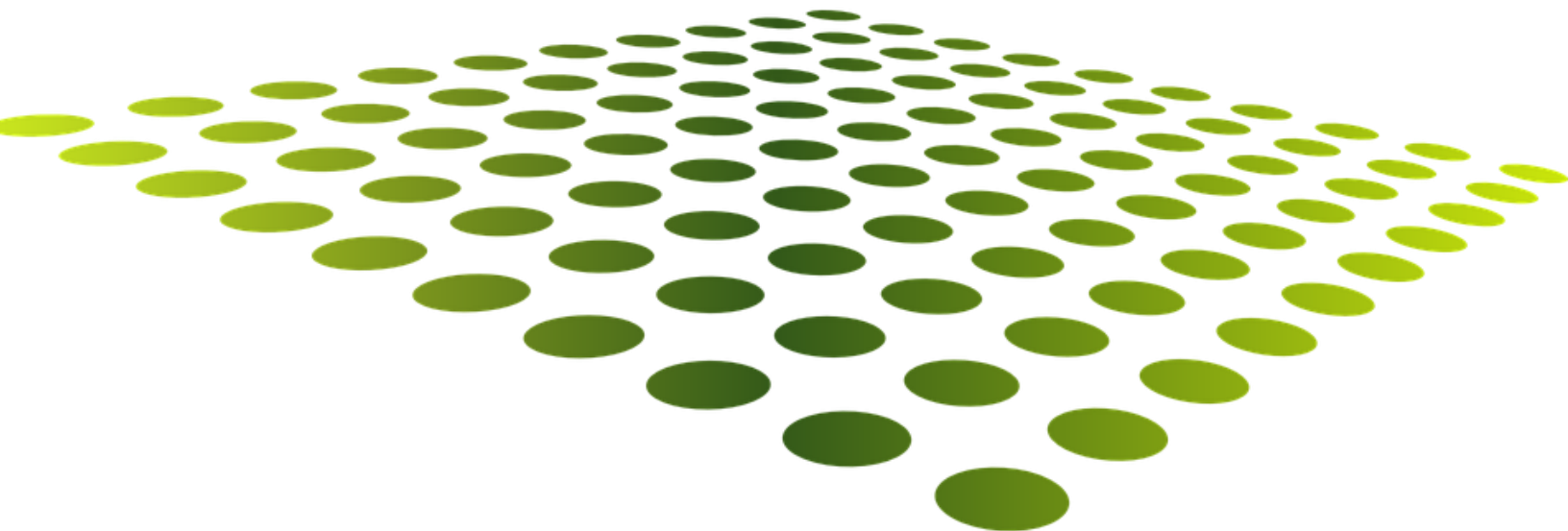# ADOA – General Accounting Office

AFIS MANUAL:
INVENTORY MANAGEMENT-MANAGER SETUP

AFIS MANUAL

Inventory Management- Manager Setup

TABLE OF CONTENTS

Activities are indicated with an icon

INVENTORY MANAGEMENT- MANAGER SETUP

Purpose

The Inventory Warehouse Setup course is intended to provide guidance on inventory warehouse management using AFIS. In this course, students learn how set up tables to support inventory transactions, how to process inventory transactions, how item quantities are updated.

Course Elements

The course has two essential elements: instruction and hands-on navigation. The instructor will guide you through the course material and then you will have an opportunity to log in to the system to complete hands-on activities in the class in the training environment. The instructor may provide you with a data card which has the necessary information to complete the hands-on activities.

Inventory Configuration

Learning Objectives

After completing this lesson, you will be able to:

- Review Chart of Account use and crosswalk

Chart of Accounts

The Chart of Accounts (COA) is the heart of the financial application and is used for transactions, reports, and analysis. The COA provides an account structure to classify financial information according to the codes needed to support the various uses of agencies financial information as well as to meet state reporting requirements. These COA elements are used when creating budgets and processing inventory transactions. In this way, the expenditure and collection of money can be tracked.

Standardizing COA provides these advantages:

- Uniform use of COA codes.
- Increased accuracy and effectiveness of the COA.
- Standardized flexibility among agency use, maintaining centralized data integrity.
- Improved access to summary level data while providing drill-down capability to detail level data.
- Improved transparency.

Chart of Accounts Elements

The Chart of Accounts setup captures the structure for documenting and reporting on financial data. COA usage is driven by the financial COA structure, historical data needs, reporting and regulatory requirements. Ultimately, an organization's business rules drive the elements that will be associated with each budget line (financial string).
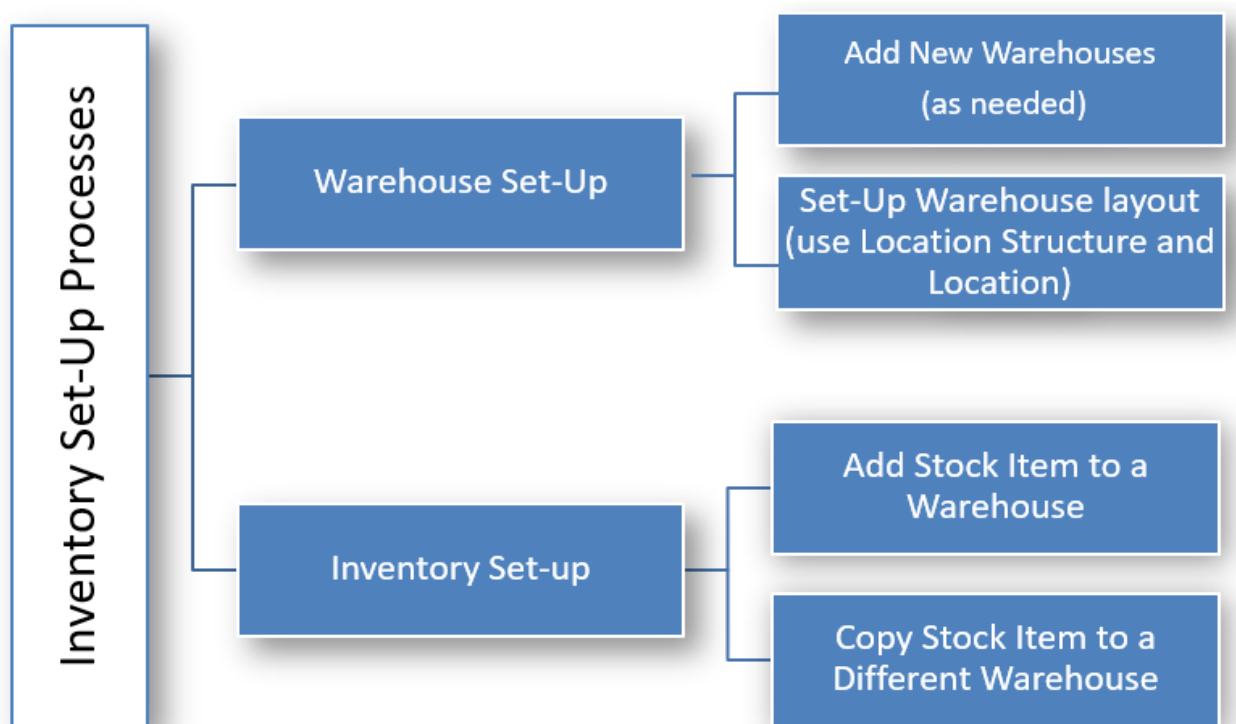
Inventory Setup Process

Inventory Set-up has two processes, Warehouse Set-up and Inventory Set-up. Warehouse Set-up allows you to define the accounting string for the associated warehouse. This accounting string will be used throughout Inventory.

A warehouse must first be established before adding stock items to it. Once established, you can add stock items. Inventory set up includes adding stock items to the warehouse, adding stock item suffix code and a copying a stock item to a different warehouse.

Once the stock items are defined, you can determine the location where the item resides within your warehouse.

Warehouse Set Up

The Warehouse table allows you to set up default information for specific inventory processes. The warehouse page has five sections;

- General Information

- Management Control

- Default Event Types

- Warehouse Fund Accounting

- Warehouse Detail Accounting

The General Information section is where the warehouse code, description and location are set up. The Track Quantity by Location flag indicates if the warehouse is tracking inventory at the location level (checked) or at the stock item level (unchecked).

GENERAL INFORMATION - WAREHOUSE TABLE

Management Controls has configuration related to stock returns, factors for lead time calculation, and a setting for allowing backorders. The section also identifies the document code that will be used to process Stock Issue Conformation documents and define the printer that will be used to print Pick and Issue tickets.

MANAGEMENT CONTROL - WAREHOUSE TABLE

Default Event Types establish the event types that will default for Requisitions, Purchase Order and Payment Request documents when a warehouse is entered. The Accounting Method of Consumption has been established for agencies using inventory.

DEFAULT EVENT TYPES - WAREHOUSE TABLE

The Warehouse Fund and Detail Accounting identify the sellers accounting and is inferred onto inventory transactions.

MANAGEMENT CONTROL - WAREHOUSE TABLE

Defining Warehouse Locations

There are 3 pages used to define the layout of a warehouse. They are:

- Warehouse Location Type
- Warehouse Location Structure
- Warehouse Inventory Location

Warehouse Location Type

The Warehouse Location Type (WLOCTYP) page allows you to assign different names to standard types of warehouse locations based on your own internal classification and naming conventions. This page is delivered with a standard set of Warehouse Location Types based on typical classifications used in most warehouses.

The Warehouse Location Types set up on this page can be selected on the Warehouse Location Structure page to define the structures for the Location Types for each warehouse.

WAREHOUSE LOCATION TYPE

Warehouse	Warehouse Location Type	Name
✓ ALL	AISLE	Aisle
ALL	AREA	Area
ALL	BAY	Bay
ALL	BIN1	Bin 1
ALL	BIN2	Bin 2
ALL	BOX	Box
ALL	CAGE	Cage
ALL	CART	Cart
ALL	COLDSTORE	Cold Storage
ALL	COLUMN	Column

First Prev Next Last

Save Undo Delete Insert Copy Paste   Search

*Warehouse : ALL   **Description :** Aisle

*Warehouse Location Type : AISLE

Name : Aisle

Department : ALL

Warehouse Location Structure

The Warehouse Location Structure (WLOCST) page allows you to define all allowable inventory location identification structures for a given Warehouse. Up to eight levels of identification may be defined for each warehouse location structure. The Location Type 1 through 8 fields provide a pick list to the Warehouse Location Type (WLOCTYP) page, and are automatically filtered to only display values that are valid for the Warehouse selected on WLOCST.

The WLOCST page ensures that the inventory locations are properly structured, as defined on the WLOCTYP page. For example, if you want to ensure that every Inventory Location has the proper Aisle, Rack, Shelf, and Bin designation, then you can set up allowable location structures that ensure that all bins have parent shelves, all shelves have parent racks, and all racks have parent aisles. Similarly, if you choose to simply use Bin locations, then you can set up this table to prevent Bin locations from having a parent location type (that is, only Location Type 1 is populated).

WAREHOUSE LOCATION STRUCTURE

Warehouse Location Structure

Menu Back

	Warehouse	Location Structure	Location Structure Description	Location Type 1	Location Type 2	Location Type 3	Location Type 4	Location Type 5	Location Type 6	Location Type 7	Location Type 8
✓	HSAASHWH	ASHWHSE	Aisle-Rack-Shelf	AISLE	RACK	SHELF					
	HSAMEDMT	CLINIC	Room-Rack-Row-Column	ROOM	RACK	ROW	COLUMN				
	HSAMEDMT	IW2	Room-Rack-Row-Column	ROOM	RACK	ROW	COLUMN				
	PSALOGWH	ACADEMY	Area-Rack-Shelf	AREA	RACK	SHELF					
	PSALOGWH	BATBELT	Area-Rack-Shelf	AREA	RACK	SHELF					
	PSALOGWH	BLUE	Area-Row-Rack-Shelf	AREA	ROW	RACK	SHELF				
	PSALOGWH	COUNTER	Area-Counter	AREA	COUNTER						
	PSALOGWH	DUTY	Area-Row-Rack-Shelf	AREA	ROW	RACK	SHELF				
	PSALOGWH	FIRSTAID	Area-Row-Shelf	AREA	ROW	SHELF					
	PSALOGWH	FIRSTAID1	Area-Row	AREA	ROW						

First Prev Next Last

Save Undo Delete Insert Copy Paste   Search

*Warehouse : HSAASHWH
ASH warehouseArizona State Hospital501 N. 24th St. 85008
*Location Structure : ASHWHSE
Location Structure Description : Aisle-Rack-Shelf
Department : HSA
*Location Type 1 : AISLE
Aisle
Location Type 2 : RACK
Rack
Location Type 3 : SHELF
Shelf

Location Type 4 :
Location Type 5 :
Location Type 6 :
Location Type 7 :
Location Type 8 :

Warehouse Inventory Location

The Warehouse Inventory Location (WILOC) page captures the available storage location within a warehouse based on the values in the Location Structure and Location Type 1 through 8 fields. Valid Location Structures are defined on the Warehouse Location Structure (WLOCST) page. Based on the Location Structure selected on WILOC, the Location Type fields are inferred from WLOCST. You must then populate the Location ID 1 through 8 fields if a value exists in the corresponding Location Type 1 through 8 fields.

WAREHOUSE INVENTORY LOCATION

Additional Configuration

Before the Inventory process can begin in Advantage Inventory, both Inventory specific must be set up. Some of these tables come pre-loaded with data, while others may need to be populated manually.

ABC Classification Parameters

This table establishes ABC classifications used for controlling; stock levels, calculating and forecasting stock levels, reorder points, and lead-times. Each warehouse must be tied to an ABC Classification. Normally, the values on this table are determined when inventory is first implemented and they rarely change.

ABC CLASSIFICATION PARAMETER

ABC Classification Parameter

	Department	Unit	ABC Classification	Description
✓	ALL	ALL	A	A Classification
	ALL	ALL	B	B Classification
	ALL	ALL	C	C Classification
	ALL	ALL	DFLT	Forecasting

First Prev Next Last

Save Undo Delete Insert Copy Paste   Search

Department : ALL
Unit : ALL
ABC Classification : A
Description : A Classification

Forecast Method : Manual Setting
Order Quantity Method : Order up to
Safety Stock Factor : 1.00
Number of Months : 0
Lead Time Adjustment : 0
EOQ Order Cost : 0.00
EOQ Carry Percentage :

Adjustment Code

The Adjustment Code (ADJC) table is used to define valid reasons why a stock item required an adjustment to inventory. In addition, the Adjustment Code table also allows for the ability to define what Object to charge when posting the adjustment. When making an adjustment to the inventory, the system requires a valid reason to be stated. The Adjustment Code table is used to add, modify, and delete valid reasons for adjustments to inventory.

ADJUSTMENT CODE

Adjustment Code

	Adjustment Code	Description
✓	CST	Cost Adjustment
	MRT	Manual Return
	PC	Physical Inventory Count
	QTY	Quantity on hand adjustments

First Prev Next Last

Save Undo Delete Insert Copy Paste   Search

Adjustment Code : CST
Description : Cost Adjustment

Object : 7321
Sub Object :
Dept Object :

Use for Reconciliation : ☐

AFIS MANUAL

Return Code

The Return Code (RETC) table is used to setup valid Return Codes to define why the stock item is returned to inventory.

RETURN CODE

Return Code	Description
✓ DEF	DEFECTIVE
DMG	DAMAGED
DSTRY	DESTRUCTION OF HAZARDOUS MATERIAL
EXP	EXPIRED
INCOR	INCORRECT ITEM RECEIVED
OTHER	OTHER - ADDITIONAL INFORMATION IN EXTENDED DESCRIPTION
QTY	INCORRECT QUANTITY RECEIVED

First Prev Next Last

Save Undo Delete Insert Copy Paste   Search

Return Code : DEF
Description : DEFECTIVE

Menu Back

AFIS – *Internal Use Only ADOA*   *9/30/2019 V3_0*   Inventory Management- Manager Setup   11

Inventory Tables and Inquiries

Learning Objectives

 After completing this lesson, you will be able to:

- Identify the main inventory tables.
- Define the purpose of the Inventory Maintenance table.
- Demonstrate the use and purpose of the drill down on the Inventory Inquiry table.
- Describe the Use of an Item Group.

The inventory tables maintain information regarding issuing and purchasing sides of the inventory transactions, transaction history, inventory usage history, as well as facilitates the establishment and maintenance of stock items in inventory.

Inventory Tables

There are two tables used to establish and maintain inventory items;

- Inventory Maintenance (INVN)
- Item Group (ITMG)

The Inventory Maintenance table is used to associate an inventory item with a specific warehouse that is storing the item. A warehouse manager can define warehouse location details and can also bundle items that will be issued as a set on the Item Group table.

Inventory Maintenance Table

The Inventory Maintenance (INVN) page is used to associate an inventory item with a specific warehouse that is storing the item. In order to establish an inventory item, first there must be a valid warehouse on the Warehouse (WHSE) table and second, valid inventory commodities must exist and be flagged as an inventory item on the Commodity table (COMM) on the table. A warehouse manager can also combine items that will be issued as a set on the Item Group table. The Inventory Inquiry page is a display only table that displays both the system maintained fields and the user maintained fields from Inventory Maintenance.

The Inventory Maintenance table has the following sections;

- General Information
- Part Information
- Part Handling Information
- Pricing
- Inferred COA Elements

- Reorder Information

- Location

The General Information section maintains stock item and description information for items maintained in identified warehouses. The section also tracks item cost, issue and purchase unit of measure. If the issue unit is different than the purchase unit, the section has the fields to calculate the conversion. The Track Quantity by Location flag when checked indicates that the stock item quantity will be tracked that the location level rather than at the stock item level.

GENERAL INFORMATION SECTION – INVENTORY MAINTENANCE TABLE

The Part Information section maintains alternative numbering for like UPC, SKU, Barcode, Serial Number, Internal, Manufacturer and Distributor Part Numbers. Use of many of these fields requires additional set up on related part number tables.

PART INFORMATION SECTION - INVENTORY MAINTENANCE TABLE

The Part Handling Information section tracks specific handling instructions for the item. The item can be identified as hazardous, if so a Hazardous Materials Classification must be selected.

PART HANDLING SECTION - INVENTORY MAINTENANCE TABLE

The Pricing Information section allows the item to have a price established for that is different from the cost of the item. Ordering limits can be established using Maximum and Minimum Issue fields. The mark up fields reference the Inventory Markups table, this setting allows the system to auto calculate the unit price at the warehouse/stock item level by adding additional overhead to the price of an item.

PRICING INFORMATION - INVENTORY MAINTENANCE TABLE

The Inferred COA Elements section establishes chart of account elements that will override the elements that infer from warehouse set up on the seller side of the inventory accounting transaction.

INFERRED COA ELEMENTS SECTION - INVENTORY MAINTENANCE TABLE

The Reorder Information section maintains information related to inventory replenishment. When a stock item's quantity drops below the reorder level then the system will select that item for replenishment. The system will create a request based on the Reorder Quantity. The Manual Reorder flag will exclude the item from the automated replenishment process. Required Lead Time, Vendor Lead Time and Lead Time Adjustment are system calculated values and are used for items that have an ABC Classification, Order Quantity Method of EOQ.

The Location section lists all of the locations where an inventory item can be found along with the items on hand quantity, last count and last count date. It also lists the location priority, the location priority is used when creating the Pick and Issue. The Pick and Issue will select the item's highest location priority to fill the order from until the location is completely depleted then it will select from the next highest priority.

REORDER INFORMATION AND LOCATION SECTIONS - INVENTORY MAINTENANCE TABLE

Item Groups

The Item Group page specifies relationships between inventory items. The relationship of parent/child allows you to request one item (the parent) which consists of two or more stock items (the children). For example, a requestor would request a toolbox (parent item) and would be issued a toolbox, screwdriver, and hammer (child items). For each Parent Item, a list of Child Item(s) with its Description and Quantity is displayed. Parent and Child Items must be valid on the Commodity (COMM) table and a parent record cannot be a child of another parent or of itself.

ITEM GROUP

Item Group

	Parent Stock Item	Stock Item Description
✓	20165	Rainwear (Raincoats, Hats, Slicker Suits, Storm Suits, Umbre

First Prev Next Last

Save Undo Delete Insert Copy Paste   Search

Parent Stock Item : 20165

Stock Item Suffix :

Stock Item Description : Rainwear (Raincoats, Hats, Slicker Suits, Storm Suits, Umbre

	Child Stock Item	Child Stock Item Description	Child Stock Item Suffix	Quantity
✓	20165	Rainwear (Raincoats, Hats,	123	2.00000

Delete Insert   Copy Paste   First Prev Next Last

⬚ Search by Child

⬚ Inventory Maintenance

Inventory Inquiry

Inventory Inquiry page stores information about each stock item stored at each warehouse. This page maintains descriptive, purchasing, historical use, reorder and cost information. It also maintains on-hand, backordered, reserved, released and in-transfer stock balances. The Location section provides a grid that displays stock item information at the location level (refer to the "Inventory by Location" section for more information).

The Inventory Detail section tracks the amount of stock that is. The quantities at the stock item level are provided under the Quantities sub section. The system tracks quantities in the On Hand, Reserved, Backordered, In Transfer, On Order and Requested buckets. Each one of these field has a drill down feature. By selecting the drilldown icon next to one of the above-mentioned fields, you will be transitioned to another inquiry page, which provides a summary of data and a list of documents that modified the field. You will also be provided with a link to the document that updated the bucket.

The Location sub section displays stock item details at the location level. The Track Quantity By Location flag indicates whether the stock item tracks inventory quantity at the location level (checked) or at the stock item level (not checked).

Inventory Details and General Information - Inventory Maintenance Table

Inventory Inquiry

Menu

Inventory Details

	Warehouse	Stock Item	Description	Unit Price	Available
✓	HSAASHWH	20165 SM	RAINCOAT	2.000000	600.00000

First Prev Next Last

Search

▼ **General Information**

Warehouse : HSAASHWH	**Unit Price :** 2.000000
ASH warehouseArizona State Hospital501 N. 24th St. 85008	**Unit Cost :** 1.000000
Stock Item : 20165	**Extended Cost :** 600.000000
Stock Item Suffix : SM	**Issue Unit :** EACH
Description : RAINCOAT	**Purchase Unit :** BOX
Suggested Vendor :	**Multiplier :** 20
Quantity per Issue : 1.00000	**Smaller Unit :** Issue Unit
ABC Class : A	**Extended Description :**
A Classification	
Stock Group :	**Commodity Name :** Rainwear (Raincoats, Hats, Slicker Suits, Storm Suits, Umbre
Parent Item : ☐	**Specifications :**
Frozen for Accounting : ☐	
Active : ☑	
Marked for Future Deletion : ☐	**Track Quantity by Location :** ☑
Internally Manufactured : ☐	
Parent Replenishment : ☐	

Quantities, Dates and Location sections - Inventory Maintenance Table

Inventory Details

	Warehouse	Stock Item	Description	Unit Price	Available
✓	HSAASHWH	20165 SM	RAINCOAT	2.000000	600.00000

First Prev Next Last

Search

▶ **General Information**

▼ **Quantities**

On Hand : 600.00000	**Backordered :** 0.00000
Reserved : 0.00000	**On Order :** 0.00000
Released : 0.00000	**Currently Requested :** 0.00000
In Transfer : 0.00000	**Maximum Issue :** 99999.99999
Available : 600.00000	**Minimum Issue :** 0.00000
	Last Count : 0.00000

▼ **Dates**

First Receipt : 06/26/2019	**Last Issued :**
Last Ordered : 06/26/2019	**Last Transfer :**
Next Delivery :	**Last Counted :**

Location

	Location Priority	Inventory Location	Location Structure Description	On Hand Quantity	Last Count	Last Count Date
✓	1	12	Aisle-Rack-Shelf	600.00000	0.00000	

First Prev Next Last

Inventory Usage Table

The Inventory Usage (INVNU) table displays the monthly usage and forecast fields.

At the close of each year, the Annual Close process is run to roll back the historical information and reset the Current Year.

INVENTORY USAGE HISTORY AND FORECAST MAINTENANCE

Inventory Transactions

Lesson Overview

Every movement of an inventory item requires a transaction to identify the item, price and the accounting used to charge the buyer for the purchase. Inventory managers are the only roles who can create stock returns.

Stock Return

The Stock Return (SN) document allows the original requestor to return previously issued items back to the originating warehouse.

The SN document has the following sections:

- Header

- Accounting Distribution

- Commodity

- Commodity Detail (not being used)

- Accounting

- Posting

The Stock Return (SN) document does the following:

- Records the exact quantity of stock items that have been returned to the warehouse.

- Updates the exact quantity of returned stock items on the INVN and the Stock Requisition (SRQ) or Over the Counter (OC) document, if applicable.

- Correctly records the decrease in expense to the buyer and decrease in revenue for the seller.

The SN document is created by copying forward the original SRQ or OC document. This ensures the correct commodity is returned to inventory. It also ensures that the accounting used on the original transaction is properly credited for the return. When creating the transaction, there is very little data to enter. It is important to make sure the correct stock items are being returned and the returned quantity is correct.

The SN documents cannot be processed for a stock item which is not active or has been Frozen for physical counting on the INVN table. If either is not active the items cannot be returned.

Header Section

The Header has information that applies to the entire document. The Document Description Warehouse and Returning Unit are required fields. In the Returning Information Section, Returned By and Return Code are required fields.

STOCK RETURN – HEADER

Commodity Section

The Commodity section lists all commodities associated with the original issue of goods. Any lines that are copied from the original issue document that are not being returned will need to be deleted from the document. Every OC document must have at least one commodity line, and each commodity line must have at least one accounting line. The Returned Quantity is a required field. The other fields will populate by default or are protected.

STOCK RETURN – COMMODITY

Commodity Detail Section

The Commodity Detail section updates the Inventory Maintenance Detail table; this table is not being used by district/agencies at this time, do not populate the fields in this section.

Accounting Section

The accounting section lists the requestor's accounting funds for each commodity line. The fields in this section populate from the referenced SRQ or OC document. The Event Type and Line Amount fields populate by default.

S TOCK R ETURN – A CCOUNTING

Posting Section

Posting line is a system-generated section of the document. Based on the entries made in the accounting line section, the system generates posting lines showing how the transaction is posted.

Procedure Steps: How to create a Stock Return document

1. Create the SN document using the copy forward function from original SRQ. Use the Document Catalog to locate the original issue transaction.
2. In the **Jump to** field, enter **SRQ.**
3. Click the **Go** button to open the Document Catalog.
4. The **Code** field will be populated with the document code.
5. In the **Dept.** field, enter the Department from the original SRQ.
6. Click **Browse**.

7. Click on the **Document ID** of the document to use in the return.
8. The Header of the SRQ document will open**.**
9. Populate the Copy Forward page of the SRQ document.
10. Click the **Copy Forward** Button. The Copy Forward page will open.
11. In the **Doc Department** field enter the agency to process the return for.
12. Check the Auto Numbering check box.
13. Select Target Doc Type of **SN**.
14. Click **OK**.
15. The Stock Return (SN) document will open.
16. The document opens with most of the required fields populated.
17. In the Header, Returning Information section select a **Return Code**.
18. In the Secondary Navigation section click **Commodity**. The Commodity section opens.
19. In the grid at the top of the section, click on the **Trash Can** icon to delete any lines not included in the return.
20. In the **Inventory Location** field select the location the item will be returned to.
21. In the **Returned Quantity** field enter the quantity to be returned.
22. Click the **Recalculate Accounting Line Amount** button.
23. Click **Validate**.
24. Correct any errors.
25. Click **Submit.**
26. In the lower right corner, click the **Close** icon**.**
27. On the Primary Navigation Panel, click **Home** to return to the home page.

Create an SN Document

Scenario

Ent The Custodian has returned with some items from a previous order he no longer needs.

Login to **Financial**. **Create** the **SN** document using the copy forward function from original SRQ. Use the Document Catalog to locate the original issue transaction.

1. In the **Jump to** field, enter *SRQ*
2. Click the **Go** button to open the Document Catalog
3. The **Code** field will be populated with the document code
4. In the **Dept.** field, enter *0000000*
5. Click **Browse**
6. Click on the **Document ID** of the document to use in the return
7. The Header of the SRQ document will open

Populate the **Copy Forward** page of the SRQ document.

1. Click the **Copy Forward** Button. The Copy Forward page will open
2. In the **Doc Dept** field enter *0000000*
3. Check the **Auto Numbering** check box
4. Select Target Doc Type of **SN**
5. Click **OK**

The Stock Return (SN) document will open.

1. The document opens with most of the required fields populated
2. In the Header, Returning Information section select a **Return Code**
3. In the Secondary Navigation section click Commodity. The Commodity section opens
4. In the grid at the top of the section, click on the **Trash Can** icon to delete any lines not included in the return
5. In the **Inventory Location** field select the location the item will be returned to
6. In the Returned Quantity field enter *1*
7. Click the **Recalculate Accounting Line Amount** button
8. Click **Validate,** Correct any errors
9. Click **Submit**
10. In the lower right corner, click the **Close** icon
11. On the Primary Navigation Panel, click **Home** to return to the home page

Inventory Adjustment

The Inventory Adjustment (IA) document allows warehouse managers the ability to adjust quantities or unit cost values of on-hand items due to a change in on-hand quantity or unit cost. This document is also used during the Physical Inventory Reconciliation process to record adjustments to the on-hand quantity as a result of a physical count.

The Inventory Adjustment document has the following detail sections:

- Header

- Commodity

- Commodity Details (not being used)

- Accounting

- Posting

Header Section

The Header has information that applies to the entire document. The **Warehouse** is the only required field that needs to be entered. The other fields populate by default.

INVENTORY ADJUSTMENT – HEADER

Commodity Section

The Commodity section lists all commodities associated with the issue of goods. Every IA document must have at least one commodity line, and each commodity line must have at least one accounting line. The in the General Information Section Stock Item, Stock Item Suffix, Inventory Location, and Location

Structure are required fields. In the Adjustment Information Section Change in Quantity or Change in Unit Cost are required. The IA should have either field populated not both on the same transaction. The Adjustment Code is also a required field. Other fields will populate by default or are protected.

INVENTORY ADJUSTMENT – COMMODITY

Commodity Detail Section

The Commodity Detail section updates the Inventory Maintenance Detail table; this table is not being used by district/agencies at this time.

Accounting Section

The accounting section infers the elements to process this transaction from the Warehouse table. The Event Type and Line Amount fields populate by default.

INVENTORY ADJUSTMENT – ACCOUNTING

Posting Section

Posting line is a system-generated section of the document. Based on the entries made in the accounting line section, the system generates posting lines showing how the transaction is posted.

INVENTORY ADJUSTMENT – POSTING

Procedure Steps: How to create an Inventory Adjustment (IA) document to adjust the quantity of an item in inventory.

1. In the **Jump to** field, enter **IA**
2. Click the **Go** button to open the Document Catalog
3. The **Code** field will be populated with the document code
4. In the **Dept**, enter the Department code
5. Click **Create**

6. Click **Auto Number**.
7. Click **Create.** The Header of the IA document will open
8. In the **Warehouse** field, enter the warehouse code to make the adjustment for
9. In Secondary Navigation click **Commodity**. The Commodity section will open
10. In the **Stock Item** field, select the Stock Item
11. In the **Stock Item Suffix** field, select the Stock Item Suffix
12. In the **Inventory Location** select the inventory location for the item
13. In the **Change in Quantity** field enter the quantity to add to inventory
14. In the **Adjustment Code** field select the reason for the adjustment
15. Click **Validate,** correct any system identified errors
16. Click **Submit**

Physical Count Process

Learning Objectives

After completing this lesson, you will:

- Understand the purpose of the physical count process.

There are several batch job available to help with the replenishment and counting of inventory. The jobs will be reviewed in this section.

Inventory Freeze Process

The Inventory Freeze (INVF) table allows you to search, maintain, and delete items that need to be counted, record the actual number of items in inventory, and finally, verify any discrepancies between the stock items on hand and the quantity recorded in the AFIS system.

Inventory Freeze Page

The Inventory Freeze (INVF) page is populated in two ways. You can either directly update the table, or run the Inventory Freeze batch process to select records from the Inventory (INVN) page and add them to the Inventory Freeze page. To create a record directly on this page requires, at a minimum, a unique Warehouse, Stock Item, and Stock Item Suffix combination, a valid Warehouse Code on the Warehouse (WHSE) page, a valid Stock Item (including suffix) on the Inventory page, a non-parent record, and a valid Adjustment Code on the Adjustment Code (ADJC) table. Once the record is validated and saved, the corresponding record on Inventory is set to frozen by automatically selecting the Frozen option on the Inventory page. Once an Item is frozen, it cannot be requested, issued, received, or transferred until it has been reconciled and released (unfrozen).

Inventory Freeze Batch Job

The Inventory Freeze batch job will, based on selection criteria, flag stock items frozen for physical inventory count. While frozen, these items cannot be issued from the warehouse. A list of frozen items is produced to use during the count.

Count Cards

The Physical Inventory Freeze Count Card batch process is designed to produce multiple count cards for performing a count of Inventory items in a Warehouse. The Count Cards will allow for the identification of frozen items and the recording of inventory counts.

Reconciliation

Reconciliation Posting searches the Inventory Freeze Table (INVF) for all records, or all records matching particular warehouses. If there is a discrepancy between the Actual Quantity and the On Hand Quantity of the Inventory Item, then an Inventory Adjustment Document is created to reconcile this difference. Otherwise if the Quantities are equal, the Inventory Freeze record is deleted, and the Inventory Item is set to unfrozen.

The Inventory Adjustment document is used during the Physical Inventory Reconciliation process to record adjustments to the on-hand quantity as a result of a physical count discrepancy.

Appendix A - List of Acronyms and Document Navigation

Error! Reference source not found. lists the acronyms used in this guide.

Acronym	Full Name / Description
COA	Chart of Accounts
FAQ	Frequently Asked Questions

Appendix B – Navigation and Icons

Icons used throughout this course are listed below:

Navigation Icon	Icon	Behavior
Action Menu	Action Menu	Displays a menu of available actions that can be performed on that page.
Calendar Tool		Available for selecting dates or date ranges from an interactive calendar.
Check Box		Used to indicate whether the condition is on (checked) or off (unchecked).
Close Window		This button is located at the top right corner of a window and closes the window when selected.
Copy Line		Used to copy the current line. Use with the Insert Copied Line link.
Delete		Used on a line (accounting, commodity) to delete the current line.
Drop-down List		Provides a static list of values available for selection.
Eyeball		Used to display additional details.
Pick List		Provides a list of related reference data items available for selection.
Rollups		Used to expand and collapse sections of a page. The down arrow expands all of the available sections. The side arrow collapses the sections.