



Inventory

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Inventory Overview

Within SedonaOffice, the Perpetual Inventory Management module was designed to track the on-hand quantity and cost of inventory parts in one or multiple warehouses in a real-time. To be successful in keeping an accurate inventory, transactions that would increase or decrease the inventory need to be entered into SedonaOffice on a timely basis.

It is important for each company to establish and enforce good policies and procedures related to inventory parts. Managing the company's inventory requires a person with the time and attention to detail to successfully execute the requirements of this job position.

Leaving the door open to the warehouse is not an option. If you do not have control over your inventory, then do not bother using the Inventory module in SedonaOffice; information will be inaccurate and the employee(s) responsible for the inventory will become frustrated.



This session is designed to communicate concepts and provide a deeper knowledge of the features and functionality as they pertain to maintaining an accurate perpetual inventory. The topics that will be covered within this document are:

- Inventory Costing Methods
- Part Setup
- Warehouse Setup
- Part Management
- Warehouse Management
- Understanding the Part Explorer
- Inventory Adjustments
- Direct Expensing
- The Physical Inventory Process
- Parts Query Builder

Inventory Costing Methods

SedonaOffice offers four methods of valuing inventory parts; Average Costing, Standard Costing, Serial Number and Lot Number. Most companies value their inventory parts using one costing method, however you may use different costing methods for different types of parts if needed.

For example, many companies use the Standard Costing method for the majority of their parts, use serialized costing for high-dollar value items such as cameras and DVRs, and use average costing for cable and wire due to the high fluctuation in metal prices.

Based on our experience and understanding of inventory processing within SedonaOffice, we feel that the use of Standard Costing can be a tremendous benefit to the management and reporting of your inventory. If your company is currently utilizing the Average Costing method, we highly recommend you consider changing to the Standard Costing method.



The costing method used is determined on each individual part. Once any transaction has been posted for a given part, the costing method is locked down on the part setup and may not be changed.

Updating Part Costs

Regardless of which costing method a company is utilizing, you have the ability to electronically change part costs by using the SedonaOffice Parts Update utility. This utility allows you to update the cost of a part based on information contained in an Excel spreadsheet. Many parts suppliers will provide you an electronic file with your updated purchase costs that may be used as a basis to import cost changes into SedonaOffice.

You may download the SedonaOffice Parts Update utility from our company website. <http://www.sedonaoffice.com/Downloads.html> select the latest version from the list of downloads.

Average Costing

Average costing is a method of calculating part cost by warehouse based on the cumulative journal activity for a given part. All receipts, issues, physicals and adjustments are cumulated as of the date of the costing to determine the average cost of a given part.

Average Costing allows you to:

- Value inventory at a moving average cost
- Track inventory costs without the requirement of having predefined standards
- Track historical part costs

How Average Cost is Determined

The unit cost of an item is the average value of all receipts, issues, physicals, and adjustments of that part to inventory, on a per unit basis. Issues from inventory use the current average cost as of the date of the issue to calculate the unit cost.

The inventory is valued at an average cost, weighted by quantity (inventory cost = average unit cost * quantity). Each warehouse may have a different average cost based on the complete journal activity of the part in the warehouse.

Average Costing Disadvantages

The Average Costing method works well when parts are purchased and used during a short period of time. When inventory is on the shelf for an extended period of time and additional parts are purchased at higher costs than the current on-hand inventory, this will result in a current average cost that may be considered too low.

When generating sales quotes, if the current average cost is used, companies may be under-bidding work if the average costs are inaccurate.

Notes

Standard Costing

Standard Costing allows for static cost on a Part level to ensure all transactions for the Part are using one cost for all transactions throughout the inventory and usage processes. With the use of Standard Costing the part value in the Inventory system will always be its quantity multiplied by its Standard Cost.

All issues/returns of a Part will always use the Standard Cost. This will alleviate the discrepancies and anomalies that occur in the costing and value of inventory when using an average costing method.

Parts received on a Purchase Order that vary from the standard cost in the warehouse will be valued into the inventory at the standard cost. The variance will record to the PPV account.

If you have special projects where you are receiving pricing from a vendor that is much lower than your standard cost, you may direct expense these parts to the Job. This allows you to determine profitability based on the actual part costs associated with the Job.

Standard Cost Advantages

- All parts retain the same value throughout your inventory process until you decide to change them.
- Salespersons will have a standardized cost to reference when quoting jobs.
- Cost fluctuations record to the PPV account for both favorable and unfavorable purchase variances to the standard part cost.
- You may direct expense parts on special projects to capture the actual part costs.

Standard Cost Maintenance

When using the standard costing method, periodically you will need to review your costs to determine when the standards should be changed. This typically occurs at the time of a physical inventory or when new price lists are received from your part suppliers.

Notes

Serial Number Costing

Serial Number costing allows your company to track an inventory part by a unique serial number from the time it is received on a Purchase Order to the time it is issued to a Job or Service Ticket. Serialized parts are valued at the receipt cost from a Purchase Order or if manually added to a warehouse, the User sets the value of the serialized part. Serialized parts will hold the same inventory value as they are transferred from warehouse to warehouse. The value of a single serialized part may be manually adjusted by using the *Edit Serial Part* from the Part Explorer record.

When using Serialized Parts in SedonaOffice, some functions that are available to regular inventory parts are no longer available. These functionality changes are listed below.

- The Warehouse Stock Adjustment option is not available. If serialized parts need to be added or removed from a warehouse, this is accomplished by using sub-menu options from the Serial Number tree option; Edit Serial Part and Remove Serial Part within the Parts Explorer.
- The Edit Serial Part option allows a User to modify a serial number, lot number or value of the part.
- The Remove Serial Part option allows the User to delete a serialized part from stock.
- Serialized Parts are not included in Physical Inventories. Your company should plan for periodic counting of Serialized Parts; any discrepancies found would be handled by using the *Remove Serial Part* or *Add Serial Part* options from the Parts Explorer to increase or decrease on hand quantities.

Lot Number Costing

The Lot Number Costing Method allows your company to track an inventory part by Lot Number from the time it is received on a Purchase Order to the time it is issued to a Job or Service Ticket. Lot Number parts are valued at the receipt cost from a Purchase Order. Parts setup with the Lot Number costing method will hold the same inventory value as they are transferred from warehouse to warehouse. This method is typically used for cable and wire.

Notes

Part Setup and Management

A Part record is the main component of Inventory tracking and processing. There are three main setup forms for a Part; the Part Detail, Vendors, and Warehouses. There are also three additional optional setup forms; Alt Parts, Custom Fields and Documents. Once a new part is created and saved, some maintenance is required from time to time.

- Updating default service and sales prices
- Updating purchase cost
- Updating Standard Cost as needed periodically

User permissions are required to create new parts or edit existing parts. Typically, one main person in the company is responsible for the set up and maintenance of Part information. This helps to ensure clean and consistent part information.

Notes

Part Detail

The first and main setup form for an inventory part is the Part Detail form. This form contains informational, costing, pricing and other data fields. Several of the data entry fields are required and others are highly recommended. In the example below, the yellow highlighted field names indicated the required fields. The blue highlighted field names indicate recommended fields.

Part Edit (Part: 5890PI) Inactive

Part Detail | Vendors | Alt. Parts | Warehouses | Custom Fields | Documents (0)

Description

Description	Wireless Motion Detector	<input type="checkbox"/> Part Kit
Detail	5890PI Passive Infrared Wireless Motion Detector	<input type="checkbox"/> Special Order
Product Line	Motion Detectors	<input checked="" type="checkbox"/> Customer Equipment
Manufacturer	Honeywell	<input type="checkbox"/> Stock Item For Jobs
Manuf Part Code	5890PI	<input type="checkbox"/> Freeze All Purchasing
Manuf Warranty	One Year	Ship Weight: 0
U.P.C		Labor Units: 0
Notes		

Costing

Method	Standard
PPV Account	120900
Direct Exp Acct	N/A

AR Setup

Invoice Item	Job Part LCOM
Income Acct	N/A

Sales

Invoice Description	Wireless Motion Detector	<input checked="" type="checkbox"/> Available for Sales
Price	196.8400	

Service

Invoice Description	Wireless Motion Detector	<input checked="" type="checkbox"/> Available to FSU
Price 1	161.0000	
Price 2	150.0000	

Labor Units | Save | Copy | Close

Part Detail form – Labor Units

There are several areas on the Part Detail form for entering Labor Units; each of these have a different purpose and are used in various areas of SedonaOffice.

Part Edit
 Part: 5890PI Inactive

Part Detail | Vendors | Alt. Parts | Warehouses | Custom Fields | Documents (0)

Description

Description	Wireless Motion Detector	<input type="checkbox"/> Part Kit
Detail	5890PI Passive Infrared Wireless Motion Detector	<input type="checkbox"/> Special Order
Product Line	Motion Detectors	<input checked="" type="checkbox"/> Customer Equipment
Manufacturer	Honeywell	<input type="checkbox"/> Stock Item For Jobs
Manuf Part Code	5890PI	<input type="checkbox"/> Freeze All Purchasing
Manuf Warranty	One Year	Ship Weight: 0
U.P.C		Labor Units: 0
Notes		

Costing

Method	Standard
PPV Account	120900
Direct Exp Acct	N/A

AR Setup

Invoice Item	Job Part LCOM
Income Acct	N/A

Sales

Invoice Description	Wireless Motion Detector	
Price	196.8400	<input checked="" type="checkbox"/> Available for Sales

Service

Invoice Description	Wireless Motion Detector	
Price 1	161.0000	<input checked="" type="checkbox"/> Available to FSU
Price 2	150.0000	

Notes

Part [Job] Labor Units

The value entered into this field is the total number of labor units required to install one of these parts. This option works in conjunction with the Job Materials List. If values are entered into this field, when parts are selected on the Job Materials list, the application will tally up all the labor units for all the parts entered to arrive at a total estimated labor units for the Job.

Part Edit
Part: 5890PI Inactive

Part Detail | Vendors | Alt. Parts | Warehouses | Custom Fields | Documents (0)

Description

Description: Wireless Motion Detector Part Kit
 Detail: 5890PI Passive Infrared Wireless Motion Detector Special Order
 Product Line: Motion Detectors Customer Equipment
 Manufacturer: Honeywell Stock Item For Jobs
 Manuf Part Code: 5890PI Freeze All Purchasing
 Manuf Warranty: One Year
 U.P.C.:
 Notes:
 Ship Weight: 0
Labor Units: 0

Costing

Method: Standard
 PPV Account: 120900
 Direct Exp Acct: N/A

Job - 1339 (James Fraser)

Job: 1339 Customer: 47809 Site: James Fraser
 Job Type: Intrusion-Res 500 fountain 501 fountain
 Job Status: Parts Ann Arbor, MI 48103 Ann Arbor, MI 48103
 System: 47809 Intrusion (248) 347-7830 (248) 347-7830
 Labor Units: 5 (0 Used)

Materials

Part	Description	Vendor	Qty	Location	Unit Price	Ext Price	Tax	LU	Issued Qty	Stock I
▶ ACTACM3011	ARACM3011 3 INCH I.P.C	Bosch Seo	1		856.35	856.35	51.36	2	1	<input type="checkbox"/>
ACTPMA0103	PENDENT TUBE W/BRACK	Communic	1		236.52	236.52	14.19	1	1	<input type="checkbox"/>
ACTPMA0801	ARPMAX0801 GANG BOX	Bosch Seo	2		136.10	272.20	16.33	1	2	<input type="checkbox"/>
5890PI	Wireless Motion Detector	ADI	1		196.84	196.84	11.81	1	0	<input type="checkbox"/>
*										<input type="checkbox"/>

Labor Units [Button]

Clicking on the Labor Units button will open the Part Labor Units form. The information entered into this setup form integrates with the WeEstimate quoting software.

For companies not using WeEstimate, this form may be used to enter various types of labor for a part to generate reports using third-party applications. The labels displayed on the Parts Labor Units form are defined by each company in SedonaSetup; Part Labor Unit Desc setup table.

The image shows two overlapping software windows. The background window is titled 'Part Edit' and shows details for part '5890PI', including description, manufacturer (Honeywell), and costing information. The foreground window is titled 'Part Labor Units' and contains a table for defining labor unit types. A callout bubble points to the 'Part Labor Units' button in the 'Part Edit' window. Another callout bubble points to the table in the 'Part Labor Units' window, stating that field labels are setup and maintained in the SedonaSetup/Part Labor Unit Desc setup table.

Part Code	Description			
Labor Units				
Design		0.0000	<Empty>	0.0000
Programming		0.0000	<Empty>	0.0000
Installation		0.5000	<Empty>	0.0000
Training		0.2500	<Empty>	0.0000
<Empty>		0.0000	<Empty>	0.0000
<Empty>		0.0000	<Empty>	0.0000
<Empty>		0.0000	<Empty>	0.0000
<Empty>		0.0000	<Empty>	0.0000

SedonaSetup - Part Labor Unit Desc

The screenshot shows the 'Sedona Office Setup (Sedona Security)' application window. On the left, a tree view under 'Sedona Setup' lists various configuration areas. 'Part Labor Unit Desc' is selected. The main area, titled 'Part Labor Unit Descriptions', contains 15 rows, each with a 'Labor Unit Description' label and a text input field. The first four fields contain the text 'Design', 'Programming', 'Installation', and 'Training' respectively. An 'Apply' button is located at the bottom right of the main area.

Labor Unit Description	Value
Labor Unit Description 1	Design
Labor Unit Description 2	Programming
Labor Unit Description 3	Installation
Labor Unit Description 4	Training
Labor Unit Description 5	
Labor Unit Description 6	
Labor Unit Description 7	
Labor Unit Description 8	
Labor Unit Description 9	
Labor Unit Description 10	
Labor Unit Description 11	
Labor Unit Description 12	
Labor Unit Description 13	
Labor Unit Description 14	
Labor Unit Description 15	

Notes

Part Pricing Levels [Labor Units]

Part Pricing Levels was introduced to SedonaOffice in June of 2014 and may well be an under-used feature for companies selling inventory parts. This will allow you to create up to 10 Part Price Levels for each Part Number. These Pricing Levels were designed to be linked to customers where special pricing is used. Price Levels may be setup for “special customers”, commercial type or residential type customers.

Once the Part Price Levels have been created, the Price Level is assigned to a Customer on the Customer Setup Information form. Any parts used on Jobs and Tickets will default to the Part Prices for the Price Level assigned to the Customer. If a Customer is not assigned to a Part Price Level, the default prices on the part setup form will be used for Jobs and Tickets.

Part Pricing Levels
(both buttons access the same setup form)

Once the Part Price Levels have been created, the Price Level is assigned to a Customer on the Customer Setup Information form. Any parts used on Jobs and Tickets will default to the Part Prices for the Price Level assigned to the Customer. If a Customer is not assigned to a Part Price Level, the default prices on the part setup form will be used for Jobs and Tickets.

The screenshot shows the 'Customer Setup 77030-2' window. The 'Part Pricing Level' dropdown menu is highlighted with a blue circle, and a blue arrow points to it from the left. The form contains the following fields and options:

- Customer #:** 77030-2
- Customer Name:** Starline Office Systems
- Additional Name:** (empty)
- Address:** Starline Office Systems, 215 W Cady St, Suite 104, Northville, MI 48167
- Setup Information:** New field, Bill To, Master Account Setup, Items
- Customer Status:** AR
- Customer Type:** Commercial
- Old Customer ID:** (empty)
- Terms:** Due On Receipt
- Tax Exempt #:** (empty)
- EIN:** (empty)
- OK to Increase:** (empty)
- Salesperson:** (empty)
- Blanket P.O.:** (empty)
- P.O. Expire Date:** (empty)
- Customer Since:** 12/21/2016
- Chain Account:** (empty)
- Customer Group:** (empty)
- Customer Group 2:** (empty)
- Branch:** MI
- No Collections:**
- Part Pricing Level:** Level 1
- Master Account Information:** Master Acct: 77030, Preston Holdings LLC
- Invoice Printing:**
 - Print Cycle Invoices
 - Print Statements
 - Print Site Info on Invoices
 - Separate Cycle Invoice for Each Site
 - Charge Late Fees
- All Sub Account Invoices Billed to Primary Master

Notes

Part Pricing Levels form

Each Part Price Level contains three possible elements; Price, Labor Units and Labor Rate. The Price field is considered the base price of the part. You may also use a Labor Factor in conjunction with the Price field to calculate the total Price of the part.

For example, if the Price is \$21.00, the Labor Units value is set to 1 and the Labor Rate is set to \$21.00, the total calculated price for the part will be \$42.00.

Price + (labor units x labor rate) = total part price.

In the example below, we are using Level 1 as pricing for commercial accounts and Level 2 for residential accounts.

Part Code	Description	
5890PI	Wireless Motion Detector	
Manufacturer	Manufacturer Part Code	
Honeywell	5890PI	

Level	Price	Labor Units	Labor Rate
Level 1	79.5300	1.0000	120.0000
Level 2	79.5300	1.0000	95.0000
Level 3	0.0000	0.0000	0.0000
Level 4	0.0000	0.0000	0.0000
Level 5	0.0000	0.0000	0.0000
Level 6	0.0000	0.0000	0.0000
Level 7	0.0000	0.0000	0.0000
Level 8	0.0000	0.0000	0.0000
Level 9	0.0000	0.0000	0.0000
Level 10	0.0000	0.0000	0.0000

Buttons: Save, Close

Notes

Vendors

The Vendors form is used to create a list of Accounts Payable Vendors from which the part may be purchased. You may have an unlimited number of Vendors on this list, however only one Vendor may be flagged as the Primary Vendor; the Vendor from which the part is most frequently purchased. Flagging a Vendor as the Primary is used in the Job Management module with the auto Purchase Order creation feature.

Part Edit

Part: 5890PI Inactive

Part Detail | **Vendors** | Alt. Parts | Warehouses | Custom Fields | Documents (0)

Vendor	Vendor Part	Purchase Cost	Description	Quantity	Primary
ADI	5890PI	79.5300	5890PI Passive Infrar...	1	Y

Vendor: ADI (dropdown) Purchase Cost: 79.5300

Vendor Part: 5890PI List Price: 196.8400

Description: 5890PI Passive Infrared Wireless Motion Detecto Package Qty: 1

Primary Vendor

Buttons: New, Add, Delete, Labor Units, Save, Copy, Close

Package Quantity

In SedonaOffice, each part has a unit of measure of “Each”. The package quantity is used when your company orders a part in bulk yet sells/issues the part in single units. Two examples are:

- Cable/Wire – purchased by the box/reel with a designated number of feet. Inventoried and issued by the foot.
- Wall Plates – purchased in a box of 10 and inventoried and issued in single units.

The Package Quantity is used when creating purchase orders. For example, your company orders wire by the box of 500 feet, yet you want to stock that part by the foot. In this example, the Package Quantity would be set to 500 and the purchase cost would be entered as the price for the entire box of wire. In the Warehouse, the standard cost for the wire would be set to the price per foot (purchase cost/package quantity). When a purchase order is received for one (1) 500-foot box of wire, the quantity received into the warehouse will be a quantity of 500.

Notes

Warehouses

When using Inventory Tracking in SedonaOffice, multiple warehouse locations may be linked to a part including main stocking locations and technician vehicles.

When parts are received from a Purchase Orders, the quantities and amounts post to a single warehouse indicated on the Receipt record [defaults from the PO]. Multiple warehouse locations may be linked to a part including main stocking locations and technician vehicles.

Using the Standard Costing method, for each part, the cost is set for each warehouse. The warehouse standard cost may be the same in all warehouses or may be different if purchase cost is very different from one geographical branch warehouse to another.

If parts are transferred between warehouses where the standard cost is different, the software automatically posts the variance [in the General Ledger] to the company's Purchase Price Variance account.

The screenshot shows the 'Part Edit' window for part 5890PT. The 'Warehouses' tab is selected, showing a table with columns: Warehouse, Min, Max, Row, Shelf, Bin, and Stand Cost. Below the table is a form for editing a warehouse entry, currently set to 'Used-MI'.

Warehouse	Min ...	Max ...	Row	Shelf	Bin	Stand Cost
M100	0	0				79.5300
M101	0	0				79.5300
M103	0	0				2.0000
M104	0	0				79.5300
Main-MI	0	2				79.5300
Main-OH	0	0				79.5300
MI-Cust Repair	0	0				79.5300
O200	0	0				79.5300
O201	0	0				79.5300
RTV-MI	0	0				79.5300
RTV-OH	0	0				79.5300
Used-MI	0	0				0.0000
Used-OH	0	0				0.0000

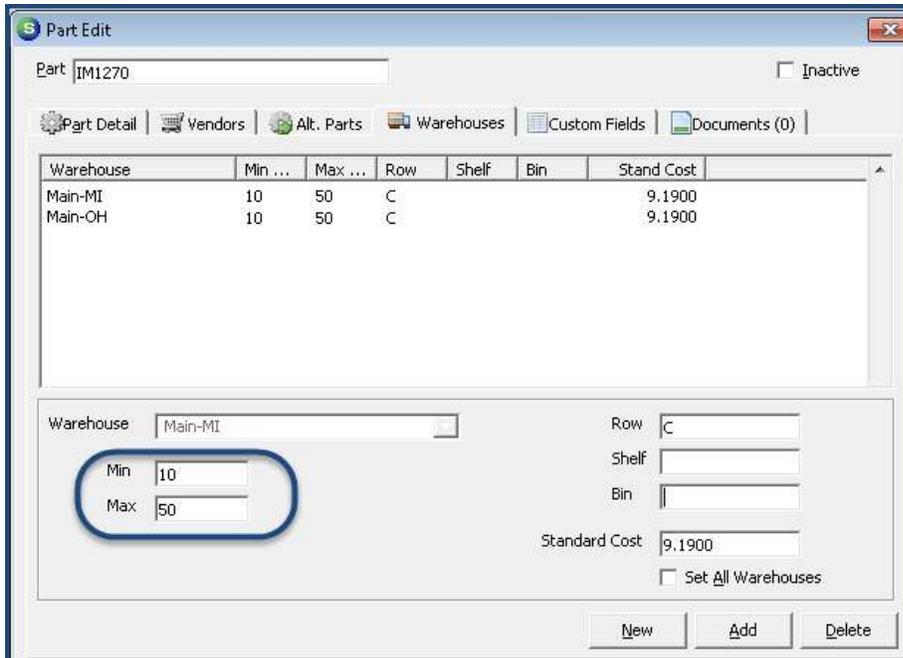
Warehouse: Used-MI
 Min: 0
 Max: 0
 Row:
 Shelf:
 Bin:
 Standard Cost: 0.0000
 Set All Warehouses

Buttons: New, Add, Delete

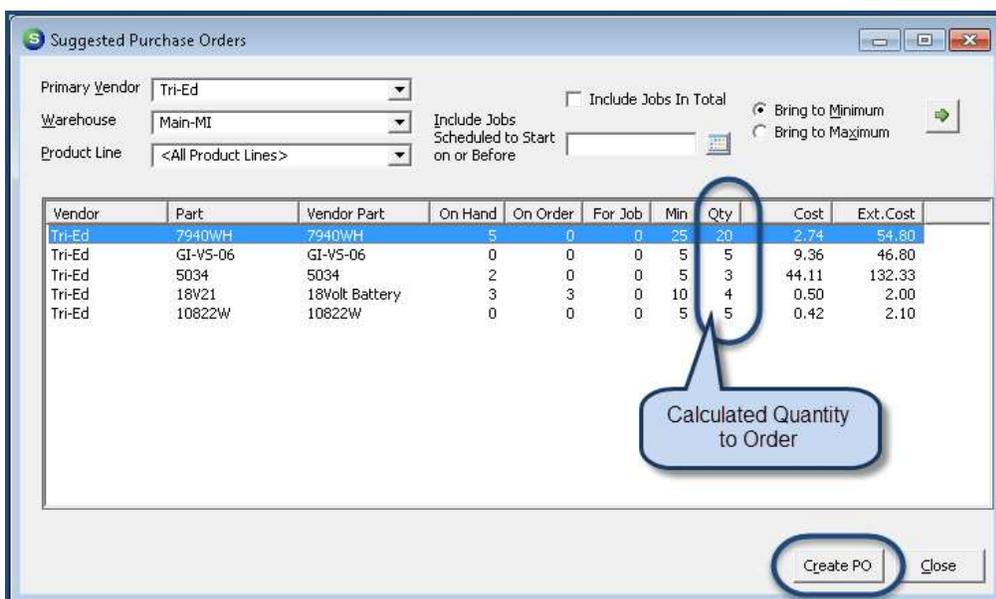
Warehouse Min and Max

These two fields are used if your company wants to maintain minimum and maximum stock levels for the part. This option is typically used for parts that are frequently used and you want to make certain you do not run out of these parts.

The values entered into these fields is used by the Suggest Purchase Order List to determine when parts need to be reordered. These fields are optional.



Suggested PO Report – Accounts Payable/Suggested PO List



Row Shelf Bin [location]

These three fields are used to identify the stocking location of the part within the warehouse. You may use one, two, or all of the stocking location fields. Values entered into these fields may be used as sorting selections when printing Physical Inventory Count Sheets.

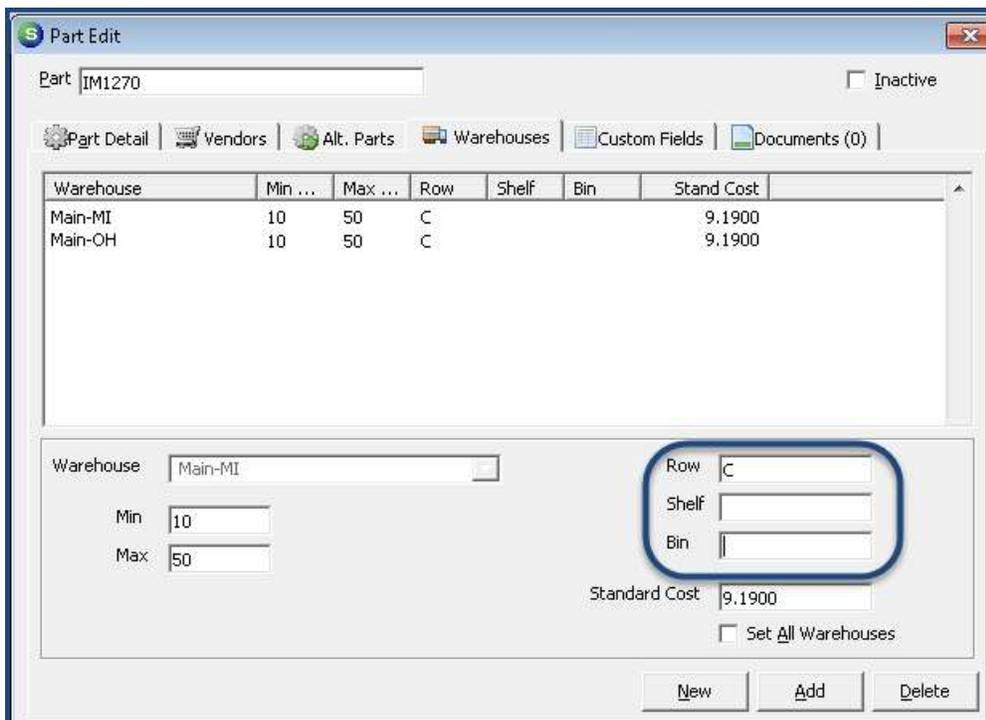
ABC Inventory

For companies that do not keep parts in a static location, and would not use any of the location fields, any of these fields could be used to classify your inventory parts using the ABC method. Using this method, you would assign an A, B or C to each part within your warehouses. The “A” parts are the highest dollar value parts, the “B” parts are the medium value parts, and the “C” parts are the low value parts.

Companies would want to keep a close watch on the “A” parts because of the high dollar value. A Physical inventory could be generated at any time to count only the parts in a particular classification – this would be considered a Cycle Count. Many companies count their “A” parts monthly, the “B” parts quarterly, and the “C” parts would be counted during the annual physical inventory.

Each company would determine the cost ranges for the A, B and C part classifications.

If your company would like to implement the ABC inventory method, and you do not have qualified staff that could set the ABC classifications behind the scenes, you may purchase time from SedonaSupport, or hire an outside contractor to do this for you.



Notes

Zero Value Parts



Many companies keep used or reconditioned parts in stock to use for loaner parts or for servicing leased systems. Typically, these parts have already been expensed and have no dollar value in the inventory. It is valuable information to know these parts exist and how many are available. There are two methods for keeping track of zero-value parts, both of which require thought and care when using these parts on Tickets or Jobs.

Method #1 – Tracking under the regular part number

- Create a Warehouse for Used/Reconditioned parts using the normal part number. The standard cost would be set to zero, or a reduced value of a new part if that is the company's policy.
- You may want to identify these types of parts with a colored sticker to be able to tell the difference between a new part and a used part, since they both look the same.
- Used Parts would be added to the Used Warehouse using a Miscellaneous Return to Stock transaction [recommended] or by performing a stock adjustment.
- When consuming Used Parts on Tickets, the User would select the Used warehouse for relieving inventory.
- Do NOT perform part transfers – performing a transfer to a warehouse which has a value would result in the Used part having an inventory value.

Method #2 – Tracking under a different part number

Since used parts are typically used on Tickets, procedurally, the used part would be transferred to the warehouse of the Technician to be used on the Ticket. To avoid the problem with standard cost variances when transferring parts when retaining the original part number, you may create a new part number for the Used/Reconditioned version of the part. Many companies place a Z, a U or an * as the first character of the part number to distinguish it from the new part number.

Using this method, you would not need a separate Warehouse for your Used parts.

Notes

Part Maintenance

From time to time information needs to be edited so that the most accurate sales prices and costs are reflected in your inventory parts. Since so many areas of the software default prices and costs, keeping part data up-to-date is extremely important. Most companies update pricing and cost information no more frequently than once a calendar quarter, or when a new price list is received from a major supplier.

Any information in the Part Setup may be modified, however the User making the change should first confer with upper management to ensure the change will not have an unwanted impact in other areas of SedonaOffice. For example, if the default Sales Price or Service Price is changed, this will affect any new Jobs created where parts will be invoiced and will affect the part price that will default into Service Tickets for parts.

Making changes to sales prices or costs should not be done in a vacuum since there are many areas of the company that are affected when changes are made.



If your company is using the Standard Costing Method and a change is made to the part Standard Cost for a warehouse where on-hand inventory exists, this will generate a transaction posting the Purchase Price Variance account within the general ledger for the difference in part value.

It is a good practice to create a Part Change Checklist to make certain all elements of the part setup have been changed when new prices and/or costs go into effect.

Notes

Warehouse Setup and Management

The use of Warehouses is available to SedonaOffice customers who have activated the Stock Tracking option (SedonaSetup/Setup Modules). An unlimited number of warehouses may be created for tracking inventory parts within an individual warehouse location. A Warehouse may be a physical storage facility, a vehicle driven by installers or service technicians, or a fictitious location for tracking assets such as Used/Reconditioned, Customer Repairs, Sales Demo, or Tools.

Warehouse Setup

The setup of a Warehouse is fairly simple yet contains fields which affect the General Ledger when posting inventory transactions, and the default location of where parts are to be shipped.

Each Warehouse is linked to a General Ledger asset type account number and a Branch. Most companies use one G/L account for their inventory, however a different account may be used if desired. When inventory related transactions are posted, the Branch associated with the Warehouse is used when reducing or increasing inventory.

When creating purchase orders for parts, when selecting the Ship-To Warehouse, the Branch field on the PO will automatically fill-in with the Branch associated with the Warehouse of the PO. The PO Branch may not be overridden by the user creating the PO.

The screenshot shows the 'Warehouse Edit' dialog box with the following fields and callouts:

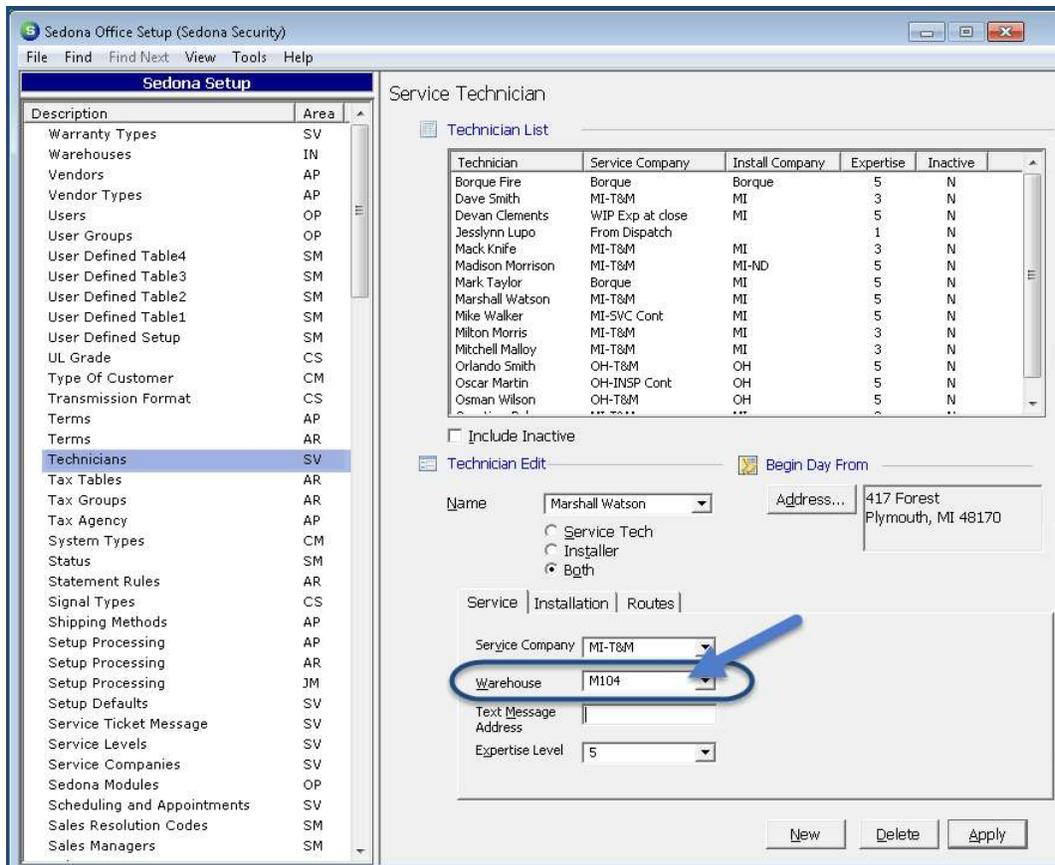
- Warehouse Section:**
 - Inactive
 - Code: Main-MI
 - Description: Main-Michigan
 - Account: 120000 (Callout: Inventory Transaction posting G/L Account and Branch)
 - Branch: MI
- Location Section:**
 - Address ...: 45185 Joy Road, Plymouth, MI 48170 - 1721 (Callout: Default shipping address for purchase orders)
 - Latitude: 0
 - Longitude: 0
- Buttons: Save, Close

Technician Warehouses

For companies tracking part inventory within Technician vehicles, a Warehouse is setup for each Technician. That warehouse is then linked to the Technician in SedonaSetup on the Technician setup record.

When parts are used on Tickets, by default, inventory is relieved from the Warehouse associated with the Technician who has been assigned an appointment for the Ticket. Great care must be taken if more than one Technician has been assigned an appointment to the same Ticket so that inventory is relieved from the correct warehouse.

If a company's Technicians do not drive the same vehicle on a regular basis, you will not be able to accurately track inventory in your vehicles within SedonaOffice.



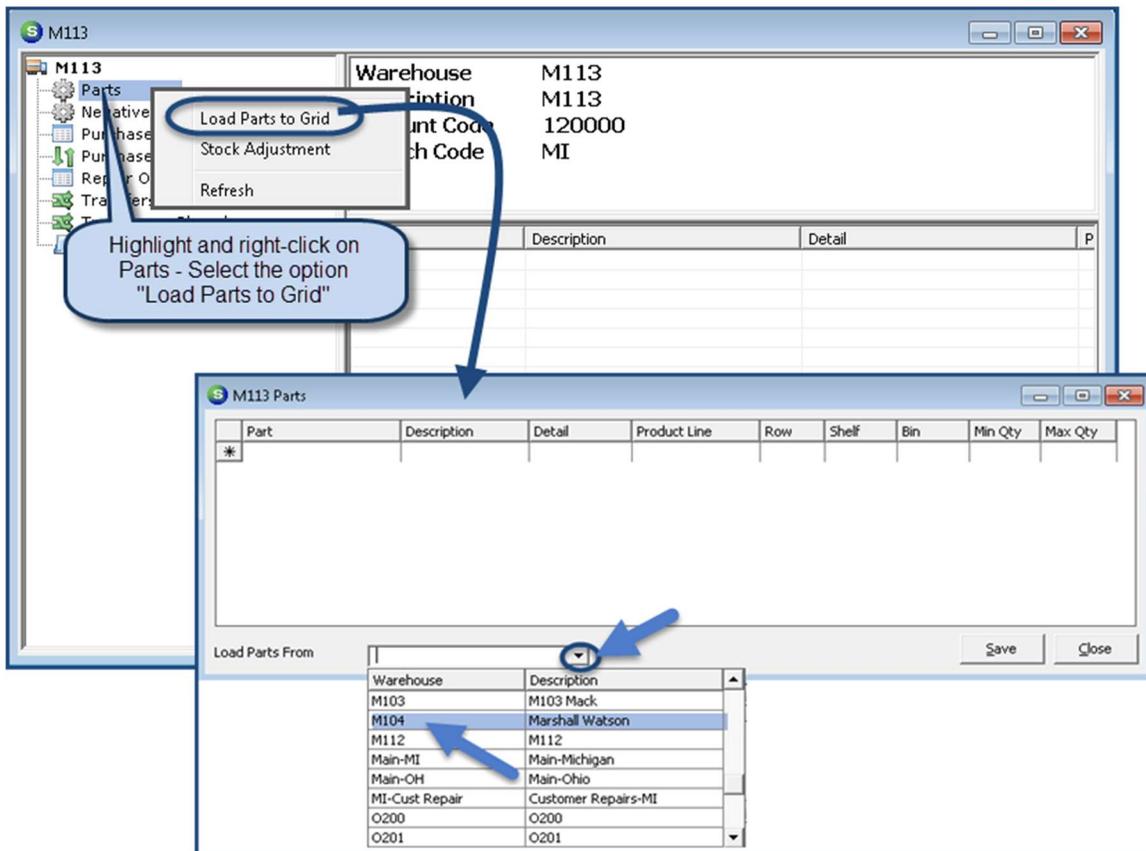
Notes

Creating a New Warehouse

When a new Technician Warehouse is needed, the setup is quite simple. Create the Warehouse record, then you may copy the parts list from another existing warehouse that contains some or all of the parts the new warehouse will contain.

Using the Load Parts to Grid function of the Warehouse Explorer, you can copy the Parts List from the desired warehouse to your new warehouse.

Once the parts grid loads with the parts list from the selected warehouse, you may remove parts from the list that may not be applicable to the new warehouse.



Loaded Parts Grid from Warehouse M104 to Warehouse M113

Once the parts grid loads with the parts list from the selected warehouse, you may remove parts from the list that may not be applicable to the new warehouse.

Parts may not be added to this grid. If other parts are to be a regular part of the new warehouse's inventory, you would need to open each part and add the new warehouse to the part setup.

Part	Description	Detail	Product Line	Row	Shelf	Bin	Min Qty	Max Qty
269R	269R SWITCH	269R SWITCH	Misc Equipment				0	0
5800PIR-RES	WIRELESS	5800PIRRES	Motion Detectors				0	0
5853	ADEMCO	ADEMCO	Glass Break				0	0
GRI4532	GRI OVERHEAD	GRI	Contacts				0	0
IM1240	ULTRA TECH 12V	ULTRA TECH	Batteries				0	0
IM1270	12V 7AH BATTERY	ULTRA TECH	Batteries				0	0
NAPRP2000LCD	LCD KEYPAD	LCD KEYPAD	Keypads				0	0
*								

Load Parts From: Save Close

Notes

Retiring a Warehouse

If a Warehouse will no longer be used, before marking it as Inactive, first transfer all existing inventory to another warehouse. This would be the process if a new Technician vehicle is put into service and the old vehicle is being sold or no longer used as an inventory location.

Rather than transferring inventory to a new warehouse, you could change the Warehouse Code and description to reflect the new warehouse name. We do not recommend using this method. All prior transactions would appear to have been associated with the new name of the warehouse; this basically removing the audit trail of the original warehouse.



Remember the #1 SedonaOffice rule: *"Just because you can does not mean you should"*.

Notes

Warehouse Management

Managing the inventory within the company warehouses is not the sole responsibility of the Inventory/Stock manager. Keeping accurate inventory requires, cooperation, good communication and attention to detail from all staff members dealing with parts.

Most inventory transactions are performed by the inventory manager or clerk and need to be completed on a regular and timely basis if your staff members are depending upon the information displayed in SedonaOffice as accurate.

SedonaOffice inventory tasks most often performed by the Inventory Manager or Clerk:

- Creating and Receiving Purchase Orders
- Issuing Parts to Jobs
- Returning Parts to Stock
- Transferring Parts to Technician or other Warehouses
- Physical Inventory (full and cycle counts)
- Part creation and maintenance
- Warehouse creation and maintenance
- Detective work

For companies that are using the FSU's (Technician Field Service Units), it is extremely important to communicate to the Technicians the need to accurately select not just the parts used on Tickets, but the correct part numbers. Some companies have established incentive programs to encourage accurate Technician Warehouse inventory.

Keep the Warehouse Secure

As mentioned earlier, it is important for each company to establish and enforce good policies and procedures related to inventory parts. As much as we trust our employees, allowing them to go "shopping" in the warehouse is not a good plan.

Your warehouse should be secure and every part entering or exiting the stockroom must be accounted for.

What can be the most time-consuming task, is playing Detective when on-hand counts shown in SedonaOffice do not agree with the physical parts on hand. In many cases, it is simply a timing issue – parts were issued prior to receiving a purchase order.

The best tool available for researching part transactions is the Journal within the Part Explorer or Warehouse Explorer. The Journal lists all transactions in date order making it easy to trace back to an event that caused a problem with your inventory.

Part Explorer – Journal

Part Code: 5890PI
Description: Wireless Motion Detector
Detail: 5890PI Passive Infrared Wirel...
Costing Method: Standard
Product Line: Motion Detectors
Manufacturer: Honeywell
Manuf Part Code: 5890PI
Manuf Warranty: One Year
Item Code: Job Part LCOM
Income Acct: N/A
Direct Exp Acct: N/A
Freeze Purchases: N
List Price: 196.84
UPC:
Special Order: N
Sales Description: Wireless Motion Detector
Sales Price: \$196.84
Service Description: Wireless Motion Detector
Service Price 1: \$161.00
Service Price 2: \$150.00
Total Qty: 9
Total Value: \$715.77

Warehouse: Main-MI
Branch: MI
Account: 120000
Minimum Qty: 0
Maximum Qty: 2
Committed Qty: 0
Pending XTRF In: 0
Pending XTRF Out: 1
On Hand New: 10
On Order Qty: 0
Out For Repair: 0
In Holding Qty: 0
Value On Hand: \$795.30
Row Shelf:
Bin:
Inactive: N

Date	Warehouse	Reference	Memo	Description	Quantity	Cost	Extended Cost	Time/Stamp
12/21/2016	Main-OH			Adjustment	0	77.5300	(\$77.53)	12/21/2016 5:54:41 PM
12/21/2016	Main-MI			Adjustment	0	775.3000	\$775.30	12/21/2016 5:54:41 PM
6/10/2016	Direct Exp	Job #1011	1011	Job	-1	70.0000	(\$70.00)	6/10/2016 8:51:39 AM
6/10/2016	Main-OH			Adjustment	0	77.5300	\$77.53	6/10/2016 8:47:43 AM
6/10/2016	Main-MI			Adjustment	0	775.3000	(\$775.30)	6/10/2016 8:47:43 AM
11/17/2015	Main-MI			Adjustment	-90	0.0000	(\$7,157.70)	11/17/2015 10:58:02 AM
11/17/2015	Main-MI			Adjustment	71	79.5300	\$5,646.63	11/17/2015 10:57:27 AM
12/4/2013	Main-MI	Job #137	137	Job	-1	79.5300	(\$79.53)	12/4/2013 2:07:56 PM
11/26/2013	Main-MI	TKT #2785	2785	Return to Stock	-1	79.5300	\$79.53	11/26/2013 6:02:12 AM
11/26/2013	Main-MI			Receipt	30	79.5300	\$2,385.90	11/26/2013 5:58:00 AM
11/26/2013	Main-MI	TKT #2784	2784	Service	-1	79.5300	(\$79.53)	11/26/2013 5:55:06 AM
7/18/2013	Main-MI			Adjustment	-1	79.5300	(\$79.53)	7/18/2013 9:05:26 AM
7/11/2013	Main-MI	TKT #2387		Service	-1	79.5300	(\$79.53)	7/18/2013 9:05:26 AM
6/5/2012	Main-OH			Return to Vendor	-10	79.5300	(\$795.30)	6/5/2012 3:04:09 PM
3/29/2012	Main-OH			Receipt	10	79.5300	\$795.30	3/29/2012
3/9/2012	Direct Exp	Job #112	112	Job	-4	79.5300	(\$318.12)	3/9/2012 11:35:00 AM
1/9/2012	Main-OH	Job #100	100	Job	-1	79.5300	(\$79.53)	5/1/2012 6:47:12 PM
Warehouse Totals:					9	\$715.77		

Notes

Warehouse Explorer – Journal

Date	Part	Reference	Description	Quantity	Price	Extended Price
5/20/2016	995LR		Transfer	2	\$2.77	\$5.54
5/20/2016	NAPRP2000LCD		Transfer	2	\$119.85	\$239.70
2/2/2016	029701-32	3719	Service	-1	\$246.00	(\$246.00)
12/18/2015	13950		Return to Vendor	-1	\$12.04	(\$12.04)
8/6/2015	IM1270	3045	Service	-1	\$9.19	(\$9.19)
12/9/2014	5808W3	3350	Service	-1	\$51.75	(\$51.75)
11/26/2014	FILBG12	3244	Service	-1	\$17.92	(\$17.92)
10/28/2014	GSMV	3305	Service	-1	\$129.00	(\$129.00)
10/12/2014	AMSXF1640	3291	Service	-1	\$4.75	(\$4.75)
9/22/2014	GRI4532	3121	Service	-1	\$8.60	(\$8.60)
9/12/2014	FILBG12	3272	Service	-1	\$17.92	(\$17.92)
9/9/2014	DSCRFK5501	3266	Service	-1	\$60.31	(\$60.31)
6/18/2014	IM1240		Transfer	25	\$5.27	\$131.75
6/10/2014	69		Transfer	2	\$10.66	\$21.32
6/10/2014	7940WH		Transfer	2	\$0.00	\$0.00
6/10/2014	IM1240		Transfer	5	\$0.00	\$0.00
6/10/2014	IM1270		Transfer	5	\$9.19	\$45.95

Since SedonaOffice will allow your inventory to go negative, it is extremely important to stay on top of this. Once a part has gone negative in a warehouse, as more time passes without action, makes it more difficult to trace back to what caused problem.

Within the Warehouse Explorer is a menu option which displays parts where the on-hand quantity is negative. If your company has only a couple of warehouses, it is easy to open each warehouse and check for negatives; this should be done on a daily basis.

Part	Description	Detail	Product Line	Qty	Value	On Order	Repair	Stand Cost
029701-32	6112U5412VDC STRIKE 12V	6112U5412VDC STRIKE 12V	Access Control...	-1	-246.00	0	0	246.00
13950	EXTERIOR PIEZO SIREN	EXTERIOR PIEZO SIREN	Sirens/Speakers	-1	-12.04	0	0	12.04

For companies with a large number of warehouses, it would be easier to build a report with the Part Query Builder to see a listing of all negative parts in all warehouses. The query may be saved and run again at any time. A sample Negative Part query is shown below.

The screenshot shows the 'Parts Query Builder' window with the following configuration:

- Fields to Display:** Part_Code, Warehouse_Code, On_Hand_New, Value_On_Hand, On_Order_Qty
- Criteria:** On_Hand_New < 0
- Order By:** Warehouse_Code (Ascending), On_Order_Qty (Descending)
- Criteria Rows:** 50
- Distinct rows:**
- Results:** 163 Rows Returned

Part_Code	Warehouse_Code	On_Hand_New	Value_On_Hand	On_Order_Qty
2020/12WG	Main-MI	-11	(\$19.36)	11
CX70	Main-MI	-10	(\$670.00)	10
4045CGNUO	Main-MI	-6	(\$916.08)	7
1508AQN5	Main-MI	-4	(\$188.16)	5
CR2032	Main-MI	-4	(\$5.72)	4
4412ZLM	Main-MI	-3	(\$172.23)	3
4WITAR6	Main-MI	-3	(\$120.72)	3
029701-32	Main-MI	-2	(\$492.00)	2
SUA25W250	Main-MI	-2	(\$143.36)	2
6150	Main-MI	-1	(\$51.40)	1
EEB2	Main-MI	-1	(\$65.81)	1
HID31102305	Main-MI	-1	(\$180.21)	0
AGISMLAW	Main-MI	-1	(\$32.00)	0
ARMCS60MDWDPRO	Main-MI	-1	(\$240.00)	0
ARV5155DN1HK	Main-MI	-1	(\$962.50)	0
ATW/TV4MX	Main-MI	-1	(\$6.99)	0

Notes

The Parts Explorer

The Part Explorer is used to view the most current information related to a Part. Transaction history for various functions is viewable and many inventory type transactions may be performed directly from the Part Explorer. This form is divided into four panes of information; the Part Tree, Part Setup Information, Warehouse Information, and the Active Pane.

For staff members familiar in navigating within the Customer Explorer, you will find the tree style design and the panes layout of the Part Explorer to be very similar.

Part Tree

- Warehouses
 - Main-MI
 - ABC Service Co
 - Alarmists
 - M100
 - M101
 - M103
 - M104
 - M113
 - Main-OH
 - O200
 - O201
 - Inactive Warehouses
 - Alternate Parts
 - Bill of Materials
 - Documents
 - Price History
 - Receipts
 - Repair Order
 - Returns
 - Sales Credits
 - Sales Invoice
 - Service
 - Transfer
 - In Holding
 - Vendors
 - Documents

Setup Information

Part Code: IM1270
 Description: 12V 7AH BATTERY
 Detail: ULTRA TECH 12V 7AH BATTERY
 Costing Method: Standard
 Product Line: Batteries
 Manufacturer: Ultra Tech
 Manuf Part Code: IM1270
 Manuf Warranty: Ninety Day
 Item Code: Job Part LCOM
 Income Acct: N/A
 Direct Exp: N/A
 Freeze Price: N/A
 List Price: N/A
 UPC: N/A
 Special Order: N/A
 Sales Description: 12V 7AH BATTERY
 Sales Price: \$30.33
 Service Description: 12V 7AH BATTERY
 Service Price 1: \$40.00
 Service Price 2: \$40.00
 Total Qty: 219
 Total Value: \$2,008.36

Warehouse Information

Warehouse: Main-MI
 Branch: MI
 Account: 120000
 Minimum Qty: 0
 Maximum Qty: 0
 Committed Qty: 0
 Pending XTRF In: 0
 Pending XTRF Out: 0
 On Hand Net: 0
 On Order Qty: 0
 Out For Rep: 0
 In Holding Qty: 0
 Value On Hand: \$1,687.90
 Row: N/A
 Shelf: N/A
 Bin: N/A
 Inactive: N

Active Pane

Open PO's

PO #	Category	Status	Order Date	Due Date	Cost	Quantity	Vendor Part	Packag
2183	SVC T&M	Open	10/20/2015		\$8.00	1	IM-1270	
2928	Sales	Open	8/26/2016		\$8.00	1	IM-1270	
1713	Jobs Com	Open	9/23/2015		\$10.20	5	UT-IM1270	

Open RO's

Repair #	Category	Status	Order Date	Due Date	Cost	Quantity
1325	Jobs Res	Open	7/19/2013	8/1/2013		
1859	Installation G...	Open	4/6/2015			

- **Part Tree** - The Part Tree is used to view transactional history for a part and perform certain functions related to the part.
- **Setup Information** - This pane displays most of the information contained within the Part Detail form of the Part Setup.
- **Warehouse Information** - The Warehouse Information pane displays the current setup information, on-hand quantities, and total on-hand value of the part for the warehouse that is highlighted on the Part Menu Tree.
- **Active Pane** - When the Part Explorer is first opened, all open Purchase Orders and Repair Orders will be displayed in this pane. As you highlight an option on the Part Tree, the *Active Pane* will display the information available for the selected option. When certain Part Tree options are selected, you may drill down into the information displayed in the *Active Pane* such as Purchase Orders, Purchase Credits, Receipts, Repair Orders etc.

Notes

The Part Tree

The *Part Menu Tree* is comprised of two major sections; the Warehouse Level Information/Activity section and the Part Level Information/Activity section.

Warehouse Level Information and Activity

When expanding the tree of one Warehouse, a list of options for the warehouse is displayed. As each option within the Warehouse tree is selected, the Active Pane will display activity information available for that particular warehouse.

Part Level Information and Activity

Below the Warehouses list on the tree are many of the same tree options that are displayed within a Warehouse menu tree; when these tree options are selected, the information displayed in the Active Pane is the cumulative information for all Warehouses for the Part.

Warehouse Level Information / Activity

Warehouse	Main-MI
Branch	MI
Account	120000
Minimum Qty	0
Maximum Qty	0
Committed Qty	0
Pending XTRF In	0
Pending XTRF Out	69
On Hand New	184
On Order Qty	1
Out For Repair	1
In Holding Qty	0
Value On Hand	\$1,687.90
Row	
Shelf	
Bin	
Inactive	N

Part Level Information / Activity

Part Code	Description	Detail	Costing Method	Product Line	List Price	UPC	Special Order	Sales Description	Sales Price	Service Description	Service Price 1	Service Price 2	Total Qty
IM1270	12V 7AH BATTERY	ULTRA TECH 12V 7AH BATTERY	Standard	Batteries	30.33		N	12V 7AH BATTERY	\$30.33	12V 7AH BATTERY	\$40.00	\$40.00	219

Open RO's

Repair #	Category	Status	Order Date	Due Date	Cost	Quantity
1325	Jobs Res	Open	7/19/2013	8/1/2013		
1859	Installation G...	Open	4/6/2015			

Where are my Parts?

When clicking on the Warehouses option from the Part Tree, the Active Pane will populate with all the active Warehouses linked to the Part and displayed the quantities and values for each warehouse.

Part Code: IM1270
Description: 12V 7AH BATTERY
Detail: ULTRA TECH 12V 7AH BATTERY
Costing Method: Standard
Product Line: Batteries
Manufacturer: Ultra Tech
Manuf Part Code: IM1270
Manuf Warranty: Ninety Day
Item Code: Job Part LCOM
Income Acct: N/A
Direct Exp Acct: N/A
Freeze Purchases: N
List Price: 30.33
Special Order: N
Sales Description: 12V 7AH BATTERY
Sales Price: \$30.33
Service Description: 12V 7AH BATTERY
Service Price 1: \$40.00
Service Price 2: \$40.00
Total Qty: 219
Total Value: \$2,008.36

Warehouse	On Hand	On Order	Repair	Value On Hand	Standard Cost
Main-MI	184	1	1	\$1,687.90	9.1900
ABC Service Co	0	0	1	\$0.00	10.2000
Alarmists	5	0	0	\$45.95	9.1900
M100	1	0	0	\$9.19	9.1900
M101	4	0	0	\$36.76	9.1900
M103	0	0	0	\$0.00	9.1900
M104	5	0	0	\$45.95	9.1900
M113	0	0	0	\$0.00	10.2000
Main-OH	19	0	0	\$174.61	9.1900
O200	0	0	0	\$0.00	9.1900
O201	0	0	0	\$0.00	9.1900

Notes

Expanded Warehouse Tree

When expanding the tree of a single Warehouse, several options are displayed. Highlighting any warehouse tree option will display any activity for that option within the Active Pane.

Some inventory transactions may be performed within a warehouse tree; highlighting a tree option and right-clicking will display all available options to the User.

The screenshot shows the 'Inventory Part - IM1270 (12V 7AH BATTERY)' window. On the left, a tree view is expanded to show options for the 'Main-MI' warehouse, including 'Open Purchase Orders', 'Closed Purchase Orders', 'Journal', 'Purchase Credits', 'Purchase Price Variances', 'Receipts', 'Repair Order', 'Sales Credits', 'Sales Invoice', 'Transfers - Open', 'Transfers - Closed', 'In Holding', and 'Committed'. The main area displays a summary of the part's details, and a table at the bottom shows inventory levels across various warehouses.

Warehouse	On Hand	On Order	Repair	Value On H
Main-MI	184	1	1	\$1,687
ABC Service Co	0	0	1	
Alarmists	5	0	0	
M100	1	0	0	
M101	4	0	0	
M103	0	0	0	
M104	5	0	0	
M113	0	0	0	
Main-OH	0	0	0	\$17
O200	0	0	0	

Notes

Inventory Adjustments

As hard as you try to keep an accurate on-hand inventory, there will always be situations where an adjustment must be made to the inventory.

There are two methods for making adjusting the on-hand quantities in your inventory:

- Performing a manual Stock Adjustment from the Part Explorer
- Performing a Miscellaneous Issue or Return to Stock transaction from the Inventory module

Both methods produce the same end result with your inventory, however we recommend using the Inventory Issues>Returns function; we'll explain why below.

Effect on the General Ledger

When making a Manual Stock Adjustment or a Miscellaneous Issue/Return, the data entry form contains a G/L Account and Category field used for recording the expense to the General Ledger.

For Manual Stock Adjustments, the G/L Account number will auto-fill with the company's default Physical Adjustment account (SedonaSetup/Inventory Setup) and can be overridden by the User. The User must select a Category for the transaction.

When performing a Miscellaneous Issue or Return, both the G/L Account and Category must be selected by the User.



It is extremely important to educate the staff member(s) that will be performing adjustments as to the appropriate G/L Account numbers and Categories that should be used.

Some accounting managers do not want inventory personnel making decisions on selecting the correct G/L Account and Category, but use the same combination for every stock adjustment made. Later all the transactions for the accounting period can be analyzed and journalized to the appropriate G/L Accounts and Categories by accounting staff.

Notes

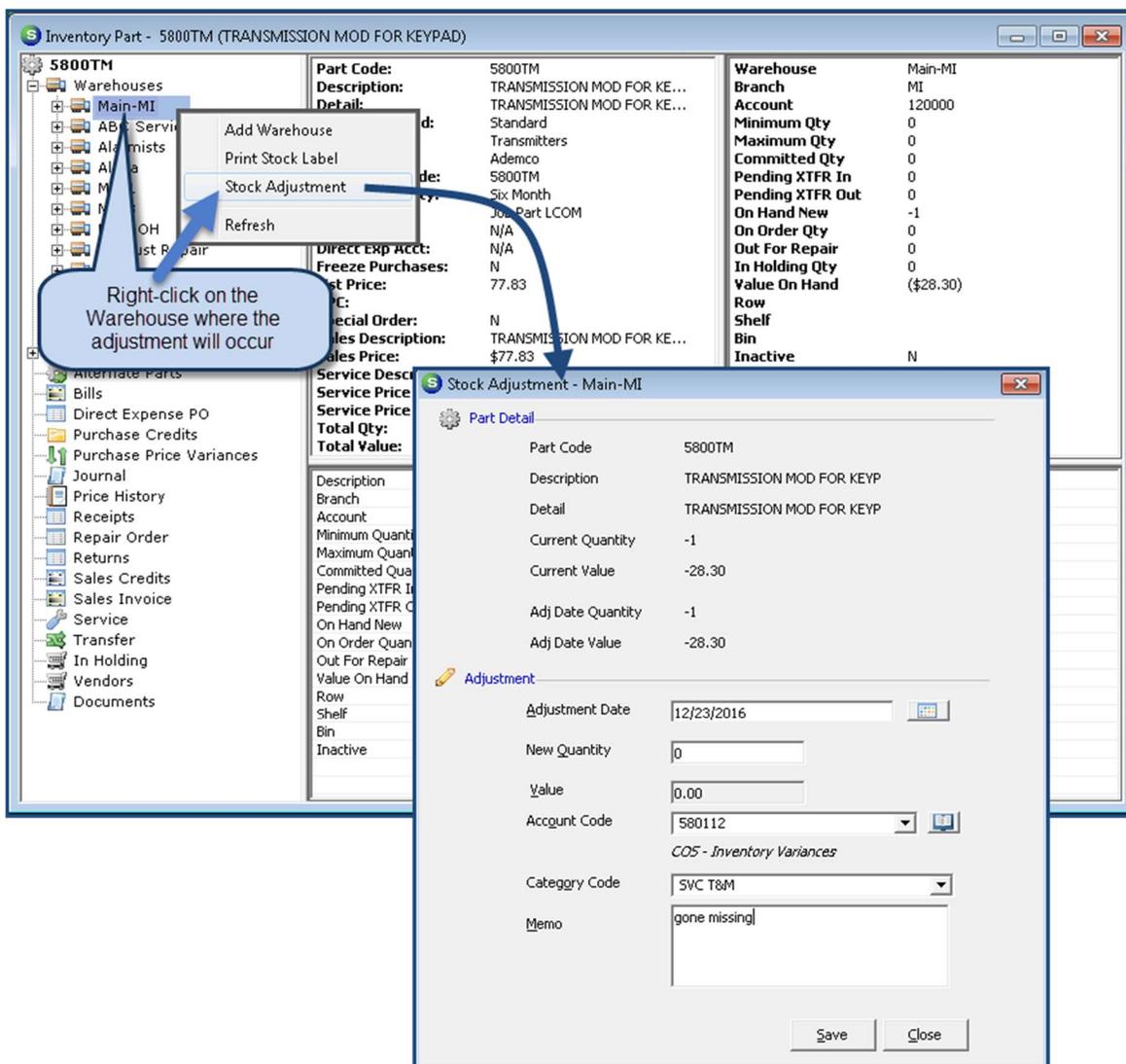
Manual Stock Adjustments

The same security permission to perform Physical Inventories also controls the ability to perform manual stock adjustments.

Manual Stock Adjustments are performed from a Part Explorer record within the tree of a particular Warehouse. If there are several Parts that require a Stock Adjustment, the User would need to open the Part Explorer record of each part one at a time until all adjustments have been completed.

Manual Stock Adjustment form

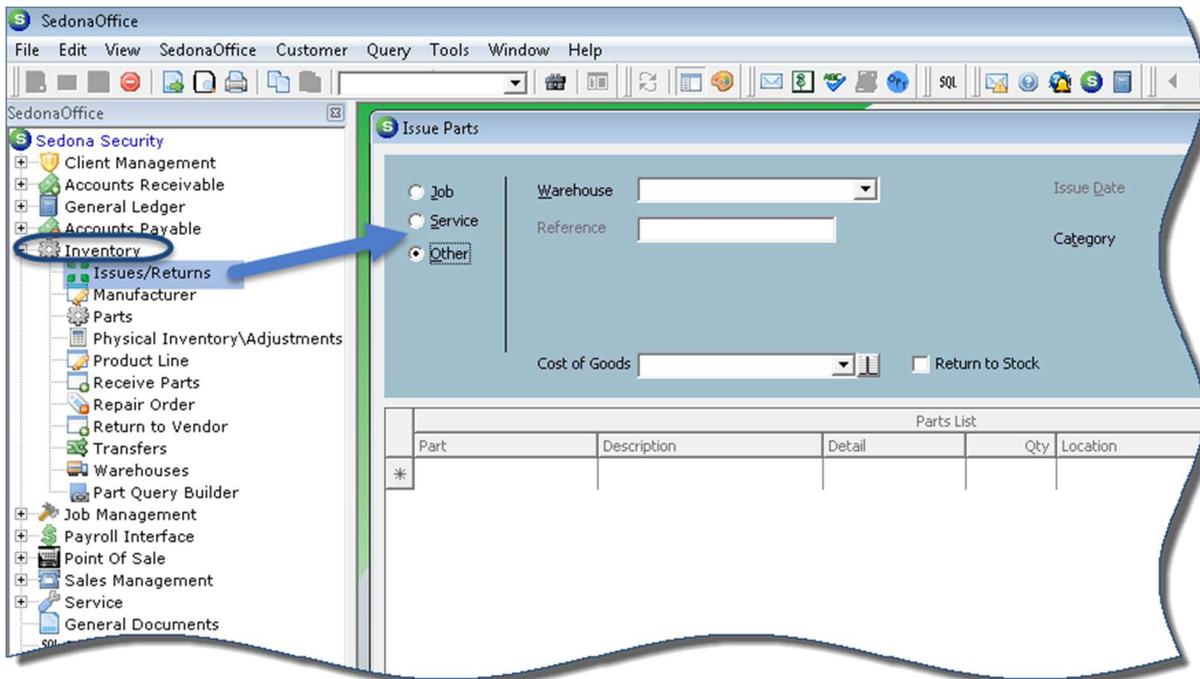
The memo field is provided to enter a brief note to describe the need for the adjustment. This memo appears when viewing the transaction from the G/L Account Register, but is not viewable from the Part Explorer Journal.



Adjustments using Miscellaneous Inventory Issues/Returns

There are two advantages of adjusting your inventory using this method:

- Multiple parts within the same warehouse may be adjusted at the same time
- The Reference field (note) entered by the User is displayed in the Part Explorer Journal



Notes

The Issue Parts form is used for both Issues and Returns. Checking the *Return to Stock* checkbox will increase your inventory; leaving un-checked will decrease your inventory.

Warehouse: Main-MI
 Issue Date: 12/23/2016
 Reference: Tech went shopping
 Category: SVC T&M
 Cost of Goods: 520001
 Return to Stock
 View Serial/Lot No

Part	Description	Detail	Qty	Location
IM1270	12V 7AH BATTERY	ULTRA	5	
IM1240	ULTRA TECH 12V 4AH BA			
2020TWH	3/8 INCH RECESSED C			

Buttons: Set All Qty to 0, Save, New, Close

Notes

Direct Expensing

For companies using the Average Costing Method, if parts are being ordered for stock at a much lower cost than your current average cost, once received, the newly calculated average cost will be much lower than is reasonable. To avoid these extreme average cost fluctuations, you may use the Direct Expense option on the Purchase Order. This way the warehouse average cost will not be affected by the favorable pricing received from the vendor. After receiving the parts on the Direct Expensed purchase order, you would need to perform a stock adjustment (or a miscellaneous return to stock) transaction to put the parts into your inventory.

If excess parts are returned to stock from a job where the parts were direct expensed, the cost of the part from the original Purchase Order receipt will be used for the transaction, which will lower your average cost in the warehouse.

Notes

The Physical Inventory Process

Conducting a physical inventory is a huge event in most companies. It requires precise planning and execution to obtain and record an accurate count of your inventory parts. The physical inventory process in SedonaOffice locks a warehouse on a particular date. During the time the warehouse is locked, no transactions may be performed to move inventory in or out of the warehouse. It is crucial that count and variance reconciliation is completed in a reasonably short period of time to have the least impact on your normal business operations. Below is a checklist of things to consider when preparing for a physical inventory.

- Plan carefully in advance who will participate in the count. Make certain each staff member knows their function and how to do it; Counters, Auditors, Data Entry, Coordinator. Try to have a written plan and meet with all the count team so that everyone understands their role.
- Establish cut-off dates/times for all pre-inventory transactions to be completed.
- Make certain all staff members understand the impact of an accurate count.
- Make certain truck stock is ready to be counted.
- Process all open Service Tickets that used parts.
- Process all job part issues and returns to stock.
- For parts out for repair, make certain you have a list of those items to include in your counts.
- Process all Vendor part returns.
- Perform issue transactions for parts being scrapped.

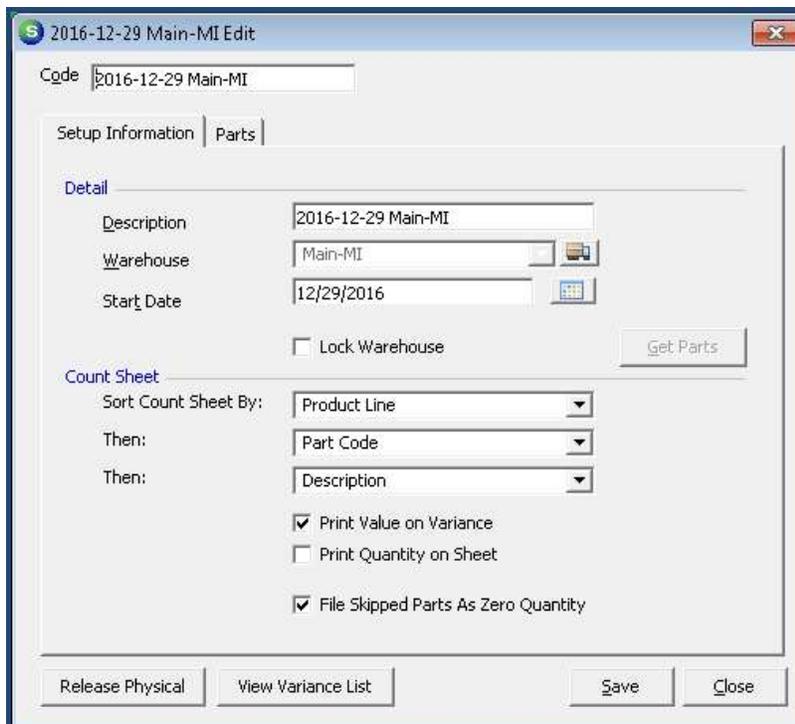
Notes

Early Counting

If your company has a very large inventory with many parts where you expect no movement in or out of the warehouse, you may print a Stock Status report a few days before the actual count. You may record counts on the report then later use this for data entry when entering the rest of your counts from the count sheets. This will allow you time to pre-count parts and save time on the actual day of the physical count.

Count Day

On the day of the count, you will create the Physical Inventory record for each warehouse being counted. The date you select on the Physical record will be the date the warehouse becomes locked. No transactions may be processed until the Physical is released.



Print Count Sheets

Once the Physical has been created, print your counts sheets and distribute to the “Counters” – the fun begins!

Enter Part Counts

Once all counts have been completed, enter the counts into the count sheet grid. Counts are entered in the +/- column. At the bottom of the count sheet is an option *File Skipped Counts as Zero*. If this option is selected, you do not need to enter 0 for parts where none were found; the software will assume you did not find any of the skipped parts.

Review Variances

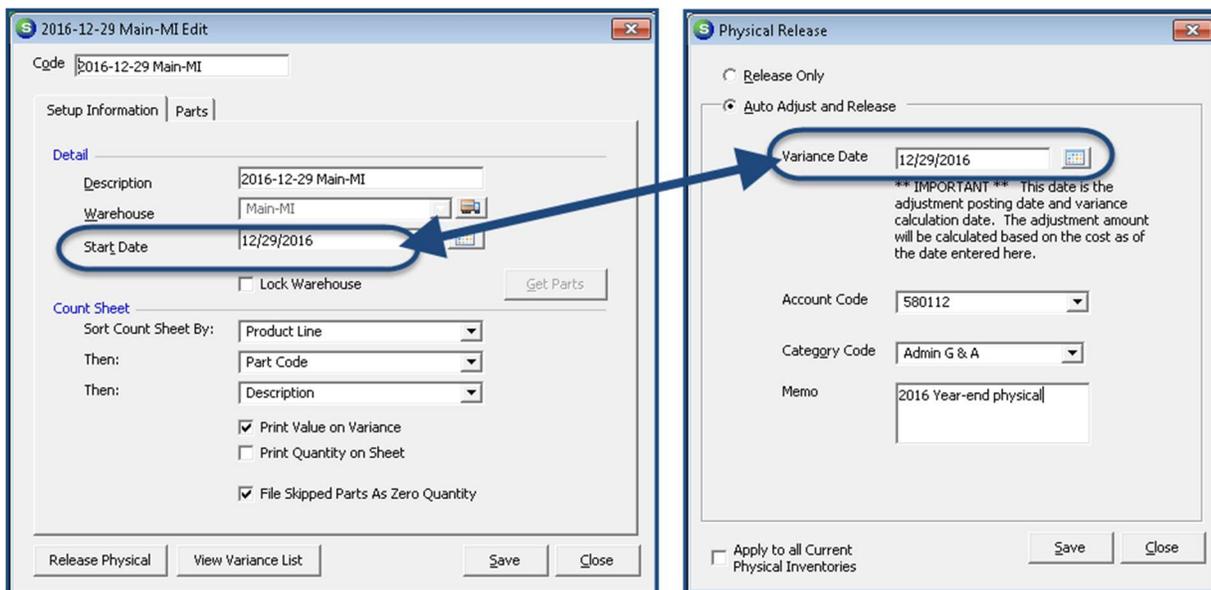
Once all counts have been entered, review the variance report. If re-counting certain parts is necessary and you do find a different quantity than the original count recorded, if the number of parts is larger than the original count, enter the additional parts found in the count sheet. If fewer parts were found than the original count, enter a negative sign in front of the quantity by which you are reducing the count.

Releasing the Physical

Once all variances have been investigated you will release the Physical and record the variances. The inventory program will record any variances to the general ledger account that is selected in the Physical Release form.



Make certain to use the same Variance Date as the Start Date when releasing your Physical Inventory. The software will auto-fill the Variance Date with the physical Start Date originally entered – make certain not to change this.



Due to the time limitation for this topic during this User Conference Track, finer points of the physical inventory process may not be covered. A complete Inventory User Guide is available for download on the SedonaOffice website in the Reference Documents section.

<http://www.sedonaoffice.com/wp-content/uploads/Physical-Inventory-Reference-Guide-.243.pdf>