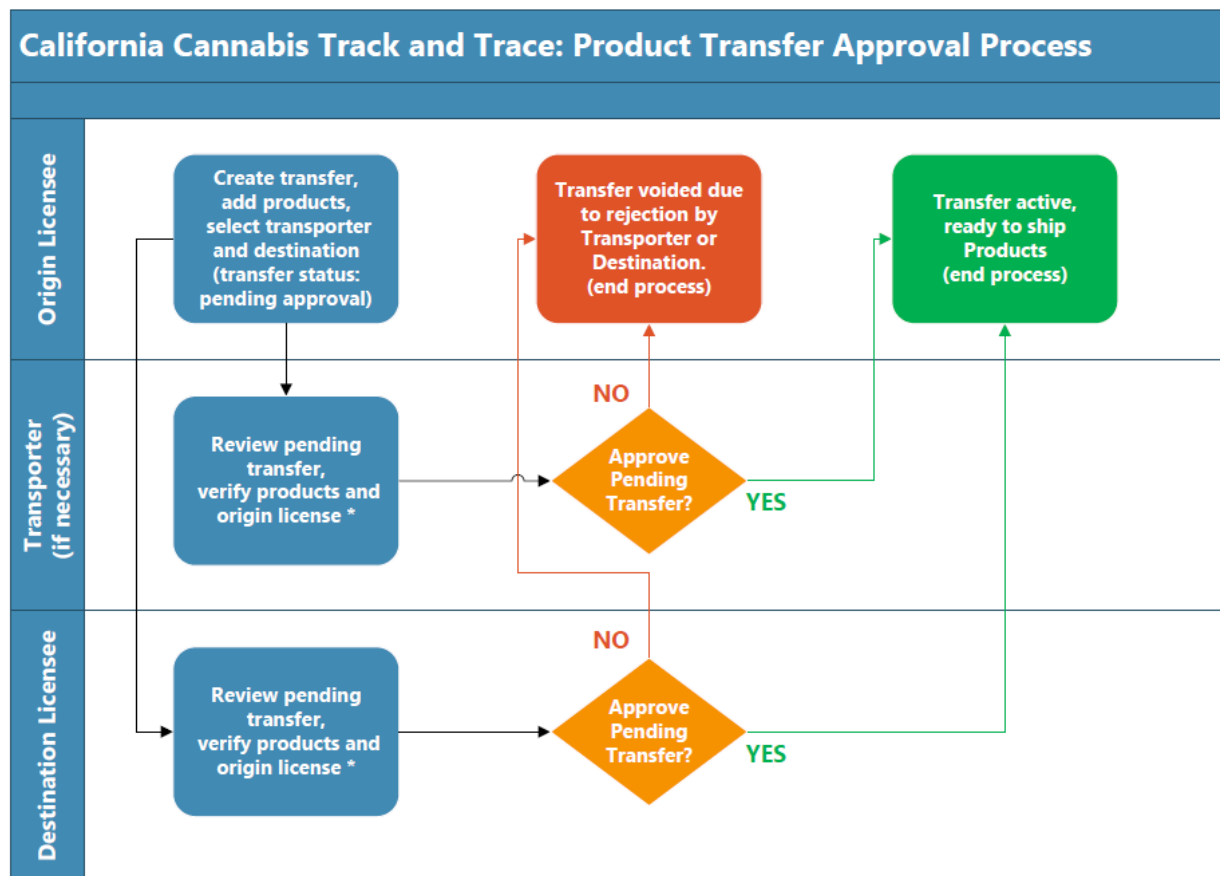


Bulletin Number: CA_IB_2023_008	Distribution Date: 11/22/2023	Effective Date: 1/2/2024
Contact Point: Metrc Support	Subject: Transfer Approvals	
Reason: Information on the latest feature that requires destination and transporter licensees to review and approve pending transfers.		

Greetings,

Update 11/22/2023: The effective date for this functionality has been updated to January 2, 2024.

Beginning January 2, 2024, there will be a new transfer approval process in the California Cannabis Track and Trace system. Licensees transporting and receiving a transfer will be required to review and approve, or reject, a transfer before a manifest is generated to allow the transfer of inventory from one license to another. The diagram below outlines the new process.



*Note: During the Review step, Transporters and Destination licensees can pre-set approval of incoming transfers from the selected originating licensee

Please read the following for more information regarding this new functionality, including how to approve or reject a transfer using the new functionality that is scheduled to be available on 12/04/2023. In addition, Frequently Asked Questions are included at the end of this document.

Creating a Transfer

The actions to create a transfer will remain the same.

Reviewing and Editing Transfers

Origin licensees

Licensees who are creating a transfer will see a new outgoing 'Pending Approval' tab – see **Figure 1**. This will allow the origin licensee to view transfers pending approval.

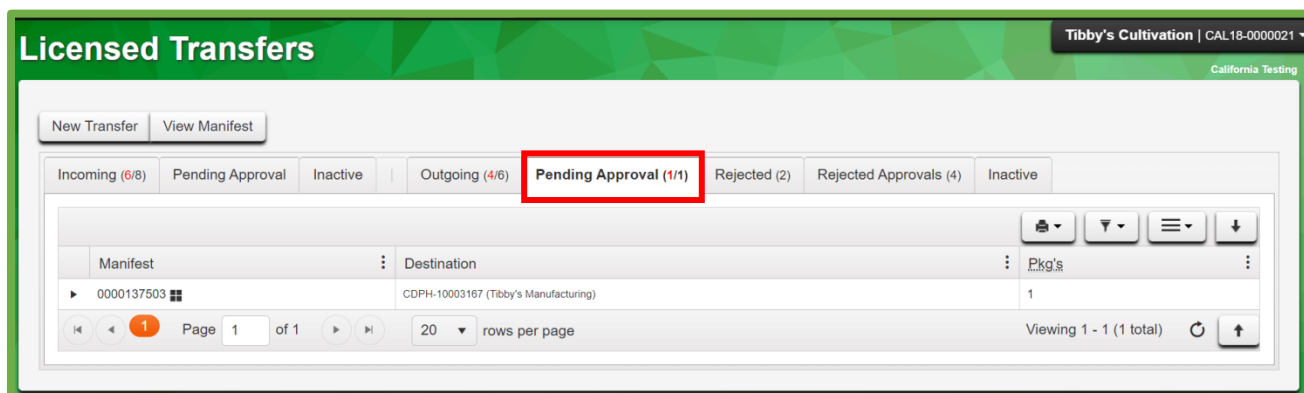


Figure 1: Outgoing Pending Approval Tab

Once the transfer populates on the outgoing 'Pending Approval' tab, origin licensees can reach out to the destination and/or transporter licensee to prompt action and avoid delays in the approval process.

To edit a transfer, or void a transfer, click on the "Outgoing" tab and use the 'Edit' or 'Void' buttons.

If any edits are made and the destination licensee and/or transporter licensee has already approved the transfer, the transfer must be approved again to generate a manifest.

Destination and Transporter licensees

Additional features will be visible to destination and transporter licensees on the Licensed Transfers page. To review and approve or reject an incoming transfer, click on the Incoming 'Pending Approval' tab – see **Figure 2**.

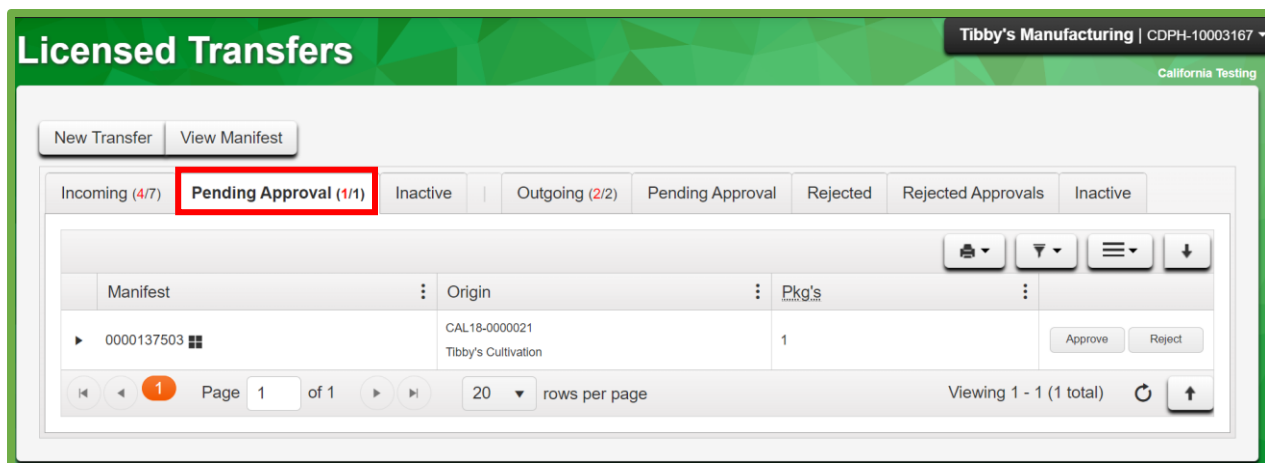


Figure 2: Incoming Pending Approval Tab on Licensed Transfer Page

Transporter licensees

While managing active transfers on the Transfers Hub using the 'Transfers' tab, transporting licensees can also access transfers that are pending approval on the new 'Pending Approval' tab – see **Figure 3**.

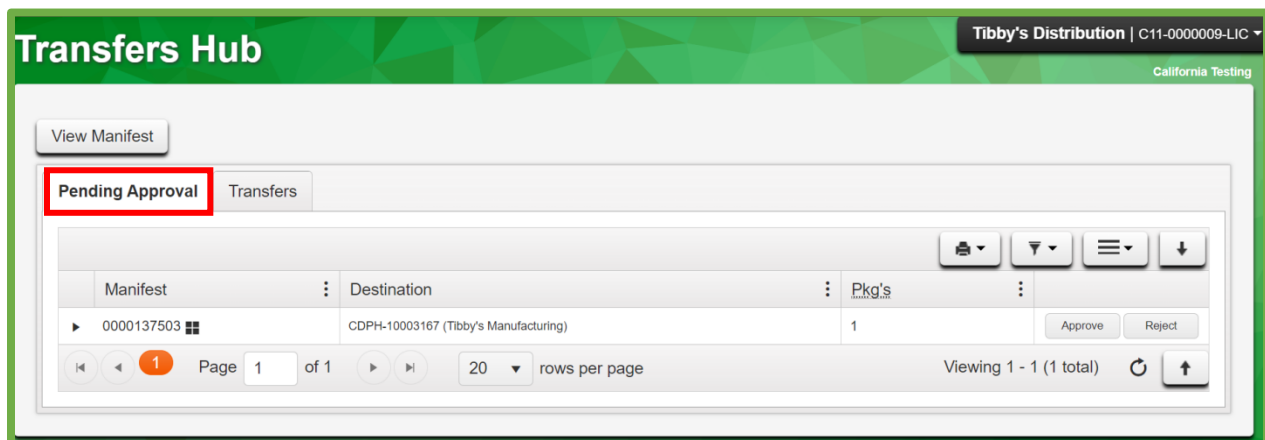


Figure 3: Incoming Pending Approval Tab on Transfers Hub Page

All licensees

The manifest cannot be generated while a transfer is pending approval. However, once both the destination and transporter licensees have approved the transfer, the manifest can be generated using the 'View Manifest' button to view, print, and/or save the manifest.

Approving a Transfer

The destination licensee and transporter licensee can either approve or reject the transfer by selecting the appropriate button to the far right-hand side of the transfer row on the Incoming “Pending Approval” tab – see **Figure 4**. These actions can be taken on the Licensed Transfer grid or the Transfer Hub grid.

Transfers that are not approved by both the destination and transporter licensees or are not rejected by either licensee within 48 hours of creation of the transfer, will be automatically canceled.

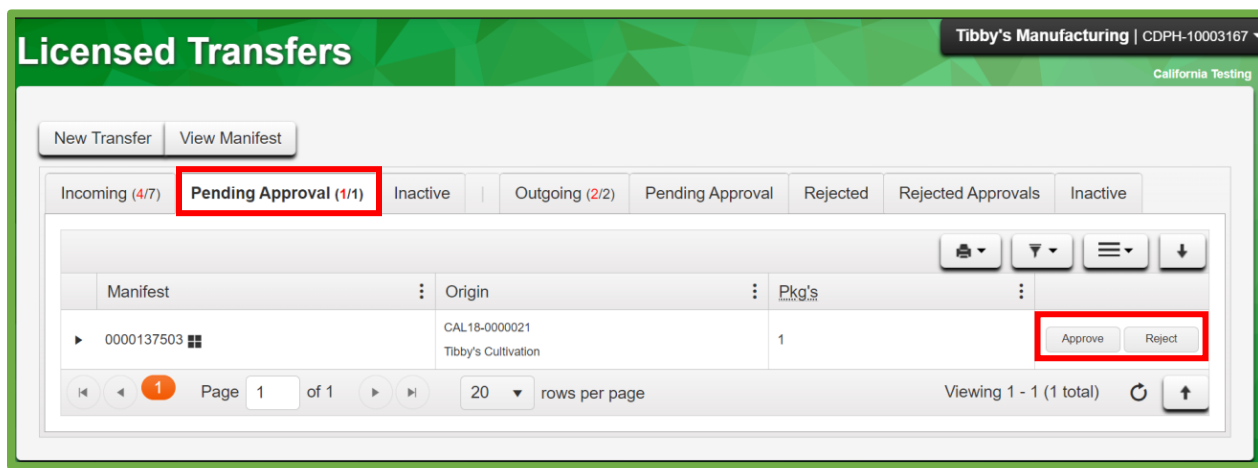


Figure 4: Approve/Reject buttons for incoming transfers

When the ‘Approve’ button is selected, the Approve Transfer action window will open to provide a summary of the transfer. After reviewing the transfer summary, the licensee will have two options available to move forward with finalizing approval of the transfer as displayed – see **Figure 5** on the following page.

Option 1: Approve the transfer

To finalize transfer approval, the destination or transporter licensee should select the green ‘Approve Transfer’ button.

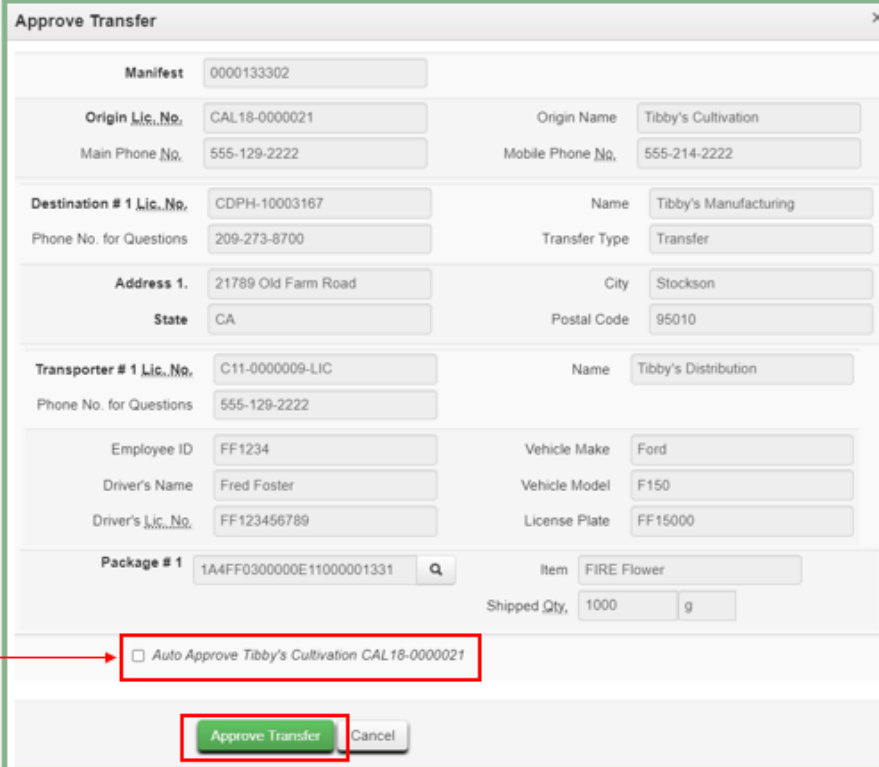
Option 2: Auto Approve the transfer

This option allows the receiving licensee to pre-set approval of incoming transfers from the selected originating licensee. The auto approval will remain in effect for 365 days or until the receiving licensee cancels the auto approval (see section *Managing Approved Shippers* below) or until the licensee rejects a transfer from the origin licensee.

Note: It is critical that licensees review transfers for accuracy. This feature is intended to aid businesses with a history of having previous shipments executed accurately and in a

timely manner within the system, and with established agreements, to receive reoccurring shipments from other businesses.

To auto-approve the transfer, the destination or transporter licensee should click the 'Auto Approve' checkbox and then select the green 'Approve Transfer' button.



Optional Auto Approve checkbox

Manifest: 0000133302

Origin Lic. No.: CAL18-0000021
Main Phone No.: 555-129-2222
Origin Name: Tibby's Cultivation
Mobile Phone No.: 555-214-2222

Destination # 1 Lic. No.: CDPH-10003167
Phone No. for Questions: 209-273-8700
Name: Tibby's Manufacturing
Transfer Type: Transfer

Address 1: 21789 Old Farm Road
City: Stockton
State: CA
Postal Code: 95010

Transporter # 1 Lic. No.: C11-0000009-LIC
Phone No. for Questions: 555-129-2222
Name: Tibby's Distribution

Employee ID: FF1234
Driver's Name: Fred Foster
Driver's Lic. No.: FF123456789
Vehicle Make: Ford
Vehicle Model: F150
License Plate: FF15000

Package # 1: 1A4FF0300000E11000001331
Item: FIRE Flower
Shipped Qty: 1000 g

☐ Auto Approve Tibby's Cultivation CAL18-0000021

Approve Transfer Cancel

Figure 5: Approve Transfer window

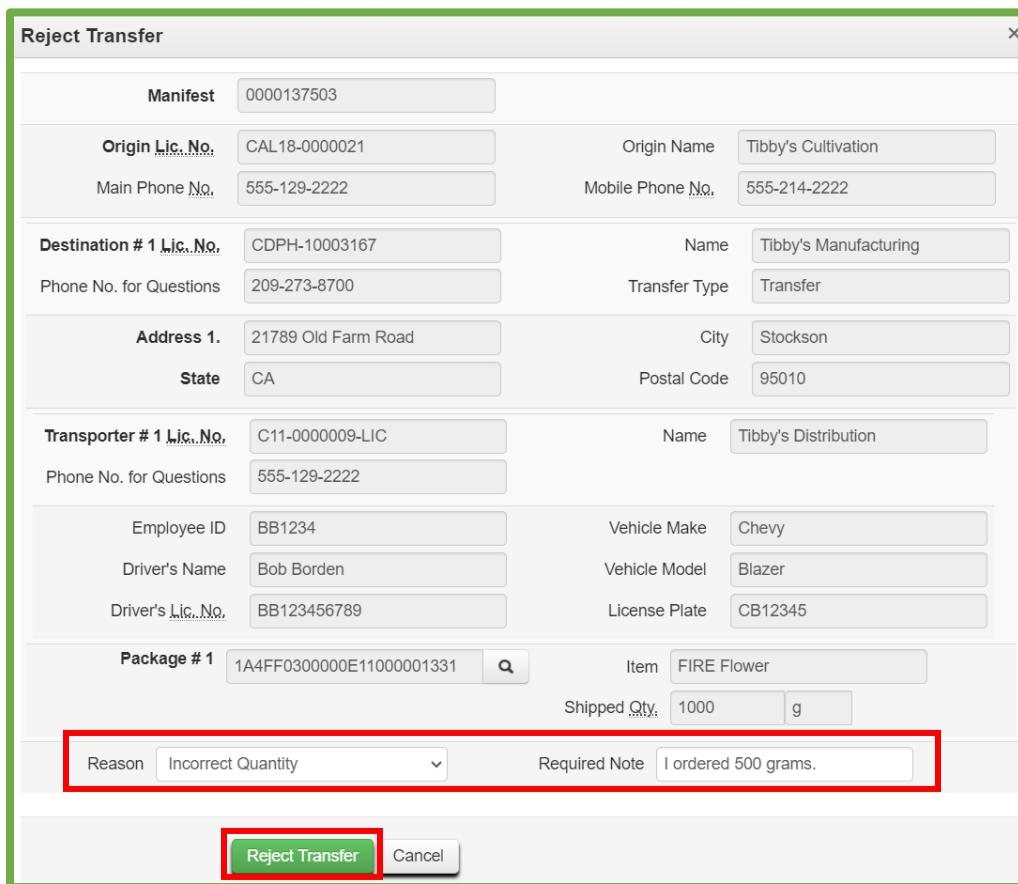
When both destination and transporter licensees have approved the transfer, the transfer moves to the 'Incoming' tab in the Licensed Transfer grid for the destination licensee. In addition, the transfer becomes visible to the transporter licensee on the 'Transfers' tab in the Transfers Hub grid. Current transfer functionality resumes as normal from this point forward.

If a licensee does not wish to proceed with the approval of the transfer, click the 'Cancel' button.

Rejecting a Transfer

The destination licensee and transporter licensee can reject the transfer if they do not agree with the transfer information as displayed and do not wish to move forward with the transfer by selecting the 'Reject' button – see **Figure 4**. Transporter licensees can also reject transfers from 'Pending Approval' tab on the Transfers Hub grid.

When the 'Reject' button is selected, the Reject Transfer action window will appear to provide a summary of the transfer. After reviewing the transfer summary, and to move forward with rejecting the transfer, click on the 'Reason' dropdown and select the appropriate reason. Then, navigate to the 'Required Note' free text field and enter a rejection explanation. Once finalized, click the green 'Reject Transfer' button – see **Figure 6**.



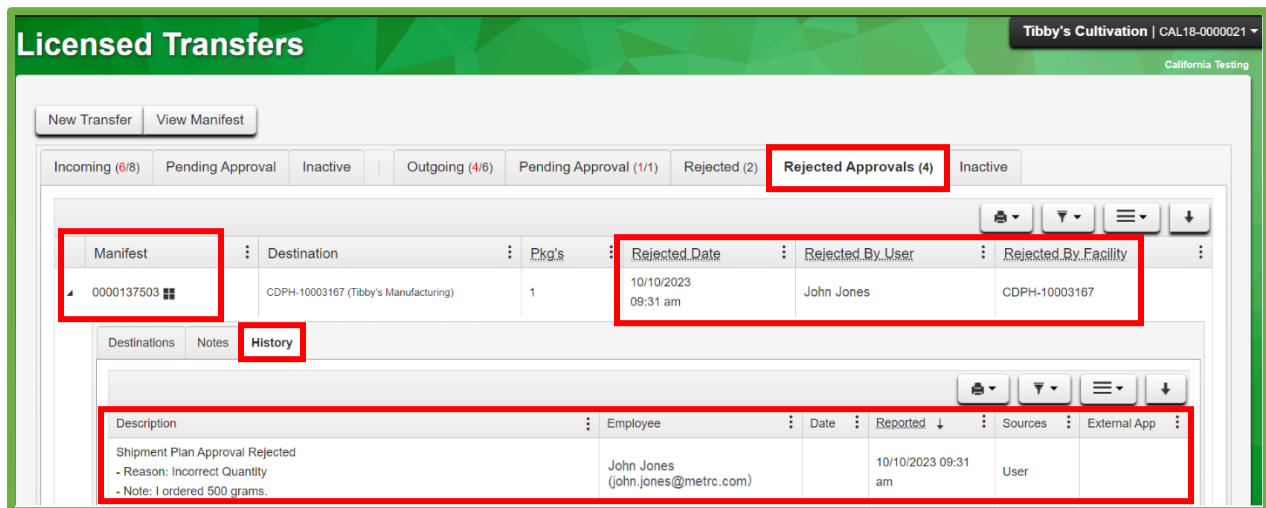
Manifest		0000137503	
Origin Lic. No.	CAL18-0000021	Origin Name	Tibby's Cultivation
Main Phone No.	555-129-2222	Mobile Phone No.	555-214-2222
Destination # 1 Lic. No.	CDPH-10003167	Name	Tibby's Manufacturing
Phone No. for Questions	209-273-8700	Transfer Type	Transfer
Address 1.	21789 Old Farm Road	City	Stockson
State	CA	Postal Code	95010
Transporter # 1 Lic. No.	C11-0000009-LIC	Name	Tibby's Distribution
Phone No. for Questions	555-129-2222		
Employee ID	BB1234	Vehicle Make	Chevy
Driver's Name	Bob Borden	Vehicle Model	Blazer
Driver's Lic. No.	BB123456789	License Plate	CB12345
Package # 1	1A4FF0300000E11000001331	Item	FIRE Flower
		Shipped Qty.	1000 g
Reason	Incorrect Quantity		
Required Note	I ordered 500 grams.		
Reject Transfer Cancel			

Figure 6: Reject Transfer window

If the transfer was previously approved by either the transporter or the destination licensee but the licensee who originally approved the transfer no longer wishes to approve, the 'Reject' button can still be used up until the other licensee involved in the transfer approval process has approved or rejected the transfer.

If either the destination, or transporter, rejects the transfer it will be immediately canceled and will no longer be visible to the destination and transporter licensees.

The origin licensee can view rejected transfers on the 'Rejected Approvals' tab in the Licensed Transfers grid, including information on the licensee that rejected the transfer. The reason for the rejection and any notes that were entered by the licensee rejecting the transfer can be found in the transfer drill down in the 'History' tab – see **Figure 7**.



The screenshot shows the 'Licensed Transfers' interface with the 'Rejected Approvals (4)' tab selected. A table lists rejected transfers with columns: Manifest, Destination, Pkg's, Rejected Date, Rejected By User, and Rejected By Facility. One entry is highlighted with a red box. Below this, the 'History' sub-tab is selected, showing a detailed view of the rejection with columns: Description, Employee, Date, Reported, Sources, and External App. The description includes the reason for rejection and a note.

Manifest	Destination	Pkg's	Rejected Date	Rejected By User	Rejected By Facility
0000137503	CDPH-10003167 (Tibby's Manufacturing)	1	10/10/2023 09:31 am	John Jones	CDPH-10003167

Description	Employee	Date	Reported	Sources	External App
Shipment Plan Approval Rejected - Reason: Incorrect Quantity - Note: I ordered 500 grams.	John Jones (john.jones@metrc.com)		10/10/2023 09:31 am	User	

Figure 7: Rejected Approvals tab

The value in the 'Rejected By Facility' column can be used to differentiate automatically canceled transfers from rejected transfers. For automatically canceled transfers, it is populated with the license number of the origin licensee, and for rejections, it is populated with the license number of the destination licensee or transporter licensee who rejected the transfer.

Important reminder: Transfers that are not approved by both the destination and transporter licensees or are not rejected by either licensee within 48 hours of creation of the transfer will be automatically canceled.

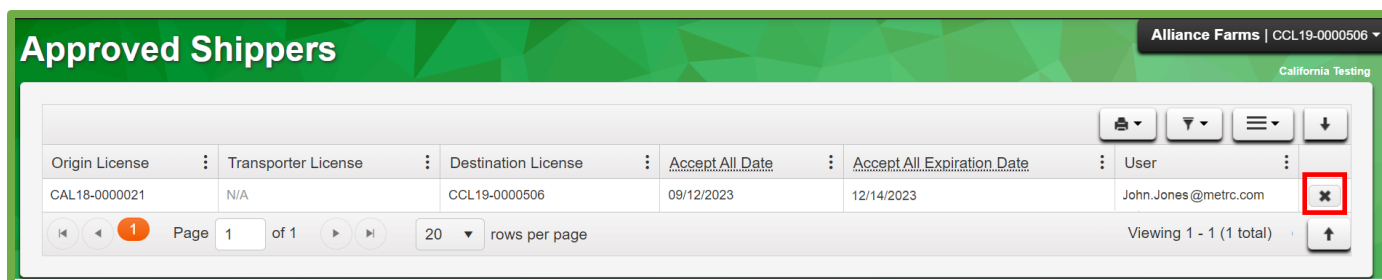
Managing Approved Shippers

As noted in the previous *Approving a Transfer* section, a destination or transporter licensee can choose to select the 'Auto Approve' checkbox to pre-approve reoccurring transfers. When this checkbox is selected, an entry is logged in the 'Approved Shippers' grid, which is accessible from the Admin area on the navigational toolbar.

The Approved Shippers grid displays origin licensee information and includes:

- Notation of which license – Transporter, Destination, or both – has approved the transfer.
- Date the auto-approve checkbox was selected displays under the 'Accept All Date' column.
- Date the auto-approval will expire displays under the 'Accept All Expiration Date'.
- Who took the action displays under the 'User' column.

Users with the "Manage - Approved Shippers" permission can use the 'Discontinue' button, shown as an "X", to remove an auto-approval and resume the manual approval process for a particular origin licensee prior to the expiration date – see **Figure 8**.



Origin License	Transporter License	Destination License	Accept All Date	Accept All Expiration Date	User	
CAL18-0000021	N/A	CCL19-0000506	09/12/2023	12/14/2023	John.Jones@metrc.com	X

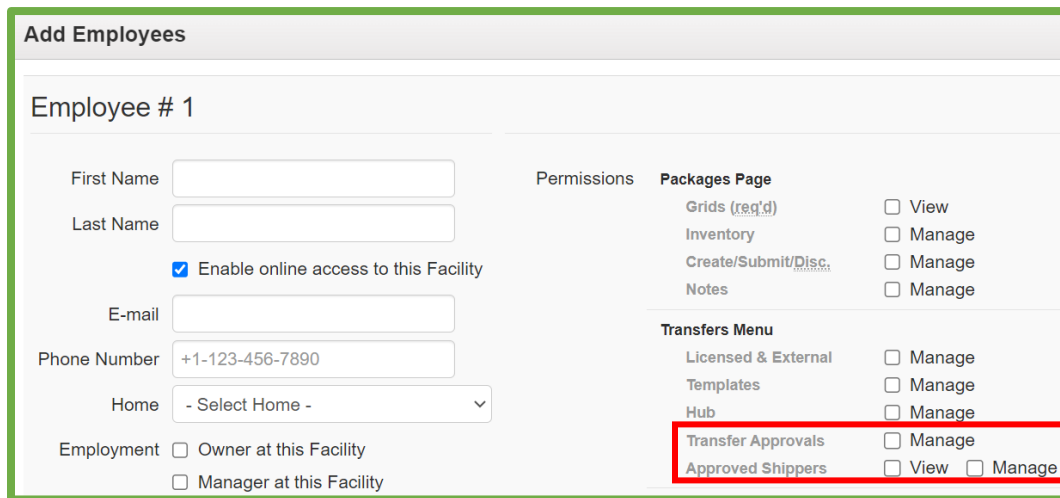
Page 1 of 1 | 20 rows per page | Viewing 1 - 1 (1 total)

Figure 8: Approved Shippers grid

New Employee Permissions for Transfer Approvals

The existing Manage Licensed & External transfers permission allows an employee to view the transfer approval tabs.

To allow employees to manage 'Transfer Approvals' and to view and manage 'Approved Shippers', additional employee permissions must be granted – see **Figure 9**.



Add Employees

Employee # 1

First Name

Last Name

☒ Enable online access to this Facility

E-mail

Phone Number

Home

Employment ☐ Owner at this Facility
☐ Manager at this Facility

Permissions

Packages Page

Grids (req'd)	<input type="checkbox"/> View
Inventory	<input type="checkbox"/> Manage
Create/Submit/Disco	<input type="checkbox"/> Manage
Notes	<input type="checkbox"/> Manage

Transfers Menu

Licensed & External	<input type="checkbox"/> Manage
Templates	<input type="checkbox"/> Manage
Hub	<input type="checkbox"/> Manage
Transfer Approvals	<input type="checkbox"/> Manage
Approved Shippers	<input type="checkbox"/> View <input type="checkbox"/> Manage

Figure 9: Employee Permissions for Transfer Approvals

These additional permissions are accessible to account managers by navigating to the Add/Edit Employees window > Transfers Menu section. Each new permission is defined as follows:

Transfer Approvals permission

- **Manage:** Marking this checkbox allows employees to approve and reject incoming transfers.

Approved Shippers permission

- **View:** Marking this checkbox allows employees to view the Approved Shippers grid as described in the *Manage Approved Shippers* section above.
- **Manage:** Marking this checkbox allows employees to mark the Auto Approve checkbox to opt out of reviewing or approving future individual transfer requests from the origin licensee as described in the Approving/Rejecting Transfers section above, as well as discontinuing any prior approvals that were granted as described in the Managing Approved Shippers section above.

Metrc Resources

If you have any questions, or need additional support:

Contact Metrc Support: Email Support@metrc.com or call 877-566-6506

Metrc Learn: Metrc Learn is designed to offer educational opportunities to enhance users' skills with the Metrc system and provides various training options based on experience level. In addition, the learning system is organized into facility-specific programs made up of various courses. To login, visit [Metrc Learn](#) and enter your login credentials, or to access, register by visiting the [Metrc Learn Registration](#).

Access additional resources: In the Metrc system, click on the "Support" dropdown in the top-right navigation pane and select the appropriate resource, including educational guides and more.

Thank you for your continued partnership.

Transporter and Destination Transfer Approvals FAQ

The Department of Cannabis Control and Metrc will be implementing a change in the California Cannabis Track and Trace system on December 4, 2023, to require that Transporter and Destination licensees approve incoming cannabis product transfers prior to physical product movement.

See below for Frequently Asked Questions surrounding this change:

Q: What process will licensees follow to account for this change?

A: CA Industry Bulletin CA_IB_2023_008 describes the functionality updates including a process flow diagram, and step by step illustrations and guidance on how to use the functionality.

Q: Do all licensees need to participate in this change?

A: All licensees who transfer products from their licensed premises to another licensed premises or receive transferred products from another licensed premises will need to participate.

Q: How long do licensees have to approve Pending Transfers?

A: Transporter and destination licensees will have 48 hours to approve a Pending Transfer. If the transfer is not approved by both the transporter and destination licensees in that time frame, the transfer will be automatically canceled, and the originating licensee will need to start the process over again.

Q: If I do business with another licensee frequently, can I obtain an exemption from the Transfer Approval functionality?

A: The functionality has a feature that addresses this exact operational need. The “Auto Approve Transfer” option allows the receiving licensee to pre-set approval of incoming transfers from the selected originating licensee. The auto approval will remain in effect for 365 days or until the receiving licensee cancels the auto approval.

Q: Will my third-party software provider take care of this within my POS system or other integrated software?

A: No, since all transfers are currently executed within the Metrc user interface, third-party software cannot complete this action.

Metrc LLC

For additional support:

Email Support@metrc.com or call 877-566-6506