

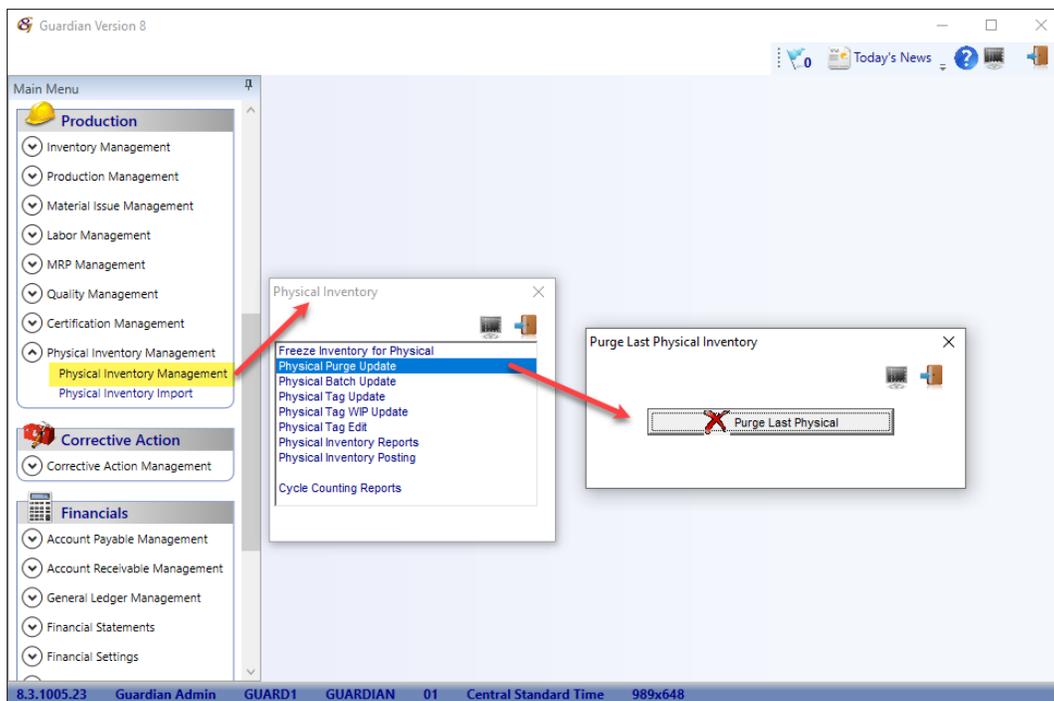
KnowledgeBase Article 2086

Physical Inventory

The Inventory process in Guardian can be performed any time the user requires. The process is designed to provide an inventory freeze point, yet still permit users to make labor and inventory transactions.

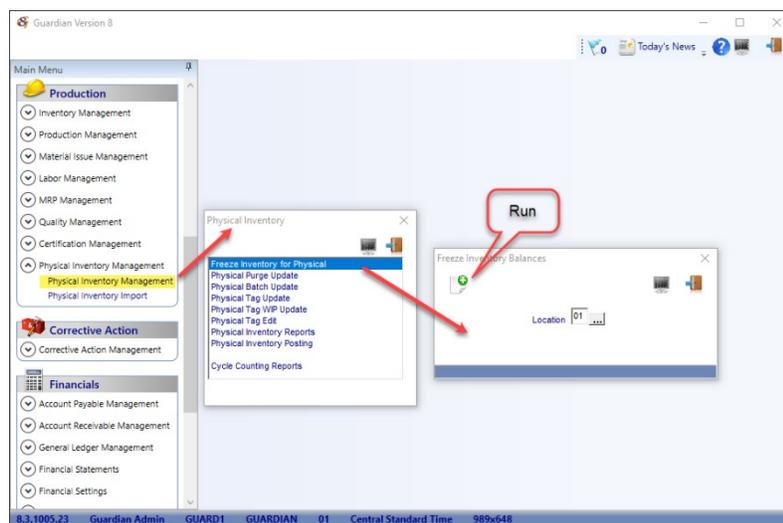
To summarize the process outlined below...After processing all inventory transactions to be completed prior to the physical inventory, all users should log out of Guardian and the individual on-hand balances are frozen (copied off to a save area). The actual physical inventory can then be performed. Users can resume performing inventory transactions in Guardian during the physical inventory process. In Guardian, Physical Inventory Batches are created and tags are entered under each Batch. Inventory Reports are then run, audited, and reconciled. Adjustments from the frozen on-hand balances to the physical counts are performed on the current on-hand inventory.

1. Erase all old Physical Inventory transactions
 - a. Navigate to Production > Physical Inventory Management > Physical Purge Update
 - b. This will erase all old physical inventory tags and totals created by the last physical inventory





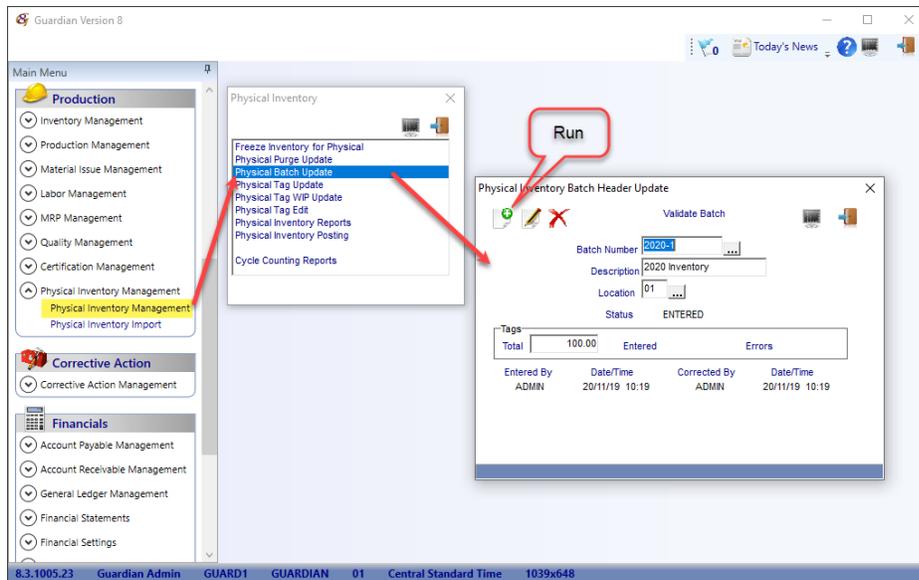
2. Freeze On-hand Inventory balances for each location
 - a. Have all users log out of Guardian ERP and MES
 - b. Navigate to Production > Physical Inventory Management > Freeze Inventory for Physical
 - i. Enter the Location
 - ii. Click the Run button in the upper left
 - c. This will freeze the on-hand balances. The frozen on-hand balance will be compared to the physical inventory by part – adjustments can be made to the current on-hand inventory.
 - d. NOTE: Please make sure that all inventory transactions to be processed prior to inventory have been completed. The freeze of the on-hand inventory should be performed when all users are logged out of Guardian. Once the freeze is complete, users may log back into Guardian.





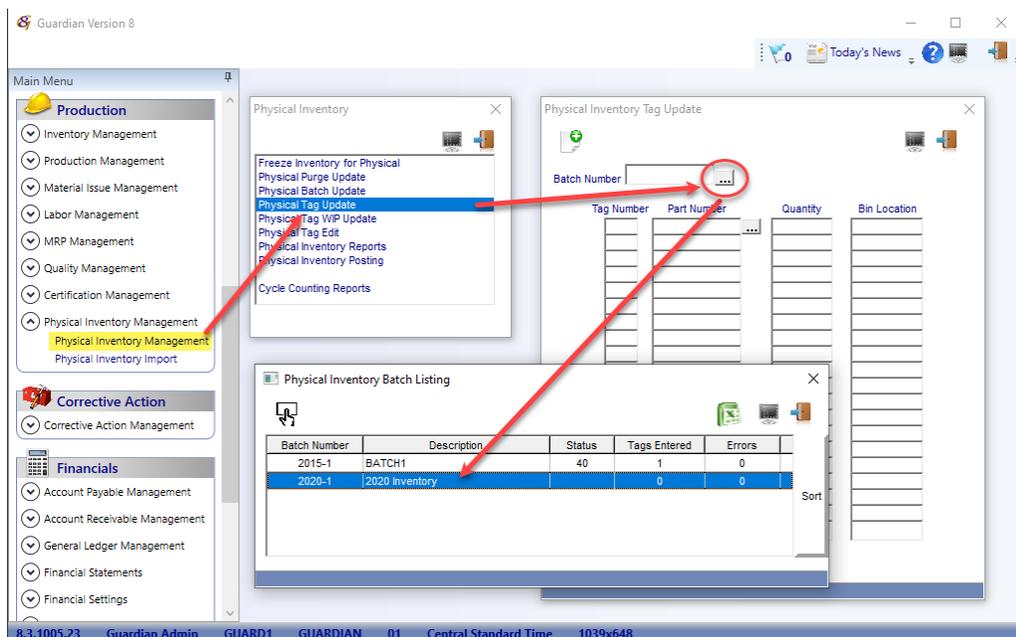
3. Create the Physical Inventory Batch Headers

- a. Navigate to Production > Physical Inventory Management > Physical Batch Update
- b. The Batch Headers are created for the physical inventory tags. Each tag must belong to a Batch. Reports can be run listing physical inventory tags by Batch.
 - i. Enter a new Batch Number and Description
 - ii. Enter the Location
 - iii. Enter the number of Tags for this Inventory Batch
 - iv. Click the Run button in the upper left to create the Batch



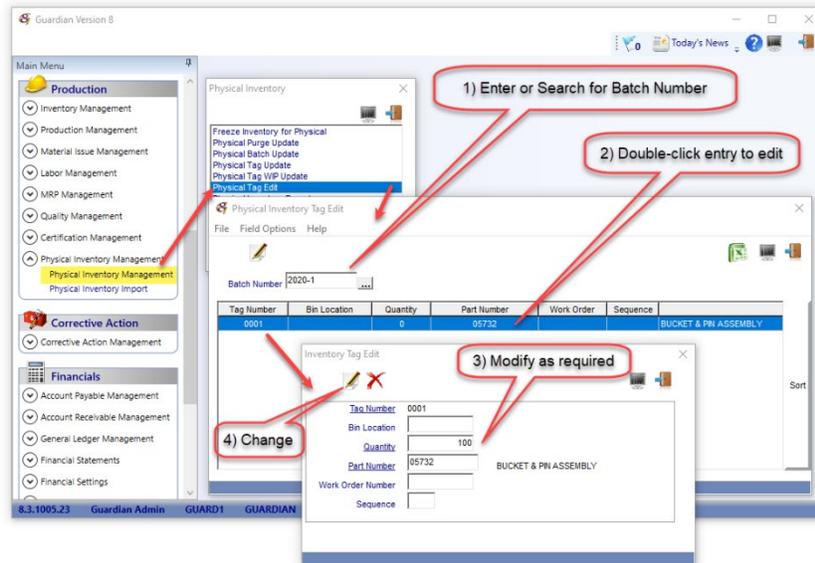
4. Enter the Physical Inventory Tags by Batch

- a. Navigate to Production > Physical Inventory Management > Physical Tag Update
- b. Select the Batch Number (created in step 3 above) by clicking the search button, ... then double-click the appropriate batch number

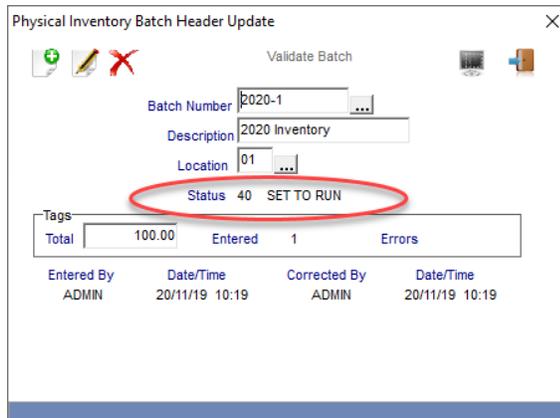




6. If errors are found, the batch status will be set to 20 until they are corrected and validated again...
 - a. The Inventory Exceptions report can be used to identify errors found during the validation process
 - i. Navigate to Physical Inventory Management > Physical Inventory Reports > Inventory Exceptions
 - b. Navigate to Production > Physical Inventory Management > Physical Tag Edit
 - c. Enter the Batch Number or search for the appropriate number ...
 - d. Double-click the Tag to edit
 - e. Click Change to save the change
 - f. Close Physical Tag Edit



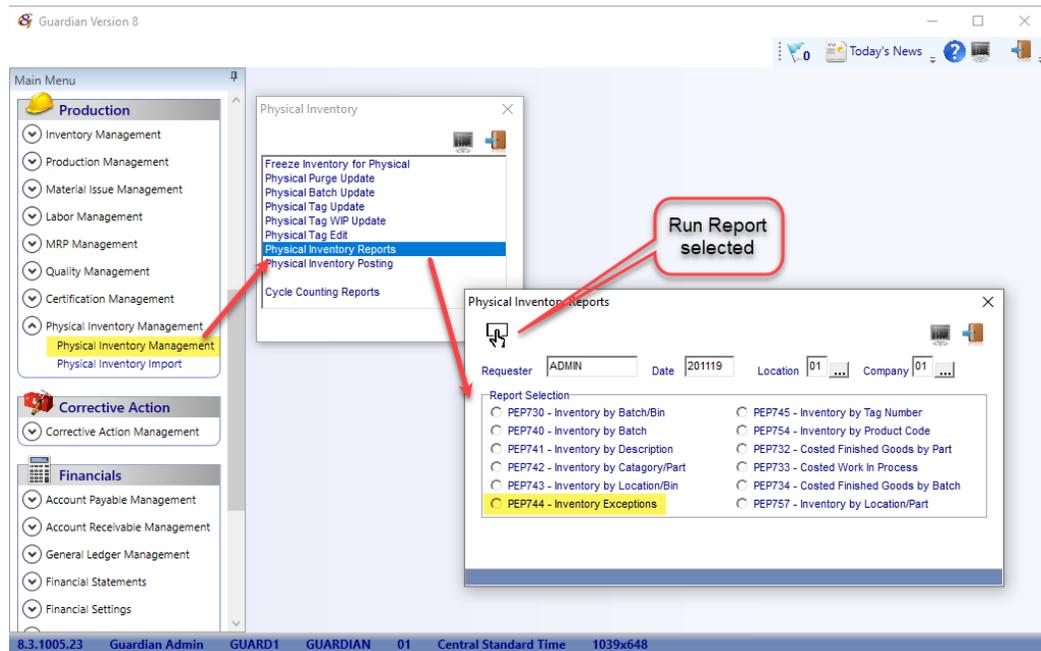
- g. Navigate to Production > Physical Inventory Management > Physical Batch Update
- h. Validate the Physical Inventory Batch
- i. Once a batch is error-free, the batch status will be set to 40





7. Run the Physical Inventory Reports

- a. Navigate to Production > Physical Inventory Management > Physical Inventory Reports
- b. The Physical Inventory Reports can be run at any time during the physical inventory process
- c. NOTE: The Inventory Exceptions report can be used to identify errors found during the validation process



8. Perform a full backup of the Guardian Database

9. Validate each Physical Inventory Batch until it is error free

10. Perform the physical inventory using the reports from step 7 above

11. Once all inventory counts have been completed, return to step 6b above to edit the Inventory Batch Tags to reflect the physical inventory performed in step 10 above



12. Perform the Physical Inventory Update Process

- a. Navigate to Production > Physical Inventory Management > Physical Inventory Posting
- b. These processes can only be run once. If you encounter problems during this process please contact Guardian for assistance.
- c. Run these two processes in order:
 - i. Run Post Inventory to Physical Count – to total physical inventory quantities by part and update the batch and tag status to 60
 - ii. Run Adjust On-Hand Balance – to compare the frozen inventory counts against total counted inventory tags by part and adjust on-hand inventory. This process will create a history record in the inventory transaction history file.

