

## **ABSTRACT**

*PT RMI is a company located in Banjarnegara Regency, Central Java, which is engaged in the food industry that produces mocaf flour. PT RMI has a main problem in inventory control, where the amount of inventory of mocaf flour products is always higher than the existing demand, thus making the inventory of mocaf flour products in the finished product warehouse being overstock and some mocaf flour products are forced to be placed outside the warehouse area. There are several root causes that cause overstock in mocaf flour products, one of them is inventory policies that are less than optimal. In this research, the methods used to design the inventory policy for mocaf flour products are continuous review (s,S) and periodic review (R,s,S). By using the method of continuous review (s, S) and periodic review (R,s,S), it can produce overstock expectations of mocaf flour products of 94,93% and 94,27% smaller than the existing condition. In addition, using the continuous review (s,S) and periodic review (R,s,S) methods, the total inventory costs were 15,66% and 13,93 % smaller than the existing condition.*

*Keywords: continuous review (s,S), periodic review (R,s,S), overstock, mocaf flour*