



TECHNOLOGIES

Physical Inventory Checklist

by Karmak, Inc.

Preparing for Physical Inventory

- a. Run a report for all open parts and repair orders
 - i. Clean up any parts and repair orders that can be invoiced. This will help validate your committed quantities, so you know what should be on the shelf beforehand.
NOTE: Ideally, this should be done well in advance.
- b. Check for parts with zero cost
 - i. Reviewing these will help you find the accurate cost instead of guessing at the time of count entry
- c. Check for parts with no bin location
 - i. Knowing where each part is located will make your counts easier.
- d. Make sure that all physical inventory settings are correct
 - i. These could control how count sheets are printed.

Just Prior to Physical Inventory

- a. Request a report of all committed inventory
 - i. Run this prior to beginning inventory so you have a record of all committed parts.
- b. Run an inventory valuation report
 - i. You should run this prior to requesting the physical inventory, as well as prior to finalizing the physical inventory, to compare the figures and proactively investigate any discrepancies.

Completing Physical Inventory

- a. Print count sheets
- b. Count inventory
- c. Enter physical inventory counts
- d. Run preliminary variance reports
- e. Research variances
- f. Finalize your counts and run your inventory valuation
NOTE: Count variances may need to go to your accounting department.