Count Sheets Instructions

- **If not using a Zebra then post counts as soon as possible to Physical Inventory (PIP)**. Sales or purchase activity between counting and entering into PIP will result in a bad count.

- **Post all counts, even if there is no variance.**

- **Do not edit counts in PIP, instead delete from PIP and repost the new count to refresh beginning QOH.**

- **Research variances before finalizing PIP –** one-third can be found in the store with investigation: look for these items on adjacent hooks/shelves, in overstock, in return bins, etc.

Count Types

- **MC ##** – **M**ango **C**ount. These items have stopped selling in your store but continue to sell in nearby peer stores. The number next to MC indicates your store's expected sales units since the last action date. Items may be in back/top stock, in wrong bin/hooks or missing from the store's assortment. Find them or zero them out.

- **OT AOS -** **Ot**her **A**cehardware.com **O**rder **S**ystem. These items were canceled by your store in AOS due to wrong inventory count but QOH was not adjusted in system.

- **OT ATX** – **Ot**her Avg. Transaction. Audits SKUs with QOH greater than 1 but not experiencing average transaction (ATX) like peer stores. Lower ATX may be caused by inaccurate QOH.

- **OT COM** – **Ot**her **Com**mon. These SKUs exhibit a high shrink rate across Ace stores or within stores served by your warehouse.

- **OT UPC** – **O**ther **UPC**. SKUs with cross-linked UPCs that were corrected last month (Master Exceptions UPC x-link) but not counted.

- **OT Neg** – **Ot**her **Neg**ative. Indicates that a SKU's QOH went negative last month and **not** adjusted before it was repurchased. Swell (upward shrink) should be expected when counted.

- **RC** – **R**andom **C**ount. These SKUs have been randomly selected for counting; results drive your IRA score. A portion of the actual counts should be audited by the store manager or owner to test for count competency. Careful and accurate counting of this type will create a more accurate IRA measurement.

- **TI** – **T**op **I**nventory. These SKUs have a high inventory value. Very high QOH SKUs do not need to be counted exactly, approximate verification will suffice. For example, you do not need to count down 2 pallets of Roundup, but you should find the 2 pallets and estimate QOH reasonably.

- **WD Rtn** – **W**atchdog **Ret**urn. Auditing a returned item. Variances, if caused by POS error should be corrected in POS (example, a defective item rung as a return "R", should be re-rung as defective). Unexplained variances should be fully researched to rule out theft-for-cash schemes. Variances in expensive SKUs will show as "Alerts" on your Shrink Report next month.

- **WD Def** – **W**atch**d**og **Def**ective. Auditing an item returned/exchanged as defective. Variances, if caused by POS error, should be corrected in POS.

- **WD HOT** – **W**atch**d**og **Hot**. These SKUs are exhibiting a very high degree of shrinkage. They will remain on your Count Sheets until the shrinkage condition is resolved, and then tested periodically.

- **XX** – **Double-X** SKUs. These items have not sold in over 2 years and are **not** good sellers in your peer group. Count accuracy and physical presence is verified to control phantom inventory.

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