DAILY CYCLE COUNTING

A new menu PRC has been added to the system for Product Cycle Counting.

1. ENTER HOLIDAYS – This program allows entry of the holidays observed by your company and thus items will not be assigned for cycle counting on these days. Weekends are automatically excluded also.

2. INVENTORY CLASS ASSIGNMENT AND REPORT – This program can be used to re-assign the inventory classes that are assigned to items. It should be run at least every six months. Because the product assignments for daily cycle counting are based upon the inventory classes assigned to items, this should be run before the next program is run to generate the daily assignments. See the section below on the Inventory Class Report for more detailed information.

3. INITIATE CYCLE COUNTING – This option is used to generate the daily assignments based on the inventory classes and the location in the warehouse. A screen is presented that shows the last time assignments were done and the last day to which items were assigned. If this is the first-time assignments are generated, then the operator must fill in the # of times that items should be counted for each of the inventory classes. Each time the operator runs this program after that, the system will show the frequency they used in the past, and give the operator the option to make changes.

    This program should be re-run whenever the last day to which items were assigned has been reached. Items that do not have a quantity on hand, or that are not assigned to an inventory class, are not assigned days to be counted.

4. ASSIGN NEW ITEMS FOR COUNTING- When new items are activated, they do not have an inventory class assigned, so this program will assign these to a date in the cycle count file. This program should be run every month. If items have a quantity on hand and an inventory class, they will be assigned days to be counted based upon the frequency that was entered in the program that initiates cycle counting.

5. PRINT CYCLE COUNT FORMS - This option will allow the operator to enter the day (defaults to the current date) and print a report of the items to be counted that shows their location(s), current inventory, and leaves a space to enter the inventory count. This program will also show the last date assigned to items, as a reminder that the program that assigns the items needs to be run again when that date is reached.

6. INVENTORY ON HAND ADJUSTMENTS – This program allows the operator to correct the on-hand quantity after counting the items.

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Inventory Class Report

This report can be run two different ways: C=Current Inventory, and S=Sales. Run the **"C"** way will show you your **CURRENT INVENTORY** on hand, broken down into the 13 different inventory classes with # of items, total dollars and percentages. This report would be used to show you material that you may want to eliminate from your inventory. Class #13 is any item that has had sales of less than $10* in the last twelve months. Run the **"S"** way will print your **SALES** for the last twelve months from each inventory class along with # of items, dollars and percentages. This report would be helpful in printing items that you never want to run out of, which would be classes 1,2,3.

When you print this report, if you want just a summary total only report, then choose #3 'Summary only'. If you want a detailed listing of the items, then choose #1 'Report on Current Inventory Classes'. Type in the vendor you want or <Enter> for all vendors. If you want a specific inventory class (or several) type that in or <Enter> for all classes (if printing detail, this report may be huge), then decide "S" for sales or "C" for counts.

The option to Re-Assign All Inventory Classes should be run every six months or more frequently if preferred. Inventory Classes are calculated by sorting all items by the cost of goods sold in the last 12 months. Then they are broken down by percentage of line items, excluding class #13 which is the dead stock items. The computer calculates the class #13, and then the remaining items are broken down as follows:

Inventory Class	01=	Top 7.5%	
Inventory Class	02=	Next 7.5%	(15%)
Inventory Class	03=	Next 10%	(25%)
Inventory Class	04=	Next 10%	(35%)
Inventory Class	05=	Next 8%	(43%)
Inventory Class	06=	Next 8%	(51%)
Inventory Class	07=	Next 8%	(59%)
Inventory Class	08=	Next 8%	(67%)
Inventory Class	09=	Next 8%	(75%)
Inventory Class	10=	Next 8%	(83%)
Inventory Class	11=	Next 8%	(91%)
Inventory Class	12=	Next 8%	(100% with rounding)
Inventory Class	13=	Dead Stock	

*This dollar figure is suggestion to the user when they re-assign the inventory classes, but it can be changed.

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