Beginning Inventory Guidelines for New Jersey

Overview

This document is intended to guide you through the process of tagging and reporting your medical cannabis beginning inventory in Metrc. Although this guide is designed as a step-by-step tool, the information may be used at the discretion of your business processes. **The beginning inventory steps herein are not the same steps you will take to track your inventory in the system once your account is set up. Additionally, this guide will walk through how to reconcile outdated inventory information if the license has inventory entered before ceasing use of Metrc.**

There are two types of tagged inventory in Metrc: *Plants* and *Packages*.

Plants are Immature, Vegetative, or Flowering in Metrc. All plants must enter the system through immature plant batches. Plant tags are applied to plants in the Vegetative phase and remain with the plant until it is harvested.

Packages are created from immature plants, harvest batch product, concentrates, extracts, infused products or other packages.

Beginning September 30th, you will have until December 1st to add all current inventory into your license to ensure your Metrc inventory matches your physical inventory on hand.

Yellow tags in Metrc designate the plants and packages for medical licensees. Each licensed business will need to place a tag order in Metrc. Each tag order will arrive and display your facility license number, license business name, and the unique identification number for that tag. **Please note if you need expedited shipping for tags, you will reach out to Metrc Support after placing your order to provide the order number for which you were requesting expedited shipping.**

After you have placed your tag order, all Cultivator, Processor/Product Manufacturer, and Dispensary licensees must go into the "Admin" area and add all the Strains and Items (products) that the business license is currently carrying. Lastly, you will need to add the location of plants and packages within your facility for each license. Locations are used to electronically mirror the physical locations (or rooms) at your license.

Metrc tags are one-time use ONLY. If an error is made when assigning a tag to a plant, that plant's tag must be replaced using the "Replace Tag" option in the software. If an error is made when assigning a tag to a package, the package in question needs to be discontinued. Once discontinued, the weight or count in that package will return to the source package, harvest, or immature plant batch that the product was pulled from and that package can be found within the inactive tab of the packages grid in Metrc. A new package would need to be created with a new package tag associated to it.

Further details on all Admin related setup and tagging corrections can be found in the New Jersey Metrc Supplemental User Guide and is covered in the Metrc New Business Training class which licensees can register for here.
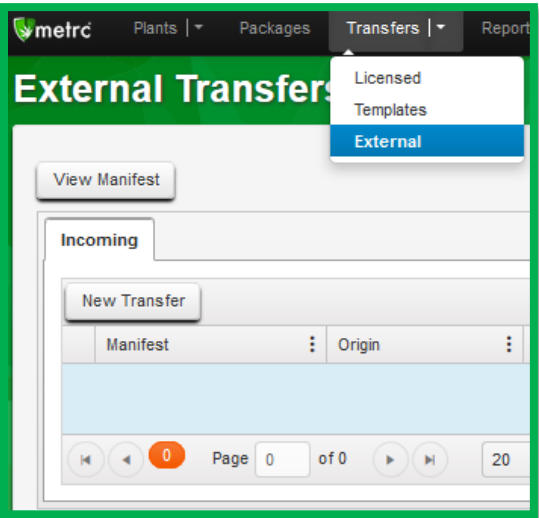
When reporting beginning inventory, newly created immature plant batches can be immediately transitioned to reflect the phase the plants are in (in the case of existing Vegetative and/or Flowering inventory).

Harvested inventory is assigned a unique identifying harvest batch name within the system for each strain specific harvest. It is considered a Metrc best practice for the harvest batch name to be the strain name of the harvested plants along with the date of the harvest. The weight of the plant is reported based on the weight at

harvest. Waste is reported from each harvest batch based on the weight of the waste when it is reported. The remaining weight in the harvest is left in the harvest in order to account for the moisture loss throughout the dry/cure process. Once the harvested product is ready, it will need to be packaged within Metrc. Packages, once they have been tested by a licensed testing facility and have passed required compliance testing, can then be added to transfer manifests then transferred to a processor/product manufacturer for further processing or a Dispensary/Store for sale.

External Incoming Transfers Steps

External Incoming Transfers are a two-step process which will require going into the External Transfers Grid to create and receive the transfer into the active inventory. This process is intended for any license (Grower, Processor, and Dispensary) who has initial packaged inventory on hand. External incoming transfers should be used for all license inventory except live immature or mature plants in a Grower license. **Both steps must be completed in order for the tagged packages to be reflected in your Metrc inventory.**
The two-step process is as follows:

Step 1: Creating an External Incoming Transfer
Once you have selected "External" under the Transfers tab on the navigation bar, click on "Incoming." Create the incoming external transfer by clicking the "New Transfer" button (above image). This will bring up the screen (below image) where you will enter the required information to begin the process of receiving beginning inventory. You should complete the fields as follows:

Type: Select the Beginning Inventory Transfer option from the dropdown menu.
Phone Number: Enter a valid phone number. This can be designated as the business phone number.
Planned Route: This can be stated as "Received and weighed at the Licensed Business Number".
Item Name, Quantity, and Packaged Date: These fields correspond to the specific items and quantities being transferred. The date packaged should be the day that you are entering the items into Metrc. The quantities should be exact and should account only for the product being received.

Creating a pending incoming transfer from Step 1 does not immediately associate Metrc package tags with those items. Without completing the transfer, a licensee will not show the proper inventory and will not be in compliance with inventory reconciliation requirements.

You must complete Step 2 (below) to complete the incoming external transfer; clicking "Register Transfer" does not create tagged packages in your inventory.

Step 2: Completing the External Transfer

Licensees **MUST** have package tags available to complete this step.

To create tagged packages, a licensee must complete the pending incoming transfer by clicking the "Complete" button to the far right and then entering the required information. The quantities entered in Step 1 will be auto-populated; you should confirm the accuracy of the quantities and assign a unique **Yellow** Metrc package tag to each item. The tag assigned to the product in the system should be physically affixed to the associated product. Once the information is accurate and complete, click on the "Complete Transfer" button to create the packages with the specified quantities in your inventory.

Cultivations Only: Live Plant Reporting

After creating all of your beginning inventory packages, your licensed Metrc account should have all marijuana inventory reported within the license number other than any live immature or mature plants.

Seeds, clones, and plants that are currently growing under your license will now need to be entered within the Plants section of Metrc. All live plants, regardless of phase, will enter the plants as an Immature plant batch. If you are planning on **storing** seeds, meaning they would not be considered a live immature plant, then they would be reported as a package per the Beginning Inventory section above.

Follow the steps below to create the Immature Plant Batches and move beginning inventory plants from the Immature Batch you create to the Vegetative or Flowering phases.

Step 1: Once logged into Metrc, go to the Plants area on the long black navigational bar In the Plants grid, go to the Immature Tab and select "Create Plantings."

A preferred naming convention should be used for the Group Name. It is Metrc's best practice

recommendation for the Group Name to include the Strain Name and date of planting. The example (image above) would be how it is recommended to enter an immature plant batch of Blue Dream seeds for beginning inventory where the Group Name is labeled as **Blue Dream 2.15.21_Beginning Inventory.**
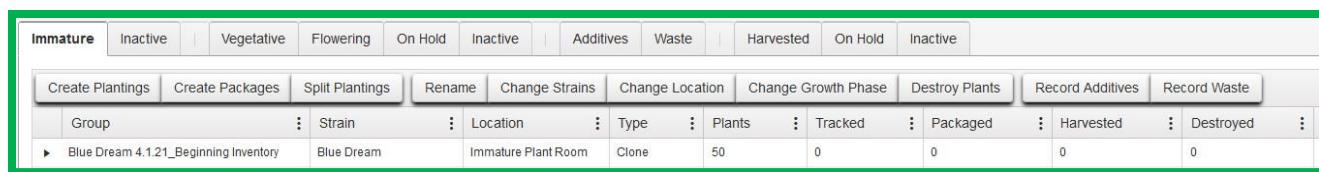
Strains and Locations must already have been entered in the Strains and Locations grids under the Admin area on the navigation bar for selection here. Use today's date (the date of entry) for the "Planting Date." Once the information has been entered, click on the "Create Plantings" Button.

The next steps describe how to move the Immature Plants to the Vegetative or Flowering Phase as needed to reflect where the physical inventory is located in the inventory.

Step 2: Select the relevant Immature Batch by clicking on it, then select the "Change Growth Phase" button.
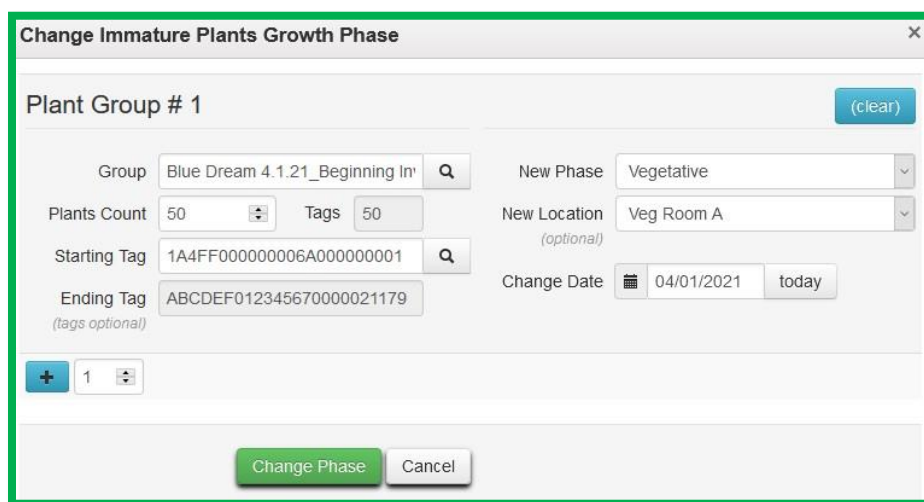

Step 3: Populate the required information and select the "Change Phase" button.

Please note that once plants are transitioned to the vegetative state in Metrc, applying tags is not optional. The Vegetative state is when the plant is 12" or able to support the weight of the RFID tag. The RFID plant tag should be securely fastened to a lower branch at the bottom of the stalk. Within the "Change Immature Plants Growth Phase" dialog box (pictured above) licensees can sequentially apply tags to the total number of plants transitioning phases. Alternatively, the plant tags can be individually assigned directly within the vegetative section.

Fill in the information top to bottom, left to right. That way you will have populated the Plants Count prior to selecting a Starting Tag from your available tags in the system. Doing it in this way allows the system to then auto-populate that number of tags in sequence for your use in identifying your beginning plants inventory. The physical plant tag must match the same tag they have been assigned in the Metrc system. Locations must
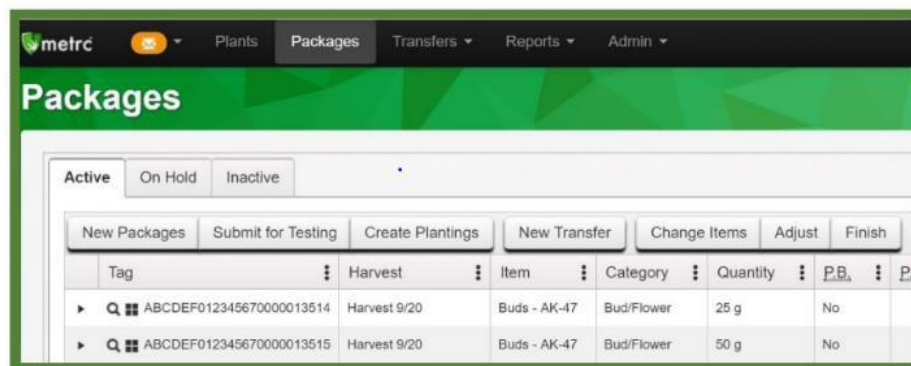
already have been entered in Locations under the Admin area on the navigation bar for selection here. Use today's date (the date of entry) for the "Growth Date".

Once you have entered all your plant inventory and updated it to its correct state, continue to track and update additional changes of your plants' development or phase changes as they occur. E.g., Vegetative Phase to Flowering Phase or Flowering Phase to Harvest.
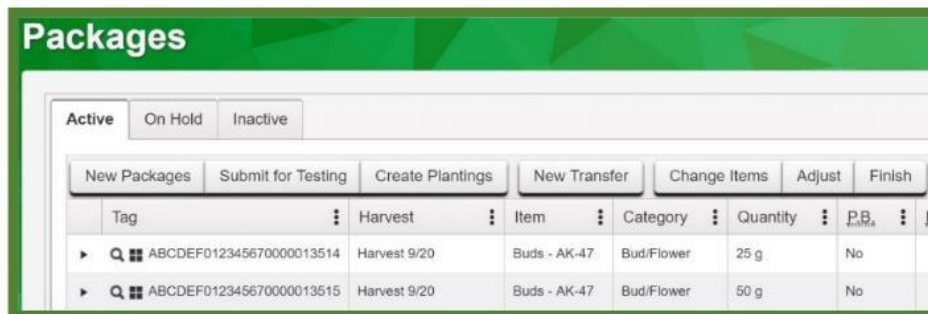
All Facilities: Product Packages

Any amount of marijuana that may be sold, processed, or transferred and must be placed into one or more containers, each having a unique Metrc tag. Your beginning inventory packages will not have a source identified. Once you're operating in the system, all packages must have a source identified.

Step 1: Navigate to the "Packages" area from the navigation bar

Step 2: Select "Active" and then "Create Packages"

Step 3: Populate the required information

Items must already have been entered under the Admin area on the navigation bar to be able to select here. Use today's date (the date of entry) for the "Package Date". Do not select the Production Batch checkmark box when entering beginning inventory.

Please reach out to the Metrc Support Team at support@metrc.com or 1-877-566-6506 with any questions. Resource materials can also be found underneath the "Support" dropdown in Metrc.