The Metrc discrepancies playbook: the nine mismatches a dispensary sees, what causes each, and the fix that holds

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budally.com/blog/metrc-discrepancies-playbook

> *Every class below has a name, a usual cause, the evidence to pull, and the action. BudAlly's reconciliation report labels variances by these classes; you can run the same triage from a Metrc export and a POS export. Counsel reviewed the regulatory notes;* `Pending counsel review` *marks state-specific thresholds pending the current rule text.*

The nine classes

#	CLASS	LOOKS LIKE	USUAL CAUSE	EVIDENCE	ACTION
1	**Timing**	POS sold 3 today; Metrc shows yesterday's quantity	Sales not yet reported (reporting window) or POS sync lag	Receipt timestamps vs Metrc `LastModified`	Wait for the window; if past it, class 2
2	**Unreported sale**	POS ticket exists; no Metrc receipt	POS reporting failure, offline register, voided-then-restored ticket	POS ticket ID, register log, Metrc receipts for the day	Report the sale; if beyond the state window, document the late report `Pending counsel review · window`

#	CLASS	LOOKS LIKE	USUAL CAUSE	EVIDENCE	ACTION
3	**Orphan receipt**	Metrc receipt exists; no POS ticket	Manual Metrc entry, duplicate report, test sale	Metrc receipt ID, who created it	Void the duplicate with a reason; never delete a POS ticket to match
4	**Unit of measure**	Grams vs each; 3.5 g sold as 1 each	Item configured in the wrong UoM in one system	Item definitions both sides	Fix the item definition; adjust once with "Entry error"; re-run
5	**Receiving short**	Manifest 30, counted 28	Supplier short-ship or damaged in transit	Manifest, count sheet, photos	Accept 28 in Metrc; invoice at 28 or credit memo; never "receive full and adjust later"
6	**Tag mismatch**	Invoice tag not on any manifest	Supplier invoice error or wrong package shipped	Invoice line, manifest packages	Hold the line; request a corrected invoice; don't receive against the wrong tag
7	**Split / conversion drift**	Bulk package minus deli sales ≠ Metrc remainder	Rounding on deli-style weights, tare errors	Scale log, per-sale weights	Count; adjust with "Scale variance" (or state equivalent) within tolerance; recalibrate
8	**Phantom stock**	Metrc > POS and > count	Theft, loss, breakage not recorded	Count, camera, incident log	Adjustment with the loss reason; state notification if above threshold `Pending counsel review · per state`

#	CLASS	LOOKS LIKE	USUAL CAUSE	EVIDENCE	ACTION
9	**Negative on-hand**	POS below zero	Sale rang on a package already finished in Metrc	Metrc package history, POS inventory	Fix the POS mapping; report the sale against the right package; never adjust Metrc upward to cover it

The order of operations

1. **Freeze the moment.** Same timestamp for Metrc export, POS export and count. Variances against different moments aren't variances.
2. **Match on tag, then quantity.** Package tag first; only then compare quantities. Tag-level mismatches (classes 3, 6, 9) are usually bigger problems hiding behind small numbers.
3. **Classify before adjusting.** Each line gets one class. Lines that fit none go to a person.
4. **Adjust with the reason that describes the cause.** The reason is the audit trail. "Other" invites the question.
5. **Record the fix to the cause**, not just the quantity: item definition changed, register re-synced, supplier notified.

Thresholds and clocks by state

STATE	RECONCILIATION CADENCE	VARIANCE THRESHOLD	LOSS / THEFT NOTICE
California	≤ 30 days (4 CCR §15051)	Operators work to 3% of monthly sales `Pending counsel review`	DCC within the rule's window `Pending counsel review`
Michigan	Per CRA rule `Pending counsel review · cadence`	`Pending counsel review`	CRA notice window `Pending counsel review`

STATE	RECONCILIATION CADENCE	VARIANCE THRESHOLD	LOSS / THEFT NOTICE
New York	Per OCM rule Pending counsel review	Pending counsel review	OCM Pending counsel review
New Mexico (NMS2S)	At least monthly (16.8.2.40 NMAC)	Pending counsel review	CCD; 24-h recall notice (16.8.9)

Stopping recurrence

- Classes 1–2: a daily sales match with a clock, not a monthly surprise.
- Classes 4, 7: item-definition lint — UoM, net weight, deli flag — checked on every catalog change.
- Classes 5–6: three-way match at receiving (PO ↔ manifest ↔ invoice) with accepted quantities; invoices never approved above accepted.
- Class 8: count cadence by category risk; camera retention aligned with the count calendar.
- Class 9: package-to-POS mapping verified at receive time, not sale time.

BudAlly runs the match nightly, classifies each line, drafts the adjustment with the reason, and holds it for approval — the reconciliation procedure.

Sources

1. Metrc — Packages, Sales and Transfers API documentation (California) · 2026
2. California DCC — 4 CCR §15051 inventory reconciliation · 2026
3. Michigan CRA — Metrc reporting and reconciliation guidance · 2026