

PHYSICAL INVENTORY 101

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PHYSICAL INVENTORY 101

HOW TO PREPARE FOR AND ACCOMPLISH A PHYSICAL INVENTORY IN RFMS

IMPORTANT NOTES

Taking a physical inventory is vital to keep your cost of materials, gross profit, and available inventory accurate.

Physical Count requires that no activity relating to or affecting inventory records takes place during the count.

DAILY PROCEDURES FOR INVENTORY CONTROL

Use Picking Tickets

Enforce use of Picking Tickets

Follow Picking Ticket rules

Document all Inventory Discrepancies

Use RFMS generated Inventory Tags

Replace Inventory Tags when missing

Keep Warehouse neat and well-organized

Track & Document Excess Materials Returned

PRE-INVENTORY PROCEDURES

Set the date for inventory & let everyone know

Assign someone to manage the physical count

Establish counting teams and areas of responsibility

Use a visual marking system to mark counted materials

Verify all materials have RFMS inventory tags on them

Segregate Cut materials & exclude them from count

Segregate excess materials not in inventory & exclude

PRE-INVENTORY REPORTS

INVENTORY RANGE REPORTS FOR NEGATIVES

Roll Inventory Range Item Inventory Range Reports:

Inventory>Reports>Roll Inventory Range Report (Legal size paper 8 ½ x 14)

Inventory>Reports>Item Inventory Range Report (Legal size paper 8 ½ x 14)

These reports print detailed roll and item inventory information, based upon the framing parameters selected on the report generation screen.

To prepare for the physical inventory, run these reports to find negative quantity inventory lines that may be lurking in your system.

Roll Inventory Range Report

Sort Order

Manufacturer + Style + Color
 Location + Roll #
 Roll #
 Supplier + Style + Color
 Product Code + Supp + Invoice #
 Physical Size
 Priv Supp + Manf + Supp + Style + Color
 Manufacturer + Fiber
 Style + Color
 Date Received
 Fiber + Manufacturer
 Sidemark

Value

Initial
 Current
 Include On-Order Inventory
 Uncosted Inventory
 Show Dollar Amounts
 Uncosted Only
 Include Reserves
 Include Uncosted
 Exclude Soft Reserves

Manufacturer: F8 | Physical Size From: -99,999.00
Supplier: F8 | Physical Size To: -0.01
Private Supplier:
Style:
Color:
Date Rcvd From: 01/01/80 F8 | Gross Cost or Price: Gross Cost
Date Rcvd To: 12/31/79 F8 | Gross Cost From: 0.00
Gross Cost To: 0.00
Location From:
Location To:
Starting Invoice Date: F8
Ending Invoice Date: 12/31/79 F8
Fiber Type: F8

Product Codes: Carpet (01)
 Vinyl (02)
 Both
Stores: Combine
Roll/Cut: Rolls Only
 Cuts Only
 Both

Printer: CutePDF Writer

Print Preview Copies: 1
 Shade Alternate Rows (Greenbar)
 Page Break After -----
 Output CSV To:
RFMSCSV.CSV
 Output Notes to CSV

Prints on 8.5 x 14 Paper (Legal)

Print Exit

Item Inventory Range Report

Sort Order

Manufacturer/Name/Desc
 Date Received
 Item #
 Collect/Name/Desc
 Supplier/Name/Desc
 Location/Item #
 Physical Size
 System Ref #
 Priv Supp/Manf/Supp/Name/Desc
 Lading #
 Name/Desc
 Id # Num
 Product Code/Supplier/Invoice #
 PO #
 Sidemark

Value

Initial
 Current
Cost to Report:
 New (Received)
 Costed (Invoiced)

Include On-Order Inventory
 Uncosted Inventory
 Include Runlot
 Uncosted Only
 Show Dollar Amounts
 Include Uncosted
 Include Reserves
 Exclude Soft Reserves

Manufacturer: F8 | Item # From:
Supplier: F8 | Item # To:
Private Supplier:
Name:
Description:
Date Rcvd From: 01/01/80 F8 | Physical Size From: -99,999.00
Date Rcvd To: 12/31/79 F8 | Physical Size To: -0.01
PO # From:
PO # To:
Id # From:
Id # To:
Gross Cost or Price: Gross Cost
Gross Cost From: 0.00
Gross Cost To: 0.00
Location From:
Location To:
Invoice Date From: F8
Invoice Date To: 12/31/79 F8

Product Codes:

PC	Description
03	CARPET PAD
04	WOOD
05	TILE
06	LAMINATES
07	LUXURY VINYL TILE
08	CARPET TILES
09	SUNDRIES/SUPPLIES
10	ADHESIVES
11	NATURAL STONE
12	AREA RUGS
13	GLASS
14	RUG PAD
15	TOOLS
16	WOOD TRIM

Stores: Combine

Printer: CutePDF Writer

Print Preview Copies: 1
 Shade Alternate Rows (Greenbar)
 Output CSV To:
C:\Users\BBloomer\Desktop\RFMSCSV.CSV
 Output Notes to CSV

Prints on 8.5 x 14 Paper (Legal)

Print Exit

MATERIAL ANALYSIS REPORT FOR CUT/DELIVERED

Materials Analysis - Prints on 8.5 x 14 Paper (Legal)

Sort Order

<input type="radio"/> Supplier/Style/Color/Qty	<input type="radio"/> Manf/Style	<input type="radio"/> Salesperson/PC/Supplier	<input type="radio"/> Est Del Date/Style	<input type="radio"/> Fiber
<input type="radio"/> Customer/PC/Style/Color	<input type="radio"/> Customer/Invoice	<input type="radio"/> Salesperson/Style	<input type="radio"/> Zip/PC (Ship To)	<input type="radio"/> Fiber/
<input type="radio"/> Private Supp/Supplier/Style/Col	<input type="radio"/> PC/Qty	<input checked="" type="radio"/> Est Del Date	<input type="radio"/> Zip/Style (Ship To)	<input type="radio"/> Fiber/
<input type="radio"/> Private Supp/Manf/Style/Color	<input type="radio"/> Inventory #	<input type="radio"/> Est Del Date/Customer	<input type="radio"/> Zip/PC (Sold To)	<input type="radio"/> Ship T
<input type="radio"/> Supplier/Style	<input type="radio"/> Salesperson	<input type="radio"/> Est Del Date/PC	<input type="radio"/> Zip/Style (Sold To)	<input type="radio"/> Labels

Line Status

<input type="checkbox"/> None	<input checked="" type="checkbox"/> Cut	<input checked="" type="checkbox"/> Delivered	<input type="checkbox"/> Job Costed	<input type="checkbox"/> On Order	<input type="checkbox"/> Gen PO	<input type="checkbox"/> Reserved	<input type="checkbox"/> Billing	<input type="checkbox"/> Staged
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MATERIAL ANALYSIS REPORT FOR RESERVED/STAGED

Materials Analysis - Prints on 8.5 x 14 Paper (Legal)

Sort Order

<input type="radio"/> Supplier/Style/Color/Qty	<input type="radio"/> Manf/Style	<input type="radio"/> Salesperson/PC/Supplier	<input type="radio"/> Est Del Date/Style	<input type="radio"/> Fiber
<input type="radio"/> Customer/PC/Style/Color	<input type="radio"/> Customer/Invoice	<input type="radio"/> Salesperson/Style	<input type="radio"/> Zip/PC (Ship To)	<input type="radio"/> Fiber/
<input type="radio"/> Private Supp/Supplier/Style/Col	<input type="radio"/> PC/Qty	<input checked="" type="radio"/> Est Del Date	<input type="radio"/> Zip/Style (Ship To)	<input type="radio"/> Fiber/
<input type="radio"/> Private Supp/Manf/Style/Color	<input type="radio"/> Inventory #	<input type="radio"/> Est Del Date/Customer	<input type="radio"/> Zip/PC (Sold To)	<input type="radio"/> Ship T
<input type="radio"/> Supplier/Style	<input type="radio"/> Salesperson	<input type="radio"/> Est Del Date/PC	<input type="radio"/> Zip/Style (Sold To)	<input type="radio"/> Labels

Line Status

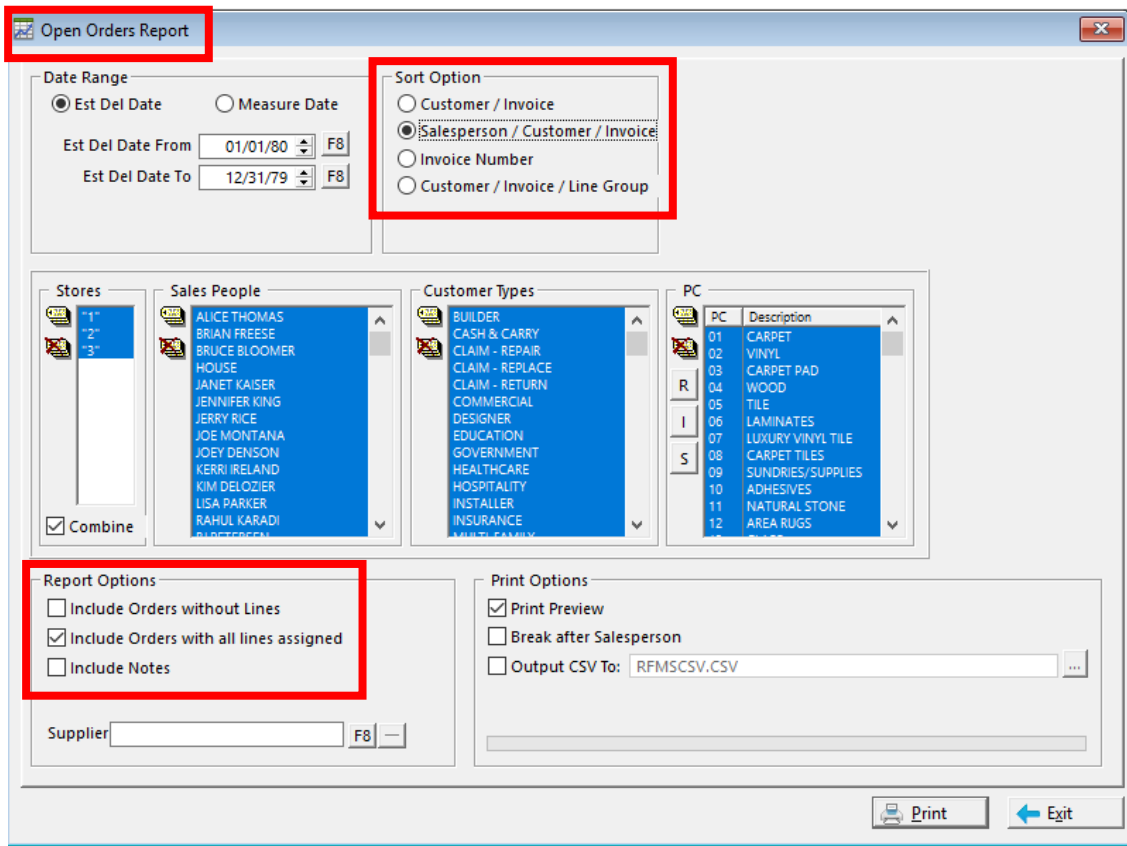
<input type="checkbox"/> None	<input type="checkbox"/> Cut	<input type="checkbox"/> Delivered	<input type="checkbox"/> Job Costed	<input type="checkbox"/> On Order	<input type="checkbox"/> Gen PO	<input checked="" type="checkbox"/> Reserved	<input type="checkbox"/> Billing	<input checked="" type="checkbox"/> Staged
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Material Analysis Report: [Sales Reports>File>Materials Analysis>Orders](#)

(Legal size paper 8 ½ x 14)

This report includes many sort orders and framing parameters that will provide almost any combination of figures. Configure the report parameters to list all Cut & Delivered inventory, and then configure to list all Reserved & Staged inventory. Ensure these materials are properly identified and even segregated from the physical count area.

OPEN ORDERS REPORT



Open Orders Report: [Sales Reports>File>Sales>Open Orders](#)

This report will print a list of all open (not delivered or job costed) customer orders. This report can give a listing of order lines that are Cut & Delivered, and then distributed to the salespersons for verification of the statuses of their jobs. It can also help identify jobs that may need to be closed prior to physical inventory to remove the Cut & Delivered lines from Inventory.

PRE-INVENTORY TASKS

FIX NEGATIVE AVAILABLES – INVENTORY ADJUST

Item	Private Description	Run Lot	Price	Qty Rcvd	Used	Reserved	Soft Resv	Available[+]	Lading #	PO #
E COLLECTIC	NAPOLINA HONED		\$11.26	43.0000	100.0000	0.0000	0.0000	-57.0000		
PARIS 13X13-	PARIS		\$88.15	75.0						
PARIS 13X13-	PARIS		\$88.15	33.0						
IOX	BABBLER		\$101.69	6,067.0						
FM 1000	UNDLY FOAM 1000		\$14.24	392.0						
WALL TILE -	GRIS		\$49.40	56.0						
FLOOR TILE -	BLANC		\$78.43	49.0						
CH 20-6	GREY		\$6.14	22.0						
TPS 4G	00001		\$0.00	2.0						
FLOOR TILE -	RUSSET		\$72.38	29.0						

FIX NEGATIVE or STUCK RESERVES – ACCESS CODE

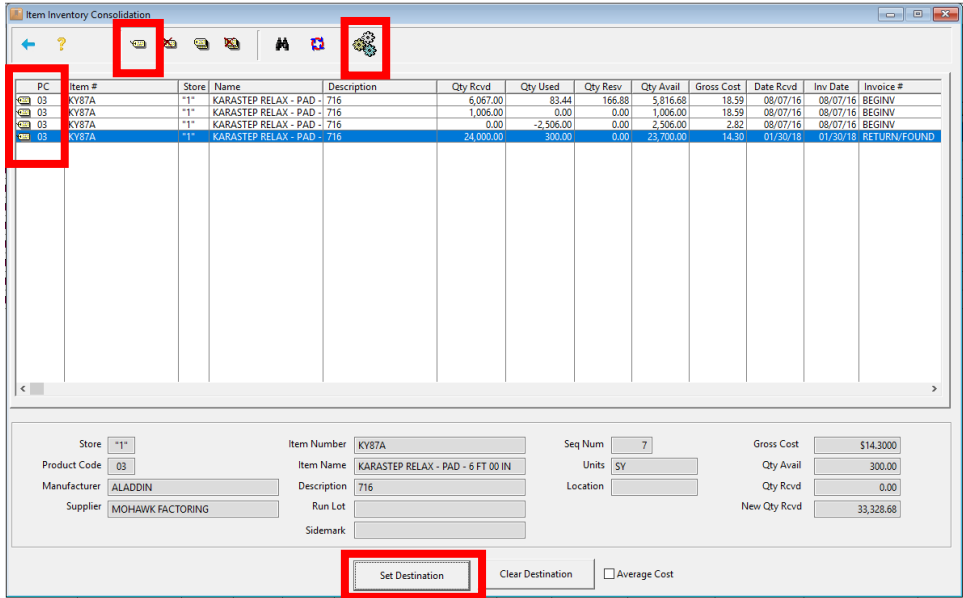
Inventory Adjustments:

Adjust negative available quantities back to -0-.

Inventory stuck in reserved status:

Depending on if the reserve is stuck in Rolls or Items click on Fix Roll Inventory or Fix Item Inventory. NOTE: This requires an access code to go into all the options for Fix Inventory.

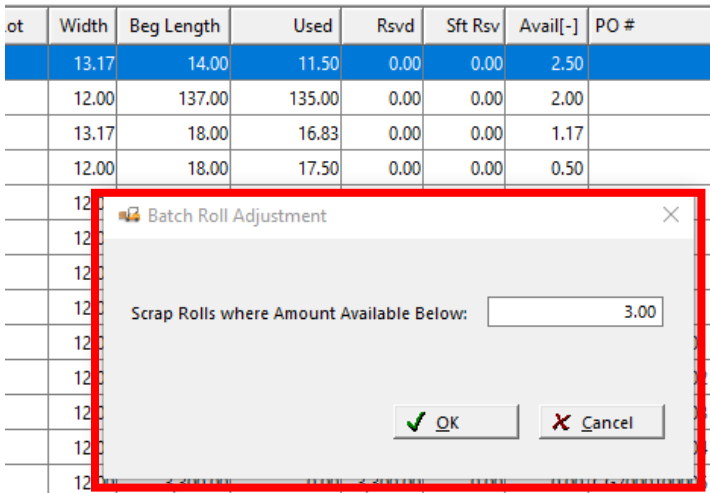
ITEM INVENTORY CONSOLIDATION



Consolidate item inventory:

This feature allows consolidating Item inventory onto a single record. Items must be costed to be eligible for consolidation & only the available amounts can be moved.

BATCH ROLL ADJUSTMENT



Batch Roll Adjustment:

[Inventory>Utilities>Batch Roll Adjustment](#)

Rolls can now be scrapped in a batch rather than individually. Rolls less than the amount specified will be automatically adjusted to -0-.

COUNTING SUPPLIES – HAVE AT THE READY



WAREHOUSE PREP – STAGE THE ENVIRONMENT



Prepare for the Count:

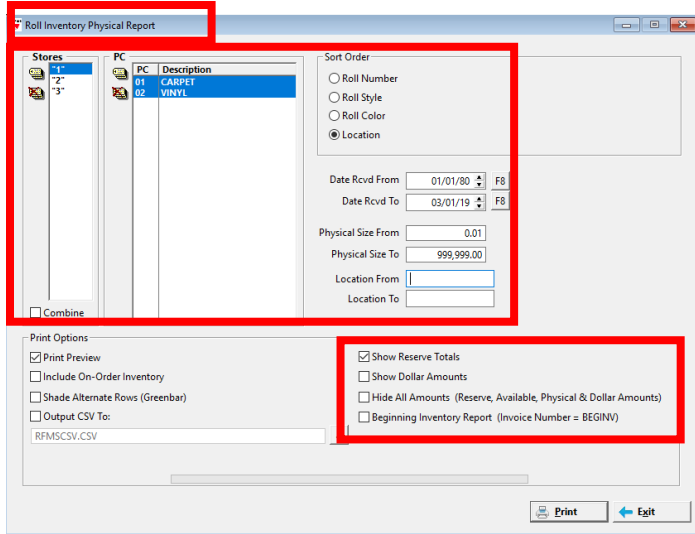
Enforce a neat and well-organized warehouse.

Ensure that all roll goods and item in the warehouse have computer generated roll or item tags on them.

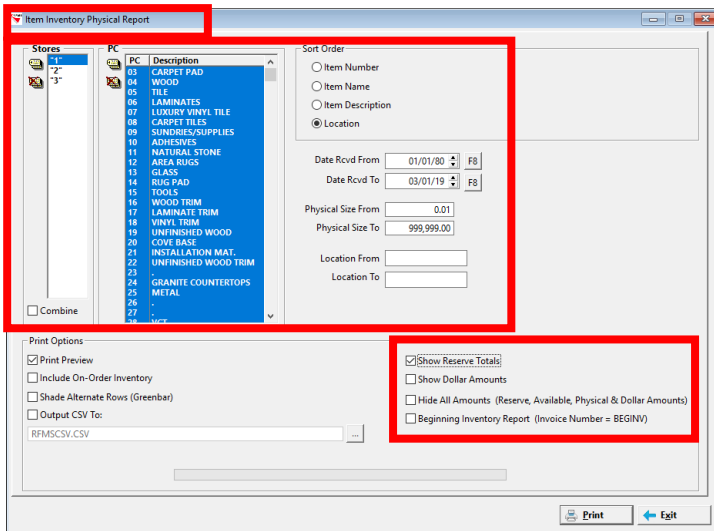
Counting supplies: Clipboards, Calculators, Pencils, Pens, Markers, Gloves, Box Knives, Post-It Notes, Caution Tape, Etc., Etc.

PHYSICAL INVENTORY REPORTS

ROLL INVENTORY PHYSICAL REPORT



ITEM INVENTORY PHYSICAL REPORT



Roll Inventory Physical Report:

Inventory >Reports>Roll Inventory Physical Report

Item Inventory Physical Report:

Inventory >Reports>Item Inventory Physical Report

These reports allow more easily taking a physical inventory.

Fields that display:

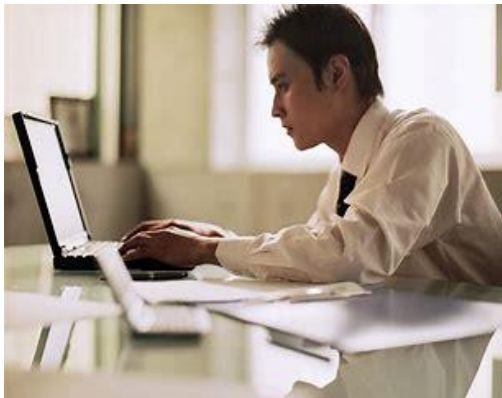
- Roll / Item Number
- Style / Item Name
- Color / Description
- Location
- Reserve Amount
- Amount Available
- Physical Amount
- Amount on Hand
- Dye/Run Lot
- Sidemark

PERFORMING THE PHYSICAL COUNT

TEAMS OF TWO



RECONCILERS



RUNNERS / CHECKERS



Performing the physical count:

Mark each area or bin as it is counted.

Prevent inventory movement during the count.

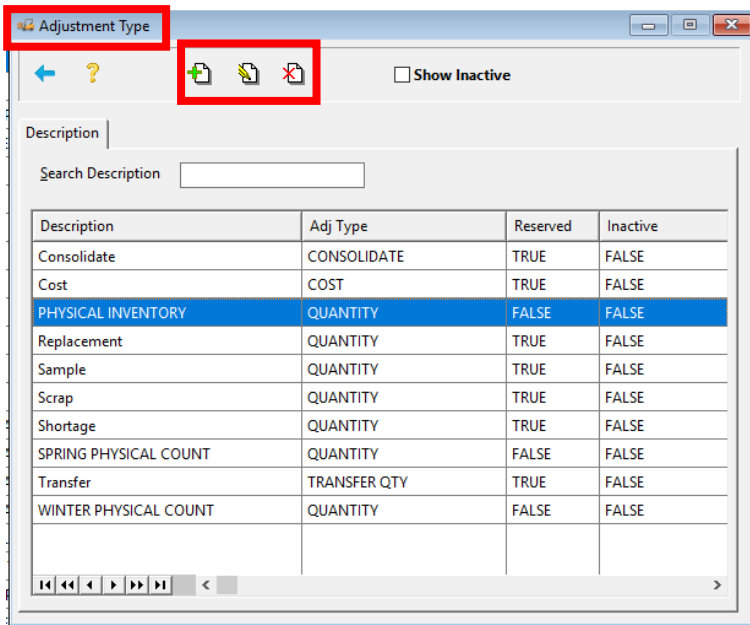
Clearly mark any materials that should not be counted.

Take a second look after the count to ensure nothing was missed.

RECONCILIATION METHODS

MANUAL INVENTORY ADJUSTMENTS

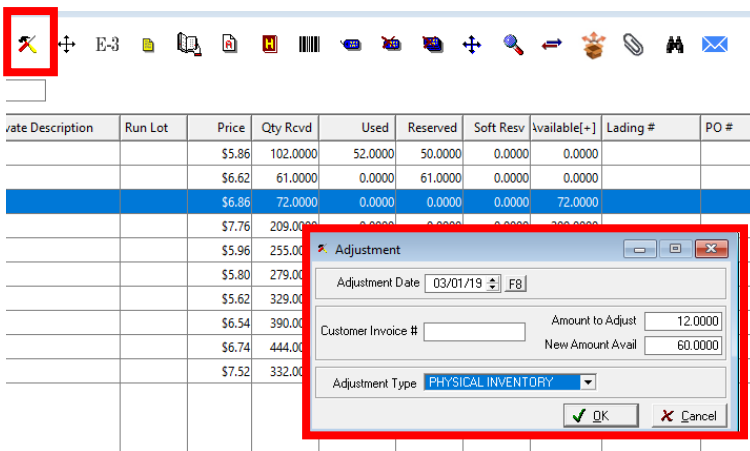
CUSTOMIZE ADJUSTMENT TYPES



Adjustment Types- User Defined:

Use this feature to add your own Adjustment Types to the drop -down list.

INVENTORY ADJUSTMENTS

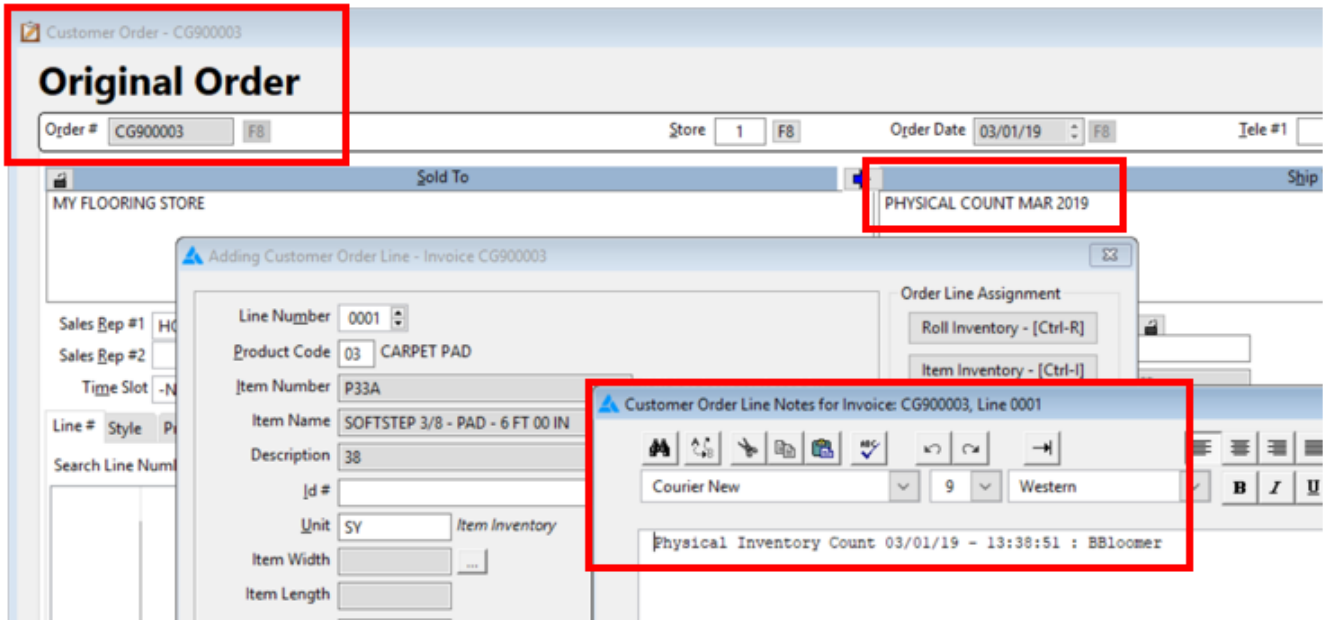


Inventory Adjustments:

This tool makes an adjustment to the highlighted inventory record and posts the information to the inventory History.

These adjustments can then be reported using the Inventory Adjustments Report.

CUSTOMER ORDER FOR THE PHYSICAL COUNT



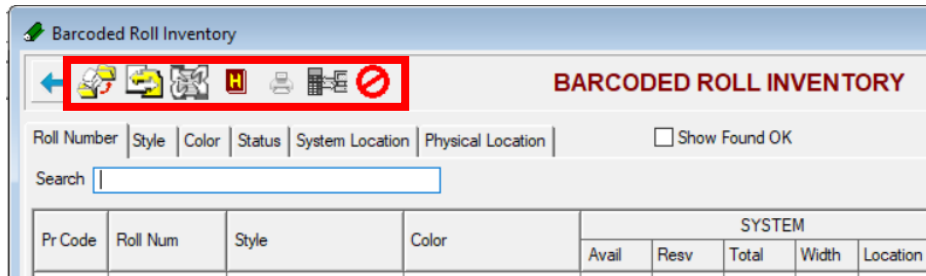
Alternate Method for Recording Inventory Adjustments:

Enter a customer order in the system to record adjustments to materials. This prevents any confusion around whether the adjustment is made for inventory that has not yet been costed, and through job costing, reconciles the gain/loss to the general ledger.

Best practices for inventory adjustments for a gain/loss of material is to follow procedures for releasing goods from inventory including use of a picking ticket and explanation of what or why the material was given away, lost, or sampled in the line notes of each record. These pick tickets can be gathered and the order job costed each month. This is especially important for use tax states as it allows the system to calculate the tax liability for loss of material automatically.

BARCODED PHYSICAL INVENTORY

BARCODED INVENTORY - ROLLS



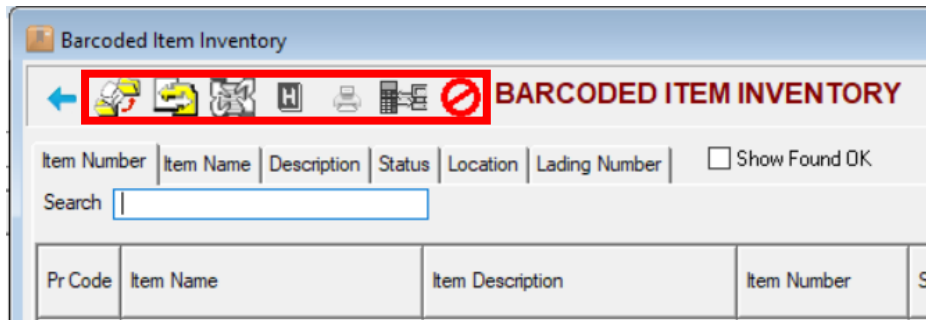
Barcoded Inventory:

Inventory>File>Barcoded Inventory>Barcoded Rolls

Inventory>File>Barcoded Inventory>Barcoded Items

The Barcoded Inventory module is used to take a physical inventory with a hand-held terminal (RFMS Tricoder), and then transfer that inventory information to the RFMS inventory system for reconciliation. Bar-coded Inventory is convenient and reduces the time required for the taking of physical inventories.

BARCODED INVENTORY - ITEMS



RFMS BARCODED ITEMS

Qty. Status: QTY. ERROR

Barcode	PC	Item #	Name	Desc	Run Lot	RFMS	Scanned
R853	03	P33A	SOFTSTEP 3/8 - PAD - 6 FT	38		11,540.000	1,573.000
R897	05	123	BRANCACCI FIELD TILE 12X1	ARIA IVORY PLAIN		291.000	269.000
R988	05	T813	SENATO - FLOOR TILE - 24X	BLANC		2,061.000	2,194.000
R1057	08	L0074	SPLASH PL TILE	TUCK		2,679.000	1,988.000
R1227	21	A006	GROUT CEMENT SANDED C	WINTER GRAY		2,703.000	2,698.000

Scanned Difference: -9,967.000 Adjusted Difference: -9,967.000

Rcvd	Grs Cost	Available	Reserved	Total Avail	Adjust Amt	Location	Store	System #
01/15/19	1.790	57.000	0.000	57.000	0.000	K-6	"1"	1,225
01/15/19	1.790	865.000	0.000	865.000	0.000	Q-5	"2"	1,226
01/15/19	1.790	59.000	0.000	59.000	0.000	O-1	"3"	1,227
01/15/19	1.790	444.000	0.000	444.000	0.000	P-9	"2"	1,228
01/15/19	1.790	642.000	0.000	642.000	0.000	N-2	"3"	1,229
01/15/19	1.790	653.000	0.000	653.000	0.000	K-6	"2"	1,230
01/15/19	1.790	228.000	0.000	228.000	0.000	Q-5	"1"	1,231
01/15/19	1.790	665.000	0.000	665.000	0.000	O-1	"3"	1,232
01/15/19	1.790	661.000	0.000	661.000	0.000	P-9	"3"	1,233
01/15/19	1.790	453.000	0.000	453.000	0.000	N-2	"2"	1,234
01/15/19	1.790	61.000	0.000	61.000	0.000	K-6	"3"	1,235

Barcode	Location	Qty
R853	O-1	59.00
R853	O-1	664.00
R853	O-1	365.00
R853	O-1	156.00
R853	O-1	329.00

Apply All Reconcile

RFMS Barcoded Items (R Code):

This feature is an alternate method of reconciling physical item inventory and locations. It utilizes the RFMS Barcode (called R barcode), which gives the same "R" barcode number to inventory records that match on PC, Item #, Name, Description, and RunLot. It can also be used with Item Barcodes (I barcode records). If you have a Tricoder, it is used with menu option 3 for RFMS Barcode.

BARCODE DEVICES FROM RFMS



1300G 1USB Scanner

\$299.00

SKU: 702-0 Categories: Hardware, Supplies
The Honeywell Hyperion 1300g Linear Imager Barcode Scanner from System ID Barcode Solutions is ideal for warehouse management, inventory control, and asset tracking. The Hyperion 1300g corded barcode scanner is available with Keyboard Wedge, RS232, and USB interfaces. System ID offers a full line of accessories for the 1300g barcode scanner including cables and stands.

The Honeywell Hyperion 1300g is a rugged scanner. With no moving parts, the Hperion 1300g tends to last longer than other scanners on the market.

The 1300g delivers superior imaging performance and versatility. Fast and intuitive barcode scanning up to 18 inches, and high density barcodes as small as 3 mil. reading are both enabled in a single device.

Handheld Barcode Scanner

Use this device for all barcode applications in RFMS except for taking a Physical Inventory.

<https://www.rfms.com/product/scanner/>



Tricoder

\$1,550.00

SKU: 312-0 Categories: Hardware, Supplies
LT5101H which has the same 1D bar code scanner as the LT5001 with an ergonomic gun handle and trigger, for comfortable one handed scanning. Purchase includes hardware programming for the device to work with the Barcoded Inventory module that in included in RFMS core business management system.

RFMS Tricoder

Use this device specifically for taking a Physical Inventory.

<https://www.rfms.com/product/tricoder/>

3of9 Barcode Font

RFMS uses the 3of9 Barcode font for all barcode applications. The font can be downloaded under your customer portal at RFMS.com and is also available from any RFMS trainer.

NOTES: