

Handling Returns and Inventory Adjustments for Lot-Tracked and Serialized Items



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This guide explains how to adjust lot-tracked or serialized inventory items. It is intended for general users.

Beyond the regular steps for [making inventory adjustments](https://aace6.knowledgeowl.com/help/making-inventory-adjustments) (<https://aace6.knowledgeowl.com/help/making-inventory-adjustments>), adjustments for lot-tracked or serialized items require additional details. This is because aACE performs additional validations for these items to ensure accuracy.

The primary constraint is to specify which manufacturer lot numbers or serial numbers will be affected by the adjustment. This helps ensure that the correct inventory items are tracked in your system. The second, related constraint is that you cannot increase the quantity in a manufacturer lot beyond the amount initially recorded for that lot. aACE will return an error message noting that the adjusted quantity exceeds the previously used quantity.

Make an Inventory Adjustment on Lot-Tracked or Serialized Items

1. Navigate from **Main Menu > Inventory > Inventory Adjustments**,
2. In the menu bar, click **New** and select the desired adjustment type.
Note: For positive adjustments, you should typically use the Beginning Balance type. For negative adjustments, use the Count or Loss type.
3. Enter the details for the adjustment record and for each adjustment item.
4. Click the icon for manufacturer lot numbers () or serial numbers (), then enter the required numbers.
Note: For positive adjustments that record additional lot or serial numbers, these new numbers will be available for use on orders and shipments. For negative adjustments, the numbers you enter will be removed from use.
5. Click **Save and Post**.

Example of Adjusting Lot-Tracked Inventory

Suppose you have a lot-tracked item with an initial lot quantity of 10, and you have sold one item. Later you find that in storage there are two more of those items. You *cannot* add both of those items to the existing manufacturer lot – there is only room for one item to be recorded there. This is because manufacturer lot numbers must reconcile with items noted

as used in [inventory usage records](https://aace6.knowledgeowl.com/help/understanding-the-relationship-among-inventory-lots-usage-and-transactions) (<https://aace6.knowledgeowl.com/help/understanding-the-relationship-among-inventory-lots-usage-and-transactions>). If no usage for a lot has occurred, then no units can be added; if a certain number of items have been included in usage, then only that many items can be added.

To resolve this situation, use a Count or Loss adjustment to *reverse* the usage for as many units as possible, then create a beginning balance adjustment for the remaining units.

Note: In contrast, inventory items that are not lot-tracked or serialized can be adjusted to create unallocated usage — 'receiving' more units with a negative usage record than can be allocated to existing inventory lots.
