

Standard Operating Procedures Manual

KELLY PAPER OPERATIONS

Physical Inventory Procedures

Kelly Paper
A Division of Members of
Central National-Gottesman Inc.
288 Brea Canyon Road
City of Industry, CA 91789
Phone 909.859.8200 • www.kellypaper.com

Table of Contents

OVERVIEW	2
PHYSICAL INVENTORY PREPARATION.....	3
TWO WEEKS BEFORE INVENTORY	3
CONTENTS BY LOCATION REPORT	4
ENTERING OVERRIDE WAREHOUSE AND POS LOCATION.....	8
WEEK OF INVENTORY	14
DAY BEFORE INVENTORY	15
INVENTORY	20
DAY OF INVENTORY.....	20
PRINTING INVENTORY COUNT SHEETS.....	21
INVENTORY CONTROL SHEET INSTRUCTIONS.....	28
COUNTING.....	30
ENTERING COUNT SHEETS	31
COUNT SHEET STATUS REPORT	48
VARIANCE REPORT.....	51
2 ND AND ALL OTHER VARIANCE REPORTS	57
CHANGING AN INVENTORY COUNT SHEET	63
UPDATE INVENTORY COUNT (POST).....	73
DAY AFTER INVENTORY	79
PHYSICAL INVENTORY CHECK LIST	80
PHYSICAL INVENTORY AUDITOR PROCEDURE	82

Section
1

OVERVIEW

All merchandise that you physically have on your floor must be counted except for product labeled with a **F4** label (**F4** product is product that is *not* in your inventory and you are not going to count, such as obsolete or damaged items).

The only merchandise that you are allowed to count that you do not physically have on your floor, is merchandise that you have a put-a-way list for such as:

- Two day transfers
- APO or Must Have orders on the distribution center dock

Counting merchandise you do not physically have on your floor, apart from the exceptions above is in violation of company policy and is subject to disciplinary action, up to and including termination (Refer to the Transaction and Asset Management Policy, section IV, D on page 15).

If you have an item that you feel should be counted and researched after inventory, contact your District Manager for authorization.

The steps to the physical inventory process are as follows:

1. Prep
2. Counting
3. Entering Count Sheets
4. Researching Variances during inventory and if needed after inventory
5. Post physical inventory counts

Section

2

PHYSICAL INVENTORY PREPARATION

TWO WEEKS BEFORE INVENTORY

Do the following:

1. Petty cash:
 - a) Verify that you have enough money for any supplies, inventory lunch and dinner.
 - b) At this time submit a voucher if needed, this will be enough time to get a check back on time.
2. Verify all your bin locations are correct. To verify your bin locations do the following:
 - a) Print contents by location report.
 - b) Walk your floor checking each bin against your contents by location report verify correct bin location and or product on shelf.
 - If your report doesn't match your actual product in the bin, you must verify correct bin (check override bin locations) and move the product (system) into the correct bin.
 - c) Check the bargain area by doing the following:
 - Separate product labeled **F4** from product that is to be counted (F4 product is product that is **not** in your inventory and you are not going to count).
 - Make sure a bin location is listed for all product to be counted
3. A second person should then walk the floor with a new contents by location report to double check the accuracy.

CONTENTS BY LOCATION REPORT

To print contents by location report, do the following:

```
COMMAND          Infor Distribution A+ - Main Menu
                  Menu: APLUS

1. Order Entry           16. Radio Frequency
2. Inventory Accounting  17. Point of Sale
3. Accounts Receivable  18. Value Added Services
4. Sales Analysis       19. ebusiness & Communication
5. Bill Of Material     20. Bid & Quote
6. Purchasing           22. Workflow Management
7. Price Maintenance    23. Consignment
8. Inventory Mgmt & Planning 26. Electronic Payments
9. General Ledger       27. Rebates
10. Accounts Payable    28. Demand Planning
11. Warehouse Management 29. Extension Solution
15. International Currency 30. Advanced Inventory Management
                        31. CPD Menu
40. File Maintenance Menu 32. CommissionLink Menu
41. Cross Application - Mst Menu 33. Converting
42. Master Menus        98. Follow me

(c) 1992-2012 Infor

Ready for option number or command
==> 11

-----
MÁ | D                                     22/009
```

From the A+ main menu:

11

[Enter]

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

```
COMMAND                               Warehouse Management - Main Menu
                                      Menu: WMMAIN

                                      1. Warehouse Management
                                      2. Confirm Box Shipments
                                      3. Box Maintenance

INQUIRIES/MISCELLANEOUS              PRINTING/MAINTENANCE

  9. Return to Vendor Additions        20. Receiving List
 11. Lot/Serial/C00 Inquiry            21. Put-Away Labels
 12. Item Inquiry                      22. Shipping Labels
 13. Physical Inventory Menu           23. Report Menu
                                       24. File Maintenance
                                       25. Radio Frequency

 15. Suggested Move Report             99. Custom Menu
 16. Move Maintenance                  (c) 1992-2012 Infor
 17. Move Post
 18. Move Queue Maintenance

Ready for option number or command
===> 23

-----
MÁ  D                                     22/009
```

From the warehouse management main menu, do the following:

23

[Enter]

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

```
COMMAND                               Warehouse Management - Report Menu
                                       Menu: WMREPT

                                       1. Warehouse Contents by Location
                                       2. Warehouse Location Audit
                                       3. Warehouse Planning Report
                                       4. Warehouse Utilization Report
                                       5. Unshipped Box Report
                                       6. Location Movement History Report

                                       10. Location Labels
                                       11. Item Labels

                                       (c) 1992-2004 Infor

Ready for option number or command
===> 1

MÁ D                                     22/008
```

From the warehouse management reports menu, do the following:

1

[Enter]

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

W/M WAREHOUSE CONTENTS BY LOCATION

Selection

Warehouse? 20 to?

Location: ROW.SC.LV.P to ROW.SC.LV.P

Item:

Lot/Serial:

Exp Date:

Show Notes: N (Y/N)

Print Mfg Number: N (Y/N)

Print Quantity: Y (Y or N for Pre-count Report)

Convert to PDF: Y (Y/N) Convert to EXCEL: N (Y/N)

F3=Cancel

M&A D 06/034

From the W/M warehouse contents by location screen, do the following:

Warehouse? **Enter your warehouse number**

Location: **Enter bin location range or leave blank for entire store**

Convert to PDF: Y/N

Convert to PDF: Y/N

Note: Select the format for the report.

[Enter]

The report will be emailed to the user email address. Open the report to print.

ENTERING OVERRIDE WAREHOUSE AND POS LOCATION

To change or add Override bin locations for an item, do the following:

```
COMMAND                      Infor Distribution A+ - Main Menu
                              Menu: APLUS

    1. Order Entry              16. Radio Frequency
    2. Inventory Accounting     17. Point of Sale
    3. Accounts Receivable      18. Value Added Services
    4. Sales Analysis           19. ebusiness & Communication
    5. Bill Of Material         20. Bid & Quote
    6. Purchasing               22. Workflow Management
    7. Price Maintenance       23. Consignment
    8. Inventory Mgmt & Planning 26. Electronic Payments
    9. General Ledger           27. Rebates
   10. Accounts Payable         28. Demand Planning
   11. Warehouse Management     29. Extension Solution
   15. International Currency   30. Advanced Inventory Management
                                31. CPD Menu
   40. File Maintenance Menu    32. CommissionLink Menu
   41. Cross Application - Mst Menu 33. Converting
   42. Master Menus             98. Follow me

                                (c) 1992-2012 Infor

Ready for option number or command
==> 11
```

```
MÁ  D                      MW                      22/009
```

From the A+ main menu, do the following:

11

[Enter]

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

```
COMMAND                               Warehouse Management - Main Menu
                                       Menu: WMMAIN

                                       1. Warehouse Management
                                       2. Confirm Box Shipments
                                       3. Box Maintenance

INQUIRIES/MISCELLANEOUS              PRINTING/MAINTENANCE

  9. Return to Vendor Additions        20. Receiving List
11. Lot/Serial/COO Inquiry             21. Put-Away Labels
12. Item Inquiry                       22. Shipping Labels
13. Physical Inventory Menu

15. Suggested Move Report              23. Report Menu
16. Move Maintenance                  24. File Maintenance
17. Move Post                          25. Radio Frequency
18. Move Queue Maintenance             99. Custom Menu
                                       (c) 1992-2012 Infor

Ready for option number or command
===> 99
_____
_____
MA  D                               MW                               22/009
```

From the Warehouse Management Main Menu, do the following:

99

[Enter]

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

```
WMZP           Warehouse Management - Custom Menu - Processing
                WMZP Menu

Select one of the following:

1. Warehouse Management
2. Warehouse Visibility
3. Manifest/Carrier Process
4. Open Orders Inquiry
5. Order Inquiry by PO

6. Picking Confirmation
7. Ship Confirm Multiple Orders
8. Shipping Confirmation
9. Delivery Confirmation
10.Roadshow - Export Customers
11.Roadshow - Export Orders
12.Roadshow - Export Cust/Order
13.Roadshow - Import Orders
14.Roadshow - Import Manifest

15.Update Ship to information
16.RGA Slips
17.Pick list
18.Lot Serial Inquiry
19.Item Inquiry
20.Cutting Confirmation
21.Web Roll List

24.Order Label on Demand
25.WebDocs Barcode Labels

96. Inquiry
97. Report
98. Maintenance

Selection or command
==> 98_

-----
MA  D           MW           22/009
```

From the Warehouse Management Custom Menu:

98

[Enter]

```
WMZM           Warehouse Management - Custom Menu - Maintenance
                    WMZM Menu
Select one of the following:

1.  WH Transfer Freight Rates
2.  Override Bin Locations
3.
4.

94. Setup Customs Options
95. Processing
96. Inquiry
97. Report

Selection or command
===> 2

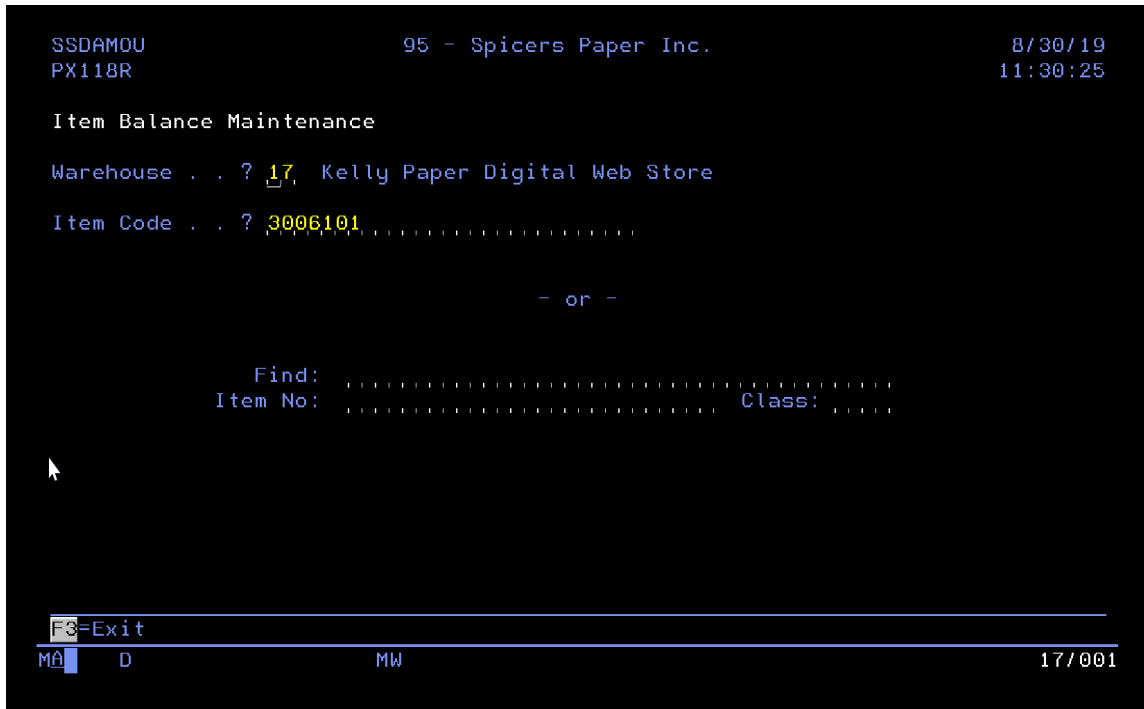
MA  D           MW           19/013
```

From the Warehouse Management – Custom Menu – Maintenance screen:

2

[Enter]

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES



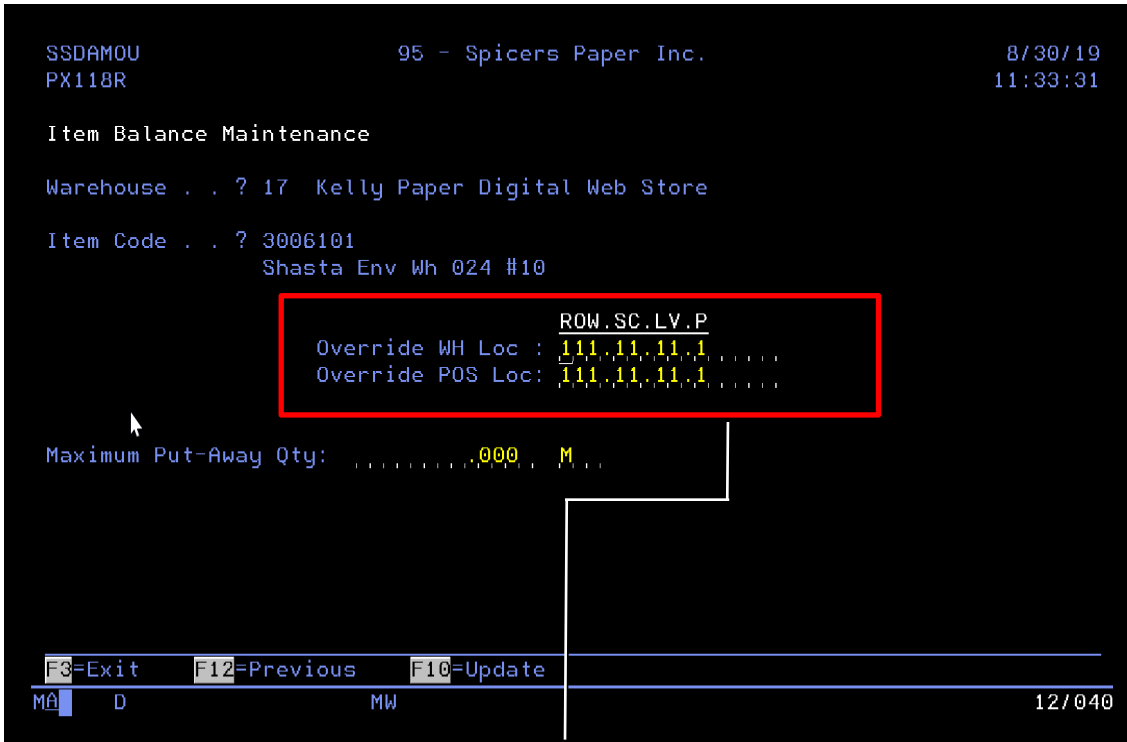
From the item balance maintenance screen, do the following:

Warehouse: **Verify warehouse is correct**

Item Code: **Enter Product Code**

[Enter]

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES



From the item/inventory balance master file maintenance screen, do the following:

Override WH Loc: Enter **Override Warehouse location**

Override POS Loc: Enter **Override POS location**

[F10]

Note: the override warehouse and override POS locations must be the same.

WEEK OF INVENTORY

Do the following:

1. Print location audit report
 - a. Manage your negatives by bin (daily task)
2. Print contents by location report for your 1's
 - a. Manage your 1's (weekly task)
3. All excess inventories in the back of the store needs to be separated into 2 areas. First area is non-stock items for your store (1's) and second area is for stock items in your store.
 - a. All inventory in 1's will be counted on a count sheet
 - b. All inventory stock items in your store will be counted on an inventory count tag and will be tagged on the shelf
4. Employees should be looking for product in the wrong bin, taping open packages, filling sample bins and IA adjusting out any samples, damaged stock and usage.
5. Make sure you have toner cartridges for your printer.

DAY BEFORE INVENTORY

Do the following:

1. Make sure all supplies are ready e.g. pencils, toner cartridges, two-part inventory count tags, single pre-inventory count tags, clipboards, etc.
2. Dispute form must be sent to the distribution centers before 10 am. Failure to have dispute form sent before 10am will result in the issue(s) not being resolved.
3. All orders will be placed in the usual manner. The Distribution Centers will invoice all company 91 delivery orders in status 3 (shipped confirmed) for all stores with Monday's date. Make sure all company 99 transfer orders are shipped confirmed (status 3) before you go home.
4. Make sure all store direct PO's are received.
5. Put away old must have and will call orders.
6. Print and manage warehouse location audit report.
7. After closing pre-count graphics and retail area using contents by location report for the bin locations being pre-counted.
 - a. You may also use the inventory count book
 - i. You must cancel the count book after printing
 - b. If you are using the contents by location report to pre-count, you must use the report with no quantities option. **Failure to follow this procedure will be considered, not doing a blind count and will result in you having to do another full physical inventory.** To print the contents by location report without the quantities, do the following:

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

```
COMMAND          Infor Distribution A+ - Main Menu
                  Menu: APLUS

    1. Order Entry          16. Radio Frequency
    2. Inventory Accounting 17. Point of Sale
    3. Accounts Receivable  18. Value Added Services
    4. Sales Analysis       19. ebusiness & Communication
    5. Bill Of Material     20. Bid & Quote
    6. Purchasing          22. Workflow Management
    7. Price Maintenance   23. Consignment
    8. Inventory Mgmt & Planning 26. Electronic Payments
    9. General Ledger       27. Rebates
   10. Accounts Payable    28. Demand Planning
   11. Warehouse Management 29. Extension Solution
   15. International Currency 30. Advanced Inventory Management
                                31. CPD Menu
   40. File Maintenance Menu 32. CommissionLink Menu
   41. Cross Application - Mst Menu 33. Converting
   42. Master Menus        98. Follow me

                                (c) 1992-2012 Infor

Ready for option number or command
==> 11
-----
MÁ  D                                     22/009
```

From the A+ main menu, do the following:

11

[Enter]

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

```
COMMAND                               Warehouse Management - Main Menu
                                      Menu: WMMAIN

                                      1. Warehouse Management
                                      2. Confirm Box Shipments
                                      3. Box Maintenance

INQUIRIES/MISCELLANEOUS              PRINTING/MAINTENANCE

  9. Return to Vendor Additions        20. Receiving List
11. Lot/Serial/COO Inquiry             21. Put-Away Labels
12. Item Inquiry                       22. Shipping Labels
13. Physical Inventory Menu

15. Suggested Move Report              23. Report Menu
16. Move Maintenance                   24. File Maintenance
17. Move Post                           25. Radio Frequency
18. Move Queue Maintenance             99. Custom Menu
                                      (c) 1992-2012 Infor

Ready for option number or command
===> 23

-----
MA  D                                     22/009
```

From the warehouse management main menu, do the following:

23

[Enter]

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

```
COMMAND      Warehouse Management - Report Menu
              Menu: WMREPT

              1. Warehouse Contents by Location
              2. Warehouse Location Audit
              3. Warehouse Planning Report
              4. Warehouse Utilization Report
              5. Unshipped Box Report
              6. Location Movement History Report

              10. Location Labels
              11. Item Labels

              (c) 1992-2004 Infor

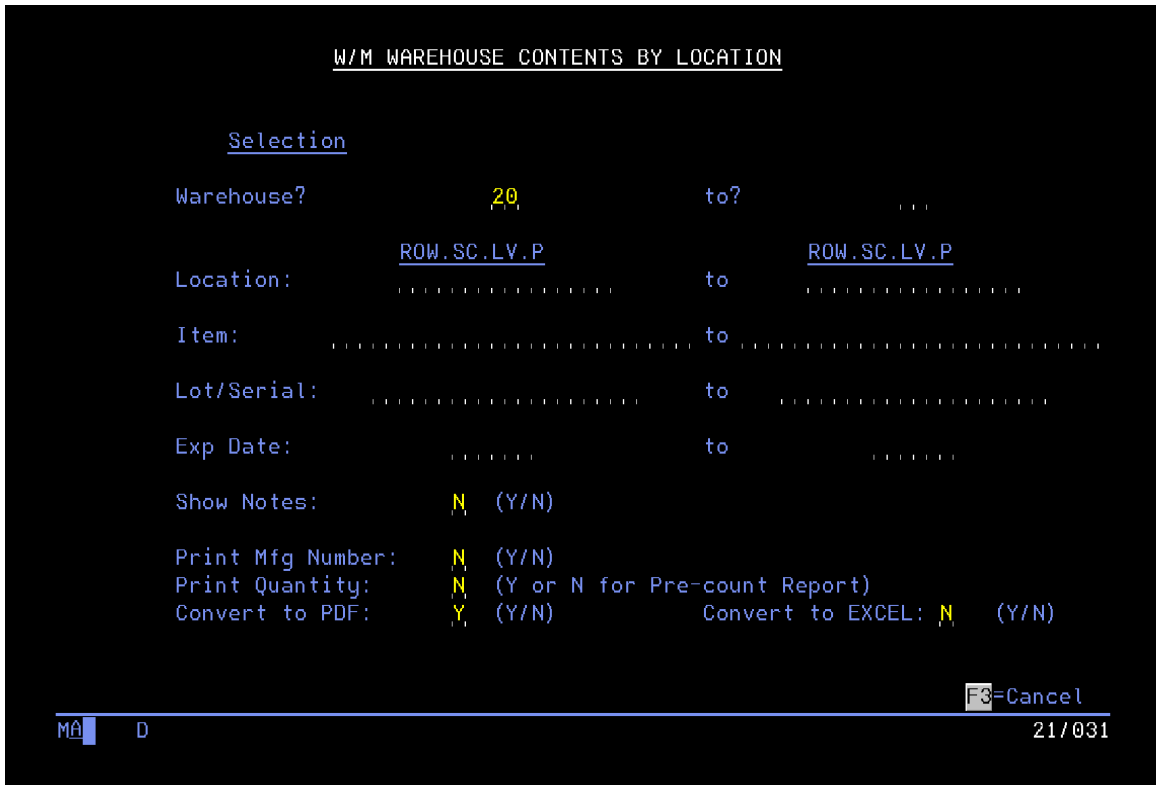
Ready for option number or command
===> 1

MÁ  D 17/006
```

From the warehouse management reports menu, do the following:

1

[Enter]



From the W/M warehouse contents by location screen, do the following:

Warehouse? **Enter your warehouse number**

Location: **leave blank for entire store**

Print Quantity: **N**

Convert to PDF: **Y/N**

Convert to PDF: **Y/N**

Note: Select the format for the report.

[Enter]

The report will be emailed to the user email address. Open the report to print.

Section

3

INVENTORY

DAY OF INVENTORY

Do the following:

1. Do not make any IA adjustments. Do not create any Dispute PO's. The physical counts will correct any errors for that day.
2. Do not check in stock replenishment. Put the stock away on Saturday before you begin counting. If there is a contents report, or inventory count tag attached to this item, add additional inventory to the count on the inventory count tag or contents report.
3. Any two-day transfers must be counted by the receiving Store. (Paperwork in top audit tray) Make copy of paperwork or write up on inventory count tag and attach to bin to be count.
4. All P.O. Receivers must be completed before 8:30 a.m., this is only for product you have received and have either sold or are going to count. Vendor Purchase Orders that you have not received will remain open.
5. All company 1 and 99 open orders must be completed (Status 4) before 8:30 am.
6. Print contents by location report for bin location 55.55.55.55, 66.66.66.66, 77.77.77.77, 88.88.88.88 and 99.99.99.99. If you have any inventory in your 5's, 6's, 7's, 8's or 9's, you must move inventory from those bins to your override bin location.
7. Print your count sheets as soon as the above is done.
8. Create your inventory control sheet once count sheets have printed

PRINTING INVENTORY COUNT SHEETS

To print inventory count sheets, do the following:

```
COMMAND                               Infor Distribution A+ - Main Menu
                                      Menu: APLUS

1. Order Entry                        16. Radio Frequency
2. Inventory Accounting                17. Point of Sale
3. Accounts Receivable                 18. Value Added Services
4. Sales Analysis                      19. ebusiness & Communication
5. Bill Of Material                   20. Bid & Quote
6. Purchasing                          22. Workflow Management
7. Price Maintenance                  23. Consignment
8. Inventory Mgmt & Planning           26. Electronic Payments
9. General Ledger                     27. Rebates
10. Accounts Payable                  28. Demand Planning
11. Warehouse Management              29. Extension Solution
15. International Currency             30. Advanced Inventory Management
                                      31. CPD Menu
40. File Maintenance Menu             32. CommissionLink Menu
41. Cross Application - Mst Menu       33. Converting
42. Master Menus                      98. Follow me

                                      (c) 1992-2012 Infor

Ready for option number or command
==> 11
_____
_____
MR  D                               MW                               22/009
```

From the A+ main menu, do the following:

11

[Enter]

```
COMMAND                               Warehouse Management - Main Menu
                                      Menu: WMMAIN

                                      1. Warehouse Management
                                      2. Confirm Box Shipments
                                      3. Box Maintenance

INQUIRIES/MISCELLANEOUS              PRINTING/MAINTENANCE

  9. Return to Vendor Additions        20. Receiving List
 11. Lot/Serial/COO Inquiry            21. Put-Away Labels
 12. Item Inquiry                      22. Shipping Labels
 13. Physical Inventory Menu

 15. Suggested Move Report             23. Report Menu
 16. Move Maintenance                 24. File Maintenance
 17. Move Post                         25. Radio Frequency
 18. Move Queue Maintenance           99. Custom Menu
                                      (c) 1992-2012 Infor

Ready for option number or command
==> 13

-----
MA  D                               MW                               22/009
```

From the warehouse management main menu, do the following:

13

[Enter]

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

```
COMMAND          Warehouse Management - Physical Inventory
                  Menu: WMPHYS

PROCESSING          REPORTS

1.Print Count Sheets      4.Count Sheet Status Report
2.Print Additional Count Sheets  5.Item Variance Report by $ Amount
3.Enter/Change Inventory Counts  9.Physical Inventory Valuation Rep.
6.Update Inventory Counts      12.Item Variance report by Quantity
7.Cancel Count Sheets         13.Custom Variance report
8.Refreeze Physical Inventory Counts

10.Count Verification Sheets
11.Cycle Count Scheduler

(c) 1992-2004 Infor

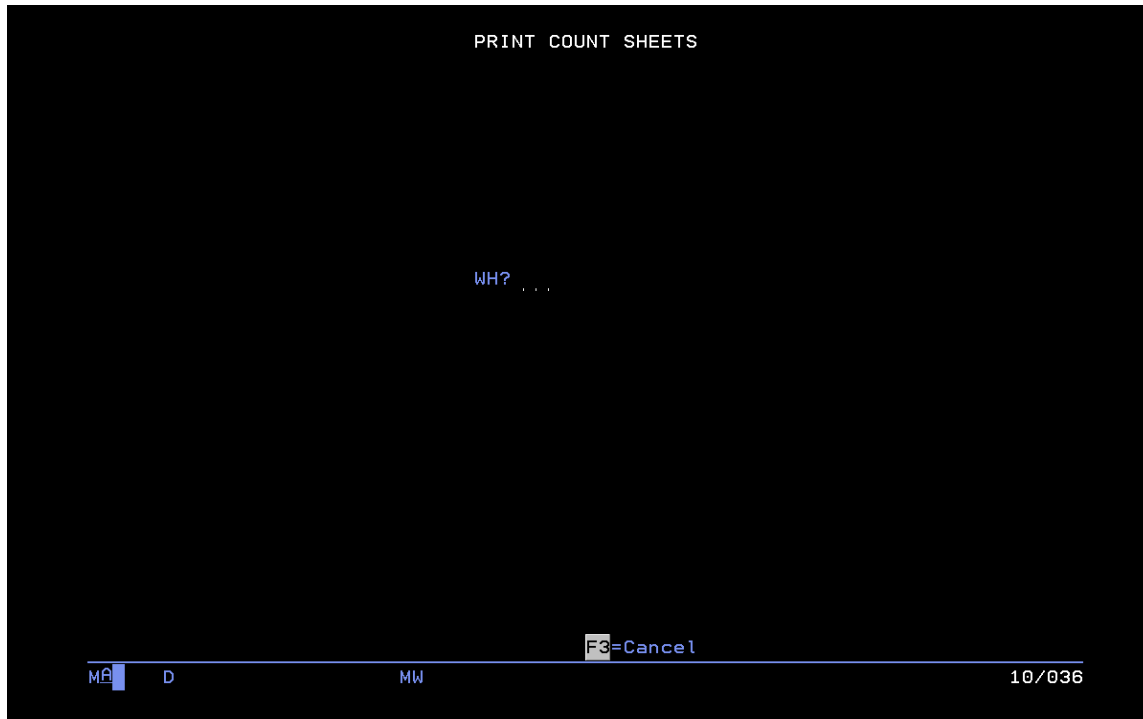
Ready for option number or command
==> 1

MA  D          MW          22/008
```

From the warehouse management physical inventory menu, do the following:

1

[Enter]



From the print count sheets screen, do the following:

WH: Key in your two-digit Location

[Enter]

```

          PRINT COUNT SHEETS
    WH: 11 Kelly Spicers Ventura

          ROW.SC.LV.P          ROW.SC.LV.P
ALL LOCATIONS: Y (Y/N)          to         

Item Cycle Count Code?      to?      Location Code:      to
Physical Inventory Code?    to?      Select Items:      N (Y/N)
Page Break Segment No:      1      ROW.SC.LV.P
Count All Items in a Loc:    Y      (Y/N)

Print Current Loc Contents:  Y      (Y/N)
Print Current Serials:      N      (Y/N)
Print Current Lots:         N      (Y/N)
Print Current COOs:         N      (Y/N)
No. of Blank Lines/Loc:     1      (1-99)
Number of U/M's:            1      (1-3)
No. of Blank Ser Lines/Item: 1      (1-99)
No. of Blank Lot Lines/Item: 1      (1-99)
No. of Blank COO Lines/Item: 1      (1-99)

No. of Immediate Counts:

          F3=Cancel
    MA  A          MW          22/053
    
```

From the print count sheets screen, do the following:

- All Locations: **Y**
 - ROW.SC.LV.P: **Leave Blank**
 - Item Cycle Count Code: **Leave Blank**
 - Location Code: **Leave Blank**
 - Physical Inventory Code: **Leave Blank**
 - Select Items: **N**
 - Page Break Segment No: **1**
 - Count All Items in a Loc: **Y**
 - Print Current Loc Contents: **Y**
 - Print Current Serials: **N**
 - Print Current Lots: **N**
 - Print Current COOs: **N**
 - No. of Blank Lines/Loc: **1**
 - Number of U/M's: **1**
 - No. of Blank Ser Lines/Item: **1**
 - No. of Blank Lot Lines/Item: **1**
 - No. of Blank COO Lines/Item: **1**
 - No. of Immediate Counts: **Leave Blank**
- [Enter]**

```
REPORT OPTIONS

Print Report:  Y      (Y/N)
Export Report: N      (Y/N)
Email Report:  N      (Y/N)
Submit to Batch: Y    (Y/N)

Hold print:    N      (Y/N)
Output Queue:  PRT_0202
Forms type:    ..... (Blank = Default)
Number of Copies: 001

M8 D MW F3=Cancel 16/052
```

From the report options screen, do the following:
Make sure printer output queue is correct —
[Enter]

Inventory Count Sheet:

COUNT SHEET	WH: 17	Sheet: 1	Page: 1
##### 111.11.11.1 New Stock Items -PLM #####			
ITEM: 22531	1302789		
Astrobrights Txt Solar Yellow	060 11.8M 8.5 X11		
Lot/Qtys:	_____ CS _____ M	888888/CS	_____ M
		888888/CS	_____ M
ITEM: 1920	1500102		
Kelly Copy 98B Acid Free	020 10M 8.5 X11		
Lot/Qtys:	_____ CS _____ M	888888/CS	_____ M
		888888/CS	_____ M
ITEM: 04631	2002336		
Cl Crest Wrt Solar Wh	024 12M 8.5 X11		
Lot/Qtys:	_____ CS _____ M	888888/CS	_____ M
		888888/CS	_____ M
ITEM: 05231	2002512		
Cl Linen Wrt Avon Wh	024 12M 8.5 X11		
Lot/Qtys:	_____ CS _____ M	888888/CS	_____ M
		888888/CS	_____ M
ITEM: 5890	2500056		
Superior Reverse C/W	2pt 13M 8-1/2 X14 30/plt		
Lot/Qtys:	_____ CS _____ M	888888/CS	_____ M
		888888/CS	_____ M
ITEM: 6597700	3005502		
Cl Linen Env Avon Wh	024 #10		
Lot/Qtys:	_____ CS _____ M	888888/CS	_____ M
		888888/CS	_____ M
ITEM: 99999	3006101		
Shasta Env Wh	024 #10		
Lot/Qtys:	_____ CS _____ M	888888/CS	_____ M
		888888/CS	_____ M
	ITM: _____		
	QTY/UM: _____		_____

INVENTORY CONTROL SHEET INSTRUCTIONS

The Inventory Control Sheet is to be used when doing a physical Inventory

Using this sheet will eliminate situations of missing and/or not entering your Physical Inventory Count Sheets. You **must** use this "**control sheet**" to maintain accurate control of **all** your Count Sheets.

The Control Sheet should be prepared prior to beginning any counting, as indicated in the headers of the "Control Sheets". The following list (and explanations) of columns will apply:

<u>SHEET #:</u>	List each sheet to be counted
<u>PAGE #:</u>	This is the page number on the count sheet(s). Put the starting page number and the ending page number. As an example, Sheet 1 may contain more than one page and you would write in the numbers (i.e., 1-40 which would show that pages 1 through 40 are assigned to Sheet 1) Understand that this is just an example and may not correspond with your store.
<u>COUNTED BY:</u>	This will be the person's name assigned to count the sheet.
<u>OUT:</u>	Enter the time when the count sheets are sent out to be counted.
<u>IN:</u>	Enter the time when the count sheets are completed and the sheets have been turned back in.
<u>ENTERED:</u>	Check this column after entering the recorded counts from the count sheets into A+. This will keep you updated as to what has or has not been entered.

INVENTORY CONTROL SHEET

Sheet #	PAGE #	Counted by	OUT	IN	ENTERED
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				
	-				

COUNTING

Counting of the inventory will be done individually, or in teams. ***Do Not Enter Any Count Sheets into A+ before receiving authorization from Loss Prevention.***

Do the following:

1. All items will be counted in the unit of measure printed on the Inventory Count Sheets. Be sure the inventory is counted in proper quantities for all items. Record actual count from back stock, dock area, will call or surplus area on two-part inventory count tags. Place the top copy of the inventory count tag in the bin to be counted, leave the second copy with the product you have counted.
2. Make sure all employees take their time and count accurately, not fast. The goal is **ACCURACY**, not speed or how fast you can get done.
3. Record actual count from the bin and add any inventory count tags to your count and record on the count sheet. Counts will be done in pencil.
4. Mark each bin location with a colored post-it note as they are counted; it is not necessary to mark each SKU item.
5. Count the perimeter into the aisles (***no count sheets are to be handed out before the entire perimeter is counted and pink tags put in bins***):
 - a. Once perimeter is counted and ***pink inventory count tags*** are attached to each bin where product is on the count sheet, walk entire perimeter making sure everything that is not in the primary bin has a ***gold inventory count tag*** attached. (This must be done before anyone starts writing on count sheets)
 - b. Once all aisles are counted, walk entire perimeter and aisles making sure either a gold inventory count tag or a colored post-it note is on the each bin. (This must be done before you run your 1st variance)

Note: No one is allowed to work over 12 hours without approval from your District Manager.

ENTERING COUNT SHEETS

You will be entering the physical inventory counts from the count sheets into A-Plus.

To enter count sheets, do the following:

```
COMMAND          Warehouse Management - Physical Inventory
                  Menu: WMPHYS

PROCESSING              REPORTS

1.Print Count Sheets   4.Count Sheet Status Report
2.Print Additional Count Sheets
3.Enter/Change Inventory Counts
6.Update Inventory Counts
7.Cancel Count Sheets
8.Refreeze Physical Inventory Counts

10.Count Verification Sheets
11.Cycle Count Scheduler

                    (c) 1992-2004 Infor

Ready for option number or command
==> 3
_____
_____
ME D                                     22/008
```

From the warehouse management physical inventory menu, do the following:

3

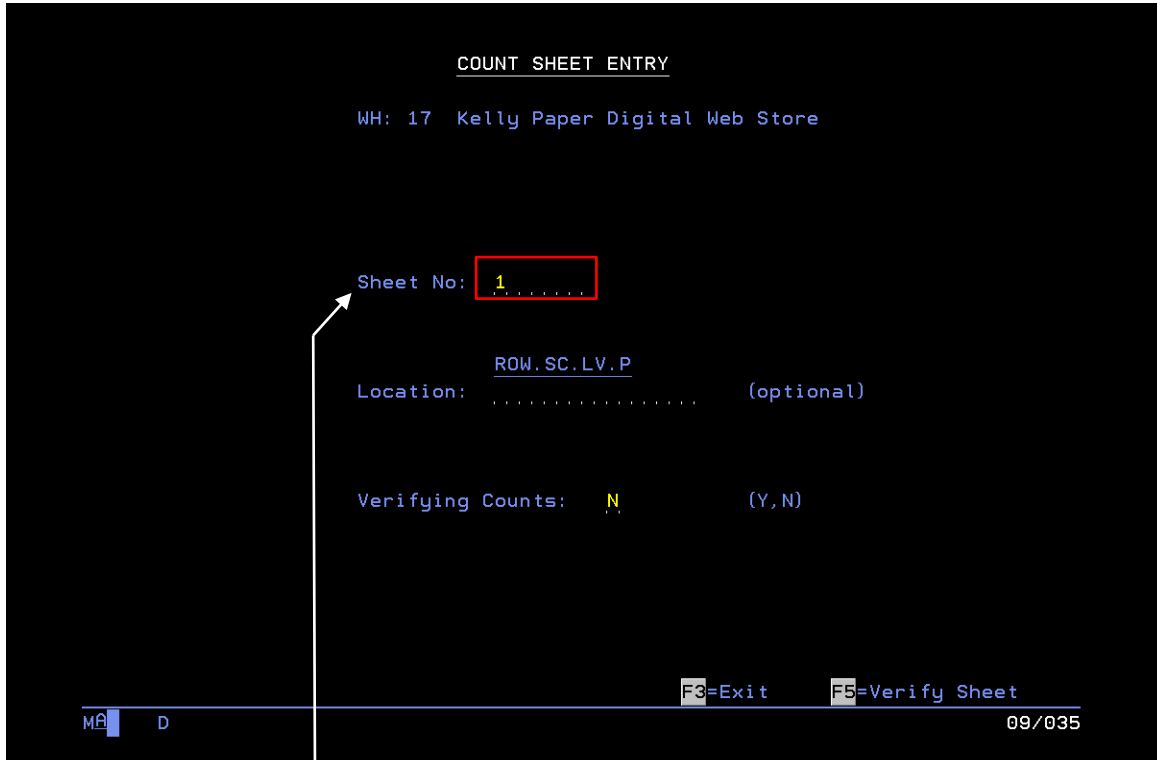
[Enter]



From the count sheet entry screen, do the following:

WH: Key in your Two-Digit Location

[Enter]



From the count sheet entry screen, do the following:

Sheet No: **Key in the Sheet Number** off of count sheet to be entered

[Enter]

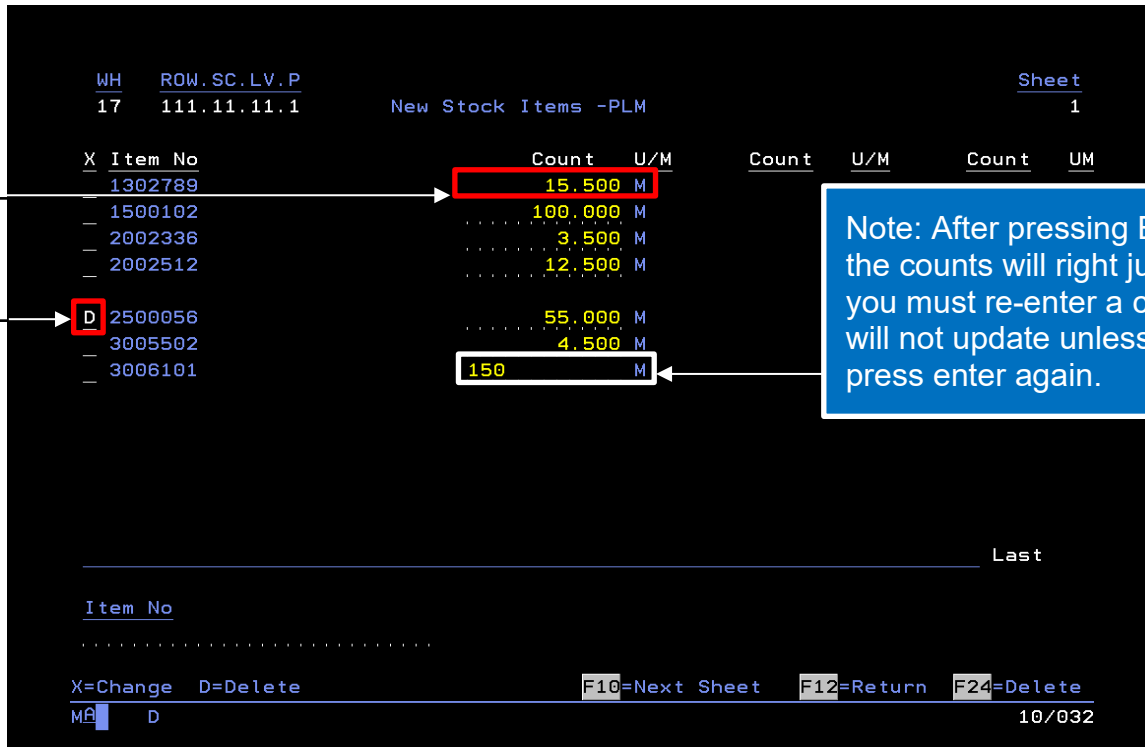
PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES



From the location selection screen, do the following:

Sel: **Key in the selection number next to bin you are entering.**

[Enter]



From the bin location count entry screen, do the following:

To enter quantities for a bin.

Do the following:

Enter **quantity** in the Count Field

[Enter]

To enter zero counts for a bin.

Do the following:

Enter **D** next to all part number(s) for all zeros

F-24

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

WH	ROW	SC	LV	P	Sheet				
17	111	11	11	1	1				
New Stock Items -PLM									
X	Item No	Count	U/M	Count	U/M	Count	UM		
-	1105734	1,000	M						
-	1303031	4,000	M						
-	1500681	5,000	M						
-	2005448	1,000	M						
-	2500173	20,000	M						
-	3002578	4,000	M						
-	3006101	1,000	M						
-	3502591	2,000	PKG						
-	7502136	2,000	DR						
-	7503272	1,000	BOX						
-	7506174	1,000	PKG						
Last									
Item No									
1500102 ←									
X=Change		D=Delete		F10=Next Sheet		F12=Return		F24=Delete	
M0		A						22/009	

To add an item that was handwritten on count sheet

Do the following:

Item Number: Enter **part number** underneath Item No field

[Enter]

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

WH	ROW	SC	LV	P	New Stock Items -PLM		Sheet
17	111	11	11	1			1
X	Item No	Count	U/M	Count	U/M	Count	UM
-	1105734	1.000	M				
-	1303031	4.000	M				
-	1500681	5.000	M				
-	2005448	1.000	M				
-	2500173	20.000	M				
-	3002578	4.000	M				
-	3006101	1.000	M				
-	3502591	2.000	PKG				
-	7502136	2.000	DR				
-	7503272	1.000	BOX				
-	7506174	1.000	PKG				
							Last
<u>Item No</u>		<u>Count</u>		<u>um1</u>			
1500102		180		M			
Kelly Copy 98B Acid Free							
020 10M 8.5 X11							
							F12=Return
M1 A							22/034

Enter your count

[Enter]

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

INVENTORY RECOUNTS WH: 17 Item: 1500102 Kelly Copy 98B
Loc: 111.11.11.1 New Stock Items -PLM LOT

<u>Lot No.</u>	<u>Case Qty</u>	<u>Qty (CS)</u>	<u>Qty (M)</u>	<u>Expires</u>
----------------	-----------------	------------------	-----------------	----------------

..... Last

<u>Sl</u>	<u>Lot No.</u>	<u>Case Qty</u>	<u>Qty (CS)</u>	<u>Qty (M)</u>	<u>Exp</u>
		5.000		.180	

..... Lot Aging Date:

F4=Age Date F5=Current Loc F12=Return

M A 22/059

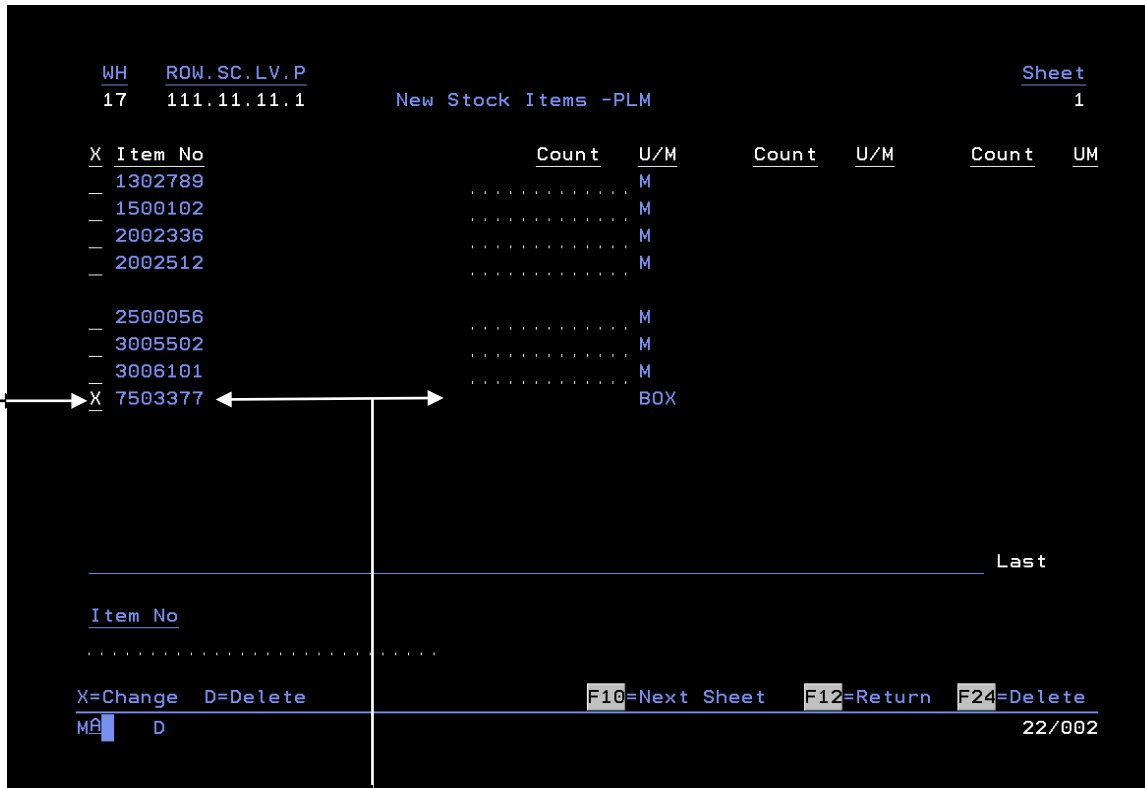
F-12

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

WH	ROW.SC.LV.P	New Stock Items -PLM				Sheet	
17	111.11.11.1					1	
X	Item No	Count	U/M	Count	U/M	Count	UM
-	1105734	1.000	M				
-	1303031	4.000	M				
-	1500102	180.000	M				
-	1500681	5.000	M				
-	2005448	1.000	M				
-	2500173	20.000	M				
-	3002578	4.000	M				
-	3006101	1.000	M				
-	3502591	2.000	PKG				
-	7502136	2.000	DR				
-	7503272	1.000	BOX				
-	7506174	1.000	PKG				
						Last	
<u>Item No</u>							
.....							
X=Change D=Delete		F10=Next Sheet		F12=Return		F24=Delete	
MA	A					05/002	

F10 for next sheet

F-12 to enter a new count sheet



To enter quantities for items with multiple lot numbers/no dotted line.

Do the following:

Key: an 'X' next the part number

[Enter]

Note: For items using case logic with a fixed case quantity you will not see an item with no dotted line. However, the count will fix any items with multiple lots by entering the count.

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

The screenshot displays the 'INVENTORY RECOUNTS' screen for item 7503377. At the top, it shows 'WH: 17 Item: 7503377' and 'Trillian SP The'. Below this, 'Loc: 111.11.11.1' and 'New Stock Items -PLM' are visible, with a blue box containing the word 'LOT'. The main table has columns for 'Lot No.', 'Qty (BOX)', and 'Expires'. At the bottom, there are function key prompts: 'F4=Age Date', 'F5=Current Loc', and 'F12=Return'. The status bar at the very bottom shows 'MA D A' and '22/005'. The word 'Last' is also visible on the right side of the table area.

To enter quantities for items with an expiration date do the following:

F5

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

CURRENT LOCATIONS WH: 17 Item: 7503377 Trillian SP The
Loc: 111.11.11.1 New Stock Items -PLM LOT

ROW	SC	LV	P	Cur (BOX)	Lot No.	Expires	Notes
1	111	11	11.1	1.000	7W178AW877	12/31/22	

Note: A + uses the Lot field to track items with an expiration date. For these items the Lot Number is on the product container along with the expiration date.

9649: At least one quantity must be entered Last

S1 Qty (BOX) Locate Lot (F6)

F2=All Loc F4=Age Date F11=Var Qty F12=Return

M D MW 22/007

Key in the selection with the correct Lot number and expiration date
Key in your count

[Enter]

F12

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

```
INVENTORY RECOUNTS      WH: 17  Item: 7503377      Trillian SP The
                          Loc: 111.11.11.1    New Stock Items -PLM  LOT

  Lot No.                Qty (BOX)                Expires
1 7W178AW877            1.000                12/31/22

----- Last
Sl Lot No.              Qty (BOX)              Exp
.....
                          Lot Aging Date:
F4=Age Date            F5=Current Loc        F12=Return
MA  D                  MW                          22/005
```

F12

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

WH	ROW	SC	LV	P	New Stock Items -PLM				Sheet
17	111	11	11	1					1
X	Item No	Count	U/M	Count	U/M	Count	UM		
-	1302789		M						
-	1500102		M						
-	2002336		M						
-	2002512		M						
-	2500056		M						
-	3005502		M						
-	3006101		M						
-	7503377	1.000	BOX						
								Last	
Item No									
.....									
X=Change		D=Delete		F10=Next Sheet		F12=Return		F24=Delete	
MA	D		MW					05/002	

Notice that to edit this entry you must place an X in the selection field.

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

WH	ROW.SC.LV.P	New Stock Items -PLM				Sheet	
17	111.11.11.1					1	
X	Item No	Count	U/M	Count	U/M	Count	UM
-	1302789	15.500	M				
-	1500102	100.000	M				
-	2002336	3.500	M				
-	2002512	12.500	M				
-	2500056	50.000	M				
-	3005502	4.500	M				
-	3006101	150.500	M				
-	7503377	1.000	BOX				
						Last	
<u>Item No</u>							
.....							
X=Change D=Delete		F10=Next Sheet		F12=Return		F24=Delete	
MA	D	MW					05/002

When you are done entering a full aisle you will get [F-10] next sheet

F10 for next sheet

F-12 to enter a new count sheet

Once you are done entering an aisle, do the following:



From the count sheet entry screen, do the following:

Sheet No: Enter **First Sheet Number** off of aisle count sheet you just entered
[Enter]

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

WH	LOCATION SELECTION				Sheet
17					1
	Counted	Verified	ROW. SC. LV. P	Description	No of Items
1	Y		111.11.11.1	New Stock Items -PLM	8

_____ Last

Sel: . . .

MA | D | MW | F12=Return | 21/009

Notice "Y" in the *Counted* column indicates the item is *Counted/Entered* and **N** in the *Counted* column indicates the item has not been *Counted/Entered*.

COUNT SHEET STATUS REPORT

Running the Count Sheet Status Report shows you the count sheets and/or locations not yet counted. You cannot update (Post) your physical inventory counts if you have not counted all sheets and locations.

```
COMMAND          Warehouse Management - Physical Inventory
                  Menu: WMPHYS

PROCESSING              REPORTS

 1.Print Count Sheets      4.Count Sheet Status Report
 2.Print Additional Count  5.Item Variance Report by $ Amount
 3.Enter/Change Inventory  9.Physical Inventory Valuation Rep.
 6.Update Inventory Counts 12.Item Variance report by Quantity
 7.Cancel Count Sheets     13.Custom Variance report
 8.Refreeze Physical Inventory Counts

10.Count Verification Sheets
11.Cycle Count Scheduler

(c) 1992-2004 Infor

Ready for option number or command
==> 4

MA  D           MW           22/008
```

From the warehouse management physical inventory main menu, do the following:

4

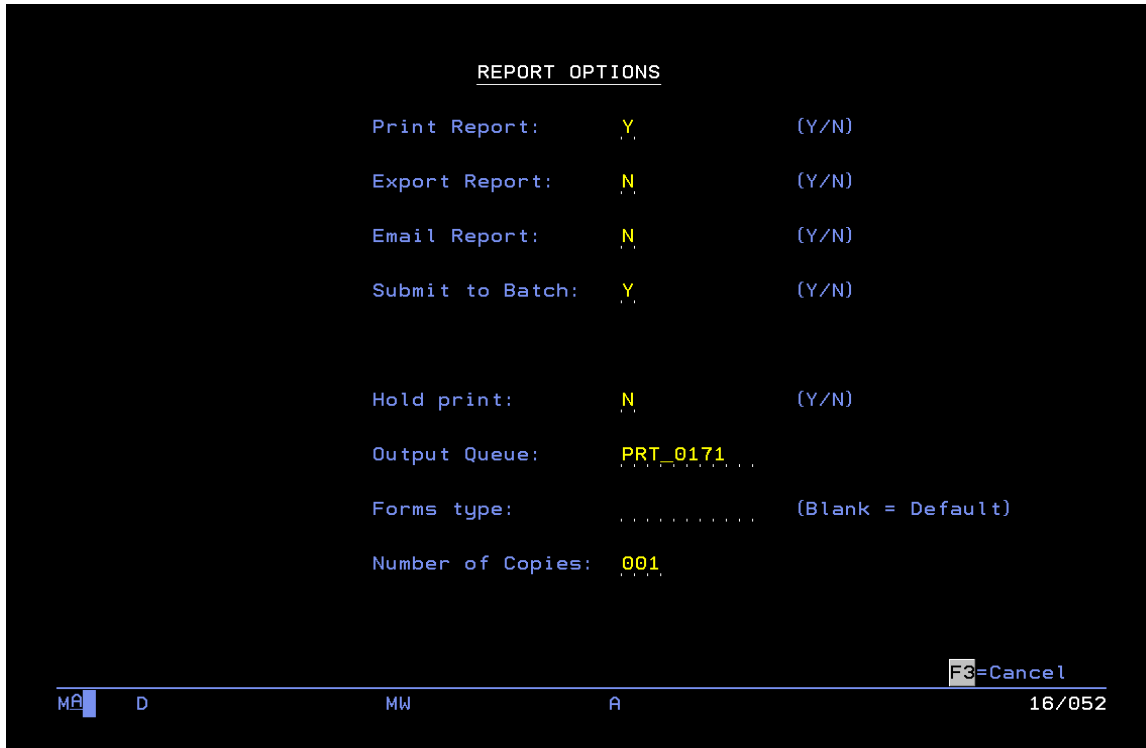
[Enter]



From count sheet status report, do the following:

WH? Key in your Two-Digit Location

[Enter]



From the report options screen, do the following:

Make sure output queue is correct

[Enter]

The count sheet status report will print. Look at the report and do the following:

1. If the report has any sheet number(s) and bin location(s), do the following:
 - a. Enter the counts for the sheet number(s)/bin location(s)
 - b. Re-run count sheet status report
2. If the report has no sheet number(s) or bin location(s), do the following:
 - a. Run the variance report (next section)

VARIANCE REPORT

The item variance report shows variances between the counted value and book value of your inventory in A-Plus.

Control your variance reports just as you would control your count sheets. Only hand out one variance report sheet per employee at a time.

1st Variance Report

The 1st variance will be run by bin location and you **Must Recount ALL** variances for accuracy.

The variance report will show you variance for that bin only, not the on hand. Only count the bin on the report, unless there is a pink tag (if it has a pink tag you can go count where that pink tag was counted at only)

After you have entered all count sheets and ran your count sheet status report, do the following:

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

```
COMMAND          Warehouse Management - Physical Inventory
                  Menu: WMPHYS

PROCESSING       REPORTS

1.Print Count Sheets          4.Count Sheet Status Report
2.Print Additional Count Sheets 5.Item Variance Report by $ Amount
3.Enter/Change Inventory Counts 9.Physical Inventory Valuation Rep.
6.Update Inventory Counts      12.Item Variance report by Quantity
7.Cancel Count Sheets          13.Custom Variance report
8.Refreeze Physical Inventory Counts

10.Count Verification Sheets
11.Cycle Count Scheduler

(c) 1992-2004 Infor

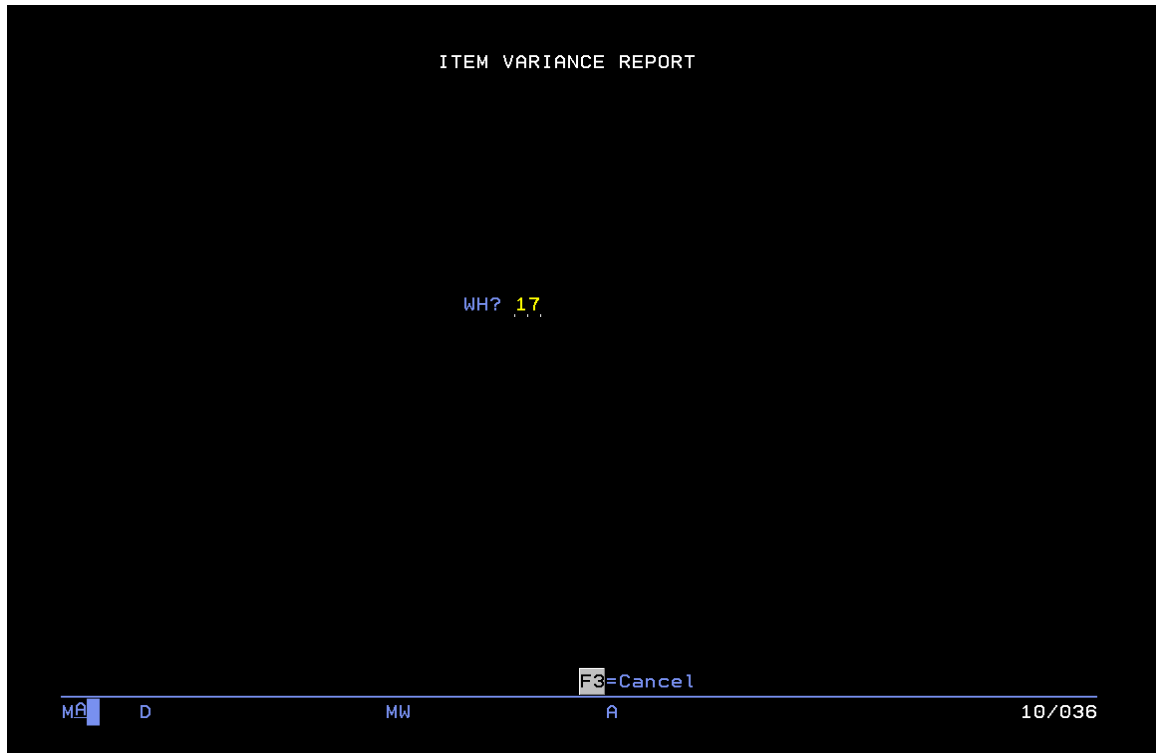
Ready for option number or command
===> 5

MA  D           MW           A           22/008
```

From the warehouse management physical inventory menu, do the following:

5

[Enter]



From the Item variance report screen, do the following:

WH: Enter **your Location**

[Enter]



From the item variance report screen, do the following:

Detail or Summary: D

[Enter]



From the item variance report screen, do the following:

Report Sequence: L

Minimum Variance \$: .01

Print Lot / Serial Numbers: N

Cost to Be Used: A

[Enter]

```
REPORT OPTIONS

Print Report:  Y      (Y/N)
Export Report: N      (Y/N)
Email Report:  N      (Y/N)
Submit to Batch: Y    (Y/N)

Hold print:    N      (Y/N)
Output Queue:  PURCHPRT
Forms type:    ..... (Blank = Default)
Number of Copies: 001

F3=Cancel
MA  D      MW      10/044
```

From the report options screen, do the following:

Make sure correct output queue

[Enter]

If errors are discovered refer to change inventory counts on next section.

2ND AND ALL OTHER VARIANCE REPORTS

The 2nd and all subsequent variances will be run by item number and you must look for high dollar variances and are to look everywhere in your location to find them. You can also use A+ transaction history to determine where the problem might be at. Remember you cannot count product you do not physically have.

After you have entered all count sheets and ran your count sheet status report, do the following:

```
COMMAND          Warehouse Management - Physical Inventory
                  Menu: WMPHYS

PROCESSING              REPORTS

1.Print Count Sheets      4.Count Sheet Status Report
2.Print Additional Count  5.Item Variance Report by $ Amount
  Sheets                  9.Physical Inventory Valuation Rep.
3.Enter/Change Inventory 12.Item Variance report by Quantity
  Counts                  13.Custom Variance report
6.Update Inventory Counts
7.Cancel Count Sheets
8.Refreeze Physical Inventory Counts

10.Count Verification Sheets
11.Cycle Count Scheduler

(c) 1992-2004 Infor

Ready for option number or command
===> 5

MA  D                MW                A                22/008
```

From the warehouse management physical inventory, do the following:

5

[Enter]



From the Item variance report screen, do the following:

WH?: Enter **your Location**

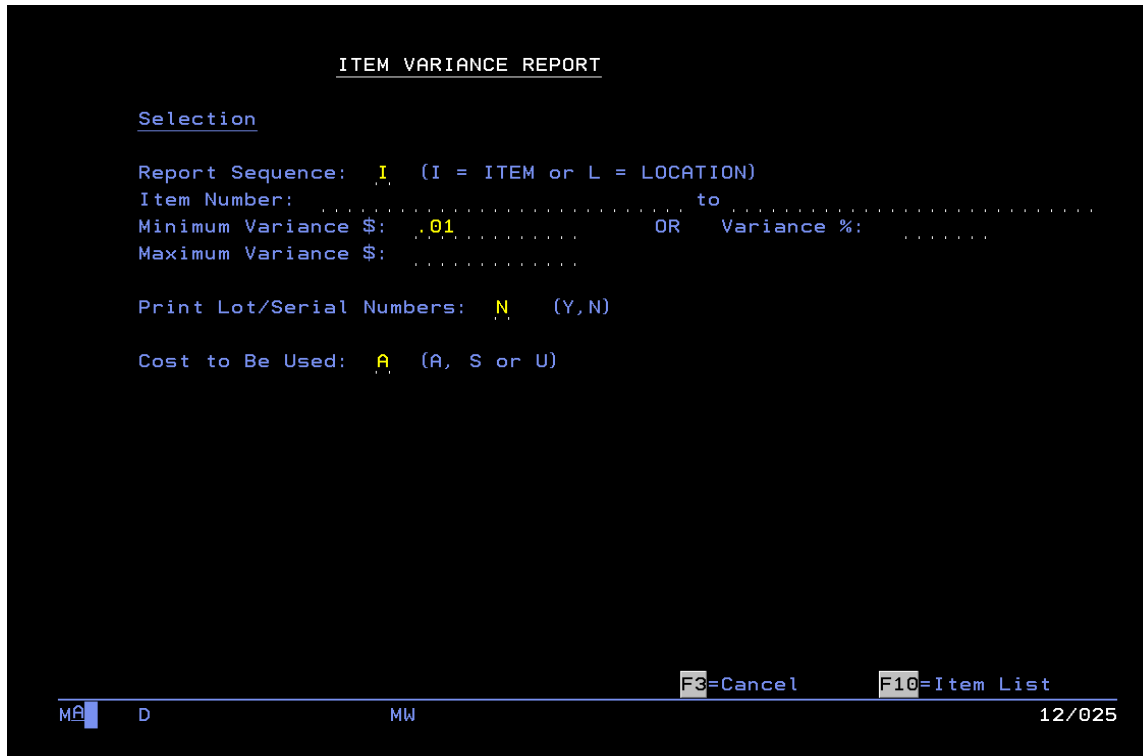
[Enter]



From the item variance report screen, do the following:

Detail or Summary: ***D***

[Enter]



From the item variance report screen, do the following:

Report Sequence: I

Minimum Variance \$: .01

Print Lot / Serial Numbers: N

Cost to Be Used: A

[Enter]

```
REPORT OPTIONS

Print Report:  Y      (Y/N)
Export Report: N      (Y/N)
Email Report:  N      (Y/N)
Submit to Batch: Y    (Y/N)

Hold print:    N      (Y/N)
Output Queue:  PURCHPRT
Forms type:    ..... (Blank = Default)
Number of Copies: 001

F3=Cancel
MA  D      MW      10/044
```

From the report options screen, do the following:

Make sure correct output queue

[Enter]

Variance Report

ZWM755 09/16/19 16.48.14		DETAILED ITEM VARIANCE REPORT			ZW/SSDAMOU	PAGE	1
\$ Variance Min	.01	17-Kelly Paper Digital Web Store		All Items			
\$ Variance Max	.00	Cost Used: Average					
Item Number	ROW.SC.LV.P	Sheet #	Qty Before	Qty After			\$ Variance
3006101	111.11.11.1	1	150.000 M	150.500 M			7.07
Shasta Env Wh	024 #10						
Total Variance:							7.07

If errors are discovered refer to change inventory counts on next section

CHANGING AN INVENTORY COUNT SHEET

To entering the recounts from the variance report, do the following:

```
COMMAND          Warehouse Management - Physical Inventory
                  Menu: WMPHYS

PROCESSING          REPORTS

1.Print Count Sheets      4.Count Sheet Status Report
2.Print Additional Count Sheets  5.Item Variance Report by $ Amount
3.Enter/Change Inventory Counts  9.Physical Inventory Valuation Rep.
6.Update Inventory Counts      12.Item Variance report by Quantity
7.Cancel Count Sheets          13.Custom Variance report
8.Refreeze Physical Inventory Counts

10.Count Verification Sheets
11.Cycle Count Scheduler

(c) 1992-2004 Infor

Ready for option number or command
===> 3

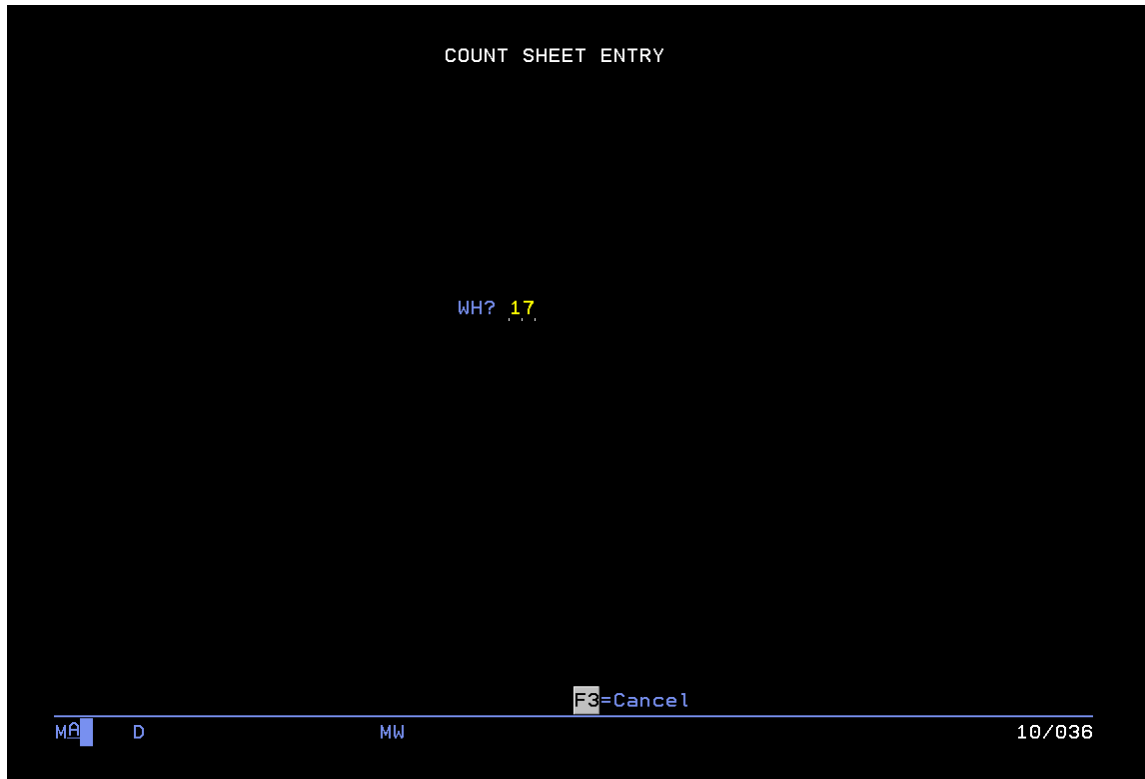
MA  D          MW          22/008
```

From the warehouse management physical inventory menu, do the following:

3

[Enter]

From the count sheet entry screen, do the following:



WH: Enter your Location

[Enter]



From the count sheet entry screen, do the following:

Sheet No: **Leave Blank**

Location: Enter **Bin Location Number** off of Variance report to be re-entered
[Enter]

WH	ROW	SC	LV	P	New Stock Items -PLM		Sheet
17	111	11	11	1			1
X	Item No	Count	U/M	Count	U/M	Count	UM
	1302789	15,500	M				
	1500102	100,000	M				
	2002336	3,500	M				
	2002512	12,500	M				
	2500056	50,000	M				
	3005502	4,500	M				
	3006101	150,500	M				
	7503377	1,000	BOX				

Last

Item No

.....

X=Change D=Delete F10=Next Sheet F12=Return F24=Delete

M6 D MW 05/002

From the bin location count entry screen, do the following:

To enter quantities for a bin

Do the following:

Enter **quantity** in the Count Field

[Enter]

To enter zero counts for a bin

Do the following:

Enter **D** next to all part number(s) for all zeros

F-24

To Add an item that was hand written on count sheet

Do the following:

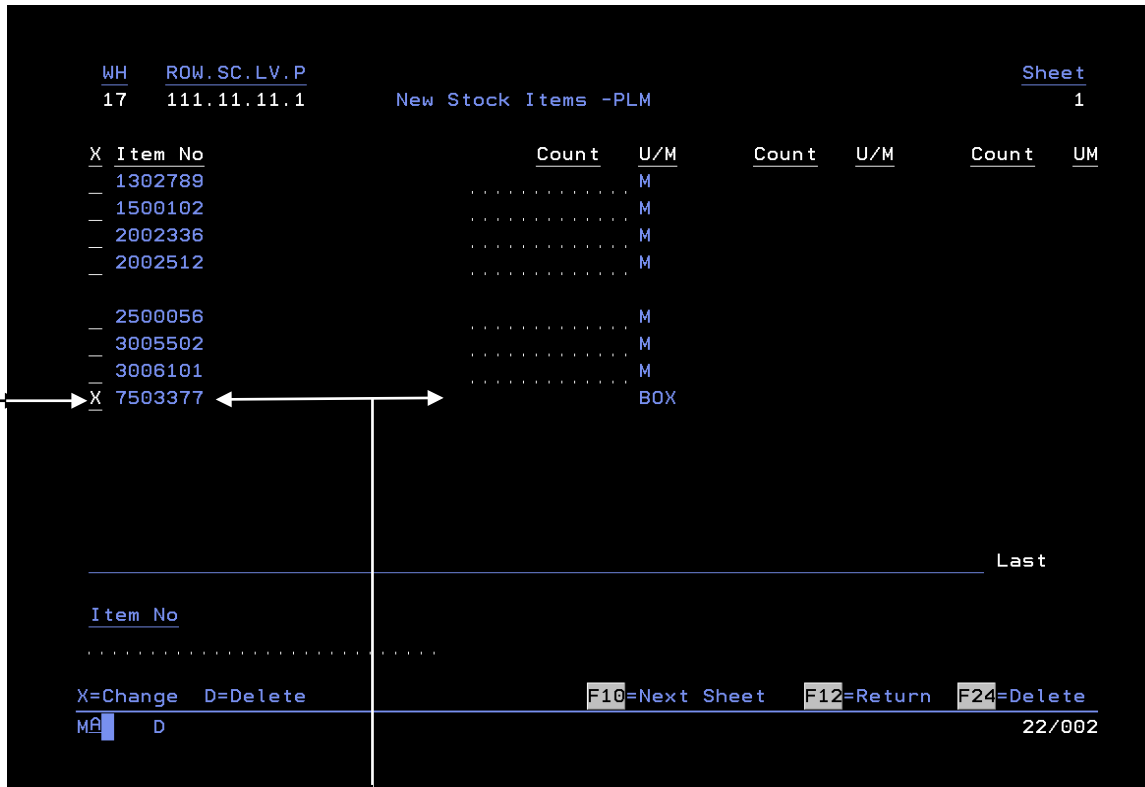
Item Number: Enter **part number** underneath Item No field

[Enter]

Enter your count

[Enter]

F-10 for next location



To enter quantities for items with multiple lot numbers/no dotted line.

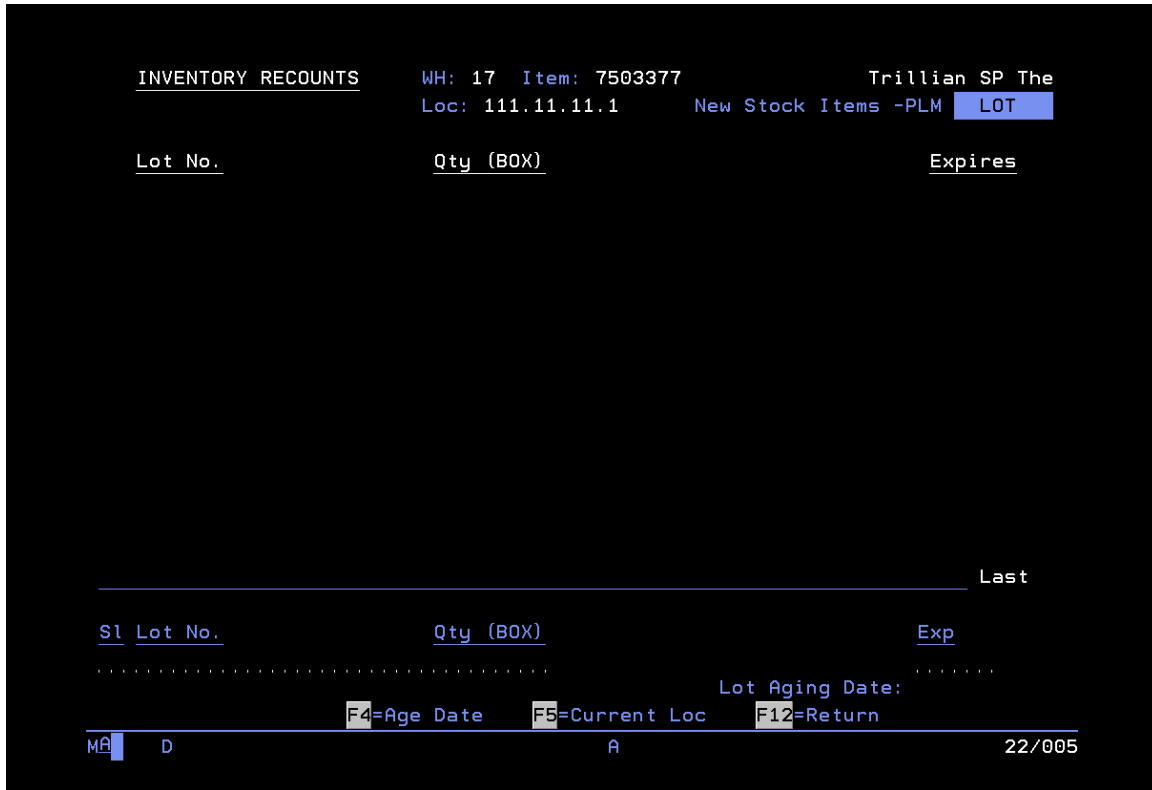
Do the following:

Key: an 'X' next the part number

[Enter]

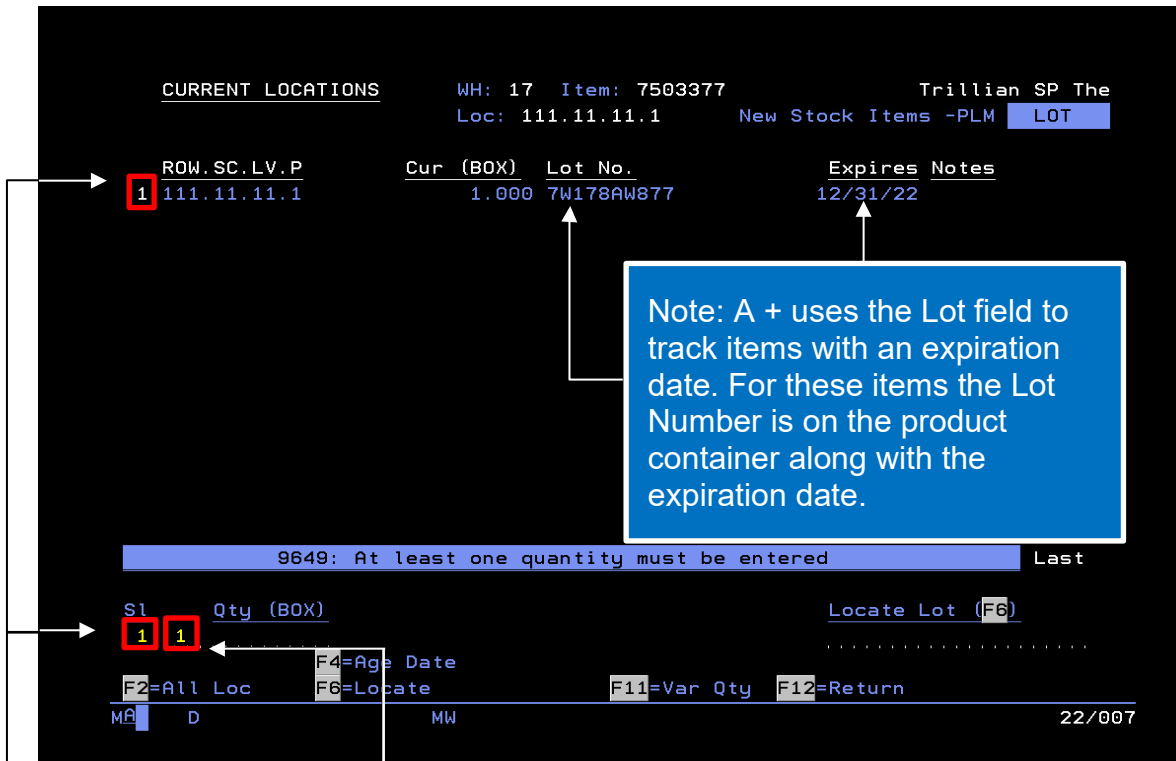
Note: For items using case logic with a fixed case quantity you will not see an item with no dotted line. However, the count will fix any items with multiple lots by entering the count.

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES



To enter quantities for items with an expiration date do the following:

F5



Key in the selection with the correct Lot number and expiration date
Key in your count

[Enter]

F12

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

```
INVENTORY RECOUNTS      WH: 17  Item: 7503377      Trillian SP The
                          Loc: 111.11.11.1    New Stock Items -PLM  LOT

  Lot No.                Qty (BOX)                Expires
1 7W178AW877            1.000                12/31/22

----- Last
Sl Lot No.              Qty (BOX)              Exp
.....
                          Lot Aging Date:
F4=Age Date            F5=Current Loc        F12=Return
MA  D                  MW                          22/005
```

F12

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

WH	ROW	SC	LV	P	New Stock Items -PLM				Sheet
17	111	11	11	1					1
X	Item No	Count	U/M	Count	U/M	Count	UM		
-	1302789		M						
-	1500102		M						
-	2002336		M						
-	2002512		M						
-	2500056		M						
-	3005502		M						
-	3006101		M						
-	7503377	1.000	BOX						
								Last	
Item No									
.....									
X=Change		D=Delete		F10=Next Sheet		F12=Return		F24=Delete	
MA	D		MW					05/002	

Notice that to edit this entry you must place an X in the selection field.

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

WH	ROW	SC	LV	P	Sheet				
17	111	11	11	1	1				
New Stock Items -PLM									
X	Item No	Count	U/M	Count	U/M	Count	UM		
-	1302789	15,500	M						
-	1500102	100,000	M						
-	2002336	3,500	M						
-	2002512	12,500	M						
-	2500056	50,000	M						
-	3005502	4,500	M						
-	3006101	150,500	M						
-	7503377	1,000	BOX						
Last									
Item No									
.....									
X=Change		D=Delete		F10=Next Sheet		F12=Return		F24=Delete	
MA	D	MW					05/002		

When you are done entering a full aisle you will get [F-10] next sheet

F10 for next sheet

F-12 to enter a new count sheet

Note: anytime you go back into a count sheet you must re-run the Count Sheet Status Report before your counts may be posted.

UPDATE INVENTORY COUNT (POST)

Before you update your inventory counts (Post) you must contact your District Manager and they will give you authority to update your inventory counts.

Once you have approval to update inventory counts (POST), do the following:

```
COMMAND          Warehouse Management - Physical Inventory
                  Menu: WMPHYS

PROCESSING          REPORTS

 1.Print Count Sheets      4.Count Sheet Status Report
 2.Print Additional Count Sheets  5.Item Variance Report by $ Amount
 3.Enter/Change Inventory Counts  9.Physical Inventory Valuation Rep.
 6.Update Inventory Counts      12.Item Variance report by Quantity
 7.Cancel Count Sheets          13.Custom Variance report
 8.Refreeze Physical Inventory Counts

10.Count Verification Sheets
11.Cycle Count Scheduler

(c) 1992-2004 Infor

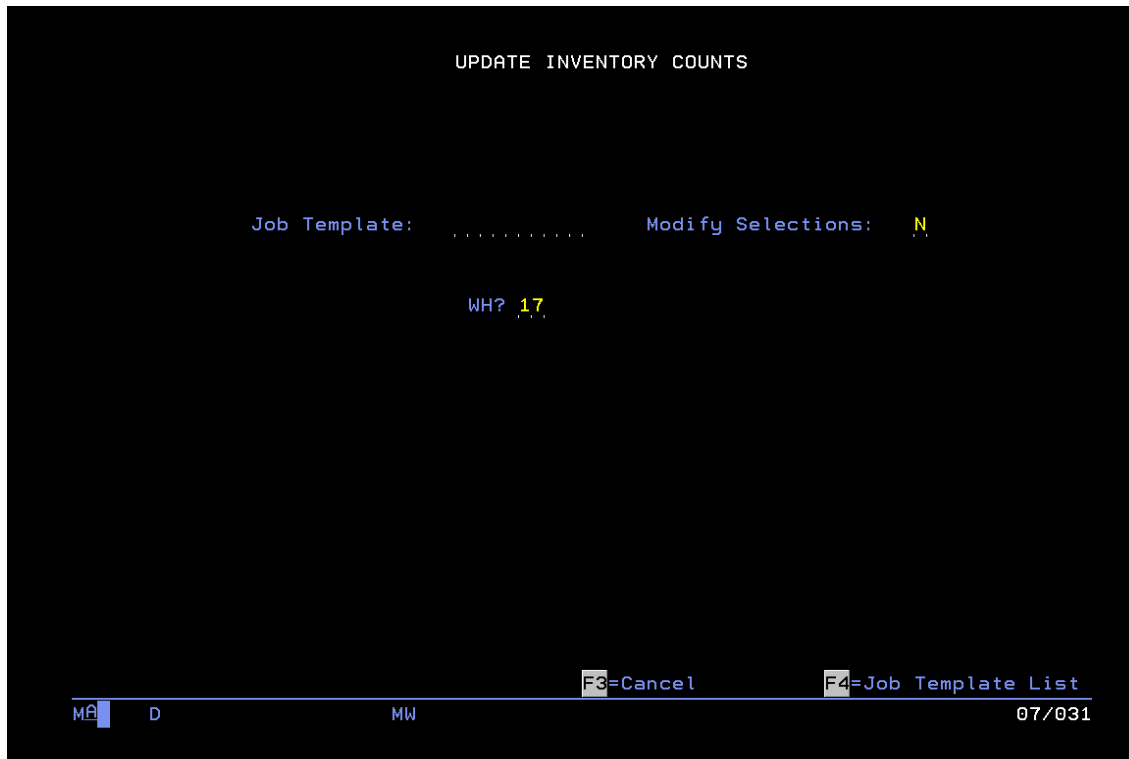
Ready for option number or command
==> 6

MA  D          MW          22/008
```

From the warehouse management physical inventory main menu, do the following:

6

[Enter]



From the update inventory counts screen, do the following:

WH?: Enter your Location

[Enter]

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

This screen will appear if you did not run your count sheet status report to insure all count sheets have been entered.



Press [Enter] to exit this screen.

PHYSICAL INVENTORY: STANDARD OPERATING PROCEDURES

```
REPORT SELECTION GLOBAL LEVEL

Process: Update Physical Inventory
Job Name: WM780P
Template Format: WM780P Update Physical Inventory (WM)
Global Output Queue: PURCHPRT...

P H Q Out Queue Cpy Form Type Ap Report Name Printer File
Y N G ..... 1 ..... IA IA602 APPRTF
Y N G ..... 1 ..... IA IA602 APPRTF2
Y N G ..... 1 ..... WM WM330 APPRTF

Last

F5=Start Over F9=Report Description F10=Continue F12=Return
MA D MW 06/023
```

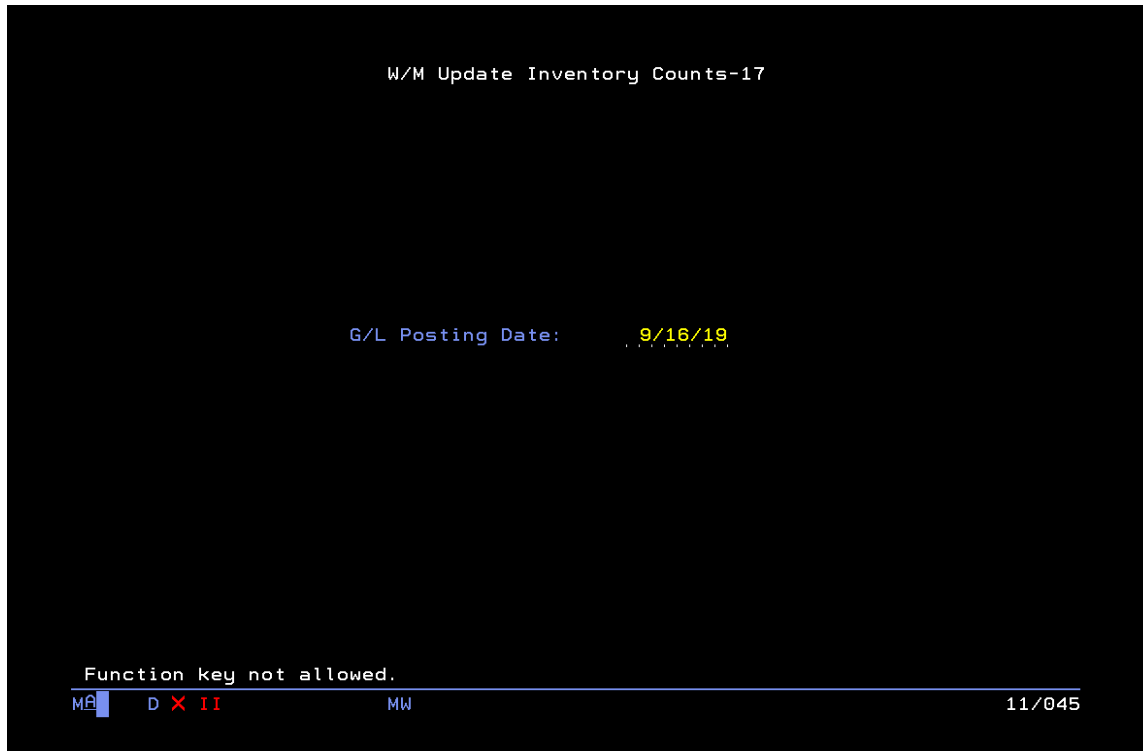
From the REPORT SELECTION GLOBAL LEVEL screen do the Following:

Press F10 twice.



From the SELECTION CONTROL screen do the following:

[Enter]



From the W/M G/L Post Date screen, do the following:

[Enter]

DAY AFTER INVENTORY

Do the following:

1. Any hand written entries must be researched and override bin locations fixed, if needed move inventory
2. Research any large variances
 - a. If problems are found contact your District Manager
 - b. With approval, fix them ASAP

COUNT AND VARIANCE SHEETS

Put all count sheets, variances reports and any two day transfers counted into inventory in a manila file folder, marked physical inventory with Saturday date.

Keep all physical inventory paperwork above, count sheets and any other physical inventory paperwork in the inventory audit file for a period of at least 6 months. (Physical inventory to physical inventory)

PHYSICAL INVENTORY CHECK LIST

Friday

- Manage Vendor PO's
- Manage Co 01 and Co 99 open orders
- Print Location Audit Report and Manage your 1's and Negatives
- Separate all excess inventory in back of store into 2 areas.
 - First area is non-stock items (1's)
 - Second area is stock items (Excess over max) for your store

Saturday

- Manage Vendor PO's
- Manage Co 01 and Co 99 open orders (All open orders must be invoiced printed or deleted)
- Run Contents by Location Report for your 5's, 6's, 7's, 8's and 9's/Move inventory if necessary
- Print Inventory Count Sheets as soon as the above is completed (do not print before all the above is completed)
- Create Inventory Control Sheet
- Enter all counts (do not start entering any count sheets before 9:00 am)
- Run Count Sheet Status Report
 - Enter any missing counts

Saturday (Continued)

- Run Variance Report
 - Detail using Location
 - Recount all variances
- Process Changes
 - Enter new counts
 - Re-Run Variance Report
 - Recount any questionable variances
 - Re-Run Variance Report
- Run Count Sheet Status Report
- Call your District Manager with Variance dollar amount
- Post Inventory Counts (must have approval from your District Manager and they will decide whether to send you home or to another location)

Monday

- Put all physical inventory paperwork in manila file folder with Saturday's date and file in inventory audit file

PHYSICAL INVENTORY AUDITOR PROCEDURE

If you have Mazars USA auditor in your location for physical inventory, do the following:

1. Email Mike Reed indication you have an auditor in your location
2. The Mazars USA auditor will need the following:

Day of inventory:

- a. A list of count teams with names
- b. A copy of your Inventory control sheet(s)
- c. Access to the count sheets the day of inventory (you will need to make copies for the items/bin locations that they are going to count only)
- d. Ending variance report – make sure to print a copy for the auditor after all changes have been made. If you go back and make any changes you will need to print another variance report for them (They may ask you to email them the PDF version).
- e. Copy of the last 5 receiving transactions (put-a-way list) before inventory
- f. Copy of the last 5 Invoices before inventory

Week after inventory:

- a. Email Mike Reed copies of the first 5 receiving transactions (put-a-way list) after inventory and I will forward to the Mazars USA Auditor
- b. Email Mike Reed copies of the first 5 Invoices after inventory and I will forward to the Mazars USA Auditor

3. The day of inventory Auditor Process:
 - a. Mazars USA Auditor will select bin locations to be counted
 - b. Kelly Auditor Representative will make a copy of the 1st count sheet for bin locations the Mazars USA Auditor has selected to be counted (**Refer to 2C**)
 - c. Mazars USA Auditor and Kelly Auditor Representative must physically label each bin location with a “Counted by Auditor” label after they count that bin location
 - d. The Mazars USA Auditor and Kelly Auditor Representative will count the selected bin locations and once the count is agreed / verified they will both sign the count sheet. If any changes to the count needs to be made, the Kelly Auditor Representative will make sure that those counts get updated in Aplus
 - e. When working off a variance report, if the bin has the “Counted by Auditor” label, then no changes to the count for that bin can be made without the Mazars USA Auditor and Kelly Auditor Representative verifying the new count
 - f. **Don't post (Update)** your inventory in aplus until the Mazars USA Auditor and Kelly Auditor Representative have signed off on all their counts

Note: Mike Reed will provide them with the before and after valuation reports (SOP1) and inventory by location report (WMLQCQTY)