# SCANIT

# PARTS®

# Physical Inventory Guide

Complete Guide to Conducting

Physical Inventory Counts

For Automotive Dealerships

Innovative Programming Systems

# Table of Contents

# 1. Introduction to Physical Inventory

## 1.1 What is Physical Inventory?

Physical Inventory is the process of counting every part in your warehouse. The goal is to check that your system records match what is really on the shelves. Unlike daily perpetual counts, physical inventory is a full count of all parts. Most stores do it once or twice a year.

ScanIt Parts gives you tools and workflows built to make physical inventory fast and correct. You use Chainway C66 or C72 handheld scanners to capture counts and track progress in real-time.

## 1.2 Why Physical Inventory Matters

Correct inventory counts are key to your dealership's success:

| Benefit | Impact |
|---|---|
| **Financial Accuracy** | Your inventory is a major asset. Correct counts make sure your financial reports reflect reality. |
| **Tax Compliance** | Many areas require a physical inventory count for tax purposes. |
| **Order Optimization** | Knowing true counts stops over-ordering (wasted money) and under-ordering (lost sales). |
| **Shrinkage Detection** | Physical counts reveal theft, damage, and other losses. |
| **Customer Service** | Correct stock levels mean you can promise parts to customers with confidence. |

## 1.3 Physical vs. Perpetual Inventory

| Aspect | Physical Inventory | Perpetual Inventory |
|---|---|---|
| **Scope** | Entire warehouse | Selected bins/areas |
| **How Often** | Once or twice a year | Ongoing (daily/weekly) |
| **Duration** | Days to weeks | Minutes to hours |
| **Operations** | May need to slow or stop normal work | Normal work goes on |
| **Purpose** | Full check, financial reporting | Ongoing accuracy upkeep |

| Scanner Mode | Physical Inventory mode | Perpetual mode |

# 2. Preparation

## 2.1 Planning Your Count

A good physical inventory needs careful planning. Think about these factors when setting a date:

### Timing

- **Fiscal Year End** - Many dealers count near their fiscal year end for financial reports
- **Slow Periods** - Pick a time when business is slower if you can
- **Staff** - Make sure you have enough people to count
- **Weather/Season** - Think about how weather affects your warehouse

### Resource Planning

| Resource | What to Think About |
|---|---|
| **People** | Figure out how many counters you need based on warehouse size. Think about using teams of 2 to double-check counts. |
| **Scanners** | Make sure all Chainway C66/C72 scanners are charged and working. These devices have long battery life for all-day counting. |
| **Time** | Estimate how long counting will take based on part count. Typical rate: 200-400 parts per hour per counter. |
| **Supplies** | Have backup batteries/chargers ready. Print count sheets if you want a paper backup. |

### Zone Planning

Divide your warehouse into logical zones (pads) for counting:

- **By Aisle** - Each aisle becomes a separate pad
- **By Section** - Group related areas together
- **By Maker** - Count all parts for one make together
- **By Value** - High-value areas may need extra care

> **Tip:** Smaller pads let more counters work at the same time. They also make it easier to track progress and find problem areas.

## 2.2 Pre-Count Checklist

### 2-4 Weeks Before Count

? Set count date(s) and tell all departments

? Plan warehouse zones/pads

? Assign counting teams and leads

? Check that you have enough Chainway scanners

? Schedule overtime if needed

### 1 Week Before Count

? Run receiving to clear all pending shipments

? Finish all bin changes and moves

? Create inventory pads in your DMS system

? Set up DMS link in ScanIt Parts (Create Inventory)

? Download pads from DMS into ScanIt Parts

? Print count sheets (optional paper backup)

? Test all Chainway scanner devices

### Day Before Count

? Receive all remaining shipments

? Run End-of-Day

? Charge all Chainway scanner batteries

? Brief counting teams on the steps

? Post signs for any blocked-off areas

### Count Day - Before Starting

? Make sure no new shipments are being received

? Put any incoming orders on hold

- ? Hand out Chainway scanners to counting teams
- ? Give counters the Inventory Key# (or show the QR code to scan)
- ? Assign pads to counters
- ? Confirm all counters know the process

**Important:** Do not receive shipments or ship orders during physical inventory. Moving parts while counting leads to wrong results. If work must go on, set up clear "frozen" zones that get counted first.

# 3. Web Interface Setup

## 3.1 Downloading Inventory Pads from Your DMS

Inventory pads are created in your Dealer Management System (DMS) and then pulled into ScanIt Parts. Each pad stands for a zone or section of your warehouse that will be counted on its own.

### Step 1: Create Pads in Your DMS

Before using ScanIt Parts, create your inventory pads in your DMS. The DMS will assign pad numbers on its own.

> **Tip:** Check your DMS help files for steps on how to create physical inventory pads in your system (Reynolds & Reynolds, CDK, etc.).

### Step 2: Set Up DMS Link in ScanIt Parts

**1** Log into the ScanIt Parts web interface

**2** Click **Physical Inventory** in the nav menu

**3** Click **Create Inventory**

**4** Select your **DMS** from the dropdown

**5** Enter your **DMS login details**:

- Server/Host details
- Login credentials
- Any required settings

**6** Click **Save** to store the settings

## Step 3: Download Pads from DMS

**7** Once saved, ScanIt Parts can reach your DMS

**8** Click **Download Pads** to pull pads from your DMS

**9** Pick which pads to download into ScanIt Parts

**10** Pads show up in your Physical Inventory dashboard

## 3.2 Lightspeed DMS (CSV Import/Export)

If your dealership uses **Lightspeed DMS**, the process is different. Instead of a direct link, Lightspeed uses CSV file import/export.

### Step 1: Create Pads in Lightspeed

Create your physical inventory pads in Lightspeed DMS as you normally would.

### Step 2: Export CSV from Lightspeed

**1** In Lightspeed, export your physical inventory data to a **CSV file**

**2** Make sure the CSV file follows the required field layout (shown on the ScanIt Parts site)

**Important:** The CSV file fields must be in the exact order shown on the ScanIt Parts website. Files in the wrong format will not import right.

### Step 3: Import CSV into ScanIt Parts

**3** Log into the ScanIt Parts web interface

**4** Go to **Physical Inventory**

**5** **Drag and drop** the CSV file into the Physical Inventory page

**6** ScanIt Parts reads the file and creates the inventory pads

**7** Pads show up in your Physical Inventory dashboard
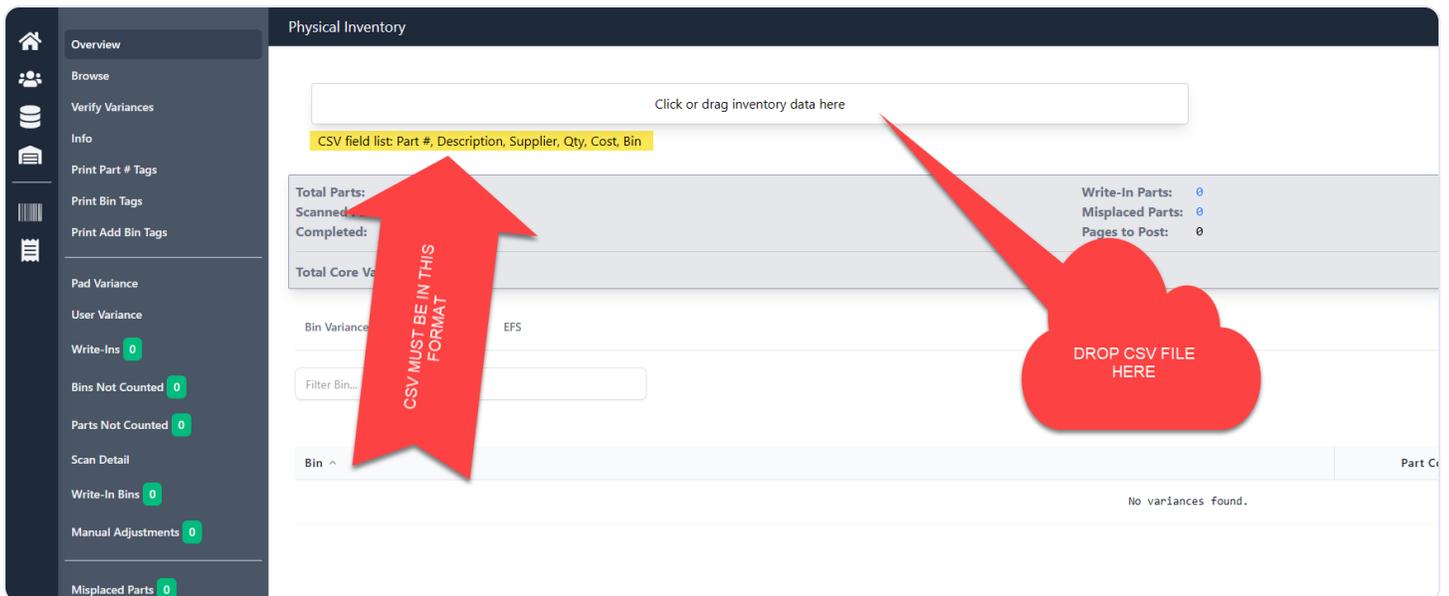
## Counting Process

Once the CSV is imported, counting works the same as with other DMS systems:

- Counters log into Chainway scanners
- Select the Inventory Key# (or scan QR code)
- Count parts as normal
- All standard features work (write-ins, variance tracking, etc.)

## Step 4: Export Results and Import to Lightspeed

When counting is done and you're ready to wrap up:

**1** Finish all counting and review in ScanIt Parts

**2** Go to **Physical Inventory > Finalize**

**3** Click **Download CSV** to export the counted amounts

**4** In Lightspeed, **import the CSV file** to update your inventory

**Note:** After importing the CSV into Lightspeed, the Inventory Key# is closed in ScanIt Parts. All further reports and checks must be done in Lightspeed.

## 3.3 Configuring Pad Settings

### Pad Status Types

| Status | What It Means | What You Can Do |
|--------|---------------|-----------------|
| **Not Started** | Pad created but no counting yet | Edit, Delete, Start Counting |
| **In Progress** | Counting has started but is not done | View Progress, Add Counts, Pause |
| **Completed** | All bins in pad have been counted | Review, Compare, Recount |
| **Reconciled** | Differences reviewed and approved | Post Adjustments, Archive |

### Pad Options

- **Allow Write-ins** - Let counters add parts not on the expected list
- **Require Bin Scan** - Counter must scan bin barcode before counting parts
- **Blind Count** - Hide expected amounts from counters (best for accuracy)
- **Recount Threshold** - Flag for recount if the difference is over a set percent

> **Best Practice:** Use "Blind Count" mode. This stops counters from being swayed by expected amounts. It leads to more correct counts.

## 3.4 Printing Count Sheets

ScanIt Parts is built for paperless counting. But you may want to print count sheets as a backup or for areas with poor Wi-Fi.

**1** Select the pad(s) to print

**2** Click **Print Count Sheets**

**3** Choose print options:

- Include expected amounts (or leave blank for blind count)
- Sort by bin or part number
- Include part names

**4** Click **Print** or **Export to PDF**

# 4. Scanner Setup

## About Chainway Scanners

Physical Inventory in ScanIt Parts uses **Chainway C66 or C72** handheld scanners. These are different from the Monarch 6059+ scanner/printers used for daily work. The Chainway scanners are great for physical inventory because:

| Feature | Why It Helps for Physical Inventory |
| --- | --- |
| **Long Battery Life** | 8+ hours of nonstop scanning - lasts a full day without swapping batteries |
| **Light Weight** | Much lighter than printer-equipped scanners, so you don't get as tired during all-day use |
| **Tough Build** | IP65 rated with 1.5m drop protection - built for warehouse use |
| **No Printing Needed** | Physical inventory is counting only - no labels needed |

> **Tip:** Chainway scanners run the same ScanIt Parts app. The workflow will feel familiar if you've used other ScanIt Parts scanners.

## 4.1 Starting Physical Inventory Mode

The Chainway scanner is set up for Physical Inventory mode. When you log in, you pick which inventory to work on using an Inventory Key#.

**1** Power on the Chainway scanner

**2** Launch the ScanIt Parts app

**3** Log in with your credentials

**4** Select your **Inventory Key#**:

- **Type the Key#** - Enter the inventory key number by hand, OR

- **Scan QR Code** - Scan the QR code on the computer screen to select the inventory

**5**    The Physical Inventory main menu shows up for that inventory

| | | Inventory Key |
| | | **70945739** |

0
0
0

| | |
|---|---|
| Total Pad: | $2.00 |
| Total Scanned: | $0.00 |
| Difference: | $-2.00 |

Bins Not Counted: 138   **View**

Hide Verified ⬤

| | Part Count | Variance Count | Verified Count | Extended Cost | Variance Cost |
|---|---|---|---|---|---|
| nces found. | | | | | |
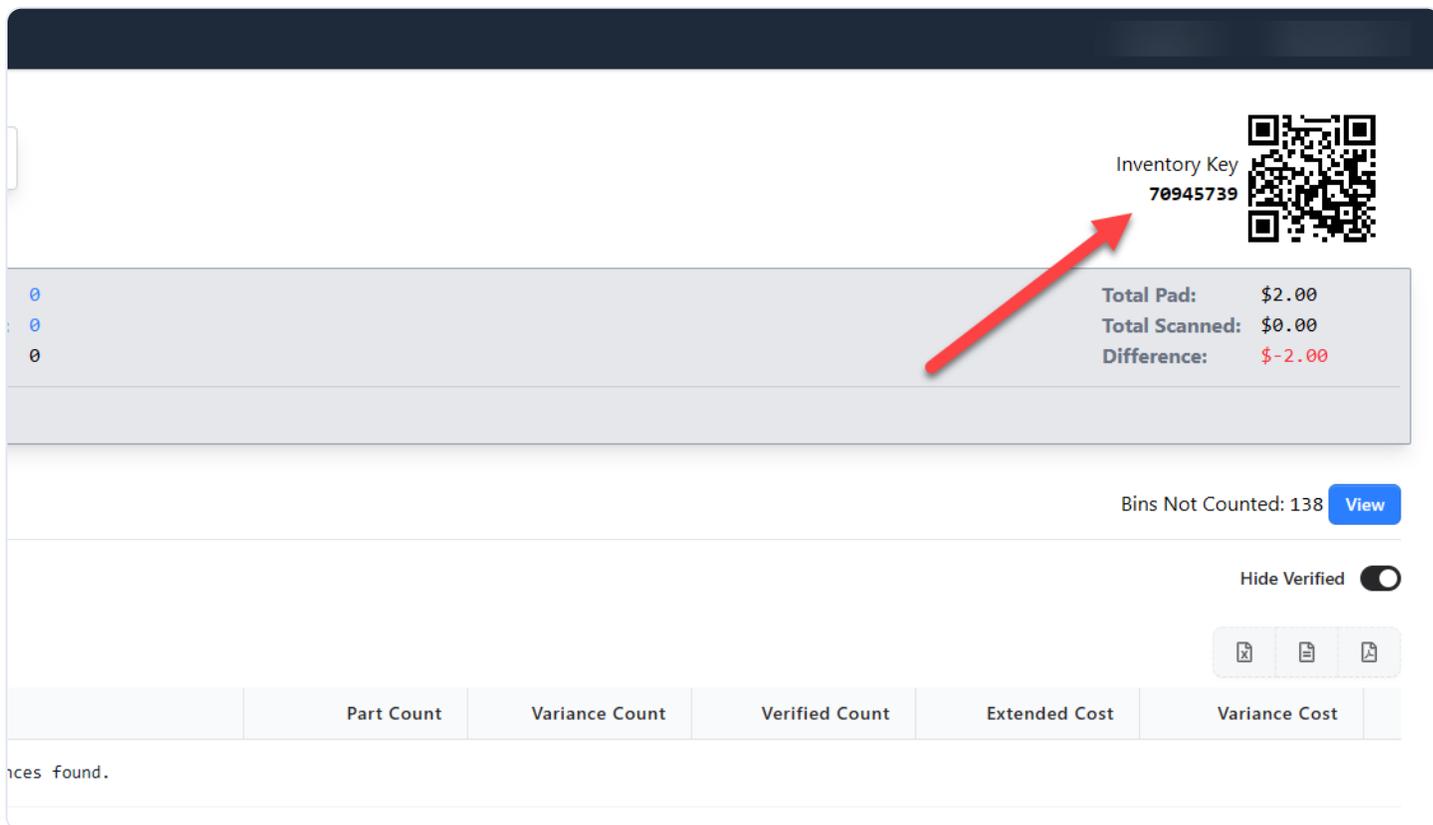
**Multiple Inventories:** Your dealership can run more than one physical inventory at the same time. Each one has a unique Key#. All your counts go to the Key# you picked until you switch to a different one.

## Switching Between Inventories

If you need to work on a different physical inventory:

**1**   Tap the **menu icon** (three lines)

**2**   Select **Change Inventory**

**3**    Enter or scan the new Inventory Key#

**Tip:** Scanning the QR code is faster and avoids typing errors. Ask your lead to show the QR code on the computer screen for easy scanning.

**Note:** Physical Inventory uses Chainway C66/C72 scanners only. Your daily work (Receiving, Bin Changes, etc.) keeps using Monarch 6059+ scanner/printers. This lets normal work go on in areas not being counted.

## 4.2 Scanner Settings for Physical Inventory

### Physical Inventory Main Menu

Once in Physical Inventory mode, the scanner shows these options:

| Option | What It Does |
|--------|--------------|
| Select Pad | Choose which inventory pad to count |
| Count | Start or keep counting the selected pad |
| Write-In | Add a part not on the expected list |
| Pad Status | View progress and stats for the current pad |
| Settings | Set up counting options |

**Physical Inventory Main Menu**

Chainway scanner screen showing Physical Inventory header with menu options: Select Pad, Count, Write-In, Pad Status, and Settings buttons.

### Counting Settings

| Setting | Options | Tip |
|---------|---------|-----|
| Quantity Mode | Count by 1 / Enter Quantity | Enter Quantity is faster when counting multiples |
| Confirm Each Scan | On / Off | Off for speed, On for more accuracy |

| Sound | On / Off | On - the beep helps confirm scans |

# 5. The Counting Process

## 5.1 Starting a Count Session

**1** From the Physical Inventory menu, select **Select Pad**

**2** Choose your assigned pad from the list

**3** Review pad details:

- Bin range
- Expected part count
- Current progress (if picking up where you left off)

**4** Tap **Start Counting** (or **Resume** if you're coming back)

> **Select Pad Screen**
>
> Scanner showing list of available pads with their names, bin ranges, and status indicators (Not Started, In Progress with percentage). Selected pad highlighted.

## 5.2 Scanning Bins and Parts

### Basic Counting Workflow

**1** Go to the first bin in your area

**2** **Scan the bin barcode** (if required by pad settings)

**3** **Scan each part** in the bin

**4**  **Enter the quantity** you count by hand

**5**  Repeat for all parts in the bin

**6**  Move to the next bin and repeat

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**Counting Screen**

Chainway scanner counting screen showing current bin (A-05-2), Part # input field, scanned part information (Part #, Description, Expected Qty if not blind count), and Qty input field. Bottom toolbar with plus and mode toggle options.

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## Screen Details

The counting screen shows:

- **Current Bin** - The bin you're counting (top of screen)
- **Part # Field** - Scan or type part numbers here
- **Part Details** - Name and info for the scanned part
- **Quantity Field** - Enter your counted amount
- **Progress** - Parts counted in this bin and total pad progress

## 5.3 Entering Quantities

### Single Items

For parts with a quantity of 1:

- Scan the part
- If Quantity Mode is "Count by 1", it records quantity 1 on its own
- If Quantity Mode is "Enter Quantity", type 1 and confirm

### Multiple Items

For parts with more than one unit in the bin:

**1**  Scan the part once

**2**   Count all units of that part in the bin by hand

**3**   Enter the total amount

**4**   Confirm the count

**Tip:** For bins with lots of parts, count in groups of 5 or 10, then add them up. This is faster and more correct than counting one by one.

## Zero Quantity

If a part is on the expected list but not in the bin:

- Scan or enter the part number
- Enter quantity **0**
- This records that you looked for the part but did not find it

# 6. Handling Special Situations

## 6.1 Write-Ins

A **write-in** is a part the system does not know at all. When you scan a part and the system does not find the part number, you have a write-in.

Write-ins usually happen when:

- A part was never added to the system
- The part number on the item does not match any known numbers
- An old or dropped part stayed on the shelf
- A part from another place ended up in your warehouse

> **Write-In vs. Misplaced:** If the scanner knows the part number but it's in the wrong bin, that's a *misplaced part* (see 6.2). A write-in means the part number itself is unknown to the system.

### Recording a Write-In

| | |
|---|---|
| **1** | Scan the part - scanner shows "Part Number Not Recognized" |

| | |
|---|---|
| **2** | Select **Add as Write-In** |

| | |
|---|---|
| **3** | Make sure the part number is right (check for scan errors) |

| | |
|---|---|
| **4** | Enter the amount found |

| | |
|---|---|
| **5** | The system saves the part number and bin location |

**Write-In Alert**

Scanner popup showing "Part Number Not Recognized" message with options: "Add as Write-In", "Skip", "Re-scan". Part number displayed.

> **Note:** For write-ins, the system only saves the part number and where it was found. It has no other details since the part is not in inventory.

## 6.2 Misplaced Parts

A **misplaced part** is a part the system knows (it IS in your inventory), but it's in a different bin than expected. The scanner knows the part - it just thought it was somewhere else.

When you scan a part and the system says it belongs in a different bin, you have a misplaced part.

### Handling Misplaced Parts

| Option | When to Use |
|---|---|
| **Count in Current Location** | Count it where you found it (most common during PI) |
| **Flag for Later** | Note the issue for bin fix after the count |

> **Important:** Do NOT move parts during counting. Count parts where you find them. Moving parts during physical inventory causes counting errors and mix-ups.

> **After the Count:** Use the Misplaced Parts report to find all parts in the wrong spots. Then process bin changes to fix their locations.

## 6.3 Parts Not Found

When you can't find a part that should be in a bin:

**1** Double-check the bin - look behind and under other parts

**2** Check nearby bins - it may be slightly misplaced

**3** If truly not found, enter quantity **0**

**4** Add a note if helpful (e.g., "Checked entire section")

### Common Reasons Parts Are Missing

- **Just sold** - Check if it sold today or yesterday
- **In another spot** - May have been moved and not updated
- **In someone's cart** - Check with pickers/counter staff
- **Received wrong** - May have been labeled wrong during receiving
- **Shrinkage** - Theft or damage not reported

## 6.4 Cores

Cores (rebuilt parts returned for credit) have a different value than regular parts. They must be counted apart during physical inventory.

### Scanning Cores

ScanIt Parts can spot and track cores during physical inventory:

1. Scan the core part number

2. The scanner sees that it is a core

3. Enter the number of cores found

4. Cores are tracked on their own in inventory reports

**Why Cores Matter:** Cores are worth less than new or rebuilt parts. Correct core counts make sure your inventory value reflects what you really have.

# 7. Physical Inventory Reports

ScanIt Parts has several reports to track progress and review results during and after physical inventory.

## Viewing Physical Inventory Reports

**1** Go to **Physical Inventory** in the web interface

**2** Click **Reports**

**3** Select the report type

**4** Set filters (pad, date range, etc.)

**5** Click **Run Report**

## Available Reports

| Report | What It Shows | When to Use |
|---|---|---|
| **Pad Variance Report** | All differences by pad, with expected vs. counted amounts and dollar values | During review to look at gaps |
| **User Variance Report** | Differences grouped by counter, useful for finding who needs more training | After counting to check counter accuracy |
| **Write-Ins Report** | All unknown part numbers found during counting (part number and bin only) | To look into unknown parts not in the system |
| **Parts Not Counted** | Parts on expected lists that were not scanned | Before wrapping up to make sure nothing was missed |
| **Misplaced Parts** | Parts found in spots different from system records | To plan bin fixes after counting |

| | | |
|---|---|---|
| **Inventory Analysis** | Summary stats: total counted, total variance, variance percent, dollar impact | Summary for management |
| **Progress Report** | Counting progress by pad and overall | During counting to track how much is done |
| **Recount List** | Parts flagged for recount due to large differences | To assign follow-up counts |



## Report Filters

- **Pad** - One pad or all pads
- **Counter** - One user or all users
- **Variance Type** - Over only, Short only, or All
- **Variance Threshold** - Only show differences over a set amount
- **Make** - Filter by maker
- **Date Range** - When counts were recorded

## Exporting Reports

All reports can be exported for further review:

- **Excel** - Full data for spreadsheet work
- **PDF** - Formatted for printing and filing

- **CSV** - Raw data to import into other systems

# 8. Reconciliation

Reconciliation is the process of reviewing differences found during counting. You look into gaps and decide which changes to accept.

## Reconciliation Workflow

**1** Go to **Physical Inventory > Reconciliation**

**2** Select a finished pad to review

**3** Look at each variance:

- Part number and name
- Expected vs. counted amount
- Dollar impact
- Counter notes

**4** For each variance, choose an action:

- **Accept** - Count is right, adjust inventory
- **Reject** - Keep the system's amount
- **Recount** - Flag for a follow-up count

**5** Add notes to explain your choices

**6** Submit when done

---

**Reconciliation Screen**

Web interface showing reconciliation view with variance list on left, detail panel on right showing part info, count history, notes field, and action buttons (Accept, Reject, Recount). Summary totals at bottom.

# Reconciliation Guidelines

## When to Accept a Variance

- Counter is skilled and reliable
- Variance lines up with known issues (e.g., recent theft case)
- More than one counter or recount shows the same result
- You found a clear reason for the gap

## When to Reject a Variance

- Signs point to a counting mistake (swapped numbers, wrong unit of measure)
- Recent sales or receipts explain the gap
- Part was being moved (being picked, in transit)

## When to Recount

- Large gap with high dollar impact
- Variance seems unlikely
- Counter was new or had trouble
- Counter asked for a double-check

> **Important:** Write down your choices and reasons. You may need to explain variances to managers, auditors, or for tax purposes.

# Looking Into Variances

Before accepting large variances, check these common causes:

| What to Check | How |
| --- | --- |
| **Recent Sales/Receipts** | Review receiving, sales, and transfers in the past 30 days |
| **Posting Errors** | Check if any updates failed to post to the DMS |
| **Duplicate Parts** | Look for the same part in more than one bin |
| **Special Orders** | Check if the part is set aside for a customer order |
| **Returns** | Make sure returns were added back to inventory the right way |

# 9. Finalizing the Count

## Pre-Finalization Checklist

**Before Finalizing**

?   All pads show 100% complete

?   Parts Not Counted report shows zero items (or items are explained)

?   All variances have been reviewed (accepted, rejected, or recounted)

?   Recounts have been done and reviewed

?   Large variances have been looked into and noted

?   Write-ins have been checked and approved

?   Management has reviewed summary reports

## Posting to Your DMS

Once the review is done, counted amounts are posted to your DMS. How this works depends on your DMS system.

### DMS Posting Methods

| Method | How It Works |
|--------|-------------|
| **Real-Time Sync** | Some DMS systems post amounts as the Chainway scanners sync with ScanIt Parts. Counts go to the DMS nonstop during counting. |
| **Batch Post (Post Qty Button)** | Some DMS systems need you to wait until counting is done. Then click the **Post Qty** button to send all amounts to the DMS at once. |

### Posting Steps (Batch Post Method)

1.   Go to **Physical Inventory > Finalize**

2.   Review the summary:

- Total parts adjusted
- Net quantity change
- Net dollar impact

**3** Click **Post Qty** to send amounts to the DMS

**4** Confirm the posting

**5** Wait for posting to finish (may take a few minutes for large inventories)

**6** Look for the success message

**IMPORTANT - One-Time Post:** You can only post from ScanIt Parts to the DMS **one time**. Once posting is done, the Inventory Key# is closed and you cannot post again. Make sure all counting and review is done before posting.

## After Posting - Inventory Closure

Once posted to the DMS, the Inventory Key# is **closed** in ScanIt Parts:

| What You CAN Do | What You CANNOT Do |
|---|---|
| View variance data in ScanIt Parts | Scan any more parts for that Inventory Key# |
| Use the DMS for reports | Change amounts in ScanIt Parts |
| Run physical inventory reports in the DMS | Post more changes from ScanIt Parts |

**After Posting:** ScanIt Parts is fully done with this physical inventory. You can still view variance data. But all reports and checks must now be run in your DMS. ScanIt Parts can no longer update the DMS values for this inventory.

# Post-Count Tasks

## Return to Normal Work

**1** Return Chainway scanners to storage (physical inventory uses its own scanners)

**2** Go back to receiving shipments on your Monarch 6059+ scanners

**3** Release any held orders

**4** Run End-of-Day

## Follow-Up Actions

- **Move Misplaced Parts** - Use Bin Changes to fix part locations
- **Update System Records** - Fix any bin assignments that were wrong
- **Review Core Counts** - Check core inventory apart from regular parts due to different values
- **Look Into Shrinkage** - Follow up on losses you can't explain
- **Training** - Fix any process issues found during counting

## Archive Reports

Save these reports for your records:

- Final Variance Report (all pads)
- Inventory Analysis Summary
- Write-Ins Report
- Posted Adjustments Report
- Before and after inventory values

# 10. Best Practices

## Before the Count

- **Clean and organize** - Neat bins are faster and easier to count
- **Clear pending work** - Finish receiving, finish bin changes
- **Train your counters** - Go over the steps with all staff
- **Test gear** - Make sure all Chainway scanners work right
- **Charge batteries** - Fully charge all scanner batteries the night before

## During the Count

- **Use blind counts** - Hide expected amounts for more correct results
- **Count everything** - Don't skip empty bins or assume counts are right
- **Don't rush** - Getting it right matters more than speed
- **Take notes** - Write down anything unusual
- **Speak up** - Report problems to leads right away
- **Stay hydrated** - Counting is tiring work

## Counting Accuracy Tips

| Tip | Why It Helps |
| --- | --- |
| Count twice | A quick recount catches simple errors |
| Group and multiply | Counting groups of 5 or 10 is faster and more correct than singles |
| Move counted parts aside | Stops double-counting or missing items |
| Use a pattern | Left to right, top to bottom makes sure nothing is missed |
| Good lighting | Better sight means fewer errors |

## Team Counting

For high-value or high-risk areas, use two-person teams:

- **Counter** - Counts parts by hand

- **Recorder** - Runs the scanner, enters amounts

This gives you a built-in double-check and catches errors right away.

## Common Mistakes to Avoid

| Mistake | How to Avoid |
|---------|--------------|
| Scanning wrong barcode | Scan the part barcode, not the bin or shipping label |
| Swapped numbers | Double-check the amount before confirming |
| Skipping bins | Count in order, mark bins as done |
| Counting units vs. packs | Clarify whether counting single pieces or full packages |
| Missing hidden parts | Look behind, under, and between visible items |
| Counting during movement | Freeze warehouse work during the count |

## Keeping Accuracy Year-Round

Physical inventory accuracy starts with daily habits:

- **Perpetual counting** - Regular cycle counts between physical inventories
- **Proper receiving** - Correct counts when parts arrive
- **Bin discipline** - Parts in the right spots
- **Correct transactions** - Right picks, returns, and transfers
- **Regular review** - Fix gaps right away

> **Goal:** With good daily habits, your physical inventory should confirm what the system already shows - few surprises and minimal changes needed.

# 11. Frequently Asked Questions

## General Questions

### Q: What is the difference between Physical Inventory and Perpetual Inventory?

**A:** Physical Inventory is a full count of your entire warehouse. It is usually done once or twice a year for financial reports. Perpetual Inventory is ongoing cycle counting of selected areas. It keeps accuracy up all year long. Physical Inventory uses a special scanner mode with different steps built for full warehouse counting.

### Q: Can I use Physical Inventory for just part of my warehouse?

**A:** Yes. You can create pads for certain bin ranges only. But for a true physical inventory for tax purposes, you should count all of your stock.

### Q: How long does a physical inventory take?

**A:** It depends on your size and number of counters. A rough guide is 200-400 parts per hour per counter. A dealership with 10,000 parts and 4 counters might finish counting in 1-2 days. Add more time for the review step.

## Scanner Questions

### Q: What is the Inventory Key#?

**A:** The Inventory Key# is a unique ID for each physical inventory. After logging in, you must pick which inventory to work on by typing the Key# or scanning the QR code. All your counts are saved under that Key#. This lets you run more than one inventory at the same time.

### Q: How do I get the Inventory Key#?

**A:** Your lead will give you the Inventory Key#. You can type it by hand or scan the QR code on the computer screen. Scanning is faster and avoids typing errors.

### Q: Can I switch between different inventories?

**A:** Yes. Use Menu > Change Inventory to switch to a different Key#. This is handy if you're helping with more than one count or need to move between areas.

## Q: What if my Chainway scanner loses Wi-Fi during counting?

**A:** The scanner stores counts locally until the link comes back. Your work is not lost. Once it reconnects, data syncs on its own. But fix the link soon so progress tracking stays up to date.

## Q: Can more than one person count the same pad?

**A:** Usually no. To avoid counting the same part twice, pads should go to one counter each. Leads can view any pad's progress and may help with problem areas. If you need teams, use two-person pairs where one counts and one records.

## Q: What is the difference between "Count by 1" and "Enter Quantity" modes?

**A:** In "Count by 1" mode, each scan adds 1 to the amount on its own. In "Enter Quantity" mode, you scan once and then type the total. "Enter Quantity" is faster for bins with many of the same part.

## Q: My Chainway scanner battery is low. Will I lose my counts?

**A:** No. The Chainway C66/C72 scanners last 8+ hours on a charge. But if you do need to swap, just log back in. Your counts are saved to the server. You can pick up where you left off on any scanner.

# Counting Questions

## Q: What should I do if the scanner doesn't know a part number?

**A:** This is a "write-in" - a part that doesn't exist in your system. Select "Add as Write-In" and enter the amount. The system saves only the part number and bin location since it has no other details. Write-ins are tracked on their own for follow-up.

## Q: How do I count cores?

**A:** Scan the core part number like any other part. ScanIt Parts spots cores on its own and tracks them apart since they have different values than regular parts.

## Q: What if I find parts in the wrong bin?

**A:** If the scanner knows the part but says it belongs elsewhere, this is a "misplaced part." Count it where you found it - do NOT move parts during counting. The system notes where you counted it. After posting, use the Misplaced Parts report to fix bin locations.

## Q: A part doesn't scan. What should I do?

**A:** Try changing your scan distance (6-8 inches usually works best). If the barcode is damaged, type the part number by hand. If you still can't tell what the part is, add it as a write-in with a note.

### Q: Should I count parts on special order shelves?

**A:** Yes. Count all parts in your area, including special order spots. The system knows these parts are set aside for customers.

### Q: What about parts in pick carts or at the counter?

**A:** Ideally, stop all movement during counting. If parts are in transit, work with pickers and counter staff to account for them. Either put them back in bins before counting that area, or note them on the side.

## Report Questions

### Q: What reports should I run during counting?

**A:** Run the Progress Report often to watch how things are going. It shows which pads are done, in progress, and not started, plus the overall percent done.

### Q: What reports do I need for the review step?

**A:** The key reports are: Pad Variance Report (shows all gaps), Write-Ins Report (unknown parts found), and Parts Not Counted Report (items missed). Run these before you start the review.

### Q: How do I export reports for my accountant?

**A:** All reports can be sent out as Excel, PDF, or CSV. Click the Export button on any report and pick your format. The Inventory Analysis report gives a summary good for financial review.

## Reconciliation Questions

### Q: What does "Verify Variance" mean?

**A:** It means you've checked the variance and confirmed the count is right. This marks it as ready for posting. Variances should be checked before you finalize.

### Q: Can I change a count after it's been sent in?

**A:** Yes, before you finalize. You can ask for a recount on any part during the review. After posting, changes need a separate inventory fix.

### Q: What if I don't agree with a variance?

**A:** During the review, you can accept, reject, or ask for a recount on any variance. If you reject it, the system keeps its amount. Write down your reason for audit purposes.

## Finalization Questions

### Q: Can I undo posted changes?

**A:** No. Posting is final and can only be done once. After posting, the Inventory Key# is closed in ScanIt Parts. You cannot scan more parts or make changes for that inventory. Any fixes after posting must be done in your DMS.

### Q: What happens after I post to the DMS?

**A:** ScanIt Parts is fully done with that physical inventory. You can still view variance data. But all reports and checks must be done in your DMS. ScanIt Parts can no longer change DMS values for that Key#.

### Q: How do I switch the scanner back to normal mode?

**A:** Physical Inventory uses Chainway C66/C72 scanners. These are separate from your daily scanners. When the count is done, just put the Chainway scanners back in storage until the next count.

### Q: What should I do after physical inventory is done?

**A:** Key tasks after the count:

- Put Chainway scanners back in storage
- Start receiving and shipping again
- Fix bin locations for misplaced parts
- Deal with damaged items found during counting
- Save all reports for your records

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# ScanIt Parts

Physical Inventory Guide