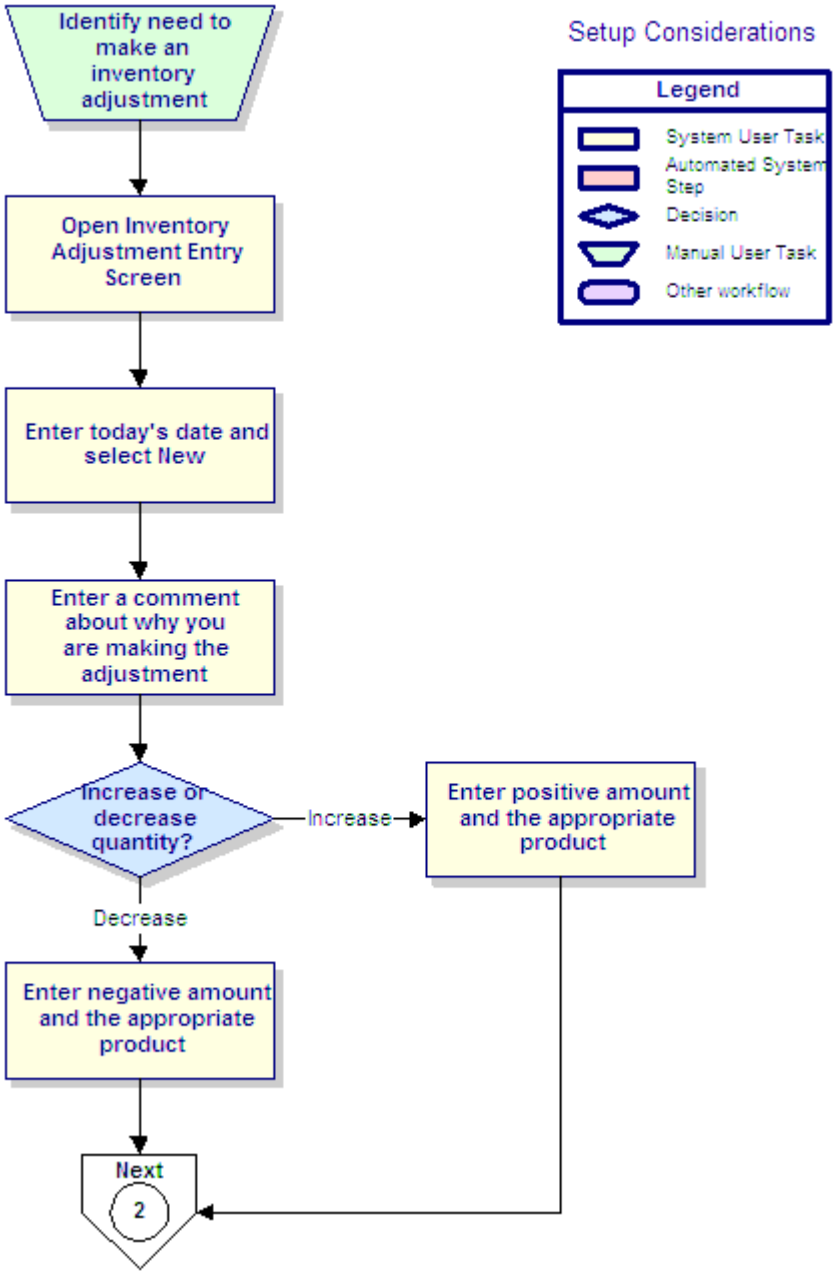
  You can post the adjustment to a store-use G/L account to track your inventory costs accordingly.

- **You damage or break inventory.**

  For example, you are picking glass panes for an order and drop one that breaks beyond repair. Use Inventory Adjustment Entry to adjust your inventory for the glass panes.

  You can then post the adjustment to a damaged-goods G/L account to track your inventory costs accordingly.

Inventory Adjustments Workflow



Making Inventory Adjustments

From the Inventory Adjustment Entry screen, you can view all adjustments made to an adjustment register in its Change Log, enter the G/L accounts the adjustment affects, view a product's history and projected need, and enter comments to accompany the adjustment.

If you set the Allow Zero Average Cost In Inventory Adjustments control maintenance to **Yes**, and an average cost basis is used as the global COGS basis, then the average cost is always used as the cost for the adjustment, even if it is zero. Use the Require Change Log Comments On Inventory Adjustments control maintenance record to write inventory adjustment changes to a log.

Note: Inventory Adjustment Entry does not allow adjustments for miscellaneous charge products or kit items. Use Product Location Maintenance to make adjustments for those items.

To make an inventory adjustment:

1. From the **Whse Mgt** menu, select **Inventory Adjustment Entry** to display the Inventory Adjustment Entry screen.
2. In the **Date** field, enter the date of the adjustment.

   The system prompts you to select from existing adjustment registers if any exist from the adjustment date or to create a new register.

   Note: If you are not assigned the correct authorization level (at least INVADJ.ALLOWED Level 1), the system displays a message indicating no open adjustments exist and that you do not have the authorization to create new adjustments.

   Note: In addition, you cannot view an adjustment date that is in a closed period.

When...	The system...
creating a new register	assigns the adjustment a number, which displays in the **Adj#** field. Your ID displays in the **User ID** field.
viewing a register	displays the adjustment number in the **Adj#** field and the user ID of the user who created the register in the **User ID** field.

   If you know the adjustment number, you can enter that number in the **Adj#** field instead of entering a date.

   Note: If you are not assigned the correct authorization level (at least INVADJ.ALLOWED Level 1), the system displays a message indicating no open adjustments exist and that you do not have the authorization to create new adjustments.

3. In the **Br #** field, enter the branch to which the product you are adjusting belongs.

4. In the **Header Comment** field, do one of the following depending on the **Validate Inventory Adjustment Header Comments** control maintenance record set up:

   - If set to **Y**, press **F10** and select a pre-set header comment. The Header comment you select drives the selection of the G/L account to which the adjustment posts. Use the **G/L Acct** hot key to change the G/L account and the subledger account.

     The accounts defined in the Valid Inventory Adjustment Comments control maintenance record determines which G/L account the system uses. If no accounts are defined in this record, the system uses the Inventory Adjustment Charges account.

   - If set to **N**, enter your own header comment, such as **Adjustment after cycle count** if you were adjusting inventory after a cycle count.

   Note: The system does not let you enter your own header comment unless the Validate Inventory Adjustment Header Comments control maintenance record is set to **N**.

5. In the **Qty/Unit** field, enter the number of items by which the inventory is off.

For...	Enter...
product adjustments that add inventory	a positive number, showing there are more products than shown in your inventory records.
product adjustments that take away inventory	a negative number. For example, enter **-5** for an adjustment showing there are five fewer products than shown in your inventory records.

6. In the **Product Description** field, enter the product whose inventory you are adjusting.

   Use the **Find PN** hot key to locate a product using a search string.

7. At the prompt stating that you are affecting inventory levels and asking if you want to continue, enter **Y** to continue.

The system populates the rest of the screen's fields. If you are making an adjustment to a lot or detail lot product, the Split Locations screen displays. Enter the lot number for which you are adjusting inventory and the quantity you are adjusting for each and press **Esc** to populate the Inventory Adjustment screen.

Field	Description
COGS Cost or COMM Cost	The cost per item that is adjusted in the G/L accounts. Use the **Cost** hot key to change the column between the COGS cost and the commission cost. If you are not assigned the COGS.VIEW authorization key, the **Cost** hot key is disabled. If the Allow Zero Average Cost In Inventory Adjustments control maintenance record is set to Yes, and an average cost basis is used as the global COGS basis, then the average cost is always used as the cost for the adjustment, even it if is zero. For detail lot products, the system selects the cost using the following hierarchy: 1. Cost recorded in the detail lot product's Inventory Adjustment Entry record. 2. If the cost in Inventory Adjustment Entry is null or zero, the average cost of the detail lot product. 3. If the average cost is null or zero, the COGS cost of the detail lot product.
T (Type)	The product location type: • **S –** Stock • **F** – Defective • **O** – Over shipment • **R** – Review • **L** – Display The system populates this information from the Product Location Maintenance screen.
Location	The primary warehouse location of the product you are adjusting if the product is not a lot or detail lot product. The system populates this information from the Product Location Maintenance screen. Enter a different location, if necessary. For lot and detail lot products, the warehouse location you entered in the Split Locations screen. **Note:** If you use Zone Maintenance, you must enter a valid location.
Ext Cost	The extended cost of the line item in whole dollars. Use the **View** hot key to change between the Standard view and the Extended Cost view. The view to which the system defaults for the screen is set in the Inventory Adjustment Default View control Maintenance record.

You can edit the information in the above fields, however, we recommend that you do not edit these fields as it affects monetary account information in the system.

8. Use the **Cmt** hot key to enter any additional comments to identify the adjustment, for example, **Vendor sent bonus items**.
9. Repeat these steps until you have adjusted all necessary product inventory.
10. Press **Esc** to put the adjustments into effect.

If the Require Change Log Comments On Inventory Adjustments control maintenance record is set to Yes or Display on Adjustment, enter a comments in the Change Log Viewing screen. The comment is added to the adjustment as a general comment.

More Options from the Inventory Adjustment Entry screen

The Inventory Adjustment Entry screen also offers these options to view addition information about the product you are adjusting.

Hot Key	Function
Fut Ledger	Displays the Future Ledger screen. Use this screen to view a product's future activity, such as if the product has been ordered for a sale that ships next week.
Hist Ledger	Displays the History Ledger screen. Use this screen to view the product's past activity, such as if the product was ordered for a sale that shipped last month.
Prd Maint	Displays the Product Maintenance screen. Use this screen to edit product information, such as price and buy line information.
Totals	Displays the Adjustment Totals screen, which contains the total cost based on the currently displayed cost for the selected register. Use this screen to view gross and net cost adjustments for the adjustment register.
Cancel	Cancels an adjustment
Chg Log	Displays the Change Log Viewing screen. Use this screen to view all inventory changes for the adjustment register.
G/L	Use to view and reselect (if necessary) the general ledger account and the subledger account that the adjustment affects, depending on how the **SubLedger Allowed** field is set for the G/L account on the G/L SubLedger Maintenance screen. If the Auto Prompt For G/L Account Detail Notes control maintenance record is set to **Yes**, the system prompts you to enter detail notes for the account and the entry when you exit the screen.
Ser #	Displays the Serial Number Entry screen. Use this screen to enter or view serial numbers for the product. If the product you are adjusting is not set up for serial numbers, the **Ser #** hot key is inactive.
View	Use to view the extended cost or standard cost for an adjustment line item. The Inventory Adjustment Default View control maintenance record determines the view to which the system defaults, Standard or Extended Cost, for the Inventory Adjustment Entry screen. The Extended Cost view displays the extended cost of the line item in whole dollars.
Cost	Use to view either the cost of goods sold (COGS) or the commission cost (COMM Cost) for an adjustment line item. If you are not assigned the COGS.VIEW authorization key, the **Cost** hot key is disabled. You cannot make changes to the cost in the COMM Cost view.

Adjusting Inventory for Store-Use Items

Store-use items are taken out of stock for internal use, customer samples, or charitable donations. Adjust your inventory to reflect any items taken out for these purposes.

To adjust inventory for a store-use item:

1. From the **Whse Mgt** menu, select **Inventory Adjustment Entry** to display the Inventory Adjustment Entry screen.
2. In the **Date** field, enter the current date and press **Enter**.
3. Select **New** to create a new adjustment.
4. In the **Br #** field, enter the branch or territory to which the product you are adjusting belongs.
5. In the **Header Comment** field, do one of the following depending on the **Validate Inventory Adjustment Header Comments** control maintenance record set up:
   - If set to **Y**, press **F10** and select a pre-set header comment. The Header comment you select drives the selection of the general ledger account to which the adjustment posts. Use the **G/L Acct** hot key to change the G/L account and subledger account to which the adjustment posts.

     The accounts defined in the Valid Inventory Adjustment Comments control maintenance record determine which G/L account the system uses. If no accounts are defined in this record, the system uses the Inventory Adjustment Charges account.
   - If set to **N**, enter your own header comment, such as **Store Use** or **Sample**.

   Note: The system does not let you enter your own header comment unless the Validate Inventory Adjustment Header Comments control maintenance record is set to **N**.
6. In the **Qty/Unit** field, enter the negative quantity for the items you are taking out of inventory.

   For example, if you are taking 10 light bulbs to use in your showroom, enter -10.
7. In the **Product Description** field, enter the product whose inventory you are adjusting.
8. At the prompt stating that you are affecting inventory levels and asking if you want to continue, enter **Y** to continue.
9. If necessary, use the **Cmt** hot key to enter a any general comments about the adjustment.
10. Use the **G/L Acct** hot key to view or change the general ledger account affected by this inventory adjustment.
11. In the **G/L Account** field, press **F10** and select the new account type for using items for store use, such as **Inventory Increase/Decrease** and press **Esc** to return to the Inventory Adjustment Entry screen.

12. Enter a detailed notation about why the item is coming out of inventory and press **Esc**.

    If the product is serialized, the Serial Number Entry screen displays.

13. Enter the serial numbers of the product or products you are taking out of inventory and press **Esc** until the Inventory Adjustment Entry screen is clear and the system saves your adjustment.

Inventory Adjustments for Laminate Products

The system allows you to purchase and sell plastic laminate products. Laminate products are priced by the square foot, but purchased and sold by sheets in various sizes. Using the Laminate Cut Maintenance features, you can define laminate products and legal cuts that your warehouse personnel can make from a sheet of laminate. As you sell cuts of laminate from your warehouse, the system modifies the size of the sheets available for sale in real time.

Use Laminate Cut Maintenance to define the cuts that you allow from a sheet of laminate. Defining allowable cuts ensures that all remnants created from cuts produce sellable stock, reducing the number of scraps of laminate that you cannot sell. Create laminate products using Product Maintenance and sell them using sales order entry. If you enter a piece of laminate on an order that is not available in stock, but a larger piece is in stock that you could use to cut the piece on the order, the system uses the larger piece and adjusts the inventory to reflect the remaining pieces.

For example, a customer requests Product A, which is a sheet of laminate 36 inches wide by 36 inches long. Product A is out of stock, but Product B is the same type of laminate in a sheet that is 36 inches wide by 72 inches long. The system allows the sales person to select the larger sheet. The system then *subtracts* the 36 by 72 sheet from inventory, *adds* two 36 by 36 sheets to inventory, and *commits* one 36 by 36 sheet to the customer order, leaving one 36 by 36 piece of laminate in inventory, available for sale.

Running the Inventory Adjustment Register Report

Use the Inventory Adjustment Register to run a report on adjustments made in Inventory Adjustment Entry.

For a description of the report, see What the Report Shows at the end of the topic.

To run the Inventory Adjustment Register Report:

1. From the **Whse Mgt > Reports** menu, select **Inventory Adjustment Register** to display the Inventory Adjustment Register screen.
2. In the **Start Date** field, enter the first date of the period to include in the report.
3. In the **End Date** field, enter the last date of the period to include in the report.

   For example, to view all inventory adjustments for December 2002, enter **12/01/02** in the **Start Date** field and **12/31/02** in the **End Date** field.
4. In the **Br/Tr/All** field, enter the branch or territory for which you want to run the report. Enter **All** to run the report for all branches and territories.
5. In the **Product** field, enter the product for which you want to run the report.

   Leave this field blank to run the report for adjustments made to all products at the indicated branch or territory.
6. In the **Comment** field, press **F10** and select a header comment for which to run the report.

   If the Validate Inventory Adjustment Header Comments control maintenance record is set to **No**, enter your own comment to include in the report, such as **Adjustment After Cycle Count**. The report includes the inventory adjustment registers that include this header comment.

   Leave this field blank to run the report for all header comments in the indicated branch or territory.

   Note: You must enter the header comment exactly as it was entered for the adjustment register, or the system will not find a match.
7. In the **Line Type** field, press **F10** and select either **Price** or **Buy** to indicate whether to run the report for a price or buy line.
   - If you select **Price** for the type, the next field defaults to **Price Line**. Enter a price line in this field or use the **Prc Line** hot key to select multiple price lines for which to run the report. Leave this field blank to run the report for all price lines at the indicated branch or territory.
   - If you select **Buy** for the type, the next field defaults to **Buy Line**. Enter a buy line in this field or use the **Buy Line** hot key to select multiple buy lines for which to run the report. Leave this field blank to run the report for all buy lines at the indicated branch or territory.

8. In the **Adj Type** field, press **F10** and select the adjustment type for which to run the report.

   Type **All** to include all the adjustment types in the report.

9. In the **Sort By** field, press **F10** and select the sorting method for the report.
10. In the **Min $ Adj** field, enter the minimum monetary adjustment amount to include in the report.

    The system excludes any adjustments with a monetary value below what you enter in this field.

    Leave this field blank to run the report for all monetary adjustment amounts at the indicated branch or territory.

11. In the **Detail/Summary** field, press **F10** and indicate if you want to create a summary or detail report.
12. Set options, if needed, and generate the report.

What the Report Shows

The Inventory Adjustment Register Report shows the following information:

Field/Column	Description
Branches	Branches for which the report was run.
For x Types By x	Adjustment type for which the report was run, and sort by method applied to the report. For example, **For All Types By Creation Date**.
Adj#	Adjustment number.
Header Comment	Header comment for the adjustment.
Writer **	Adjustment writer.
Dollars **	Dollar amount associated with the cost of the adjusted product.
Units **	Units affected by the adjustment.
Qty/UM*	The amount of product adjusted by unit of measure.
Part# *	Part number of adjusted product.
Product Description *	Product description of adjusted product.
RegCost *	Average cost of the adjustment, if set.
NetCost/UM *	Net cost by unit of measure for the adjusted product.
ExtCost *	Extended cost for the adjusted product.
Rvw Location *	Location in which the adjusted product exists.
Br / Branch Name	Branch in which adjustment was made.
AdjDate	Adjustment date.

Field/Column	Description
Subtotals *	Total weight, total load, and writer for adjustment.
Grand Totals	Total weight and total load for all reported on adjustments.

*** This data displays in detail mode only.**

**** This data displays in summary mode only.**

Index

