

Background

When parts have been ordered and then returned because they are no longer needed, suppliers may apply a restocking fee, or they may refuse to accept the return altogether. The following conditions must be met before the shop may request reimbursement for these costs.

Rules

1. MPI approval is required for any non-returnable parts or restocking fees charged to the claim. Restocking and non-returnable parts will only be considered when costs are incurred for circumstances outside the shop's control. For example, a vehicle becomes a total loss due to a second claim.
2. Before restocking or non-returnable part costs will be considered, the shop must:
 - Receive customer consent to begin repairs via the [FRA Signature Sheet](#).
 - Obtain MPI approval on the first estimate (suffix 99) or first supplement (suffix 01).
 - Failing to confirm the accuracy of the preliminary MPI estimate will result in a denial of restocking or non-returnable parts costs.
 - Confirm that the parts are correctly identified on the estimate (make/model/trim/side of vehicle, etc.)
 - Confirm part availability and inform MPI of any backordered parts causing [repair delays](#).
 - List all required parts individually in the provided explanation line.

All requests are subject to audit and part selection reviews.

Examples

A repair shop has received customer consent as well as MPI approval on their direct repair estimate. The shop schedules the customer to return later to have the vehicle repaired and then proceeds to order and receive the approved parts. During this time the customer is involved in a second accident which results in a total loss. This situation was outside the control of the repair facility, so they add the applicable My Template line and request the restocking fees incurred after the initial tear down estimate.

Parts Autonomy Privileges

Restocking fees or non-returnable part costs will not be considered for Parts Autonomy, or supplier of choice decisions made by the shop. All requests are subject to audit and part selection reviews.

Best Practices

Review the original invoice for information related to restocking or non-returnable parts. Typically, the supplier will include a deadline for parts returns. If the deadline is approaching and the customer has not returned for repairs, you may want to prompt the customer or consider proactively returning the parts.

Reference

See [MPI Parts Business Rules](#), section 2.4.1 for restocking and non-returnable parts.

See [Invoices](#) for requirements of an invoice supplied for the payment of restocking fees and non-returnable parts.

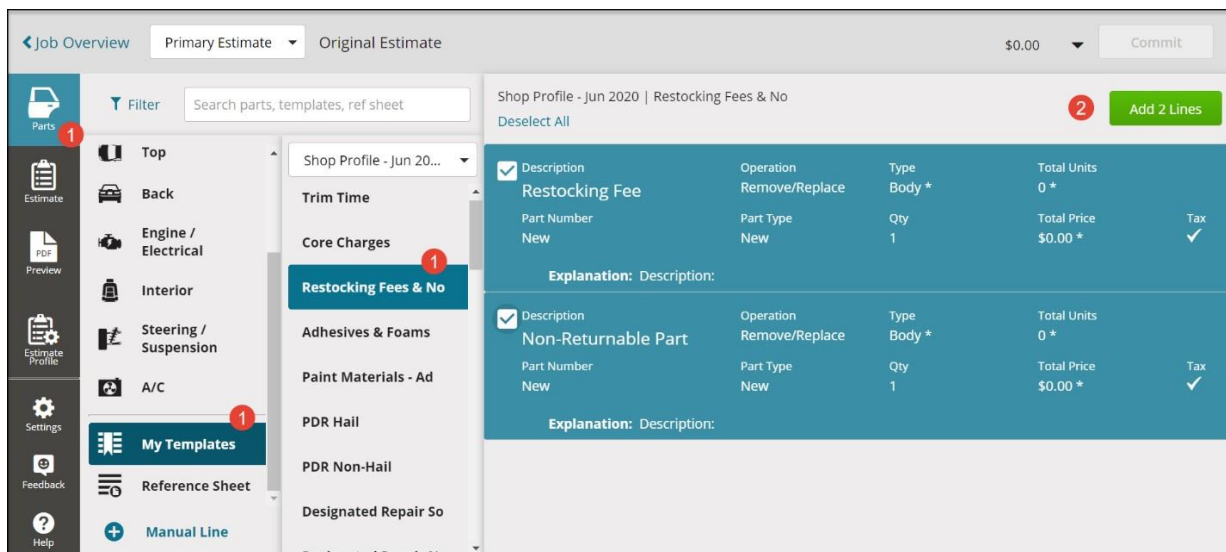
Procedure

Mitchell Cloud Estimating (MCE)

Follow the steps below to add a restocking fee or non-returnable part to an estimate.

Begin with the estimate open in Mitchell Cloud Estimating.

1. From the **Parts** tab, select the **Restocking Fees & Non-Returnable Parts** category in **My Templates**.
2. Select the **Restocking Fee** or **Non-Returnable Part** item and click **Add Line**.

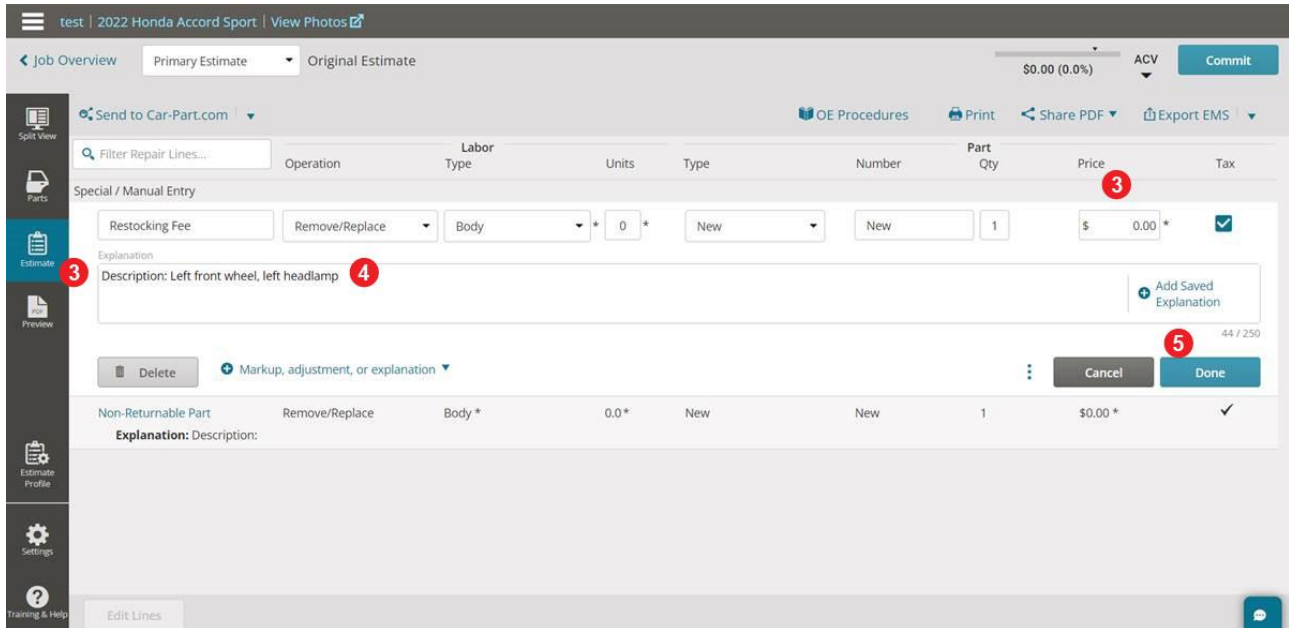


The screenshot shows the Mitchell Cloud Estimating interface. On the left, the 'Parts' tab is selected, and the 'My Templates' section is expanded to show 'Restocking Fees & Non-Returnable Parts'. Two items are added to the estimate:

| Description | Operation | Type | Total Units |
|---------------------------|----------------|--------|-----------------------|
| Restocking Fee | Remove/Replace | Body * | 0 * |
| Part Number: New | Part Type: New | Qty: 1 | Total Price: \$0.00 * |
| Explanation: Description: | | | |
| Non-Returnable Part | Remove/Replace | Body * | 0 * |
| Part Number: New | Part Type: New | Qty: 1 | Total Price: \$0.00 * |
| Explanation: Description: | | | |

Restocking Fees & Non-Returnable Parts

3. From the **Estimate** tab, select the applicable line item and input the cost of the fee, as indicated on the supplier's invoice, in the **Price** field.
4. Enter the part description in the **Explanation** line provided.
 - If the cost exceeds MPI's maximum allowance, calculate the difference and adjust the price.
5. Click **Done**.



The screenshot shows a software interface for a repair estimate. The top navigation bar includes 'test | 2022 Honda Accord Sport | View Photos'. Below this, there are tabs for 'Job Overview', 'Primary Estimate', and 'Original Estimate'. A 'Commit' button is visible in the top right corner.

The main area displays a table of repair lines. The first line is a 'Special / Manual Entry' with the following details:

| Operation | Labor Type | Units | Type | Number | Part Qty | Price | Tax | | | |
|----------------|----------------|-------|------|--------|----------|-------|-----|---|-----------|-------------------------------------|
| Restocking Fee | Remove/Replace | Body | * | 0 | * | New | New | 1 | \$ 0.00 * | <input checked="" type="checkbox"/> |

The 'Price' field is highlighted with a red circle 3. The 'Explanation' field contains the text 'Description: Left front wheel, left headlamp' and is highlighted with a red circle 4. Below the table, there are buttons for 'Delete', 'Markup, adjustment, or explanation', 'Cancel', and 'Done'. The 'Done' button is highlighted with a red circle 5.

The bottom of the screen shows a 'Non-Returnable Part' section with an 'Explanation: Description:' field. A sidebar on the left contains navigation icons for 'Split View', 'Parts', 'Estimate', 'Preview', 'Estimate Profile', 'Settings', and 'Training & Help'.

Revision History

- June 2021 - Updated formatting and added new standard sections (background, examples, parts autonomy privileges, best practices).
- September 2021 – Added Mitchell Cloud Estimating procedures and screenshots.
- June 2022 – Important information from background section used to create new rule #1.
- February 2023 – Rule section reorganized to better clarify shop responsibilities prior to restocking or non-returnable parts approval.
- August 2023 – Expanded rule 2 for shops to list all parts requiring restocking.