

# Physical Inventory System

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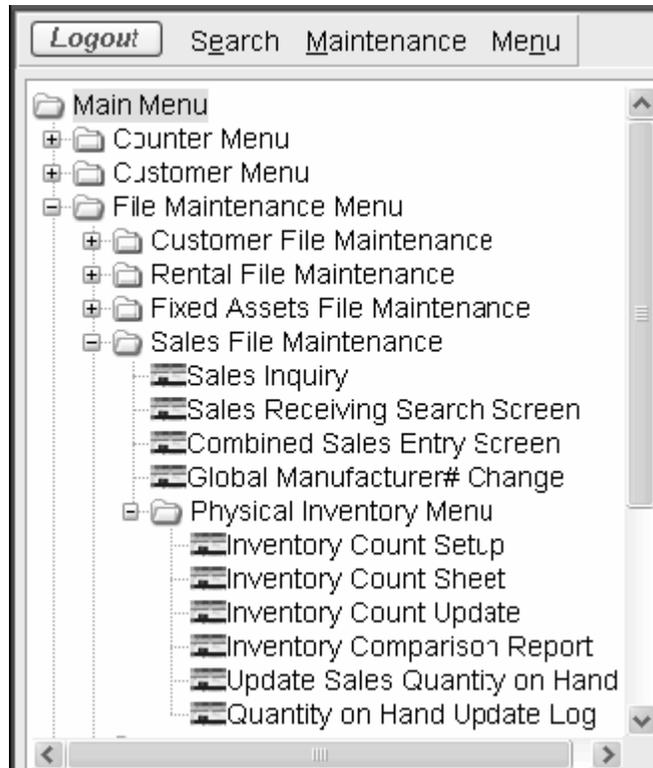
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## Overview of the Physical Inventory System

Alert EasyPro's Physical Inventory System provides a simple and straightforward way to perform a physical count of your sales inventory. A physical count of your sales inventory is compared with system totals, and system totals are then adjusted to match the actual quantities you have on-hand. When the physical inventory process is complete, a report can be printed that shows the adjustments made to your sales file.

## Physical Inventory Menu



The **Physical Inventory Menu** can be accessed by selecting it from the **Inventory** drop-down menu on the **Sales Item Search** screen, or on the main menu by expanding **File Maintenance** and **Sales File Maintenance** on the left window pane.

## Physical Inventory Procedures

Below is a list of the six steps that need to be taken when performing a physical inventory.

### Step One:

Before beginning your physical count, you must run the **Inventory Count Setup** program. This program creates a temporary file containing sales file information. (Once you have performed a physical count of your sales inventory, you will update this temporary file with new quantities.)

Because this temporary file is used each time you perform a physical inventory, you must reset this file as the first step in the **Physical Inventory** process.

WARNING: This program will delete any quantities on hand you have entered previously using the Inventory Count Update program.

### ***Using Inventory Count Setup:***

1. Upon entering the **Inventory Count Setup** program, the following message appears: “This program rebuilds the sales physical inventory file for a selected location. Existing records will be deleted.”
2. Enter the store location code for which this physical inventory is being performed and then press **ENTER**.
3. Select **Rebuild Inventory File** from the **Action** menu or click **F8Run**.
4. Click **Yes** to confirm.
5. When the setup is complete, a message “Sales Physical Inventory File rebuilt” will display at the bottom of the screen.
6. Click F10Back to exit and move on to step two.

NOTE: This process may take several minutes, depending upon how many sales records you have and the speed of your computer system.

### **Step Two:**

To ensure that all sales items are counted, a count sheet should be printed out that lists all the sales items in your sales file. A column is reserved on the sheet for you to indicate physical quantities on hand.

Select the Inventory Count Sheet from the Physical Inventory Menu.

Print an **Inventory Count Sheet**. Then count your entire sales inventory and note quantities on hand in the “Physical Count” column on the Count Sheet. You may want to only make note of the actual quantity if it is different from the system quantity on hand.

### **Step Three:**

After counting every sales item on your count sheet, you are ready to begin updating your computer system with the new values.

NOTE: This step updates a temporary file only. To update your permanent sales file with the new quantities, you must complete step five below.

Select **Inventory Count Update** from the **Physical Inventory Menu**.

#### ***Updating using the Inventory Count Update:***

1. Enter the manufacturer's catalog number for the first item you want to update and press **Enter**. (This number appears on the first column on your count sheet.)
2. Enter the store location for which you are performing the physical inventory and press **Enter**.
3. Enter the physical quantity on hand and press **Enter**.
4. If you made an error, you can press **F6Chng** and change a value in any of the above fields of information. If everything is correct, update the temporary file with this new quantity by pressing **F8Updt**.
5. Repeat this process for sales items whose physical count differs from the Alert system count.

### **Step Four:**

When you have completed entering physical counts, you can print the **Inventory Comparison Report** that shows the system-generated quantity on hand, your physical count, and any discrepancy between the two. The report also shows shortage/overage as a dollar amount (using the sales item's standard item cost).

If there is a large discrepancy, you may want to recount the sales item. Also, check to make sure the correct manufacturer's catalog number was typed in when entering your physical count in step three above. When you are satisfied with the physical count, move on to Step Five.

## **Step Five:**

When you are satisfied that the physical totals you have entered are correct, then you will be ready to update the physical quantities in the sales file.

NOTE: Quantities on Hand of sales items that were not adjusted will not be affected by this program.

### ***Updating Physical Quantities:***

1. Select **Update Sales Quantity on Hand** from the **Physical Inventory** menu.
2. The following message appears: “This program rebuilds the sales quantity on hand file for a selected location based on the physical inventory database.”
3. Enter the store location code for which you are performing the physical inventory and press **Enter**.
4. Type in your operator initials and press **Enter**.
5. Click **F8Run** to begin the update process.
6. Click **Yes** to confirm the update.
7. A message will display notifying you that the update is complete. Click **OK** to clear the screen.

## **Step Six:**

Print the **Quantity on Hand Update Log**. This report provides a summary of the physical inventory you just performed, including the previous quantity and new quantity for each sales item, discrepancy (if any), and total dollar amount of the discrepancy.





