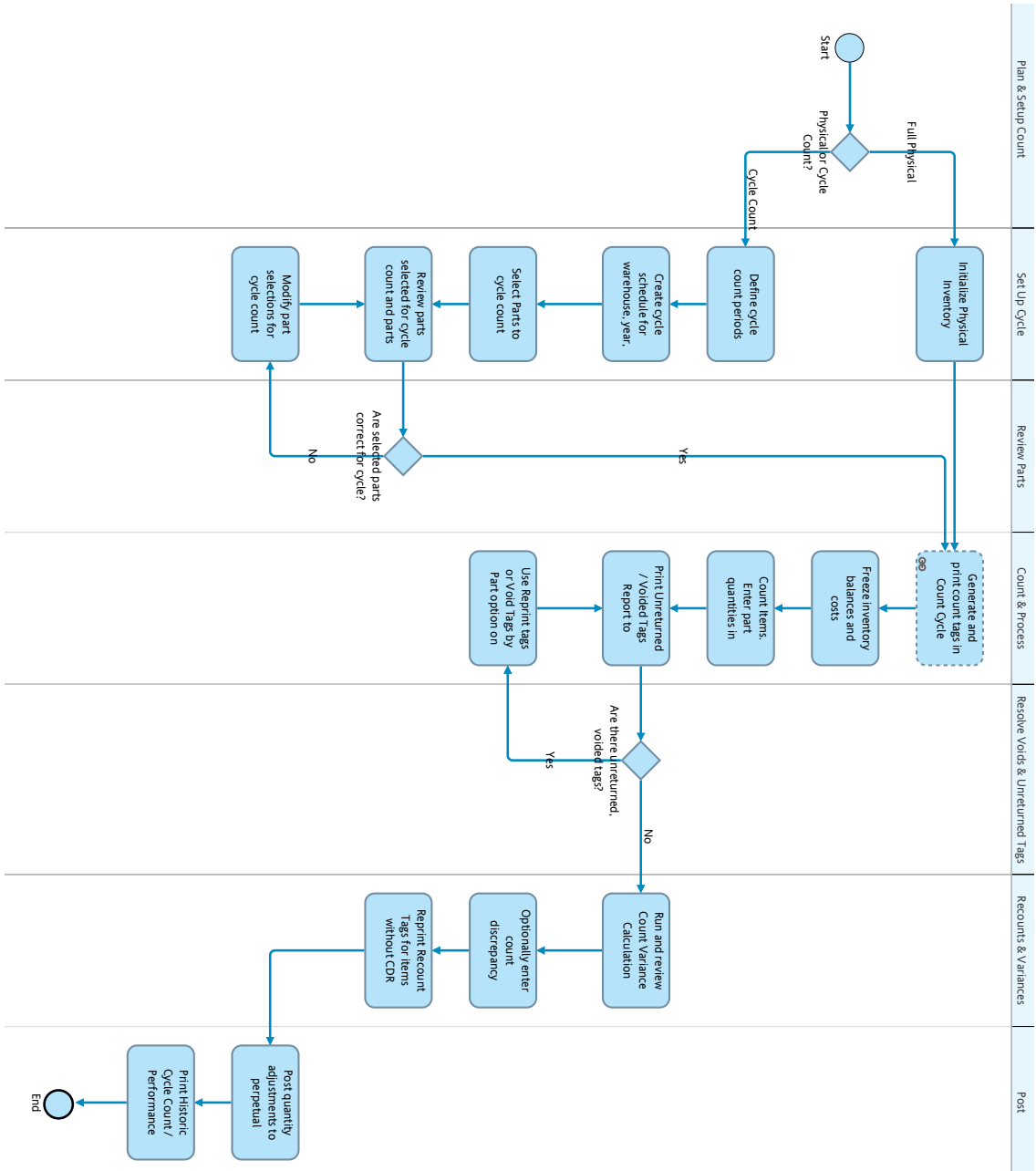


PHYSICAL INVENTORY BEST PRACTICES



PHYSICAL INVENTORY BEST PRACTICES

Physical Inventory Checklist

Task Description	Responsible	Due Date/Time	Done Date/time
1) Prepare for Physical Inventory.	Production / Finance		
a) Physical Inventory count procedures documented.			
i) Counting			
ii) Count Audits			
iii) Re-counts			
b) Establish Control Desk(s).			
c) Establish inventory re-count tolerances.			
d) Assign personnel for count.			
i) Counters			
ii) Control Desk(s)			
iii) Count Monitors.			
iv) Data Entry			
e) Physical Inventory Training			
i) Counters			
ii) Control Desk(s)			
iii) Data Entry personnel			
iv) Count Monitors			
v) Re-counts.			
f) Prepare required materials for count, i.e. clip boards, pens, tables, etc.			
2) Continue to manufacture as many parts as possible through Final Operation.	Production		
3) Define WIP Count method? Job Track Actual Cost?	Finance		
4) If any exiting inventory items are questionable, make decision whether to physically scrap or count.	Prod / Finance		
a) Tag inventory that is not to be counted, I,e, "Do Not Count" Tags, red 8x11	Finance / Inventory		
b) How are counted areas marked when 1st inventory count completed?	Finance / Inventory		
c) General Inventory clean up.	Inventory		
i) Part No. readable			
ii) UoM readable			
iii) Bin No. / ZONE readable			
d) Inventory ready for count			

PHYSICAL INVENTORY BEST PRACTICES

Physical Inventory Checklist

<u>Task Description</u>	<u>Responsible</u>	<u>Due Date/Time</u>	<u>Done Date/time</u>
5) Verify all parts at Outside Processing Suppers	Finance / Purchasing		
a) Part Number			
b) UOM			
c) Quantity			
d) Location			
6) Site ready for physical inventory	Production / Finance		
7) Run Stock Status Report for pre count benchmark.			
8) Create BAQ to list open Jobs Estimated and Actual cost.	Production		
9) Conduct Physical Inventory for "Stock" items.	Production / Finance		
a) Start Count in Epicor			
b) Print Count Tags or Count Sheets			
c) Control Desk issue count batches			
10) Begin entering counts in to Physical Inventory as returned to the Control Desk.	Count Control Team		
11) Verify that all 1st Counts are checked in by the Control Desk.	Count Control Desk		
12) Conduct Physical Inventory for "WIP" items.	Production / Finance		
Job Tracker Detail > Assembly > Cost - Actual Column.			
13) Print Count Variance report.	Count Control Desk		
14) Start Re-counts as needed by running the Re-count Report.			
a) Enter Re-counts			
b) Print Count Variance report.			
15) Posting Physical Inventory on Finance by-off.	Count Control Team		