



CHECKLIST · DISTRIBUTION & WHOLESALE

# Inventory Accuracy Audit Checklist

A self-audit checklist for wholesale distributors: measure your real inventory accuracy, find where the errors enter, and fix the process instead of the symptoms.

## DISTRIBUTION & WHOLESALE · CHECKLIST

Every promise a distributor makes rests on one number: does the system quantity match the shelf? When it does not, sales promises stock that is not there, purchasing reorders stock that is, and the warehouse burns hours hunting for phantom inventory.

This checklist is a self-audit. Run it before investing in any new system, because it tells you where the errors actually enter.

### Measure the truth first

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- ☐ Count 50 random SKUs across locations. Record match rate by line and by value.
- ☐ Repeat with your 20 fastest movers. Fast movers hide the most error.
- ☐ Check negative on-hand quantities. Each one is a process failure with a story.
- ☐ Compare system locations to physical locations for the counted items.
- ☐ Age your adjustments: how much was written off in the last 12 months, and in which months?

### Receiving

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- ☐ Receipts entered the day goods arrive, not batched for Friday
- ☐ Quantities counted at the dock, not copied from the packing slip
- ☐ Discrepancies logged against the PO, with the vendor notified
- ☐ Putaway location recorded at putaway, not assumed

## Picking and shipping

- ☐ Picks confirmed against the order line, item and quantity
- ☐ Short picks recorded as shorts, not silently adjusted later
- ☐ Returns processed into stock within a day, with reason codes
- ☐ Damaged goods moved to a quarantine location, not left in pickable stock

## Adjustments and counts

- ☐ Every adjustment carries a reason code and a person
- ☐ Adjustment approval required above a value threshold
- ☐ Cycle counts running on a schedule weighted by velocity and value
- ☐ Root cause reviewed monthly: the top three reason codes get a fix, not a shrug



### Questions about any of this?

Summit Business Systems has been implementing ERP for Ontario businesses since 1991. We are an Acumatica Gold-Certified Partner based in Barrie, working with construction, field service, distribution, and professional services companies across the province. If you want a second opinion on anything in this checklist, we give straight answers.

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