

## **MENU: MASTER**

The Equinox Welding Supply Management System

1. Inquiry Menu
2. File Maintenance Menu
3. Order Entry & Billing Menu
4. Accounts Receivable Menu
5. File Listings Menu
6. Delivery Slip Control Menu
- 7. Physical Inventory Menus**
8. Special Options Menu (XMENU)
9. Salesman Call Frequency Menu
10. Cylinder Tracking Menu (CYLZ)
11. EDI/FAX Menu
24. Sign Off

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## **MENU: PHYINV**

Select one of the following:

1. Full Physical Inventory MENU
2. Cycle Counting MENU
23. Return to MASTER Menu
24. Sign OFF

## **MENU: PHYSCL**

PHYSICAL INVENTORY MENU

1. Select Locations for counting.
2. Print list of all inventory by manufacturer for count taking.
3. Create a "frozen" inventory file after processing all data through the cut-off date for the location(s) to be counted.
4. \*\*\* OPTIONAL \*\*\* Post ticket numbers issued to branches.
5. Physical count input program.
6. Physical count input prgm from MEQ
7. \*\*\* OPTIONAL \*\*\* Ticket control report.
8. \*\*\* FIRST PHYSICAL ONLY \*\*\* Please call Equinox before running.
9. Inventory Discrepancy Report by Loc. (Step 5 can be used to correct errors)

- 10. \*\*\* OPTIONAL \*\*\* Update Hardgood Serial Numbers. (Discrepancies only.)
- 11. \*\*\* OPTIONAL \*\*\* Key missing average costs into the "frozen" inventory file (If you do not input average costs, replacement cost will be used)
- 12. Post physical count discrepancy adjustments into the "live" inventory file on-hand quantities for ALL locations counted. CAN BE RUN ONLY ONCE!!!
- 13. Print Inventory Value Report by loc as of cut-off date using average cost.
- 14. Delete "frozen" inventory file after ALL reports have printed.
- 22. Return to Physical Menus    23. Return to MASTER menu    24. Sign OFF

**NO TICKETS/NO MEQ- - -TICKETS/NO MEQ- - -NO TICKETS/MEQ**

- |                       |                       |                       |
|-----------------------|-----------------------|-----------------------|
| 1. Select Locations   | 1. Select Locations   | 1. Select Locations   |
| 2. List Inventory     | 2. List Inventory     | 2. List Inventory     |
| 3. Freeze Inventory   | 3. Freeze Inventory   | 3. Freeze Inventory   |
| 5. Physical Input     | 4. Post Tickets       | 5. Physical Input     |
| 9. List Discrepancies | 7. Ticket Report      | 6. MEQ Input          |
|                       | 9. List Discrepancies | 9. List Discrepancies |

\*\* Optional \*\* Use options 5, 10 and 11 to correct discrepancies/avg costs. These options can be run as often as necessary. When the inventory discrepancy is correct, you may continue on to the following steps.

- |                         |                         |                         |
|-------------------------|-------------------------|-------------------------|
| 12. Post Inventory      | 12. Post Inventory      | 12. Post Inventory      |
| 13. Inventory Value Rpt | 13. Inventory Value Rpt | 13. Inventory Value Rpt |
| 14. Delete Frozen Files | 14. Delete Frozen Files | 14. Delete Frozen Files |

## **MENU: CYCLE**

### Equinox Physical Inventory Via Cycle Counting

- 1. Freeze Inventory File
- 2. Post Ticket Numbers Issued To Locations \*\* OPTIONAL \*\*
- 3. Physical Count Input
- 4. Physical Count Input from MEQ.

5. Ticket Control Report \*\* OPTIONAL \*\*
6. Inventory Discrepancy Report by Location (Step 3 Can Be Used To Correct Errors)
7. Update Hardgood Serial Numbers. (Discrepancies only) \*\* OPTIONAL \*\*
8. Key Missing Average Costs Into Frozen File \*\* OPTIONAL \*\* (Replacement Cost Will Be Used If No Average Cost)
9. Post Physical Count Adjustments To The Live Inventory File
  
22. Return to PHYINV Menu
23. Return to MASTER Menu
24. Sign OFF

## **CYCLE COUNT**

1. Go to menu physical and select the location you will be counting.
2. Go to menu Cycle and complete the following:
  - Option #2 Only if it applies to you.
    - If you are using tickets to count your inventory you will need to select this option. The way the tickets work is as follows.
      - Usually the tickets will be 1 1/2" by 3", two page carboned and pre-numbered.
      - You will assign ticket number 00001 thru 05000 to location 01, 05001 thru 10000 to location 02, etc... You will provide that location with as many tickets as they will need to count all their in-house inventory.
      - When the location receives the tickets they will put one ticket in each bin box and/or item location.
      - On the day of the count the person counting will pull the ticket out of the box, count the items, put the item number and the count on the ticket, rip off the top part of the ticket and turn it in to your inventory control person(s) and put the other part back in the counted bin.
      - When the inventory control person receives the tickets they need to put them in numeric order and all tickets should be

accounted for. This is a cross check to make sure nothing is missed.

- You can begin inputting the count as soon as the tickets start coming in.

Option #1 After all paper work is complete.

Anything that you are not going to input a count on must be entered in the system prior to completing this option. You should run an unreleased orders report and have it completely cleaned up. If you do elect not to release an order you should include these items in your count. The fewer exceptions you have to your inventory count the more accurate your count will be.

Option #3 or 4 depending on how you are completing our count.

Option #3 and option #2 go hand in hand. If you are using option #4 you will not need option #2.

Option #6 Is ran only after you have completed options 1 & 4 or 1, 2, & 3.

Option #3 After reviewing the Option 6 report and you needed to make corrections use this option.

Option #9 ONLY after you are complete satisfied with count. Run another option 6 and verify your changes. Do a little spot checking on the count. If it's late at night and you are tired, you may want to hold off on this step till the next day.

Go to menu Physical and deselect the location you just counted.

Note: If you are doing this for the first time, I recommend you complete cycle count on your smallest purchase group for practice and see how the system operates before you bring in thousands of employees to do inventory.

Discussion:

When you freeze inventory you are freezing the ON HAND value in your inventory. When you write a packing slip the system adds n to allocated and takes on hand minus allocated and plugs that number in available. ON HAND is not effected till you release the packing slip. When you freeze inventory you are freezing the ON HAND value.

Prior to freezing your inventory all paper work should be complete. All packing slips should be released. If you have items that are not released you should include these items in your count.

Transfers: If you <F21> a transfer you should not count it in your inventory and the receiving facility should not count it either. I recommend that you either do

not <F21> your transfers and include them in your count or have your receiving facility receive the transfer in the system and include this in his/her count without actually having the merchandise.

If you continue to do business after you freeze the inventory you must input the count as if you still have that item in the ben. When you post your inventory count it will make the required adjustments to your inventory as of the time you froze it.

Counting inventory while doing business is extremely difficult. There are many human factors that must be taken into consideration and I have never heard of anyone pulling this off completely effective but YOU may be the first.