

CYCLE COUNTING TELEPHONE COMPANY STOREROOM (TCS)

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1. GENERAL

- 1.01 This instruction provides information to be used by Telephone Company Storerooms (TCSs) when performing Cycle Counting activity.
- 1.02 Whenever this practice is reissued the reason(s) for reissue will be indicated in this paragraph.
- 1.03 The objective of this instruction is to provide a means to:
- a. Comply with overall policies of the company;
 - b. Provide the service level required by users/clients;
 - c. Provide guidelines for a properly managed, well-executed, efficient cycle counting program;
 - d. Deploy resources effectively;
 - e. Assure SWIMS data base integrity to pass accurate information to downstream systems;
 - f. Promote communications and cooperation among the various organizations involved in the Cycle Counting process, and;
 - g. Provide guidelines to aid TCS locations in developing individual cycle count routines to meet the needs of cycle counting requirements.

2. DEFINITIONS

- 2.01 ABC Classification - A classification of stocked items in decreasing order of annual demand volume. Class A contains the items with the highest annual demand volume and receives the most attention by Inventory Managers. Class B contains items with moderate annual demand volume, and receive less attention than Class A items. Class C which contains the least annual demand receives routine attention.
- 2.02 Annual Inventory Counts (A) - Counts generated during Annual Inventory for every item in the data base. Counts

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for certain categories of exempt material are not generated.

- 2.03 Computed Balance - The quantity which the system had computed before any positive or negative adjustments were made. The quantity is computed as follows:
- a. To the annual inventory quantity, add inventory-to-date receipts, transfers-in and returns; then subtract all inventory-to-date issues, transfers-out and scrap. (Positive and negative adjustments (30/70) to the system are not figured into this quantity).
 - b. IBI Report 1 screen, see field: "COMPUTED-QTY", Exhibit 1.
- 2.04 Computer Balance - The actual on-hand quantity of material available to be ordered by users/clients. This quantity is affected by positive and negative (30/70) adjustments.
- a. IBI Report 1 screen, see field: "ON-HAND-QTY", Exhibit 1.
 - b. Inventory Activity IAAI screen, see field: "ON HAND INVENTORY: PRICED QTY", Exhibit 2.
- 2.05 Cycle Counting - A physical inventory-taking technique where inventory is selected and counted on an ongoing basis (daily, weekly, monthly, etc.) with all items being counted at least once during the year.
- 2.06 First Day Backorder Count (B) - A Trouble Trigger set in the Allocation of material process, the first day material goes on backorder.
- 2.07 Investigation - To observe or study by close examination and systematic inquiry. Investigation includes the following activities:
- a. Supplies Attendant (inventory counter) physically looking for:
 - 1. Mixed material in storage location;
 - 2. Wrong material in storage location;

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3. Visual check 1 storage location above, below, and to each side of the affected location;
 4. Overflow storage locations;
 5. Material marked or packaged incorrectly;
 6. Staging area(s);
 7. Received but not put away;
 8. Receiving area;
 9. MLS error(s);
 10. Incorrect count multiples (UOM);
 11. Alternate locations;
 12. Erroneous storage location labels.
- b. Management personnel and clerical support reviewing:
1. Receiving documents;
 2. Pick Tickets;
 3. Inventory related reports;
 4. MLS related reports;
 5. Any balance affecting adjustment;
 6. OS&D and Claims activity;
 7. Incorrect count multiples;
 8. IBI screens in SWIMS;
 9. Packing slips;
 10. Emergency shipment;
 11. Open pick tickets;
 12. Material selecting error;

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13. 50/51 adjustments;
 14. Shipment verification;
 15. Dirty tickets.
- 2.08 MLS Trouble Trigger Count (M) - Trouble Triggers based on edit procedures within the MLS System. There are seven different conditions within the MLS system which will set a trouble trigger. These conditions, or exception messages, will appear on the daily MLS Exception Report (RLS-140), Exhibit 3.
- 2.09 Negative Inventory Balance Count (R) - A Trouble Trigger set when more material has been issued that currently shows to be in stock. Thus a negative inventory balance results.
- 2.10 Null period - A time period in which there is no material movement occurring in the warehouse (receiving, storing, and selecting).
- 2.11 Random Counts - Random counts are generated monthly on a random basis for the purpose of measuring item balance accuracy within the warehouse, Exhibit 4.
- 2.12 a. Warehouse balance accuracy for random counts is calculated as follows:
- $$\% = \frac{(\text{NUMBER ITEMS TT R}) - (\text{NO. ITEMS W DISCREP.})}{(\text{TOTAL NUMBER ITEMS TT R})} \times (100)$$
- 2.13 System Generated Counts (S) - A SWIMS generated Cycle Count initiated based on the Next Count date on the inventory record being less than the current date. See Inventory System Master Inquiry screen IAMI, Exhibit 5. The Count Frequency is also found on IAMI, and it indicates the number of times per a twelve month period Inventory Management wishes to have the item counted. The count Frequency is arrived at by Inventory Management analyzing the ABC status of each item.
- 2.14 Trouble Trigger - a series of "exception" messages which generate a warehouse physical count verification of material.

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- 2.15 Warehouse Backorder Counts (W) - A Trouble Trigger set by the Material Request Shipment Verification (Loop Closure) process when a shipment has occurred in which less material was shipped than the quantity ordered. This signals that there was not enough material on the shelf to ship an order in full therefore indicating that the SWIMS balance is incorrect.

3. RESPONSIBILITIES

- 3.01 It is the responsibility of the TCS Cycle Count personnel to carry out physical counts and investigations of the differences between SWIMS computer balances and warehouse on-hand balances of material.
- 3.02 TCS Cycle Count personnel must identify and resolve inventory problems encountered during the investigation process to minimize future balance inaccuracies.
- 3.03 TCS Supplies Attendants must physically count material, search for material, update MLS daily, and identify, document, and report problem areas for resolution.
- 3.04 TCS Clerical support must assure all items on the count sheets have been counted, key counts into SWIMS, investigate balance affecting paperwork such as Claims activity, Shipment Verification, dirty tickets, etc.
- 3.05 TCS Management personnel must assure that investigations for balance discrepancies are performed, balance affecting paperwork is investigated, MLS errors are corrected daily, problem areas are corrected to prevent future balance inaccuracies, appropriate measurements and feedback are in place to assure a quality Cycle Count process.
- 3.06 TCS Management personnel must set appropriate balance accuracy objectives to maintain a high level of inventory record accuracy.
- 3.07 Close coordination and communication is required among Inventory Management, TCSs, Procurement Contracting, and Procurement Systems and Accounting to assure that the proper balance adjustments are made.

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- 3.08 It is essential that the integrity of all data bases be maintained. Employees must maintain the highest legal and ethical standards as set forth in Southwestern Bell Telephone Company's booklet entitled A Code Of Business Conduct. All functions within the Cycle Counting process must be performed with care and honesty for the successful management of the business.

4. CYCLE COUNT PRINCIPLES

- 4.01 A properly managed, well-executed, efficient cycle counting program can deliver significant benefits at a very low cost. Records that are very accurate can reduce shortages, late orders, and obsolescence costs and can improve user/client and employee morale. Accurate records are the cornerstone of successful inventory control.
- 4.02 The purpose of Cycle Counting is to maintain a high level of inventory record accuracy on a timely basis. By counting inventory on a more regular basis, identification and resolution of inventory problems can be accomplished to more effectively manage inventory, reduce costs, and better serve users/clients.
- 4.03 Cycle counting refers to the balance control relationship among, physical on-hand balances, computer balances, and computed balances, which effect the Perpetual Inventory Records (PIR). The relationship should be such that if a physical count would be performed on a given location, the related computer balance would agree with the physical on-hand count. The objective is to effectively control the balances rather than simply make an adjustment to the computer balance.
- 4.04 The investigation of balance discrepancies is the most important function performed by TCS personnel responsible for Cycle Counting. All balance differences should be routinely investigated daily and documented. Resources should be applied in a manner that will result in the highest number of investigations for any given day when considering appropriate investigative priorities.
- 4.05 The TCS will be responsible for the accuracy of the stock balances by performing the following functions:

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- a. Monitoring balance affecting documents;
- b. Verify balance affecting documents;
- c. Conduct counts;
- d. Perform balance investigations;
- e. Balance adjustments;
- f. Report results and possible solutions to problems detected to upper management;
- g. Verify packing slips to the Daily Receipts Report;
- h. Verify New/Unused returns to the Inventory Activity by item;
- i. Correct MLS errors from the MLS Exception Report, RLS140;
- J. Communicate concerns, discrepancies, large quantity differences, unusual findings, etc. to Inventory Management.

4.06 Physical inventory "Do and Don't" items include:

- a. Do count by the Unit of Measure assigned to the item being counted;
- b. Don't count partial quantities of any items where the quantity would be less than an expressed Unit of Measure such as pounds, feet, and gallons;
- c. Do individually count the contents of all opened packages;
- d. Don't open sealed packages to count, use the count marked on the outside of the carton;
- e. Do approximate bulk item lengths such as hoses, wire, etc., where lengths are extensive and too costly to count;

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- f. Don't sight-count items, assure pallets are full pallets, storage locations do not contain mixed material, storage location is correct, etc.;
- g. Do put boxes or packages back in their original storage location after counting;
- h. Don't disturb the rotation sequence of items counted that carry an assigned shelf life.

5. FLOW OF DAILY CYCLE COUNT ACTIVITY

- 5.01 SWIMS Cycle Counting generates inventory counts on a daily basis for trouble trigger counts, and system generated counts. Physical counting of items will take place in the warehouse on a daily basis.
- 5.02 Following is a general procedure which explains the sequence of activities that occur in the cycle counting process, see flowchart Exhibit 6. (Note that the times given here are to be used as examples. Local procedures and system availability restrictions may require adjustments in the time frames).
 - a. SWIMS produces a Physical Inventory Count - Worksheet RIA185, Exhibit 7, of items for evening count by Supplies Attendants (7:00 P.M.).
 - 1. Physical Inventory Count - Worksheets for items which will be counted that evening will be generated in a batch process when the system is brought down that evening. All Shipment Verification (formerly Loop Closure) and receipting must be complete for that day before the system is brought down. The Physical Inventory Count - Worksheets which are produced through the batch cycle will provide the Supplies Attendants with the following:
 - a. A listing of inventory items which need to be physically counted that evening, the Physical Inventory Count - Worksheet In Bin-Row Sequence, RIA185. (Prime bin/rows and alternate bin/rows are included on the worksheets for counting.

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- b. A Physical Inventory Count - on Hand Qty - Bin-Row Sequence RIA190, Exhibit 8, report on which the Supplies Attendant can record total quantities of items counted.
- b. Actual physical count of material is performed by Supplies Attendant. (7:30 P.M. to 6:00 A.M.)
 - 1. During the evening, and night, actual physical counts will be made on all items which were printed on the Physical Inventory Count - Worksheets. Actual quantities that are counted should be written on these worksheets to be input into the system in the morning.
- c. Input evening's actual physical count into SWIMS Inventory System Physical Count IAPC, Exhibit 9. (7:00 A.M.)
 - 1. Once the physical counts are made on the items from the Physical Inventory Count - Worksheet, the Clerical support must input the item quantity totals into the system.
- d. A Physical Inventory Differences - Temporary report RIA115-R01, Exhibit 10, is produced. (9:00 A.M.)
 - 1. A Temporary (Trial) run is made first thing in the morning. This run takes the actual physical count totals of items that were counted the previous night and compares them to the system totals.
 - 2. The Physical Inventory Differences - Temporary report is produced from the temporary run. This report displays the items which showed a discrepancy between the physical count and the system count.
- e. Investigate inventory discrepancies between the physical count and system count, and enter adjustments. (10:00 A.M. to 5:00 P.M.)
 - 1. Throughout the day, the Supplies Attendant must investigate the items which showed

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discrepancies on the Physical Inventory Differences - Temporary report.

2. Investigative work is done by the Supplies Attendant, inventory counter, using the following tools and methods to determine where the discrepancy lies:
 - a. Mixed material in storage location;
 - b. Wrong material in storage location;
 - c. Visual check 1 storage location above, below, and to each side of the affected location;
 - d. Overflow storage locations;
 - e. Material marked or packaged incorrectly;
 - f. Staging area(s);
 - g. Received but not put away;
 - h. Receiving area;
 - i. MLS error(s);
 - j. Incorrect count multiples (UOM);
 - k. Alternate locations.
 - l. Material put away, but not receipted.
3. Investigative work is done by the Manager/Materials Management/TCS and/or clerical staff using the following tools and methods to determine where the discrepancy lies:
 - a. Receiving documents;
 - b. Pick Tickets;
 - c. Inventory related reports;
 - d. MLS related reports;

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- e. Any balance affecting adjustment;
- f. OS&D and Claims activity;
- g. Incorrect count multiples;
- h. IBI screens in SWIMS;
- i. Packing slips;
- j. Emergency shipments;
- k. Open pick tickets;
- l. Material selecting error;
- m. Dirty tickets.

The Clerical support will then re-input any adjustments which need to be made on the item totals into the SWIMS Inventory System Physical Count, IAPC.

- f. A final run of previous evening's counts is made and the Physical Inventory Differences - Final report, RIA115-R01, Exhibit 11 is produced.
 - 1. After the system is brought down that evening, a final (closing) run is made to update SWIMS inventory balances. The final run includes all items which:
 - a. Were physically counted the previous evening;
 - b. Had balance discrepancies which were reconciled during the day.

This final run must be done before any new quantity totals are input for the evening's new physical count items.

- g. Return to Section 5.02, paragraph "a" to begin the daily Cycle Count process again.

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1. Repeat Section 5.02, paragraphs "a" through "f" see Appendix 3 for reference.

6. INVENTORY BALANCE COUNTS

- 6.01 SWIMS Cycle Counting generates inventory counts on a daily basis for trouble trigger counts, and system generated counts.
- 6.02 Trouble Trigger counts include:
- | | | | |
|----|----------------------|---|--------|
| a. | Warehouse backorders | W | Daily; |
| b. | First Day backorders | B | Daily; |
| c. | MLS counts | M | Daily; |
| d. | Negative balances | N | Daily. |
- 6.03 SWIMS system counts include:
- | | | | |
|----|-------------------------|---|-----------|
| a. | Random counts | R | Monthly; |
| b. | System counts | S | Daily; |
| c. | Annual Inventory counts | A | Annually. |
- 6.04 A third category of counts are manual requests from Inventory Managers, or others, to verify suspected inventory discrepancies:
- | | | | |
|----|-----------------|---|--------|
| a. | Manual requests | P | Daily. |
|----|-----------------|---|--------|
- 6.05 The SWIMS count generation job will generate inventory counts based on a pre-determined priority as follows:
- | | | | |
|----|----------------------|---|--|
| a. | Warehouse backorder | W | |
| b. | MLS Trouble Triggers | M | |
| c. | First Day backorder | B | |
| d. | Negative balance | N | |
| e. | System generated | S | |

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- f. Random counts R
 - g. Annual Inventory A
- 6.06 The count priority sequence can be changed by contacting the Procurement Methods & Systems District. Count priority sequence changes must have the concurrence of upper management.
- 6.07 If during the count generation an item meets the criteria for two or more count categories, the Physical Inventory Count - Worksheet, RIA185, will identify all count codes associated with the item balance.
- 6.08 Cycle Counts will be generated after all processing of the day's business has been completed including:
- a. All receival updates;
 - b. Error corrections;
 - c. Shipment verification/accountability for daily Pick Tickets;
 - d. Balance adjustments;
 - e. MLS updates;
 - f. Complete MLS errors daily;
 - g. Publish returns activity report daily.
- 6.09 Balances which are to be counted will be indicated on the Physical Count - Worksheet, RIA185. The Physical Count - Worksheet will be in BINROW sequence, but will include the primary and alternate locations for each balance to be counted.
- 6.10 Cycle Counts will be performed by Supplies Attendants during a warehouse null period. The null period will have to be in effect from the time that the last source documents relating to receiving, shipping, error corrections, and material movement, for the day's business have been processed and all counts have been completed.

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- 6.11 The Supplies Attendants will be responsible for recording the quantity of material at each inventory location specified on the RIA185 Count Sheet. If the material is found out of location, the location will be recorded on the count sheet. When this condition occurs, location updates should be processed via MLS immediately. The Supplies Attendant must initial the Count Sheet for each count performed.
- 6.12 After inventory counts have been completed on the RIA185 Count sheet, the Count Sheets will be reviewed to assure that a quantity has been entered for each location counted. The Supplies Attendant will verify the count quantity with the computer quantity shown on the Physical Inventory Count On Hand Quantity, RIA190, report. If the balances do not agree, a second count will be performed by the person responsible for the investigation of the discrepancy.
- 6.13 After investigating to determine the correct quantity, the final count quantity will be input into SWIMS Inventory Activity Physical Count, IAPC screen.
- a. It is imperative to note that for any count being input into the IAPC screen, the Count Date being input must be the previous day's date. In other words, if today's date is 5/30, the Count Date to enter should be 5/29. The purpose for using the previous day's date is to assure that SWIMS calculates the additions and subtractions to inventory from the last completed SWIMS cycle forward. Inputting an erroneous date will cause SWIMS to calculate forward from the wrong point in time and will produce distorted inventory balances.
- 6.14 After all counts from the RIA185 Count Sheets have been input into SWIMS IAPC, the Physical Inventory Differences - Temporary report, RIA115-R01, is produced. This report is generated from a BMP run approximately 9:00 A.M. each day. It reflects the differences between the physical count from the RIA185 Count Sheets and the existing computer balance. The dollar amount of the differences is indicated as well. All items should be investigated to determine the cause of the differences.
- a. Inventory Management also receives a copy of the Physical Inventory Differences - Temporary report

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after the 9:00 A.M. BMP. This report is reviewed by them and specific counts and investigations may be requested for completion by end of the work day.

- 6.15 After investigation of the differences noted on the Physical Inventory Differences - Temporary report, changes to the balances may be made using the SWIMS IAPC screen before the end of the work day. Discrepancies and their causes should be recorded on the Physical Inventory Differences Inventory Control log for audit purposes. This log should be kept from Annual Inventory to Annual Inventory.
- 6.16 After the end of the work day, and during the SWIMS nightly batch cycle, a Physical Inventory Differences - Final report, RIA115-R01 will be generated. This report will reflect actual changes to the SWIMS computer on-hand balances.
- 6.17 The Outstanding Inventory Activity Out of Balance Month-to-Date report RIA125-R01, Exhibit 12, is generated after each differences report. This report indicates the current month's differences which can be helpful in the investigation of balance discrepancies.
- 6.18 The causes of balance discrepancies noted on the RIA185 Count Sheets should be analyzed by the Manager-Materials Management/TCS. This will identify warehouse operational problem areas or procedural problem areas. Steps should be taken to alleviate problems identified, to avoid balance discrepancies in the future.

7. BALANCE INVESTIGATION

- 7.01 Investigation of balance discrepancies is the most important function performed by TCS personnel responsible for Cycle Counting. All balance differences should be investigated daily. Resources should be applied in a manner that will result in the highest number of investigations for any given day when considering appropriate investigative priorities.
- 7.02 It is the goal of TCS Cycle Counting personnel to maintain accurate balances between SWIMS computer balances and warehouse physical counts, thus assuring

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that proper adjustments pass to the accounting Perpetual Inventory Record (PIR). It is important to note that Cycle Count adjustments only impact the SWIMS computer balances and therefore may result in later discrepancies with the PIR. Balance control refers to the relationship among:

- a. Physical on-hand balance;
- b. Computer balance;
- c. Computed balance;
- d. Perpetual Inventory Record (PIR);

Theoretically, the relationship should be such that if a physical count were to be performed on a given warehouse location, the physical count would agree with the computer balance. The computer balance should agree with the computed balance, and the computed balance should agree with the PIR*. The objective of the Supplies Attendant is to effectively control inventory balances, rather than simply making adjustments to computer balances. The investigation process, and subsequent balance adjustments, should lead to better inventory management thus reducing costs and providing better service to users/clients.

*Note: It should be noted that the relationship of computer balances, computed balances, and PIR records will not always be 100% in agreement due to multiple systems being involved (SWIMS, PLAS, CAPRI, DOPAC). Also, the timing of the processing and interfacing of these systems can affect agreement of the data as well. Certain transactions such as 30/70 adjustments will not pass to the SWIMS Computed balance or the PIR record.

7.03

Shipments, Returns, Transfers, Claims, and other inventory affecting transactions update SWIMS balances, and then pass the updates to the PIR via Procurement Logistics Accounting System (PLAS) to update the Company books. SWIMS activity types that flow through PLAS and update the Company books are as follows:

- a. 03 SS RECEIPT Receipt to stock from scrap;

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b.	04	URP RETURN	Unrepaired return;
c.	05	MR RETURN	Return to stock/open MR;
d.	06	CTR RETURN	Return to stock/closed MR;
e.	07	SHRT CLAIM	Short claim/material not received;
f.	08	REVERSE 78	Reverse CLAIM OVER;
g.	09	REVERSE 79	Reverse MR ISSUE with open MR;
h.	10	REVERSE 80	Reverse MR ISSUE with closed MR;
i.	11	REVERSE 81	Reverse SCRAP transaction;
j.	12	REVERSE 82	Reverse DESTOCK transaction;
k.	40	TRANSFER IN	Receipt of goods from another location;
l.	50	DIR TR IN	Direct transfer in from another location;
m.	51	DIR TR OUT	Direct transfer out to another location;
n.	60	TRANSFER OUT	Transfer of goods to another location;
o.	73	REVERSE 03	Reverse receipt to stock from scrap;
p.	74	REVERSE 04	Reverses unrepaired return;
q.	75	REVERSE 05	Reverse return to stock/open MR;
r.	76	REVERSE 06	Reverse return to stock/closed MR;
s.	77	REVERSE 07	Reverse short claim;
t.	78	CLAIM OVER	Overshipment claim/user keeps material;

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- u. 79 MR ISSUE MR for issue;
- v. 80 CTR ISSUE Reverse activity 10 for claims only;
- x. 81 SCRAP Scrapped/sent to MARC Center;
- y. 82 DESTOCK Destocked/sent to MARC Center;

- 7.04 It should be noted that SWIMS Activity Type 22 also updates the PIR records. However, Activity Type 22 is a receipt of goods from a vendor that updates the PIR via CAPRI, and not via PLAS.
- 7.05 SWIMS activity types 30 and 70 update SWIMS balances, but they do not pass to or change the PIR records:
- a. 30 transactions are positive adjustments to inventory.
 - b. 70 transactions are negative adjustments to inventory.
 - c. Each time 30 or 70 type adjustments are made without an offsetting transaction (SW4949), they distort the PIR records;
 - d. 30 and 70 type transactions should be used only as a last resort, and only after a complete investigation has been made to determine the cause of the balance discrepancy. A record should be kept using the Physical Inventory Differences Inventory Control Log to document the causes of balance discrepancies for inventory reconciliation purposes. This log should be kept from Annual Inventory to Annual Inventory.
- 7.06 The Manager-Materials Management/TCS will set priorities as to which balances to investigate/adjust. Available Supplies Attendants will make the actual counts of material, and the Clerical support will key the actual adjustments into SWIMS. Manager-Materials Management/TCS will follow up to assure that the adjustments did indeed take place as intended. If after the investigation a discrepancy still exists, list the reason(s) for the discrepancy on the Inventory Control Log, Exhibit 13. The Manager-Materials Management/TCS should also document unusual circumstances or procedures that are discovered

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during the course of balance investigations which could account for a large number of balance discrepancies in the future, if not resolved.

- 7.07 On a periodic basis, the Supplies Attendants and the Manager-Materials Management/TCS should review any warehouse operations or procedures noted on the Inventory Control Log to determine roadblocks which adversely impact physical on-hand balances to computer balances. These roadblocks should be discussed with the Area Manager-Materials Management and appropriate steps taken to avoid repetitive balance discrepancies in the future.

8. INVESTIGATING BY CATEGORY

- 8.01 Warehouse backorders (W) - Will have a "W" backorder indicator reflected on the count sheets. This backorder indicator is also found on the SWIMS Backorder Summary Analysis, RMQ049. Warehouse backorders will be investigated first.
- a. Even if there is discrepancy found between the computer balance and the physical count, an adjustment will always be required in order to "unlock" the item and remove the "W" backorder indicator to allow pick tickets to be generated again for the item.
 - b. Pick Tickets cannot be generated for an item which has the "W" backorder indicator present.
 - c. In the case where the physical and computer balances are in agreement, the count must be input on the IAPC screen from the count sheets.
 - d. Warehouse backorder counts should reflect a positive quantity difference on the Balance Counts Performed report and should be investigated on a detailed basis. Warehouse backorder counts usually fall into one of two categories:
 - 1. One category will be those small quantity differences which are associated with the difficulty of computer balances remaining in complete agreement with physical stock during

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all phases of shipments and receipts up to the point where an out of stock condition exists:

- a. Any small error(s) related to the receipt of material where the physical amount is greater than that reflected on the source document used in updating computer balances;
 - b. Any small error(s) relating to shipments in which the amount shipped is less than that called for by the associated document will be reflected as a Warehouse Backorder when a physical out of stock condition is reached. In this case, the balance should be adjusted to zero.
 1. The inventory Manager should be notified when the balance is adjusted to zero to allow him/her to be pro-active in obtaining material to meet user/client needs.
 2. When the discrepancy exceeds a 25% variance, a more detailed investigation should be made and a follow-up request count should be made within two or three days to confirm the accuracy of the adjustment.
2. A second category will be where there is a large quantity difference which can be caused by a recent receipt of material that could not be located at the time the count was taken.
- a. MLS errors could be one reason for this type of discrepancy. If the problem is with an MLS update, refer the information to the Supplies Attendant in charge of the MLS activity.
 - b. Receipt errors could be another reason for this type of discrepancy. Receipt documents should be referred to when investigating missing material. Refer the information to the receiving Supplies

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Attendant so additional effort can be made to find the material.

- c. If the material is found and the physical count agrees with the most recent receipt(s), then the balance should not be changed.
 - 1. It will be necessary to make a change on the IAPC screen by keying in the on-hand quantity in order to unlock the item from Warehouse Backorder.
- d. When the material cannot be found and there is no reason to suspect that the balance has been updated in error (wrong material received, wrong material selected, or material received in incorrect units), then the balance should be adjusted to zero, or the actual quantity.
 - 1. The Inventory Manager should be notified if the balance is adjusted to zero to allow him/her to be pro-active in obtaining material to meet user/client needs.
 - 2. The reason for the adjustment should be documented on the Inventory Control Log and kept for future reference even if the reason for adjustment is unknown.

8.02 **MLS Trouble Triggers (M) - Are a list of discrepancies found between the Bin Master, Bin Activity, Inventory Master, and Item data bases. The discrepancies noted on the RLS140 MLS Exception Report must be corrected within the same work day. MLS errors are:**

- a. **Inventory items that have no Prime Bin assigned;**
- b. **Out of stock inventory items that have alternate bins assigned in the Bin Master;**
- c. **Safety FIFO items that have expired Safety FIFO dates in the Bin Master;**

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- d. Safety FIFO items that have no Safety FIFO date in the Bin Master;
 - e. Bin Master items assigned to alternate bins with no receipt in the Inventory Master;
 - f. Bin Master items contained in alternate multiple occupied bins excluding "dock" bins;
 - g. Items that exist on the Bin Master and do not exist on the Inventory Master.
- 8.03 Negative Inventory Balance (N) - Usually occur due to material being selected but computer balances have not been updated, dirty tickets, or selecting errors. The Supplies Attendant should be cautious of making adjustments for a negative balance. This situation could indicate a receipt, or new/unused material that has been put away and the computer balance not yet updated.
- 8.04 First Day Backorders (B) - Do not necessarily imply that there is a problem with a balance. These types of counts are made to assure that there is no material available at the time the computer balance reaches zero. The Supplies Attendant should be cautious of making an adjustment for a first machine backorder count where there is a large computer balance. This situation could indicate recent receipt(s) and all of the material may not have been included in the inventory count.
- 8.05 System Generated Count (S) - Are for the purpose of preventing future trouble triggers. Known trouble trigger counts should be investigated before counts related to the prevention of trouble triggers. As a general guideline, balances that are off the greatest dollar value difference or greatest number of days stock should be investigated first.
- 8.06 Manual Requests (P) - If an Inventory Manager, or others, has an item with a suspected balance discrepancy, the Inventory Manager will contact the TCS to generate a request count for an investigation. Adjustments will be made accordingly.
- 8.07 Random Counts (R) - Is a useful tool for measuring warehouse balance accuracy. Random counts are performed

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monthly. SWIMS takes a sample number of items per warehouse dispatch and asks for a count based on percentages loaded in SWIMS Table 997. The physical count is compared to the computer balance, and if they do not match a discrepancy is recorded. The higher the discrepancies, the lower the warehouse accuracy percent, thus indicating a need for improvement in receiving, storing, selecting, shipping, and returns handling procedures. The higher the warehouse accuracy percent, the more efficient the warehouse process is being run.

- 8.08 Annual Inventory (A) - Refer to documentation, Annual Inventory of Materials Distribution Center (MDC) Account 1220.195 Material, and Annual Inventory of Telephone Company Storeroom (TCS) Account 1220.194 Material, SW 744-005-904.
- 8.09 Counts due to Claims - Claims items should be considered as a separate group of counts. Generally, claims are due to a problem encountered by the user/client receiving over/short/wrong material. Inventory activity should be reviewed for the item(s), and a count should be requested. Counts should be completed within 24 hours. Appropriate balance adjustments will be made accordingly.
- 8.10 Balance with a positive quantity difference - Is a case where the computer balance is overstated and a negative adjustment needs to be made to the computer balance. This discrepancy could be the result of the computer balance being updated in error or all of the material not being inventoried. Before making an adjustment, the following investigations should be made:
 - a. Review the IBI Receipts and Adjustments screen, Exhibit 14, for previous adjustment error(s). This type of adjustment error(s) would be implied by a positive (activity type 30) net quantity adjustment either equal or approximately equal to the inventory quantity difference. If near Annual Inventory, check the inventory adjustment quantity recorded at Annual Inventory.
 - b. Check receipt reports, Exhibit 15, and the Inventory Activity by Item, Exhibit 16, for returns to assure that recent receipts/returns were included in the inventory count. Reasons why recent receipts may not be included in the inventory would be:

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1. Damaged or unsatisfactory material not transferred to the claims balances of 01XX, 01YY, or TA,
 2. MLS not updated,
 3. Emergency shipment(s),
 4. Open pick tickets,
 5. Material not put away.
- c. Check for incorrect count multiples, UOM. This type of check can best be made when the investigator is familiar with quantity per standard pallet or skid as well as per container or carton. A check of this type can be made by comparing counts per corresponding alternate location on the count sheets when there have been two inventories within a relatively close time frame.
- d. Check the Open Batch or Open On-Line reports, Exhibits 17 and 18, for open Pick Tickets that could have additions or quantity changes (positive) and which have not been ship verified. Check verified tickets that may have been verified incorrectly. Also pull tickets and look at how many cartons or boxes were sent. By knowing the amount of material per box, you can sometimes determine if a selecting error occurred. These type of errors should be corrected by processing the appropriate SWIMS transactions, since this involves billing to the user/client.

8.11 Balance with a negative quantity difference - Is a case where the computer balance is less than the count and a positive adjustment needs to be made to the computer balance. A discrepancy of this type could be the result of the computer balance not being updated or an incorrect inventory count due to incorrect material or price unit. Before making an adjustment, the following investigations should be made:

- a. Review the IBI Receipts and Adjustments screen for previous adjustment error(s). This type of adjustment error(s) would be implied by a negative

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(activity type 70) net quantity adjusted equal to or approximately equal to the inventory difference;

- b. Check the Purchasing (PRSI) or Receiving (PRRQ) screens, in SWIMS. If material is on order, obtain the purchase order number and verify that stock has not been received. The material may have been received but the associated computer balance update has not been completed. Check material for possible PO number. Check to see if packing slip was put away with the material. Check the IASI detail screen to determine if the material should have been moved to the claims area 01XX, 01YY, or TA.
- c. Check for incorrect count multiples, UOM. This type of check is best made when the investigator is aware of the quantity per standard pallet and/or carton. Check the receipts screen (PRRQ) to determine if the shipment arrived with problems. It will be indicated by a code on the receipts screen. For example, material may have had to be re-palletized.
- d. Check on status of open pick tickets. This especially includes warehouse backorders that are in error (negative direction) or cancelled items.
- e. Check the status of New/Unused, material could be put away but the computer balance has not been updated.

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9. RELATED DOCUMENTATION

- 9.01 Annual Inventory of Materials Distribution Center (MDC) Account 1220.195 Material, and Annual Inventory of Telephone Company Storeroom (TCS) Account 1220.194 Material; SW 744-005-904
- 9.02 Claims Procedures 1990.
- 9.03 Cycle Counting 103-85, MDC local instruction.

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EXHIBIT 1
 IBI REPORT 1 JA280-I

LOCATION CLA01		IBI REPORT 1			UCM	EA	JA280
ITEM ID 400314316		05/04/91			OLD UOM	05/06/91	
GUARD CABLE UO 8FT CA6789					ON-HAND-QTY		293
DAYS STOCK 024					COMPUTED-QTY		350
QTY/CT	MTD	APR	MAR	FEB	ITD		
RETURNS	0	0	0	0	0		
	0	0	0	0	0		
RECEIPTS	460	200	200	220	860		
	1	1	1	1	3		
POSITIVE ADJ	0	0	0	0	0		
	0	0	0	0	0		
TRANSFER-IN	0	50	0	0	50		
	0	1	0	0	1		
ISSUES	57-	107-	230-	69-	394-		
	5	12	15	8	32		
SCRAP	0	0	0	0	0		
	0	0	0	0	0		
NEGATIVE	0	57-	0	4-	57-		
	0	2	0	1	2		
TRANSFER-OUT	110-	175-	190-	80-	475-		
	2	7	7	4	16		

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EXHIBIT 2
 INVENTORY ACTIVITY - INVENTORY MASTER AND LAST ACTIVITY INQUIRY RIA500-I

INVENTORY ACTIVITY				RIA500-I	
05/06/91 - 13:01:40 INVENTORY MASTER AND LAST ACTIVITY INQUIRY					
LOCATION: CLA 01		UNIT EA	METHOD P	TYPE P	
ITEM ID.: 400314316		- GUARD CABLE UO 8FT CA6789			
BINROW.: SLL43A	REORDER DATA: MIN	0	MAX	0	
DAYS STOCK: 24	BROKEN PACKAGE IND : N				
ON HAND INVENTORY: PRICED QTY	293	UNPRICED QTY	0		
PAID NOT RECEIVED QTY	0	P-N-R VALUE	0.00		
IN TRANSIT QTY	0	INTRN VALUE	0.00		
OUT OF STOCK QTY	0	ON ORDER QTY	300		
PHYSICAL INVENTORY QTY	0	PHY INV DATE			
MATERIAL REQUEST: ALLOC QTY	0	REQ IN QTY	0		
RESERVED QTY	0	REQ OUT QTY	31		
CURRENT VALUE: INVEN VALUE	876.07	PRICE IND	STANDARD		
ITEM PRICE	2.99000	CURRENT COST	2.89000		
AVERAGE COST	2.89000	STANDARD COST	2.99000		
LAST ACTIVITY CODE	DATE	QUANTITY	VALUE	DOCUMENT NUMBER	LINE
RECEIPT	22 04/30/91	460	1329.40	CP5260345	0007
OTHER TXNS	79 05/03/91	24-	71.76-	122CLA324411056	0001
NEXT LOCATION: CLA 01	PF04=NEXT ITEM FOR LOCATION				
NEXT ITEM ID.: 400314316	PF05=NEXT LOCATION FOR ITEM				
	CMD:				

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EXHIBIT 3
 MECHANIZED LOCATOR SYSTEM: MLS EXCEPTION REPORT RLS140

ITEM NUMBER	BIN NUMBER	ITEM DESCRIPTION	MT TP	SEC LOC	LOT NUMBER	EXCEPTION MESSAGE
AS00C4C06	RR80C	WESCCM PD-1BL-2	01			MLS ITEM CONTAINED IN ALTERNATE MULT OCCUPIED BIN
AS00C4368	RR80C	WESTELL 3110-70	01			MLS ITEM CONTAINED IN ALTERNATE MULT OCCUPIED BIN
REPCCN102	RR80C	CONVERT COIN SETS TO 102	02			MLS ITEM CONTAINED IN ALTERNATE MULT OCCUPIED BIN
WILLIST	RR90C	TESTING	01			MLS ITEM CONTAINED IN ALTERNATE MULT OCCUPIED BIN
C17587G8C	5LL07B	COPD 40W 14-F-14-078 SILVER	01			ALTERNATE BIN ITEM ASSIGNED & NO INVENTORY RECEIPT
	5LLJ7B		01			ALTERNATE BIN ITEM ASSIGNED & NO INVENTORY RECEIPT
	5LL07B		01			ALTERNATE BIN ITEM ASSIGNED & NO INVENTORY RECEIPT
C675397C3	1CC10B	FORM SW-9750 (PK 5 BRS)	01			ALTERNATE BIN ITEM ASSIGNED & NO INVENTORY RECEIPT
103017359	28833B	CABLE COMM B 25A 60PT DE	01			ALTERNATE BIN ITEM ASSIGNED & NO INVENTORY RECEIPT
103043394	RR80C	SET AUX DATA 801CR LT	01			MLS ITEM CONTAINED IN ALTERNATE MULT OCCUPIED BIN
103049581	FHM35B	BLOCK COMM 425PS 5C	01			ALTERNATE BIN ITEM ASSIGNED & NO INVENTORY RECEIPT
103067716	5LL06B	COVER 710B1	01			ALTERNATE BIN ITEM ASSIGNED & NO INVENTORY RECEIPT
103068748	RR80C	PANEL 62A2	01			MLS ITEM CONTAINED IN ALTERNATE MULT OCCUPIED BIN
103559985	4HM28B	BLOCK CONNECTING 725PS-50	01			ALTERNATE BIN ITEM ASSIGNED & NO INVENTORY RECEIPT
10386775C	S8004A	WIRE BSM 5/22 C 800 PY CO	F	01		ALTERNATE BIN ITEM ASSIGNED & NO INVENTORY RECEIPT
104187158	BCC69B	UNIT COIN DIAL 61C2	F	01		ALTERNATE BIN ITEM ASSIGNED & NO INVENTORY RECEIPT
111111110	RR80C	LIBBY'S PROES TEST ITEM 1	01			MLS ITEM CONTAINED IN ALTERNATE MULT OCCUPIED BIN
	RR80C		03			MLS ITEM CONTAINED IN ALTERNATE MULT OCCUPIED BIN
111111121	RR80C	LIBBY'S PROES TEST ITEM 2	01			MLS ITEM CONTAINED IN ALTERNATE MULT OCCUPIED BIN
	RR80C		03			MLS ITEM CONTAINED IN ALTERNATE MULT OCCUPIED BIN
111111131	RR90C	LIBBY'S PROES TEST ITEM 3	01			MLS ITEM CONTAINED IN ALTERNATE MULT OCCUPIED BIN
	RR80C		03			MLS ITEM CONTAINED IN ALTERNATE MULT OCCUPIED BIN
111111171	RR80C	LIBBY'S PROES TEST ITEM 3 - NO CLADS	01			MLS ITEM CONTAINED IN ALTERNATE MULT OCCUPIED BIN
111111181	RR80C	LIBBY'S PROES TEST ITEM 6 - SPQ	01			MLS ITEM CONTAINED IN ALTERNATE MULT OCCUPIED BIN
111111191	RR80C	LIBBY'S PROES TEST ITEM 7 - PQQ	01			MLS ITEM CONTAINED IN ALTERNATE MULT OCCUPIED BIN
111111221	RR80C	LIBBY'S PROES TEST ITEM 8 - V-CONTROL	01			MLS ITEM CONTAINED IN ALTERNATE MULT OCCUPIED BIN

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EXHIBIT 4
MONTHLY BALANCE ACCURACY REPORT JA298-01

REPORT - JA298-01 SMT DATA CENTER - SAINT LOUIS LOCATION - ACC - LITTLE ROCK TCS			SOUTHWESTERN INVENTORY MANAGEMENT SYSTEM MONTHLY BALANCE ACCURACY REPORT MONTH MARCH																	PAGE - 1 RUN DATE - 03/15/91 RETENTION - 3 MONTHS	
CISP	DESCRIPTION	CISP LIMITS	AE	ITMS STKO	ETMS SCMO	ITMS CNTD	CURR	PRV1	PRV2	PRV3	PRV4	PRV5	PRV6	PRV7	PRV8	PRV9	PRV10	PRV11			
	UNDEFINED	-	0.0	1	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
	UNDEFINED	-	78.5	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
A	UNDEFINED	-	41.6	148	7	7	100.0	89.7	100.0	96.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0		
B	UNDEFINED	-	76.6	58	2	2	100.0	100.0	50.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0		
C	UNDEFINED	-	53.3	15	0	0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	100.0	0.0	100.0	0.0	100.0	0.0		
D	UNDEFINED	-	53.7	505	22	22	100.0	80.0	94.8	87.5	90.3	89.6	92.3	91.3	97.2	100.0	90.9	96.5			
E	UNDEFINED	-	0.0	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
F	UNDEFINED	-	0.0	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
G	UNDEFINED	-	0.0	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
H	UNDEFINED	-	0.0	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
I	UNDEFINED	-	0.0	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
R	UNDEFINED	-	0.0	7	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
S	UNDEFINED	-	0.0	1	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
T	UNDEFINED	-	0.0	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Z	UNDEFINED	-	0.0	46	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
AVERAGE WAREHOUSE BALANCE ACCURACY			55.3				100.0	80.0	93.3	88.6	92.8	93.3	94.4	93.5	97.9	100.0	93.4	97.7			
NOTE: AVERAGE WAREHOUSE ACCURACY & TOTAL ALSO INCLUDES ITEMS SCHEDULED THAT WERE NOT COUNTED																					
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EXHIBIT 5
 INVENTORY SYSTEM MASTER INQUIRY RIA400-I

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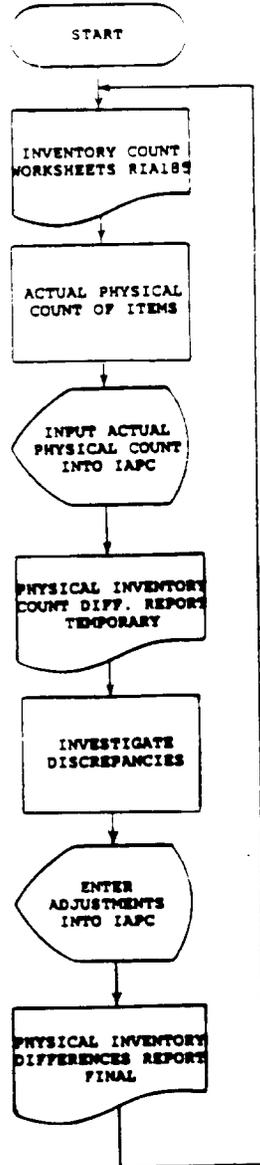
                                INVENTORY SYSTEM
                                MASTER INQUIRY
                                RIA400-I
05/06/91 - 12:48:46
LOCATION.: CLA 01                METHOD: P  TYPE: P
ITEM ID.: 400314316           U/M...: EA
ITEM DESC: GUARD CABLE UO 8FT CA6789

COSTING METHOD.: 1 NEW COST METHOD: (1-STD, 2-AVGE, 3-CURRENT, 4-ZERO)
STANDARD COST..:      2.99        BIN/ROW...: SLL43A
AVERAGE COST...:      2.89        NEXT COUNT: 080291
CURRENT COST...:      2.89        FREQUENCY..: 3
SELLING PRICE...:      2.29        PRINT DEST: CLA
MINIMUM REORDER:          0        AVGE LEAD.: 24
MAXIMUM REORDER:          0        ACTL LEAD.: 21
ORDER MULTIPLE..:          5        SUB TYPE...:
TRANSFER FROM              BROKEN PACKAGE INDICATOR: N
  LOCATION...:
PRIME VENDOR...: CAPRI          QUEUE TO 1:          QUEUE TO 2:
USER DATA:
  C KEEP-PARM MISC-2.... MISC-3..... LTA X
  N

NEXT LOCATION: CLA 01          PFO4=NEXT ITEM FOR LOCATION
NEXT ITEM ID.: 400314316     PFO5=NEXT LOCATION FOR ITEM
                                CMD:
    
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EXHIBIT 6
DAILY CYCLE COUNT PROCESS FLOWCHART



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EXHIBIT 7
 PHYSICAL INVENTORY COUNT - WORKSHEET IN BIN-ROW SEQUENCE RIA185

SOUTHWESTERN BELL TELEPHONE						PROGRAM - 91A195	REPORT DATE: 05/03/91	PAGE: 1
PHYSICAL INVENTORY COUNT - WORKSHEET IN BIN-ROW SEQUENCE						QUANTITY	COUNT BY	PLAN DATE
LOCATION	SIN/ROW	ITEM ID	ITEM DESCRIPTION	COUNT	IND	UDP		
A00 01	P AAR3B	1033287538	SIGNAL 47A2		R	EA	-----	05/03/91
A00 01	P ABR2A	103325793	UNIT COIN DIAL 60B3 44	0		EA	-----	05/02/91
A00 01	P ARC1C	407321410	SIGN PHONE/ARROW WH/BL		R	EA	-----	05/03/91
A00 01	P ASD1B	700094436	SIGN CR20046 L2		R	EA	-----	05/03/91
A00 01	P ABE2A	700093497	KIT SIGN MODEL 101C		SR	EA	-----	05/03/91
A00 01	P ABP2C	NS0035941	SIGN SIDE CR20842 L35		R	EA	-----	00000000
A00 01	P ABG3C	NS0032597	ENT 1/2" CAP CLAMP ON ENT		R	EA	-----	00000000
A00 01	P ABH2D	NS0035168	BOLTS MULTI 1/2 X 3 3/4		R	EA	-----	00000000
A00 01	P AKA4G	NS0032238	CLEANER MULTI-PURPOSE		R	EA	-----	00000000
A00 01	P BAN6A	NS0033373	PRINTER 1319 LEE DATA		R	EA	-----	00000000
A00 01	P BAQ2C	701027104	CARD-READING GENERATOR 501-000007		R	EA	-----	05/03/91
A00 01	P CAB42A	NS0074021	CLIP TEST JP-9783		R	EA	-----	00000000
A00 01	P DCM2B	701078008	BLOCK CONNECTING 97A/B		R	EA	-----	05/03/91
A00 01	P DCJ3A	700385756	BOLT SIGN 5/16 X 2 1/4 (W/EXTRA WASHER)	0		EA	-----	05/03/91

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EXHIBIT 8
 PHYSICAL INVENTORY COUNT - ON HAND QTY - BIN-ROW SEQUENCE RIA190

SOUTHWESTERN BELL TELEPHONE					PROGRAM - RIA190	REPORT DATE: 05/03/91	PAGE: 1		
LOCATION	BIN/ROW	ITEM ID	ITEM DESCRIPTION	COUNT	IND	UCP	ON HAND QTY	COUNT BY	PLAN DATE
A00 C1	P AAK38	1J3287538	SIGNAL 4742		R	EA	46.0000		05/03/91
A00 C1	P A982A	173325783	UNIT COIN DIAL 6083 44	9		EA	2.0000		05/02/91
A00 C1	F ABC1C	407321410	SIGN PHONE/ABROW HW/BL		R	EA			05/03/91
A00 C1	P A801B	700094436	SIGN CR20064 L2		R	EA	32.0000		05/03/91
A00 C1	P A822A	700093487	KIT SIGN MODEL 101C		SR	EA	10.0000		05/03/91
A00 C1	P A8P2C	NS0003941	SIGN SIDE CR20842 L35		R	EA	38.0000		00000000
A00 C1	P A8G3C	NS0002587	ENT 1/2" CAP CLAMP ON ENT		R	EA			00000000
A00 C1	P A8H2D	NS0003168	BOLTS MELTZ 1/2 X 3 3/4		R	EA	50.0000		00000000
A00 C1	P AKA4G	NS0002278	CLEANER MULTI-PURPOSE		R	EA	98.0000		00000000
A00 C1	P BAN6A	NS0003373	PRINTER 1519 LEE DATA		R	EA	1.0000		00000000
A00 C1	P BAQ2C	701027104	CARD-RING GENERATOR 9C1-080007		R	EA	1.0000		05/03/91
A00 C1	P CAB42A	NS0004021	CLIP TEST JP-8783		R	EA	64.0000		00000000
A00 C1	P DCH2B	701078008	BLOCK CONNECTING 974/B		R	EA	48.0000		05/03/91
A00 C1	P DCJ3A	700085756	BOLT SIGN 5/16 X 2 1/4 (w/EXTRA WASHER)		R	EA	506.0000		05/03/91

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EXHIBIT 9
INVENTORY SYSTEM PHYSICAL COUNT RIA600-C

LOCATION BIN/ROW	ITEM ID ITEM DESCRIPTION	UOM	QUANTITY	COUNT IND:	RIA600-C COUNTED BY DATE
060 01 P AB074A	701034159 WIRE GROUND #6 BARE CO 200 FT	CO			
060 01 P RRBOC	701045759 PROTECTOR 125EBW-1	EA			
060 01 P B706B1	701046096 KIT CA RST AFMW 300PR 25FT SINGLE END	EA			CS 06/24/91
060 01 P B420A1	701059057 CLOSURE CABLE XAGA 1650 B4	EA			CS 06/24/91
060 01 P B821A1	701059073 CLOSURE CABLE XAGA 1650 D4	EA			
060 01 P B321A1	701086308 ENCAP REENTERABLE 500 ML (TE141) KIT	KI			CS 06/24/91
IA600-01 ENTER U-O-M AND INVENTORY QUANTITY					CMD:

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EXHIBIT 10
PHYSICAL INVENTORY DIFFERENCES TEMPORARY RIA115-R01

REPORT NO. RIA115 - R01		SOUTHWESTERN BELL TELEPHONE COMPANY				PAGE NO. 1		
PREPARED 05/06/91 - 09:37.27		PHYSICAL INVENTORY DIFFERENCES				AS OF 05/06/91		
LOCATION AJO - LITTLE ROCK TCS		TEMPORARY						
BIN LOCATE	TT	ITEM NUMBER	LOCATION	PHYSICAL COUNT	SYSTEM COUNT	DIFFERENCE COUNT	DATE	
CCJ3A	EA	700J85756	400 01	456.00	500.00	44.00-	05/03/91	
		BOLT SIGN 5/16 X 2 1/4 (W/EXTRA WASHER)		182.40	200.00	17.60-	08.00-	
COA1A	PK	103J62717	400 01	212.00	202.00	10.00	05/03/91	
		CONN 710SC1 25 PK24	PK24	17.24000	3,656.88	3,482.48	172.40	04.00
CEL3C	PK	400J39911	400 01	29.00	30.00	1.00-	05/03/91	
		FASTENER MASONRY 84 P12 (1")CA7887		14.79	15.38	.51-	03.00-	
		CLAMPS AND OTHER DEVICES TO MASONRY						
		AND CONCRETE SURFACES. INVOICE UNIT						
		CHANGED BY CONTRACTING 3-11-90						
CGR4C	EA	400314779	400 01	40.00	45.00	5.00-	05/03/91	
		STRAP GUARD CA U 2 CA6789		18.00	20.25	2.25-	11.00-	
CMO1B	EA	701015430	400 01	100.00	225.00	125.00-	05/03/91	
		WASHER LOCK 5/16	P	0.01000	1.00	1.25-	55.00-	
CNR2A	EA	900506726	400 01	35.00	34.00	1.00	05/03/91	
		TAPE PLTGL 83456 3/4X66FT		1.17000	40.95	39.78	1.17	02.00
CJJ2A	EA	400314308	400 01	29.00	39.00	14.00-	05/03/91	
		GUARD CABLE UD 5PT CA6789		1.26000	31.50	17.44-	35.00-	
ORA1C	BT	701037791	400 01	0.00	8.00	8.00-	05/03/91	
		SPRAY FIRST AID TECHU 40Z		3.64000	.00	29.28-	100.00-	
CUC1A	CO	701084766	400 01	516.00	512.00	4.00	05/03/91	
		WIRE BURIED SERVICE JWB 2/22 800°C0		86.43000	44,597.88	345.72	00.00	
		401562244 EXCEPT IN Gopher IMPESTEC AREA						
CUO1A	CO	103867750	400 01	33.00	38.00	5.00-	05/03/91	
		WIRE 85W 5/22 C R30 FT CO	P	101.50000	3,349.50	587.50-	13.00-	
		DSTR AT 060 PER WIRE REED 3/22/91						
DV01A	CO	133893457	400 01	232.00	228.00	4.00	05/03/91	
		WIRE AERIAL SVC 1/18 1/2 P 1100 FT CO		43.94000	10,194.00	175.76	01.00	
		DSTR AT 060 PER WIRE REED 2/25/91						
CVE1B	KI	700067234	400 01	7.00	0.00	7.00	05/03/91	
		ENCAP REENTERABLE 1500 GR KIT		4.65000	32.55	32.55	99.90	
		WARNING--DO NOT MIX UNIDRYAL & CASCHEN"						
CVP1B	EA	103291795	400 01	23.00	7.00	16.00	05/03/91	
		BLOCK TERMINAL 9A1 23W 12 FT		25.90000	395.70	414.48	228.00	
CWE1A	EA	701027930	400 01	138.00	131.00	1.80-	05/03/91	
		CLOSURE TRAC SIZE A 50-200 PR SPB		15.64000	2,851.44	15.64-	00.00	
EXB1B		403110190	400 01	402.00	423.00	21.00-	05/03/91	

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**EXHIBIT 11
PHYSICAL INVENTORY DIFFERENCES FINAL RIA115-R01**

REPORT NO. RIA115 - R01		SOUTHWESTERN BELL TELEPHONE COMPANY				PAGE NO. 1				
PREPARED 15/06/91 - 19,49,17		PHYSICAL INVENTORY DIFFERENCES				AS OF 05/06/91				
LOCATION A - LITTLE ROCK TCS		FINAL								
RIM	LOCATE	TT	ITEM NUMBER	LOCATION	PHYSICAL COUNT	SYSTEM COUNT	DIFFERENCE	COUNTY	DATE	
CCJ3A	EA	P	70185754 BOLT SQCN 5/16 X 2 1/4 (W/EXTRA WASHER)	400 01	0.40000	456.00 182.40	500.00 270.00	44.00-	05/03/91	08.00-
CCATA	FK	M	103362717 CONN 710501 25 PK24	400 01	17.24000	212.00 3,654.88	202.00 3,482.48	10.00	05/03/91	04.00
CEL3C	FK	K	401190911 FASTENER MASONRY 84 #12 (17)CAT887 CLAMPS AND OTHER DEVICES TO MASONRY AND CONCRETE SURFACES. INVOICE UNIT CHANGED BY CONTRACTING 3-15-90	400 01	0.51000	29.00 14.79	30.00 15.30	1.00-	05/03/91	03.00-
CGK4C	EA	P	401394779 STRAP GUARD CA U 2 CA6789	400 01	0.45000	40.00 18.00	45.00 20.25	5.00-	05/03/91	11.00-
END1B	FA	S	701015437 WASHER LOCK 5/16	400 01	0.01000	100.00 1.00	225.00 2.25	125.00-	05/03/91	55.00-
CHK2A	EA	P	500574726 TAPE PLYGL #3456 3/4X66FT	400 01	1.17000	35.00 40.95	34.00 39.78	1.00	05/03/91	02.00
CJJ2A	EA	S	401314548 GUARD CABLE UN SPT CA6789	400 01	1.26000	25.00 31.50	39.00 49.14	14.00-	05/03/91	35.00-
CRATC	BT		701007791 SPRAY FIRST AID TECHU 40Z	400 01	3.64000	0.00 .00	8.00 29.28	8.00-	05/03/91	100.00-
CUCTA	CD	M	711084766 WIRE BURIED SERVICE JWB 2/22 807*CO 401562244 EXCEPT IN Gopher INFESTEC AREA	400 01	84.43000	514.00 44,197.88	512.00 44,252.16	4.00	05/03/91	80.00
EU01A	CD	M	103367750 WIRE BSM 5/22 C 800 FT CO DSTR AT 060 PER MIKE REED 3/22/91	400 01	101.50000	33.00 3,349.50	38.00 3,857.08	5.00-	05/03/91	13.00-
CV01A	CD	M	103393697 WIRE AERIAL SVC 1/18 1/2P 1130 FT CO DSTR AT 060 PER MIKE REED 2/25/91	400 01	43.94000	232.00 10,194.88	228.00 10,018.32	4.00	05/03/91	01.00
CVETB	KI	R	701067234 ENCAP REENTERABLE 1500 GR BIT WARNING-DO NOT MIX UNIROVAL & CASHEM	400 01	4.65000	7.00 32.55	0.00 .00	7.00	05/03/91	32.55
CWE1A	FA	R	711027937 CLOSURE TRAC SIZE A 50-290 PR SPB	400 01	19.66000	130.00 2,635.80	131.00 2,651.46	1.00-	05/03/91	08.00
CEB1B	EA	B	403110190 KIT BURIED SVC WIRE CR2000 5PR	400 01	3.85000	482.00 1,547.70	423.00 1,428.55	21.00-	05/03/91	04.00-

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EXHIBIT 12
 OUTSTANDING INVENTORY ACTIVITY - BY OUT OF BALANCE M-T-D RIA125-R01

REPORT NO. RIA125 - R.1		SOUTHWESTERN BELL TELEPHONE COMPANY				PAGE NO. 1	
PREPARED 05/16/91 BY RL11.5		OUTSTANDING INVENTORY ACTIVITY -- BY OUT OF BALANCE M-T-D				AS OF 05/16/91	
LOCATION AND		LITTLE ROCK TCS					
TRANSACTION	DOCUMENT	QUANTITY	INVENTORY AREA	DATE	TERM	CHARGE-TO-NUMBER	BAL
DATE	TYPE	POSTED	VALUE	RESP	IC		SHT
DESCRIP.	REFERENCE NO	LINE		INPUT			
ITEM-NO. 113062717		U/C/M PR	CONN	715C01 25	PR24	1113258	
STORAGE-LOC A 10 01							
ROCK QTY:		202.00	PHY QTY:	212.00	ADJ QTY:	10.00	ACJ VAL: 172.40
04/29/91 72	119AL0174634273 0004	4.00-		47.00-	04/29	LJANK20T	A 210461 06 MH5214 520296570Y
04/30/91 74	119AL0171755671 0001	6.00-		107.50-	04/30	LJANK20T	A 210175906 MH2115 520296230Y
04/30/91 79	123AL0106476961 0005	1.00-		16.75-	04/30	LJANK20T	A 210647 01 HS4260 520298130Y
04/30/91 79	123AL0304236235 0006	1.00-		16.75-	04/30	LJANK20T	A 210623 01 HS5922 520298220Y
04/30/91 79	123AL0193265958 0012	16.00-		268.00-	04/30	LJANK20T	A 219326 01 MH6C78 520296500Y
05/01/91 79	121AL0103297654 0001	1.00-		16.75-	05/01	LJANK20T	A 210329601 MH1753 520295120Y
05/01/91 79	121AL0103298913 0002	25.00-		418.75-	05/01	LJANK20T	A 210321 06 MH7105 520296860Y
05/02/91 79	121AL0103297197 0002	6.00-		100.50-	05/02	LJANK20T	A 210329706 MH4140 520296810Y
05/02/91 79	122AL01073751653 0004	2.00-		33.50-	05/02	LJANK20T	A 210305 06 MH4106 520296830Y
05/02/91 79	122AL0107462746 0011	1.00-		16.75-	05/02	LJANK20T	A 210746 01 HS5141 520298420Y
05/03/91 61	DRPA0111217900 0003	96.00		1,655.04	05/03	LJANK22T	# ACC 01 Y
05/03/91 51	DRPA0111217900 0003	96.00		1,655.04	05/03	LJAB00GT	# CLA 01
*STORAGE-LOC TOTALS		12 TRNS		129.00		2,254.93	
*STORAGE-LOC TOTALS		1 TRNS		1.00		1.00	
ITEM-NO. 113067751		U/C/M CC	WIRE	BSW 5/22 C 800 FT CO		F	1377317
STORAGE-LOC A 10 01							
ROCK QTY:		38.00	PHY QTY:	33.00	ADJ QTY:	5.00-	ACJ VAL: 507.50-
04/29/91 79	119AL0102564277 0001	10.00-		1,015.00-	04/29	LJANK20T	A 210256 06 MH3200 520294370Y
05/01/91 47	DRPA0111190500 0006	28.00		2,842.00	05/01	LJANK22T	# ACC 01 Y
05/02/91 79	122AL010921545 0001	2.00-		203.00-	05/02	LJANK20T	A 210092 01 MH1104 520248300Y
05/03/91 79	122AL0109337234 0002	1.00-		101.50-	05/03	LJANK20T	A 2109337001 MH1465 520295150Y
05/03/91 79	123AL0109983799 0006	1.00-		107.50-	05/03	LJANK20T	A 210998 01 HS4261 520298110Y
*STORAGE-LOC TOTALS		5 TRNS		14.00		1,421.07	
ITEM-NO. 113993657		U/C/M CC	WIRE	AERIAL SVC 1/18 1/2P 1100 FT CO			1940411
STORAGE-LOC A 10 01							
ROCK QTY:		224.00	PHY QTY:	232.00	ADJ QTY:	4.00	ACJ VAL: 175.76
04/29/91 67	DRPA0111157000 0007	154.00		6,934.62	04/29	LJANK22T	# ACC 01 Y
04/29/91 79	116AL0106124196 0001	2.00-		90.36-	04/29	LJANK20T	A 210612096 HS4572 520298150Y
04/29/91 72	116AL0106643776 0001	2.00-		90.36-	04/29	LJANK20T	A 210664136 HS4110 520298350Y
04/29/91 72	119AL0106964384 0011	1.00-		43.33-	04/29	LJANK20T	A 210696 01 HS4261 520298120Y
04/30/91 72	PIA09112001000104	4.00-		180.12-	999	LJANK20T	I PHS INV ADJ
04/30/91 79	119AL0105553514 0002	10.00-		450.30-	04/30	LJANK20T	A 210555101 MH1200 520295390Y
04/30/91 79	119AL0105885767 0001	1.00-		45.00-	04/30	LJANK20T	A 210588206 HS4140 520298170Y
04/30/91 79	119AL01078034274 0002	3.00-		135.00-	04/30	LJANK20T	A 210801 01 HS5945 520298440Y
04/30/91 79	123AL0107546858 0006	4.00-		180.12-	04/30	LJANK20T	A 210754 01 HS5145 520298550Y
05/01/91 79	122AL0320447493 0001	6.00-		270.18-	05/01	LJANK20T	A 232044901 MH2155 520295710Y
05/01/91 79	121AL0107118082 0001	2.00-		98.04-	05/01	LJANK20T	A 210711 01 HS5100 520298330Y
05/02/91 79	121AL0107190570 0001	15.00-		675.45-	05/02	LJANK20T	A 210719306 HS5160 520298530Y
05/02/91 79	121AL0305847452 0003	1.00-		45.00-	05/02	LJANK20T	A 210584706 HS3395 520298450Y
05/02/91 79	122AL0106627693 0004	1.00-		45.00-	05/02	LJANK20T	A 210662 01 HS4110 520298350Y
05/02/91 79	122AL0107483760 0009	1.00-		90.04-	05/02	LJANK20T	A 210748 01 HS5141 520298420Y
05/02/91 79	122AL0107783747 0003	2.00-		90.04-	05/02	LJANK20T	A 210778 01 HS5231 520298420Y
05/02/91 79	122AL0305711030 0006	1.00-		45.00-	05/02	LJANK20T	A 230571 06 HS5240 520298220Y

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EXHIBIT 14
 IBI RECEIPTS & ADJUSTMENTS JA280-I

RECEIPTS				ADJUSTMENTS			
TRANS TYPE	DATE	DOCUMENT NO.	UOM/QTY	TRANS TYPE	DATE	DOCUMENT NO.	UOM/QTY
22	04/30/91	CP5260345	EA 460	70	04/22/91	PIAJ911120000001	EA 7-
50	04/18/91	MTRM40911050L00B	EA 50	70	04/18/91	MTRM40911050L00B	EA 50-
22	04/03/91	CP5259170	EA 200				
22	03/20/91	CP5258641	EA 200				

LOCATION CLA01 IBI RECEIPTS & ADJUSTMENTS JA280
 ITEM ID 400314316 05/04/91 PAGE 1
 GUARD CABLE UO 8FT CA6799 05/06/91

JA280-04 ENTER NEXT LOC AND ITEM-ID OR END CMD:

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EXHIBIT 15
 SWIMS RECEIPTS REPORT JA352-001

REPORT- JA352-001		SOUTHWESTERN INVENTORY MANAGEMENT SYSTEM						PAGE 1	
REF- SWBT DP CTR- SAINT LOUIS		SWIMS RECEIPTS REPORT						RUN DATE- 04/29/81	
		TYPE REPORT - DAILY						RETENTION- 5 DAYS	
PID	DESCRIPTION VENDOR	QUANTITY ORDERED	QUANTITY RECEIVED	QUANTITY DUE	ORDER NUMBER BOUCH FACTOR	REC DATE MU VU	MATL REC TYPE PLAN	AMOUNT	LOC STA1
400003315	ANCHOR PLASTIC D10 P 8CAB181 029700	11000	11000		01CP52370370001 1.0000 PK PK	042889 2	00E	330.00	CLAI CLOE
701032948	AUTOFIT 3.0/2.0- B 709800	30	30		01CP52363920003 1.0000 EA EA	042889 2	00E	1.322.70	CLAI CLOE
101165694	BACKBOARD 178 A 3 20006	200	200		01CP52372300004 1.0000 EA EA	042889 2	00T	4.046.00	CLAI CLOE
400981304	BATTERY DOUBLE SNAP TERM 9V NEDA1403 CAPRI	186	186		01CP52364790001 1.0000 EA EA	042889 2	00N	991.48	CLAI CLOE
700079734	BATTERY NEDA 710 22.5V CAPRI	30	30		01CP52363320002 1.0000 EA EA	042889 2	00N	186.30	CLAI CLOE
997300973	BATTERY SNAP TERMINAL 48V NEDA 201 KB1436 CAPRI	312	78	234	01CP52364790003 1.0000 EA EA	042889 0	00N	464.10	CLAI OPE
402747356	BATTERY 2 POST TERMINAL 12 V LANTERN CAPRI	126	126		01CP52363320001 1.0000 EA EA	042889 2	00N	582.12	CLAI CLOE
997801634	BATTERY 2 POST TERMINAL 4.5V CK06570 CAPRI	120	120		01CP523648080001 1.0000 EA EA	042889 2	00N	906.00	CLAI CLOE
400011243	BIT PWR C 11/16X18 CAB123 434000	36	12	24	01CP52370050001 1.0000 EA EA	042889 0	00N	207.36	CLAI OPE
103049581	BLOCK CONN 625FB 90 802000	1000	1000		01CP52365690002 1.0000 EA EA	042889 2	00N	2.060.00	CLAI CLOE
103323663	BLOCK CONN 625TD150 20006	2351	1189	1162	01CP52363420017 1.0000 EA EA	042889 0	00N	3.749.39	CLAI OPE

NOTICE - NOT TO BE DISCLOSED OUTSIDE SOUTHWESTERN BELL TELEPHONE CO. EXCEPT UNDER WRITTEN AGREEMENT

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EXHIBIT 16
INVENTORY ACTIVITY - BY LOCATION RIA040-R02

REPORT NO. RIA040-R02		SOUTHWESTERN BELL TELEPHONE COMPANY				PAGE NO. 1	
PREPARED 05/06/91 BY 19154.53		INVENTORY ACTIVITY -- BY LOCATION				AS OF 05/06/91	
LOCATION A.L. LITTLE ROCK TCS							
TRANSACTION	DOCUMENT	QUANTITY	INVENTORY AREA	DATE	TERM	CHARGE-TO-NUMBER	BAL
DATE	TYPE	POSTED	VALUE	RESP	ID		SMT
ITEM-NO. NS0001934		U/O/M EA	FORM 6481AR				
STORAGE-LOC ADJ U1							
05/06/91 79 H/R ISSUE	126AUC313260226	1001 EA	58.00-	0.00	05/06	LJAME22T A 231326 01 HM6078	520296500Y
ITEM-NO. NS0002587		U/O/M EA	ENT 1/2" CAP CLAMP ON ENT				
STORAGE-LOC ADJ U1							
05/06/91 33 POS.ADJUS.	CAPP0000	1001 EA	40.00	0.00	05/06	LJAME22T P MAN ACJ	
ITEM-NO. NS0003168		U/O/M EA	BOLTS MILTI 1/2 X 3 3/4				
STORAGE-LOC ADJ U1							
05/06/91 33 POS.ADJUS.	CAPP0000	1002 EA	450.00	0.00	05/06	LJAME22T P MAN ACJ	
ITEM-NO. NS0003891		U/O/M EA	DECAL WARNING 1"				
STORAGE-LOC ADJ U1							
05/06/91 79 H/R ISSUE	126AUC313260226	1004 EA	109.00-	0.00	05/06	LJAME22T A 231326 01 HM6078	520296500Y
ITEM-NO. NS0003964		U/O/M EA	INSIGNIA POLE 6 2IM PR100				
STORAGE-LOC ADJ U1							
05/06/91 79 H/R ISSUE	126AUC313260226	1002 EA	600.00-	0.00	05/06	LJAME22T A 231326 01 HM6078	520296500Y
05/06/91 79 H/R ISSUE	126AUC313260226	1003 EA	500.00-	0.00	05/06	LJAME22T A 231326 01 HM6078	520296500Y
*STORAGE-LOC TOTALS		2 TXNS	1,100.00-	0.00			
ITEM-NO. NS0004024		U/O/M EA	CADWELL GR1-1616 (1)				
STORAGE-LOC ADJ U1							
05/06/91 33 POS.ADJUS.	CAPP0000	1002 EA	250.00	0.00	05/06	LJAME22T P MAN ACJ	
ITEM-NO. NS0004025		U/O/M EA	CADWELL GT1-1616 (2)				
STORAGE-LOC ADJ U1							
05/06/91 33 POS.ADJUS.	CAPP0000	1001 EA	250.00	0.00	05/06	LJAME22T P MAN ACJ	
ITEM-NO. NS0004026		U/O/M EA	CADWELL HT1-1616 (3)				
STORAGE-LOC ADJ U1							
05/06/91 33 POS.ADJUS.	CAPP0000	1003 EA	72.00	0.00	05/06	LJAME22T P MAN ACJ	
ITEM-NO. NS0004028		U/O/M EA	WIRE BSM 2/19 - 1400FT				
STORAGE-LOC ADJ U1							
05/06/91 33 POS.ADJUS.	CAPC0203799	1001 EA	18.00	0.00	05/06	LJAME22T P MAN ACJ	
ITEM-NO. 017586132		U/O/M EA	CORD/HANDSET MODULAR 12PT BLACK			9200-12-A	
STORAGE-LOC ADJ U1							
05/06/91 79 H/R ISSUE	123A000320374193	1001 EA	8.00-	12.96-	05/06	LJAME20T A 210337401 HS2125	520298370Y
ITEM-NO. 017586199		U/O/M EA	CORD HNCST PCO 12PT LT 66E 4MM14-R-12			9200-12-D	
STORAGE-LOC ADJ U1							
05/06/91 79 H/R ISSUE	123A00105864398	1001 EA	3.00-	11.10-	05/06	LJAME20T A 210586401 HS4140	520298370Y
ITEM-NO. 017587080		U/O/M EA	CORR ADW 14-P-14-078 SILVER			L-D-ADW-14-53	
STORAGE-LOC ADJ U1							
05/06/91 79 H/R ISSUE	123A00105864398	1002 EA	5.00-	4.00-	05/06	LJAME20T A 210586401 HS4140	520298370Y
05/06/91 79 H/R ISSUE	123A00107322749	1001 EA	6.00-	5.52-	05/06	LJAME20T A 210732 01 HS5100	520298370Y
*STORAGE-LOC TOTALS		2 TXNS	11.00-	10.12-			

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EXHIBIT 17
OPEN BATCH PICK TICKETS

PAGE		4		OPEN BATCH PICK TICKETS.										06/19/91	
DISP	PRDID	PRDDP		PICKTICKETNO	LINE NO	MRNUMBER	MR LINE	PICKQTY	BINROW	V	I	CREATE DATE			
0	017587098	LORD LINE MODULAR 4DW-14-F-7-		CLA911682572	0002	168CLA331321179	0006		15	2AA08B	N	91168			
	00430386	BUCK COMB 625A 56		CLA911682485	0002	168CLA319570172	0002		5	2AA07B	N	91168			
	400314530	HOOK DRIVE R CA7165		CLA911682485	0001	168CLA319570172	0015		7	2AA05B	N	91168			
	00604901	INSECTICIDE WASP & HORNET SFR		CLA911682572	0001	168CLA331321179	0015		4	2AA04B	N	91168			
TALLY 2 4															

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EXHIBIT 18
OPEN ON-LINE TICKETS

PAGE		6		OPEN ONLINE TICKETS										06/19/91	
DISP	PRODID	PRIDDESCR	PICKTICKETNO	LINE NO	HRNUMBER	HR LINE	PICKQTY	PINROW	I	S	V	CREATE DATE			
3	70007150A	WIFEK IND BOX150 CA6	CLA911690123	0001	169CLA190191546	0001	1	3AA01A	N	0	0	91169			
	70007150B	WIFEK IND BOX150 CA6	CLA911690158	0001	169CLA116531589	0003	18	3AA01A	N	0	0	91169			
TALLY 3 2															

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APPENDIX 1
ACRONYMS

1. BMP BATCH MESSAGE PROCESSING
2. CAPRI COMPUTER ASSISTED PURCHASING RECEIVING AND INVOICING
3. DOPAC DISK ORIENTED PROPERTY & COST (system)
4. FIFO FIRST IN-FIRST OUT
5. IAAI INVENTORY ACTIVITY ACTIVITY INQUIRY
6. IABI INVENTORY ACTIVITY BALANCE INTEGRITY
7. IAPC INVENTORY ACTIVITY PHYSICAL COUNT
8. IASI INVENTORY ACTIVITY STATUS INQUIRY
9. IBI ITEM BALANCE INTEGRITY
10. MDC MATERIALS DISTRIBUTION CENTER
11. MLS MECHANIZED LOCATOR SYSTEM
12. OS&D OVER/SHORT & DAMAGE (SW1868)
13. PIR PERPETUAL INVENTORY RECORD
14. PLAS PROCUREMENT LOGISTICS ACCOUNTING SYSTEM
15. PO PURCHASE ORDER
16. PRRQ PURCHASE REQUISITION RECEIPTS INQUIRY
17. PRSI PURCHASE REQUISITION SUMMARY INQUIRY
18. SWIMS SOUTHWESTERN INVENTORY MANAGEMENT SYSTEM
19. TCS TELEPHONE COMPANY STOREROOM
20. TA T ALLOCATION HOLD
21. WSF2 WRITER SCANNING FACILITY
22. O1XX VENDOR CLAIM
23. O1YY TRANSPORTATION CLAIM

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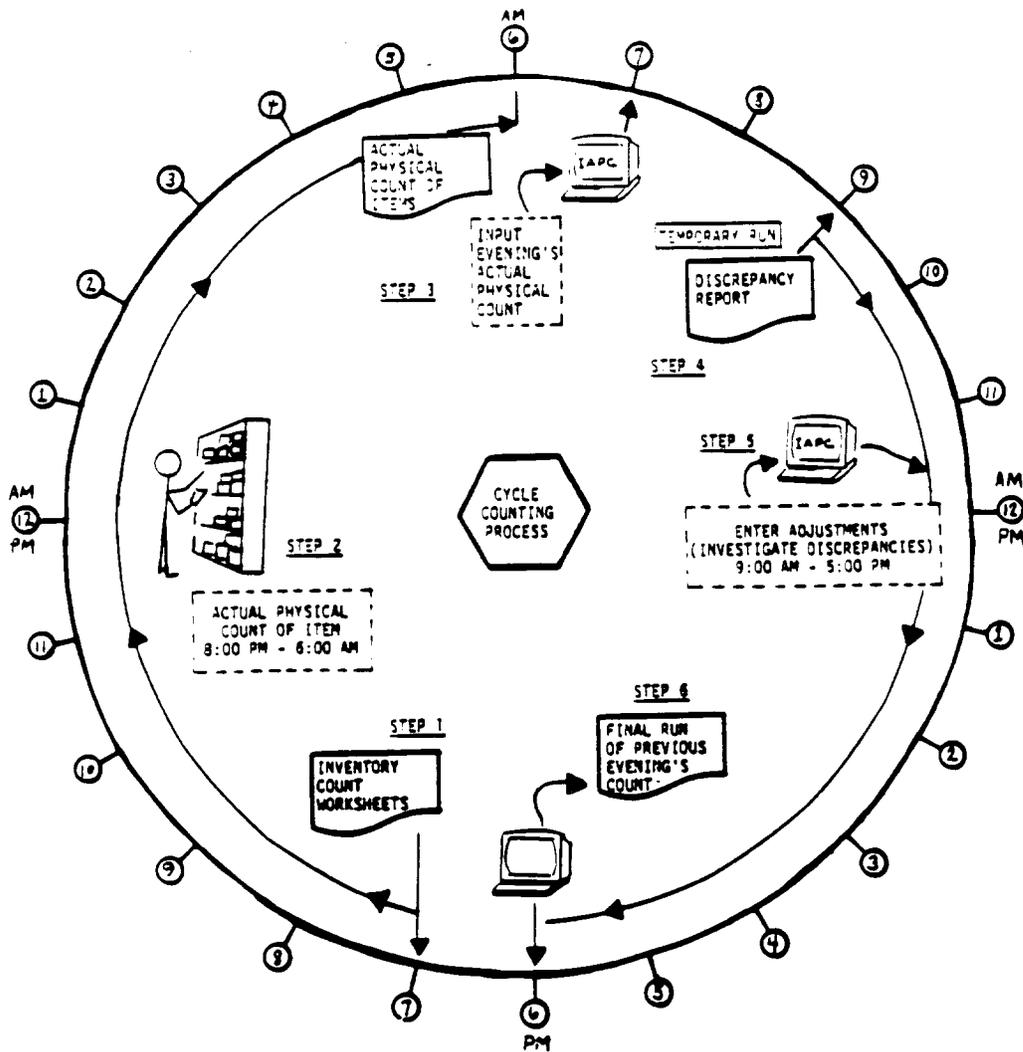
APPENDIX 2
SWIMS SCREENS & REPORT FOR QUICK REFERENCE

1. IAAI SCREEN
 On-Hand quantity
 Allocated quantity
 Quantity on order
 Last receipt
 Last activity
2. IABI SCREEN
 PF7 Computed quantity, history of activity JA280-1
 PF8 Previous count dates and adjustments
 PF9 Receipts, claims, and adjustments
3. IASI SCREEN
 Detail of O1, O1XX, O1YY, and TA material
4. PRSI SCREEN
 List of all open and closed Purchase Orders for material
5. PRRQ SCREEN
 Receipts against Purchase Orders (may also have notes made by
 Receiving personnel)
6. CSMI SCREEN
 Information on substitutions
 Inventory Manager code
7. CSDI SCREEN
 Additional information on substitutions and other pertinent
 data
8. OPEN TICKET REPORT RMQ046-R01
 List of tickets from the previous day that may or may not have
 been selected
9. RECEIPT REPORT (NEW AND UNUSED) JA352-001
 List of receipt activity from previous cycle
 Quantity ordered, quantity received, quantity due
 Order number, SOUCN, receipt type, status
10. INVENTORY ACTIVITY BY ITEM RIA040-R01
 Transaction type, document number, line number, quantity
 posted, inventory value
11. INVENTORY ACTIVITY BY LOCATION RIA040-R02
 Transaction type, document number, line number, quantity
 posted, inventory value
12. INVENTORY ACTIVITY OUT OF BALANCE RIA230-R01
 Actual current balance, out of balance amount
13. PHYSICAL INVENTORY DIFFERENCES RIA115-R01
 physical count, system count, difference count, dollar amounts
14. PHYSICAL INVENTORY COUNT WORKSHEET RIA185
 BIN/ROW, description, UOM, quantity, plan date
15. PHYSICAL INVENTORY COUNT ON HAND QUANTITY RIA190
 BIN/ROW, description, UOM, on-hand quantity, plan date
16. PHYSICAL COUNT PAST DUE RIA115-R02
 BIN/ROW, description, plan date, days late

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APPENDIX 3
CYCLE COUNTING PROCESS DIAGRAM



CYCLE COUNTING PROCESS

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