Toolkit · Operate SOP Updated November 22, 2026

Inventory Tracking and Seed-to-Sale SOP

The inventory and tracking requirements in the Cannabis Control Act and the CCA draft rules, each cited: the state seed-to-sale system, tagging and batch IDs, the initial, weekly, monthly and annual inventories, wholesale transfer records, hemp extract receipts, quarantine and first-in first-out, record systems, and reporting a discrepancy.

Who needs it: Every marijuana establishment: cultivation, processing, retail, microbusiness, transporter, delivery, testing; Dual-use medical operators; Regulated hemp product retail facilities (the draft monthly inventory rule).

Rule basis: Code of Virginia §§ 4.1-606 B 8, 4.1-611, 4.1-703, 4.1-800 B, 4.1-801 C, 4.1-802 B 6, 4.1-803 C, 4.1-804 C, 4.1-805 B, 4.1-806 E, 4.1-1404 E; HB 30 enactment 18; draft rules 3VAC10-30-10, -20 C, -130 A 2, 3VAC10-40-40 to -90, -100 A 7, -150, 3VAC10-50-20 D, -50 D, 3VAC10-60-40 C (proposed).

Citations starting **3VAC10** are the Cannabis Control Authority's draft proposed adult-use regulations dated September 9, 2026: **proposed, not final, may change**. Citations starting **§ 4.1** are the Code of Virginia as amended by HB 30, Chapter 1 (2026). The section "What other states required or scored" is reference only and is not Virginia law.

We report what the law says. Not legal advice; see the disclaimer.

Virginia law requires the Board to run a seed-to-sale tracking system and requires every license type to track the marijuana it handles from receipt until it leaves the licensee's hands or is destroyed. The CCA's draft rules add individual tags, batch identifiers, a schedule of inventories, transfer records and a three-year retention period. Citations to 3VAC10 are to the CCA's draft regulations dated Sept. 9, 2026 (proposed, not final; they may change before adoption).

What Virginia requires

The state tracking system (statute)

- The Board "shall develop and maintain a seed-to-sale tracking system that tracks marijuana from either the seed or immature plant stage until the marijuana or marijuana product is sold, dispensed, or destroyed" (Code of Virginia § 4.1-611).
- The Board must establish that system by Feb. 1, 2027 (HB 30, 2026 Sp. Sess. I, c. 1, enactment 18).
- The Board's regulations must set "the form, content, and retention of all records and accounts by all licensees and by any person selling a regulated hemp product" (§ 4.1-606 B 8) and provide alternative methods to keep business records, including approved electronic and offsite storage (§ 4.1-606 B 9).

What each license type tracks (statute)

License	Tracking starts	Tracking ends	Cite
Cultivation facility	Seed or immature plant	Transport or transfer to a testing facility, transporter, another cultivator, a processor or a retail store, or disposal or destruction	§ 4.1-800 B
Processing facility	Delivery or transfer of marijuana to the processor	Delivery or transfer to another processor, a retail store, a testing facility or a transporter, or disposal or destruction	§ 4.1-801 C
Retail store	Delivery or transfer to the store	Sale to a consumer, transfer to a testing facility or delivery operator, or disposal or destruction	§ 4.1-802 B 6
Microbusiness	Same requirements as cultivation, processing and retail	Same	§ 4.1-803 C
Transporter	Delivery or transfer to the transporter	Transfer to a processor, transporter, retail store, microbusiness or testing facility, or disposal or destruction	§ 4.1-804 C
Delivery operator	Transfer to the delivery operator	Delivery or transfer to the consumer, or disposal or destruction	§ 4.1-805 B
Testing facility	Receipt from a licensee for testing	Disposal or destruction	§ 4.1-806 E

Records the statute requires

- Every licensed establishment keeps “complete, accurate, and separate records” of all marijuana it cultivated, purchased, processed, sold, developed, researched, tested or shipped (§ 4.1-703 A).
- Retail stores and microbusinesses keep records of all purchases of marijuana products, the prices charged, and the names and addresses of the sellers; preserve purchase invoices for the period set by Board regulation; and keep “an accurate account of daily sales, showing quantities of marijuana products sold and the total price charged” (§ 4.1-703 B).
- Electronic records of retail stores and microbusinesses may be stored off-site if readily retrievable and available for electronic inspection at the licensed premises (§ 4.1-703 B).
- Testing facilities keep the names and addresses of all licensees or persons who submit marijuana to them (§ 4.1-703 C).
- Board agents have free access during reasonable hours to premises and all records; for stores and microbusinesses, “reasonable hours” means 9 a.m. to 5 p.m. or the hours the business is open to the public, and records not available at other times are provided to an agent within 24 hours of a request (§ 4.1-703 D).
- Previously tested product may be resold without retesting only if, among other conditions, “tracking from immature marijuana plant to the point of retail sale has been maintained” (§ 4.1-1404 E 3).

Tagging and batches (draft)

- The electronic tracking system is defined as an RFID seed-to-sale system that tracks marijuana from seed or immature plant until sold or destroyed, with a central inventory management system and standard and ad hoc reporting (3VAC10-30-10, draft).
- A license issues only with “evidence of utilization of an electronic tracking system” (3VAC10-30-130 A 2, draft).
- Each establishment implements and maintains an electronic tracking system as prescribed by the CCA (3VAC10-40-40 A, draft).
- All marijuana is identified, monitored and tracked through a unique identifier assigned at seed acquisition or plant propagation (3VAC10-40-40 B, draft).
- Each harvest or production lot is separated and assigned a unique batch identifier traceable in the statewide system (3VAC10-40-40 B, draft).
- All marijuana inventory, including immature plants, seeds and mature plants, is “physically tagged and tracked individually with unique identifier tags that are easily accessible and plainly visible” (3VAC10-40-40 B, draft).

- Before sampling, harvest lots are separated into batches of no more than 50 pounds and concentrate production lots into batches of no more than 20,000 units; each batch number is documented in the tracking system for at least three years (3VAC10-60-40 C, draft).
- Each certificate of analysis is uploaded to the seed-to-sale system (3VAC10-50-20 D, draft).
- The establishment keeps a record of all marijuana through cultivation and processing until transferred, distributed or disposed of under 3VAC10-50-110 (3VAC10-40-40 C, draft).

Inventories (draft)

Inventory	When	Contents	Cite
Initial inventory of all marijuana and products	On commencing operation; if nothing is on hand, that fact is recorded as the initial inventory	Date, summary of findings, name, signature and title of the person conducting it	3VAC10-40-60 A and C 3
Weekly inventory of all plants, seeds, parts of plants and products in stock	Every week after commencing operation	Same minimum contents	3VAC10-40-60 D
Reconciliation of each product	At least monthly	Written explanation for any difference between physical count and theoretical count	3VAC10-40-60 E
Annual record of all plants, seeds, parts and products on hand	On the anniversary of the initial inventory or a date the PIC or responsible party chooses, not more than one year after the prior one	Complete and accurate record	3VAC10-40-60 G

- Ongoing inventory controls and procedures must “enable the facility to detect any diversion, theft, or loss in a timely manner” (3VAC10-40-60 B, draft).
- The responsible party ensures inventories are performed in cultivation and production areas, and the PIC or responsible party in the dispensing area (3VAC10-40-60 C 1, draft).

- Inventories are conducted by a pharmacist, pharmacy technician, responsible party, or designated supervisor who supervises cultivation or production activities (3VAC10-40-60 C 2, draft).
- Inventory tracking of all products received and dispensed shows the physical count of each product on hand at the time of the inventory (3VAC10-40-60 E, draft).
- The record of all products sold, dispensed or otherwise disposed of shows the date, the establishment's name, the name and address of the patient, parent, legal guardian or registered agent if applicable, the kind and quantity sold or disposed of, and the method of disposal (3VAC10-40-60 F, draft).
- All inventories, procedures and related documents are kept on the premises and made available to the Board (3VAC10-40-60 I, draft).
- Inventory records are kept for three years from the date of the inventory (3VAC10-40-60 J, draft).
- When an enforcement officer removes a sample or record, the officer tenders a receipt, which is kept at least three years (3VAC10-40-60 K, draft).

Regulated hemp product retail facilities (draft)

- An initial inventory on commencing operation; inventory controls able to detect diversion, theft or loss; and a complete record of all regulated hemp products, including all required certificates of analysis, "prepared and submitted to the authority monthly," with the same minimum contents as marijuana inventories (3VAC10-40-60 H, draft).
- A record of all regulated hemp products received, transferred, disposed of, sold or otherwise distributed (3VAC10-40-40 D, draft).

Wholesale transfers (draft)

- Product that has passed required tests and is packaged and labeled for sale with an expiration date may be wholesale distributed between establishments; untested, unpackaged product may move only between facilities licensed to process, label and package, labeled under 3VAC10-70-30 (3VAC10-40-50 A and B, draft).
- The distributing establishment creates a transaction record showing (i) the date; (ii) names and addresses of the distributing and receiving establishments; (iii) quantity or weight in each container; (iv) quantity of each type of container; (v) identification of contents, including type or form and strain name as appropriate; (vi) the unique batch identifier; and (vii) dates of harvest and packaging (3VAC10-40-50 D 1, draft). Subsection C lists a parallel set that adds testing, processing and expiration dates (3VAC10-40-50 C, draft).

- The distributor keeps the record with its distribution records, gives a copy to the receiver for its receipt records, and both keep it three years (3VAC10-40-50 C and D 2 and 3, draft).
- The distributor provides the receiver a copy of the lab results or electronic access to them (3VAC10-40-50 E, draft).
- An electronic system used for distribution records must meet 3VAC10-40-70 (3VAC10-40-50 G, draft).

Industrial hemp extract received (draft)

- An establishment acquiring industrial hemp extract ensures receipt of a transaction record showing the date, the names and addresses of the registered hemp dealer or processor and the receiving establishment, and the kind and quantity; the record is kept with receipt records and in the statewide tracking system for three years (3VAC10-50-50 D, draft).

Storage, quarantine and stock rotation (draft)

- Outdated, damaged, deteriorated, misbranded or adulterated product, or product with opened or breached packaging, is kept in a separate quarantined storage area until destroyed (3VAC10-40-80 A 2, draft).
- Written policies and procedures document the chain of custody of all marijuana (3VAC10-40-80 D 3, draft).
- Written policies and procedures for security, storage and inventory include methods for identifying, recording and reporting diversion, theft or loss “and for correcting all errors and inaccuracies in inventories” (3VAC10-40-80 F, draft).
- A procedure ensures “the oldest stock ... are used first,” with temporary and appropriate deviation permitted (3VAC10-40-80 F 4, draft).
- Licensees in shared space each comply with all inventory tracking, recordkeeping and security requirements unless the Board authorizes otherwise (3VAC10-40-90 C, draft).
- Initial employee training includes “proper use of the statewide seed-to-sale tracking system” (3VAC10-40-100 A 7, draft).

Record systems (draft)

- An electronic record system guarantees confidentiality, safeguards against erasures and unauthorized changes after entry and verification, and can be reconstructed after a computer malfunction or accident (3VAC10-40-70 A, draft).

- All records relating to inventory, laboratory results, and dispensing or sales are kept three years and made available to the Board on request (3VAC10-40-70 B, draft).
- On a change of ownership, dispensing or sales records for the prior two years go to the new owners on the date of the change (3VAC10-30-20 C 1, draft).
- A licensee under an administrative hold may voluntarily surrender held goods and identifies them in the seed-to-sale system (3VAC10-80-90 D 3, draft).

Reporting discrepancies (draft)

- "Diversion, theft, loss, or discrepancies identified during inventory" require immediate notice to law enforcement and the Board (3VAC10-40-150 A 1, draft), followed within 24 hours of discovery by a signed statement with the circumstances, an accurate inventory of the quantity and registered names of products involved, and confirmation that local law enforcement was notified (3VAC10-40-150 B, draft).
- Any loss or unauthorized alteration of records related to regulated products is also an immediately reportable event (3VAC10-40-150 A 3, draft).

Records and forms the rules name

Inventory record (minimum contents listed in 3VAC10-40-60 C 3, draft; same contents for hemp retail under 3VAC10-40-60 H)

Date of inventory	Type (initial, weekly, annual)	Summary of findings	Name of person conducting	Title	Signature

Monthly reconciliation (3VAC10-40-60 E, draft)

Product	Physical count	Theoretical count	Difference	Written explanation

Sale or disposition record (fields listed in 3VAC10-40-60 F, draft)

Date	Establishment name	Patient, parent, guardian or agent name and address (if applicable)	Kind and quantity	Method of disposal (if disposed)

Wholesale transaction record (fields listed in 3VAC10-40-50 D 1, draft)

Date	Distributor name and address	Receiver name and address	Quantity or weight per container	Number of each container type	Contents, form and strain	Unique batch ID	Harvest date	Packaging date

Daily sales account for retail stores and microbusinesses (§ 4.1-703 B)

Date	Quantities of marijuana products sold	Total price charged

What the law does not say

- The draft rules do not name the tracking system vendor; they require the system "as prescribed by the authority" (3VAC10-40-40 A, draft).
- The draft rules do not set a tolerance for the monthly reconciliation; every difference requires a written explanation (3VAC10-40-60 E, draft).
- The draft rules do not state a deadline for the written explanation beyond the monthly reconciliation itself.

What other states required or scored

Not required in Virginia. Shown so applicants can see what other regulators asked for.

Illinois (410 ILCS 705/15-30; IDFPR dispensary application)

- Illinois scored a "plan for recordkeeping, tracking, and monitoring inventory, quality control, and other policies and procedures" within the 65-point Security and Recordkeeping category (410 ILCS 705/15-30(c)(2)(B)).
- The scored plan included the applicant's strategy to communicate with the Department and the Illinois State Police on destruction and disposal of cannabis (410 ILCS 705/15-30(c)(2)(B)).

- The application's Inventory Monitoring and Recordkeeping Plan (15 pages) covered monitoring of purchases and denials of sale and quality control over those processes (IDFPR Application, Exhibit I).

Massachusetts (935 CMR 500)

- Massachusetts requires real-time inventory of plants, seeds and clones in every phase, product ready for dispensing, all products, and damaged, defective, expired or contaminated product awaiting disposal (935 CMR 500.105(8)(b)).
- A monthly inventory of cannabis in cultivation and finished stored cannabis, and a comprehensive annual inventory, are required (935 CMR 500.105(8)(c)).
- Each inventory record shows the date, a summary of findings, and the names, signatures and titles of those who conducted it (935 CMR 500.105(8)(d)).
- Plant tags go on all cannabis, clones and plants and package tags on all finished products, tracked in the Seed-to-sale system (935 CMR 500.105(8)(e)).
- Failure to enter inventory into the Seed-to-sale system "may result in the suspension or revocation" of the license (935 CMR 500.105(8)(f)).

New York (9 NYCRR Part 125)

- New York requires an electronic real-time inventory tracking system able to show all cannabis released for sale "to allow for a total recall" (9 NYCRR 125.8(a)).
- Records for each activity include product type, weight, volume or count, date, lot identifier, the employee performing the action, and the activity type (9 NYCRR 125.8(a)(6)).
- Scales used before entry into the system are approved for commercial use by the New York State Bureau of Weights and Measures (9 NYCRR 125.8(a)(5)).
- Licensees review authorized system users and remove anyone no longer authorized (9 NYCRR 125.8(a)(7)).
- Planting, moving to canopy, destruction, harvest and pesticide application are recorded within three calendar days, and harvest batches record wet or dry weight and associated waste weight (9 NYCRR 125.8(a)(8)).

New Jersey (N.J.A.C. 17:30)

- New Jersey requires an initial comprehensive inventory on the first day of operations, reported through the Commission's tracking system, including damaged or expired product awaiting disposal with the reason it is held (N.J.A.C. 17:30-9.13(a)2).

- Product inventories are updated at least daily, audited monthly, and comprehensively audited annually (N.J.A.C. 17:30-9.13(a)4-6).
- The business pays any fees for Commission-designated plant tags, product tags or stamps (N.J.A.C. 17:30-9.13(a)1).

Ohio (OAC 1301:18-8-06)

- Ohio requires a responsible party to inspect each incoming delivery against packaging rules and the transfer manifest; nonconforming lots are refused, returned, and reported in writing within 48 hours (OAC 1301:18-8-06(A)).
- Discrepancies are reported in writing with a corrective action plan before any adjustment to the state tracking system (OAC 1301:18-8-06(E)(1)).
- A weekly inventory records amounts on hand, sales since the last count with buyer license and lot numbers, disposals, findings, and who conducted and oversaw it (OAC 1301:18-8-06(E)(2)).
- An annual full manual inventory is compared with the state system's annual inventory report (OAC 1301:18-8-06(E)(3)).

Maryland (COMAR 14.17)

- Maryland growers create a unique identifier for each plant, assign it to a batch, enter it in the seed-to-sale system, and attach an indelible, tamper-evident tag that resists temperature and moisture (COMAR 14.17.10.03C(4)).
- Each cured or dried batch is weighed to update the system, and a physical inventory is compared with the system at least monthly (COMAR 14.17.10.03C(5)).
- Scales are NTEP-approved, calibrated annually by an ISO/IEC 17025 accredited laboratory, and checked at least monthly (COMAR 14.17.10.03B(2)).
- Dispensary procedures track stock in the seed-to-sale system from receipt to sale or transfer, with a monthly physical inventory (COMAR 14.17.12.11A(1)).

Sources checked 2026-11-22.

- 410 ILCS 705/15-30 (FindLaw mirror of Illinois Compiled Statutes)
- IDFPR, Conditional Adult Use Dispensing Organization License Application (rev. 10/11/19)
- Cannabis Control Commission, 935 CMR 500.000 (effective 09-11-26)
- Office of Cannabis Management, Express Terms adopting Parts 118-125 and 131 (9 NYCRR)
- NJ Cannabis Regulatory Commission, N.J.A.C. 17:30 Personal Use Cannabis Rules

- OAC 1301:18-8-06, Dispensary Inventory Control and Storage
- COMAR 14.17.10.03, Cannabis Grower Controls
- COMAR 14.17.12.11, Standard Operating Procedures

Sources

- Code of Virginia § 4.1-606 (Regulations of the Board)
- Code of Virginia § 4.1-611 (Seed-to-sale tracking system)
- Code of Virginia § 4.1-703 (Records of licensees; inspection)
- Code of Virginia § 4.1-800 (Marijuana cultivation facility license)
- Code of Virginia § 4.1-801 (Marijuana processing facility license)
- Code of Virginia § 4.1-802 (Retail marijuana store license)
- Code of Virginia § 4.1-803 (Microbusiness license)
- Code of Virginia § 4.1-804 (Marijuana transporter license)
- Code of Virginia § 4.1-805 (Marijuana delivery operator license)
- Code of Virginia § 4.1-806 (Marijuana testing facility license)
- Code of Virginia § 4.1-1404 (Mandatory testing)
- HB 30 (2026 Sp. Sess. I, c. 1), Item 4-14 enactment clauses (enactment 18)
- CCA draft adult-use regulations, Sept. 9, 2026 (proposed, not final): 3VAC10-30, 3VAC10-40, 3VAC10-50, 3VAC10-60

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