



## Physical Inventory Counts and Physical Inventory Journal

### **Purpose of this document**

This document outlines using the “Physical Inventory Journal” and a separate document exists for the “Warehouse Physical Inventory Journal” use. Both are used to record inventory counts in Ceres.

*Ceres Object release 5.00.00 is required for the functionality described in this document.*

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## Overview

The Physical Inventory Journal is used for cycle counting and full physical inventory counts. In Ceres there are two journals used for this purpose:

- Physical Inventory Journal
- Warehouse Physical Inventory Journal

Either journal can be used for cycle counting and full physical inventory. The Physical Inventory Journal is supported by the ADCS handhelds. Check with your Ceres consultant or the Service Desk for the best journal to use to support your Ship Option. The Ceres Inventory Workflow document has more information on Ship Options.

This document outlines using the Physical Inventory Journal and a separate document exists for Warehouse Physical Inventory Journal use.

## Physical Inventory Count Recommendations

Post as many Agency Orders as possible that have been shipped to more accurately reflect your inventory totals. Also, post as many Donation & Purchase Orders as possible for the product that has been received and put-away.

It is suggested that you run the Item List Report, Items on Hand Report, or Availability Status Report prior to generating a count journal. The Availability Status report generally shows you Product still to be received and/or distributed, along with Qty on Hand. Save or Print report.

- a. You will need to run this report by Location. The Physical Inventory Journal is Location-specific, so you can only view the count for a single location at a time. This will make comparing quantities easier.
- b. You may also wish to filter for either Qty. Remaining >0 or Qty. on hand >0 (depending on the report) to limit the results of your report.

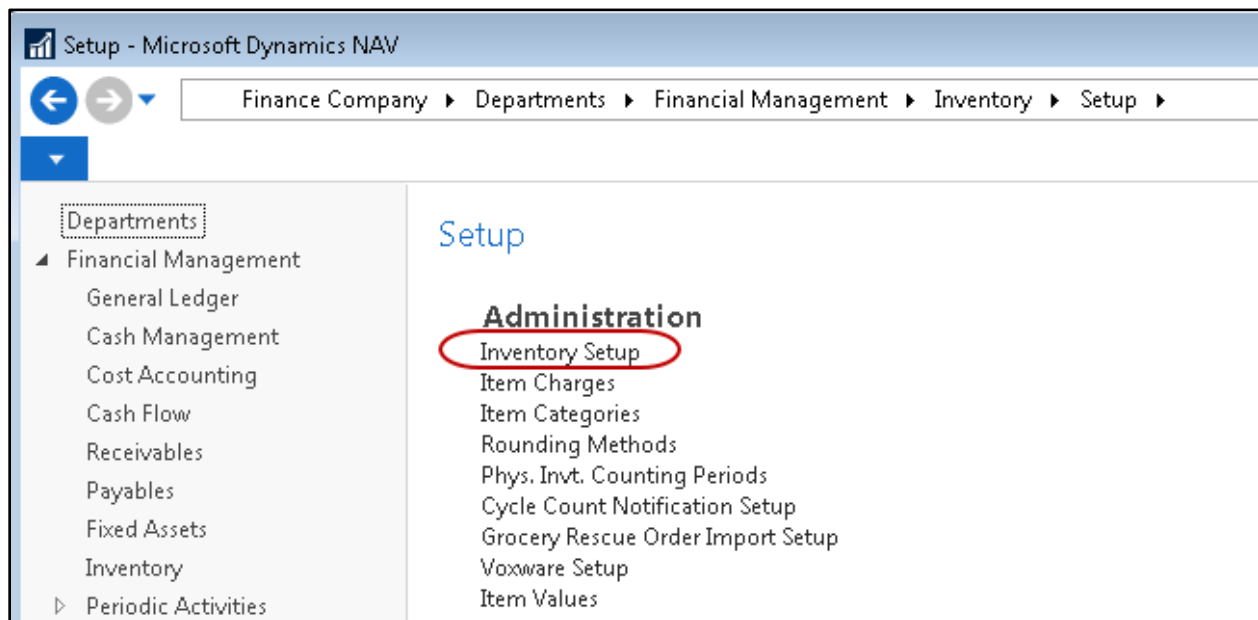
**Note:** You can run this report after your physical inventory is posted, to compare before & after totals.

A procedure titled “Year End Checklist” provides detailed recommendations for related tasks to execute prior to a full physical count.

## Setup – Inventory Setup

Ceres allows the ability to perform cycle counts with items open on pick documents within certain restrictions. Complete physical inventories will require that all picks be posted or deleted prior to beginning the physical inventory process. Cycle count inventories will proceed with open picks for the location being counted. During the physical inventory journal creation you will specify whether or not you are performing a physical or cycle count.

Once a cycle count has been initiated for one or more items, creation of picks will respect a parameter based on the inventory setup card. To access the Inventory Setup card go to Departments → Financial Management → Inventory → Administration → Setup → Inventory Setup.



On the the ADCS FastTab you will find the Cycle Count Notification setting.

The screenshot shows the 'Edit - Inventory Setup' window with the 'ADCS' FastTab selected. The 'Cycle Count Notification' dropdown is highlighted with a red circle, and its menu is open, showing 'Warning' and 'Error' options. The window includes a top navigation bar with 'HOME' and 'NAVIGATE' tabs, and a 'Ceres 5.0 Testing' status bar. The main content area is divided into sections: General, Location, Dimensions, Numbering, Kitting, and ADCS. The ADCS section contains various settings, including 'Auto Transfer Journal Posting', 'Max. Pick Labels per Item', 'ADCS Pick Posting Option', 'Cycle Count Notification', 'In-Transit Location', 'Lot Match Required', 'Consolidation Template', and 'Consolidation Batch'.

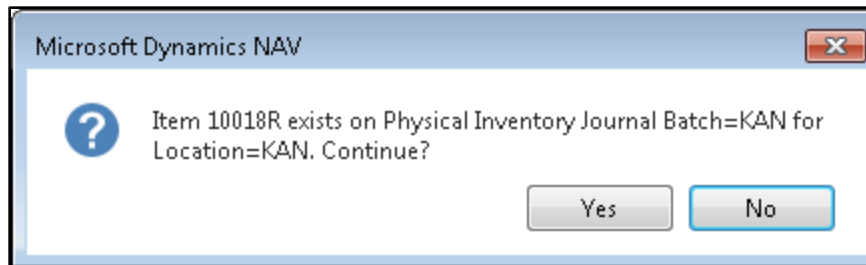
This field has three options to choose from and the pick generation process will function accordingly when if the pick that is being created contains an item on a cycle count:

**Blank** – The user receives no warning and the pick will be created.

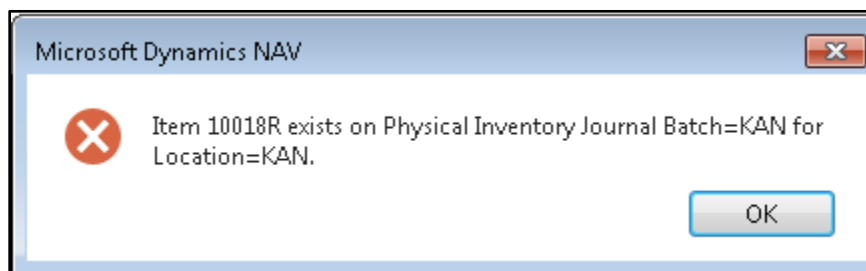
**Warning** – The user will receive a warning and has the option to continue creating the pick or not.

**Error** – The user will receive an error and will not be able to create the pick

**Warning message:**



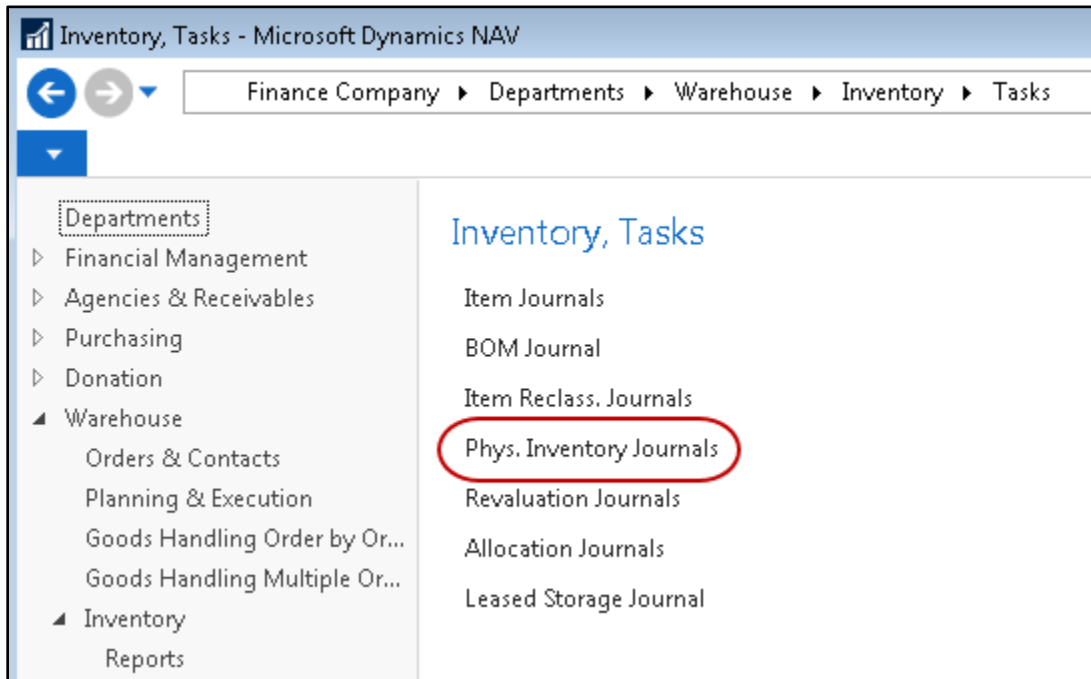
**Error message:**



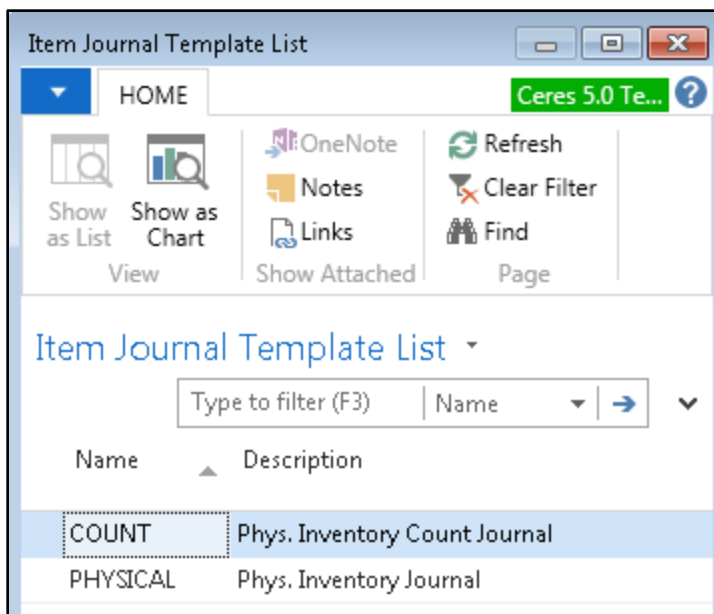
**Note:** ADCS and VOX will respect these warning or error setting.

## Creating and Posting Physical Inventory Journal Entries

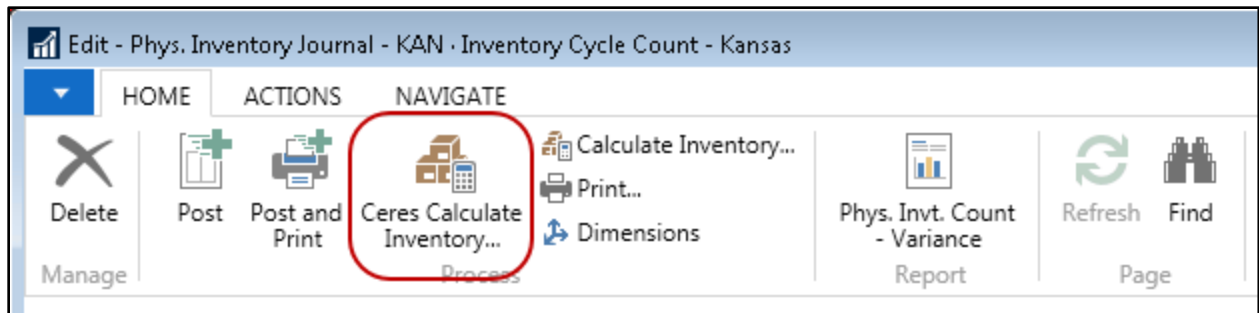
1. The Physical Inventory Journal can be accessed from Departments → Warehouse → Inventory → Tasks → Phys. Inventory Journals.



2. Select the Item Journal Template you wish to use



3. In the Journal select the batch name from the options in the Batch Name field or create a new one.
4. To populate the Physical Inventory Journal click Home → Ceres Calculate Inventory process.



5. This will bring up the Ceres Calculate Inventory Page. Select or set filters in the various fields as necessary.

Edit - Ceres Calculate Inventory

**ACTIONS** Ceres 5.0 Testing ?

Clear Filter Page

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**Saved Settings**

Name: Last used options and filters

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**Options**

Posting Date: 3/19/2020

Document No.: IPJ-00007

Calculation Method: Cycle Count

Use Item Default Dim: ☒

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**Item**

**Show results:**

Where No. is 10018R

Add Filter

**Limit totals to:**

Where Location Filter is KAN

OK Cancel

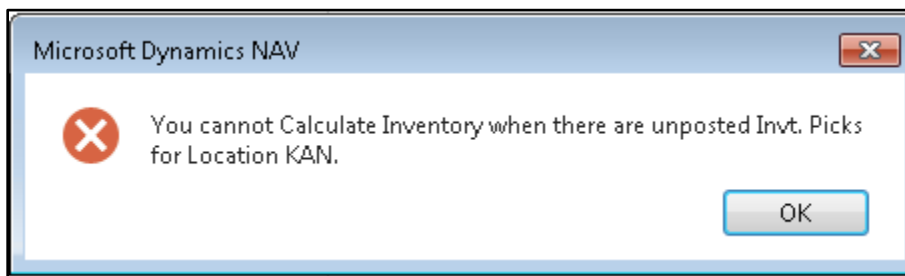


**Posting Date:** In the field, enter the date for the posting of this physical inventory journal. Ceres automatically enters the system date in this field, but you can change it to the date to which you wish to post.

**Document No:** Here you can specify which document number will be entered in the document no field on the journal lines created by the batch job. Ceres automatically enters the next number from the number series that is setup on journal template, but you can manually change it.

**By Dimension:** Select the dimensions you want the lines to be grouped by. Note: If you are using bins in the location, Dimensions will not be posted on the physical inventory ledger entries, the item ledger entries, or on the value entries.

**Calculation Method:** Specify whether or you are performing a complete physical inventory or cycle count. Physicals are only allowed when all warehouse documents have been posted. Cycle Counts are allowed with open warehouse documents with certain restrictions. The inventory setup above details the options available when performing cycle counts with open warehouse documents.



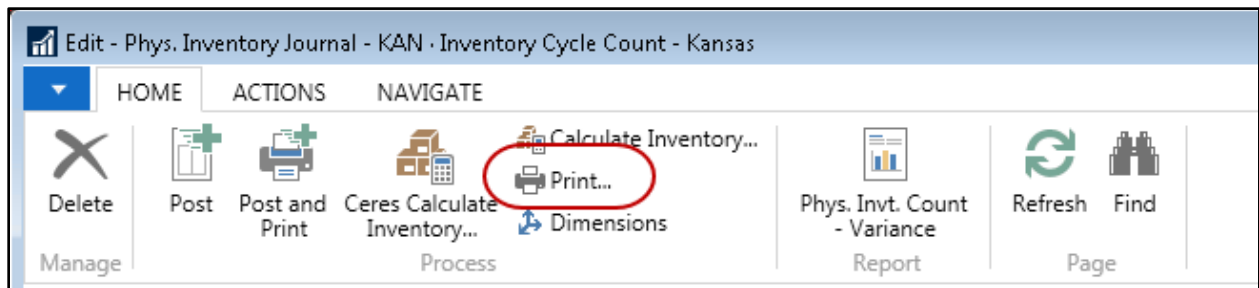
The following error message will appear if un-posted Inventory Picks exists and you select a Calculation Method of Physical Inventory when running the Calculate Inventory function. Instead you can select a Calculation Method of Cycle Count to populate the Journal when un-posted Inventory Picks exist.

**Item FastTab:** This is used if you want to apply filters for example by location or a range of item numbers.

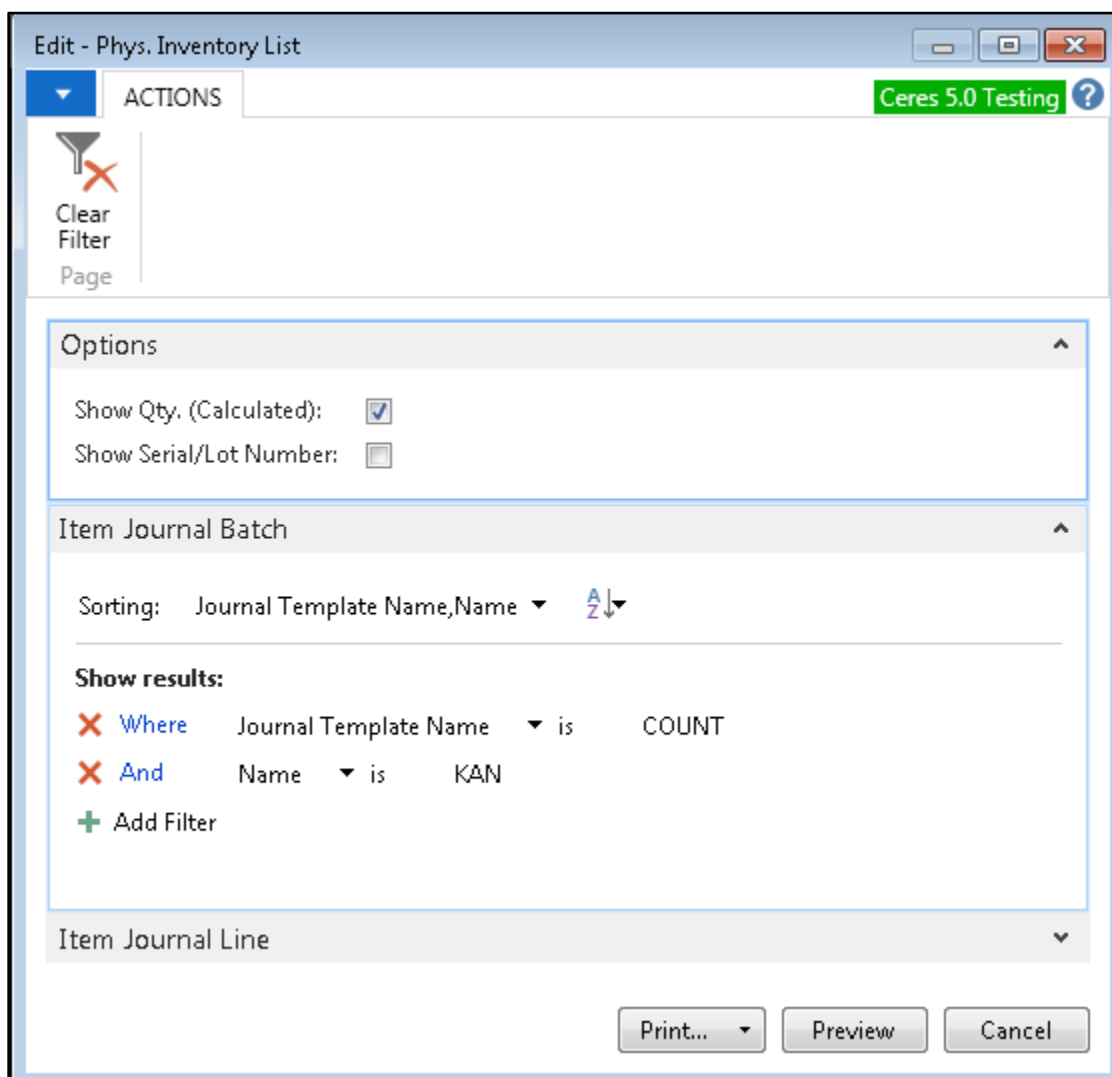
6. Select OK to run the process.

Batch Name: <span>KAN</span>													
Line No.	Posting Date	Entry Type	Document No.	Item No.	Description	Location Code	Pallet No.	Lot No.	Bin Code	Quantity	Unit of Measur...	Qty. (Calculated)	Qty. (Phys. Inventory)
10000	3/19/2020	Negative Adj...	IPJ-00007	10018R	Raspberry Syrup	KAN	1305-05108	LOT-04172	01-100-A	109	CASE	109	0
20000	3/19/2020	Negative Adj...	IPJ-00007	10018R	Raspberry Syrup	KAN	1305-05196	LOT-04237	01-101-A	100	CASE	100	0
30000	3/19/2020	Negative Adj...	IPJ-00007	10018R	Raspberry Syrup	KAN	1305-05197	LOT-04237	01-101-A	100	CASE	100	0
40000	3/19/2020	Negative Adj...	IPJ-00007	10018R	Raspberry Syrup	KAN	1305-05198	LOT-04237	01-101-A	100	CASE	100	0
50000	3/19/2020	Negative Adj...	IPJ-00007	10018R	Raspberry Syrup	KAN	1305-05199	LOT-04237	01-101-A	100	CASE	100	0
60000	3/19/2020	Negative Adj...	IPJ-00007	10018R	Raspberry Syrup	KAN	1305-05200	LOT-04237	01-101-A	100	CASE	100	0

- Once the Physical Inventory Journal has been generated, print the Physical Inventory Sheet by clicking Print from the Home ribbon.



- Set filters as necessary.



**Show Qty. (Calculated):** Place a checkmark in this field if you want the report to show the quantity Ceres is showing on hand.

## Phys. Inventory List

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Item Journal Batch: Journal Template Name: COUNT, Name: KAN

Posting Date	Document No.	Item No.	Description	Department Code	Project Code	Location Code	Bin Code	Qty. (Calculated)	Qty. (Phys. Inventory)
03/19/20	IPJ-00007	10018R	Raspberry Syrup	1008	CIRHOPE	KAN	01-100-	109	
03/19/20	IPJ-00007	10018R	Raspberry Syrup	1008	CIRHOPE	KAN	01-101-	100	
03/19/20	IPJ-00007	10018R	Raspberry Syrup	1008	CIRHOPE	KAN	01-101-	100	
03/19/20	IPJ-00007	10018R	Raspberry Syrup	1008	CIRHOPE	KAN	01-101-	100	
03/19/20	IPJ-00007	10018R	Raspberry Syrup	1008	CIRHOPE	KAN	01-101-	100	
03/19/20	IPJ-00007	10018R	Raspberry Syrup	1008	CIRHOPE	KAN	01-101-	100	

- When the count is complete, you are ready to populate the physical inventory journal with the actual quantities counted. This quantity is entered in the "Qty. (Phys. Inventory)" column, not the "Quantity" column.

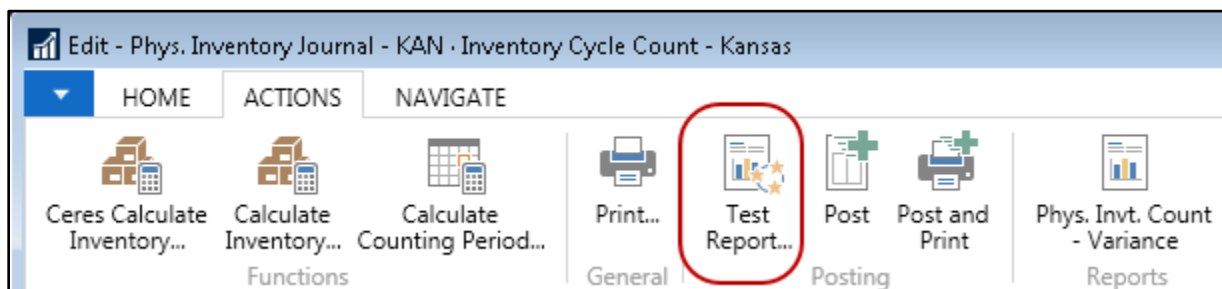
**Note:** When using ADCS, the "Qty. (Physical Inventory)" will default to a value of zero when inventory is calculated. Otherwise, the field will default to the value of the "Qty. (Calculated)" field.

- When you enter the Qty. (Phys. Inventory), the difference between the calculated quantity and quantity entered will now show in the "Quantity" column as a positive or negative number.

**Note:** Whatever Dimensions your inventory is counted by should be showing on this screen for verification of adjustments. As lots are required, be sure to show the Lot No. field as well. If you use Pallets, show that column.

Line No.	Posting Date	Entry Type	Document No.	Item No.	Description	Location Code	Pallet No.	Lot No.	Bin Code	Quantity	Unit of Measur...	Qty. (Calculated)	Qty. (Phys. Inventory)
10000	3/19/2020	Negative Adj...	IPJ-00007	10018R	Raspberry Syrup	KAN	1305-05108	LOT-04172	01-100-A	2	CASE	109	107
20000	3/19/2020	Positive Adj...	IPJ-00007	10018R	Raspberry Syrup	KAN	1305-05196	LOT-04237	01-101-A	0	CASE	100	100
30000	3/19/2020	Positive Adj...	IPJ-00007	10018R	Raspberry Syrup	KAN	1305-05197	LOT-04237	01-101-A	0	CASE	100	100
40000	3/19/2020	Positive Adj...	IPJ-00007	10018R	Raspberry Syrup	KAN	1305-05198	LOT-04237	01-101-A	0	CASE	100	100
50000	3/19/2020	Positive Adj...	IPJ-00007	10018R	Raspberry Syrup	KAN	1305-05199	LOT-04237	01-101-A	0	CASE	100	100
60000	3/19/2020	Positive Adj...	IPJ-00007	10018R	Raspberry Syrup	KAN	1305-05200	LOT-04237	01-101-A	0	CASE	100	100

- When you have finished entering all of the adjustment, be sure to print a test report by going to Actions→ Test Report. The report will show you all of the adjustments.



- Please check with your Inventory Control lead to determine if multiple count passes are required for Q/A prior to posting all the adjustments.

- a. If you wish to show Dimensions, click “Show dimensions” on the Options FastTab. A second line will be inserted on the report for the dimensions.
- b. The report will show you all of the positive and negative adjustments and provide you with a total by each Entry type at the end of the report.

Inventory Posting - Test

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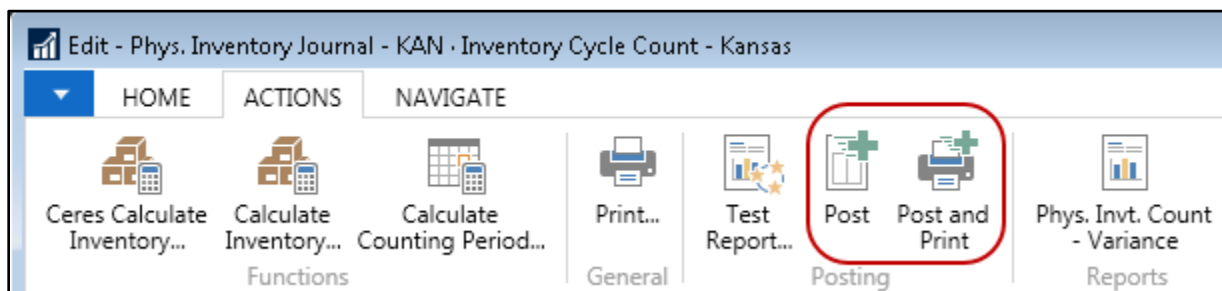
Journal Template Name COUNT

Journal Batch Name KAN

Item Journal Line: Journal Template Name: COUNT, Journal Batch Name: KAN

Posting Date	Entry Type	Item No.	Description	Quantity	Pallet No.	Lot No.	Reason Code	Unit of Measure Code	Ext. Gross Weight	Unit Cost	Cost Amount
03/19/20	Negative Adjmt.	10018R	Raspberry Syrup	2	1305-05108	LOT-04172	CCK	CASE	36.00	5.00	10.00
03/19/20	Positive Adjmt.	10018R	Raspberry Syrup	0	1305-05196	LOT-04237	CCK	CASE	0.00	5.00	0.00
03/19/20	Positive Adjmt.	10018R	Raspberry Syrup	0	1305-05197	LOT-04237	CCK	CASE	0.00	5.00	0.00
03/19/20	Positive Adjmt.	10018R	Raspberry Syrup	0	1305-05198	LOT-04237	CCK	CASE	0.00	5.00	0.00
03/19/20	Positive Adjmt.	10018R	Raspberry Syrup	0	1305-05199	LOT-04237	CCK	CASE	0.00	5.00	0.00
03/19/20	Positive Adjmt.	10018R	Raspberry Syrup	0	1305-05200	LOT-04237	CCK	CASE	0.00	5.00	0.00
			Positive Adjmt.	0.00					0.00		0.00
			Negative Adjmt.	-2.00					-36.00		10.00
			Total	(2.00)					-36.00		-10.00

13. Post the Journal by clicking Actions → Post or Post and Print to post the journal.



14. At this point, it is recommended that you run the report you ran in Step 1 again to compare to the report you printed previously. Now you should re-generate picks for any orders that were not picked, shipped and invoiced prior to running the physical inventory.

15. Re-create any picks that were previously deleted before starting this process.

16. You may begin receiving and distributing inventory again.

## Related Topics

1. Agency Order Review

2. Inventory Picks
3. Item Reclass Journal Overview
4. Location Overview
5. Physical Inventory Counts and Warehouse Inventory Journal
6. Warehouse ADCS Barcode Overview
7. Warehouse Activity Plan - WAP
8. Warehouse Pallets and Lots