



## MEMORANDUM

TO: Peter Mlynarik, Chair, and  
Members of the Board

DATE: July 12, 2017

FROM: Erika McConnell, Director  
Marijuana Control Board

RE: CannTest #10009

On May 15, 2017, the Board and CannTest signed a consent agreement that required CannTest to specifically do the following:

- Pay a civil fine by June 29, 2017. *The fine was paid on June 28, 2017.*
- Provide their policies and procedures relating to compliance with 3 AAC 306.660 and 670 by June 15, 2017, for staff review and board review and approval. *The policies and procedures were provided on June 23, 2017, after a reminder email was sent on June 22, 2017.*
- Report all failed tests within 24 hours to the Director until November 15, 2017. *A review of the email reports from CannTest against a Metrc report of failed tests shows that 18 failed tests were reported to me and 1 failed test (entered into Metrc on 6/26/17) was not reported to me.*
- Attend each publicly noticed board meeting, either in person or telephonically, and provide a statement affirming compliance with applicable regulations and the consent agreement. *This agenda item is an opportunity for CannTest to provide its statement.*

**Policies and Procedures Review:** I recommend the Board request more information regarding the management meeting referenced in the policy for ambiguous results. What types of ambiguity are likely? Under what scenarios would the CannTest management determine that the test result was not a failure?

CannTest, LLC		Policy and Procedure for Ambiguous Results	
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# Policy and Procedure for Ambiguous Results

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**APPROVED BY:**

Signature *Mark Malagodi* Date 6/23/2017

**Mark Malagodi, CEO**

Signature *Jonathan Rupp* Date 6/23/2017

**Jonathan Rupp, Scientific Director**

CannTest, LLC		Policy and Procedure for Ambiguous Results	
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CannTest, LLC		Policy and Procedure for Ambiguous Results	
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## 3 Scope

### 3.1 Purpose

This policy is intended to ensure AMCO is alerted to all potentially failed product. The procedure is intended to clarify what constitutes a result that indicates the test must be repeated, and what constitutes a result that indicates the product should be reported as failed until further review.

## 4 Policy

No results will be withheld from METRC and AMCO if they may be possibly interpreted as indicating a failed product.

## 5 Procedure

If, in the course of CannTest's commercial marijuana and marijuana product testing, a result is obtained that is unclear and potentially indicates a failed product (*i.e.* not a failure to complete the test successfully), the CannTest management will convene a meeting. If any ambiguity cannot be resolved within 24 hours of obtaining the result, a failure will be entered into METRC, and AMCO alerted to the result. If further testing reveals the product should have passed, CannTest will contact AMCO for direction.

## 6 References

N/A

## 7 Summary of Changes since last revision

Added additional clarifying details to the policy and procedure.

CannTest, LLC		Policy and Procedure for Retests	
Section 1 Title Page	Page 1 of 4	Version: 1.0	Issue date: 6/23/2017 Authorized by: Jonathan Rupp



# Policy and Procedure for Retests

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**APPROVED BY:**

Signature Mark Malagodi Date 6/23/2017

**Mark Malagodi, CEO**

Signature Jonathan Rupp Date 6/23/2017

**Jonathan Rupp, Scientific Director**

CannTest, LLC		Policy and Procedure for Retests	
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CannTest, LLC		Policy and Procedure for Retests	
Section 3 Scope	Page 3 of 4	Version: 1.0	Issue date: 6/23/2017 Authorized by: Jonathan Rupp

### 3 Scope

#### 3.1 Purpose

This policy is intended to ensure no unauthorized retests are performed. The procedure puts into place safeguards to ensure this type of retest does not occur.

### 4 Policy

No retests will be performed without proper authorization from AMCO or the MCB.

### 5 Procedure

Whenever a client whose product has failed a required test requests a retest, they will be directed to obtain permission from the Marijuana Control Board or the AMCO Director as required by regulation (3 AAC 306.660). Clients requesting retests will be sent a letter directing them to the appropriate channels (see appendix). The licensed cultivator or manufacturer is responsible for petitioning for a retest. CannTest will not perform any retests without documentation that permission has been properly granted by the entire Marijuana Control Board, or, if allowed, the AMCO Director.

### 6 References

N/A

### 7 Summary of Changes since last revision

This is the original version.

### 8 Appendix: Letter to clients requesting retests

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Dear valued customer,

We received your request for a retest of your product. Thank you for your business, we look forward to serving your testing needs. However, we are unable to provide retests without authorization from the Marijuana Control Board (MCB). Alaska regulations require the licensed cultivator or manufacturing facility petition the MCB for review of a retest request (see excerpt below). If you would like to pursue a retest, please seek approval from the MCB and provide documentation of their response. Let us know if you have any further questions.

Sincerely,

The CannTest team

Excerpt from: 3 AAC 306.660. Failed materials; retests

(b) If a sample of marijuana fails a required test, any marijuana plant trim, leaf, and other usable material from the same plants automatically fail the required test. The board may approve a request to allow a batch of marijuana that fails a required test to be used to make a carbon dioxide- or solvent-based extract. After processing, the carbon dioxide- or solvent-based extract must pass all required tests.

(c) If a marijuana cultivation facility or a marijuana product manufacturing facility petitions for a retest of marijuana or a marijuana product that failed a required test, the board may authorize a retest to validate the test results. The marijuana cultivation facility or a marijuana product manufacturing facility shall pay all costs of a retest.

CannTest, LLC		Policy and Procedure for Reporting	
Section 1 Title Page	Page 1 of 3	Version: 1.1	Issue date: 6/23/2017 Authorized by: Jonathan Rupp



# Policy and Procedure for Reporting

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**APPROVED BY:**

Signature Mark Malagodi Date 6/23/2017

**Mark Malagodi, CEO**

Signature Jonathan Rupp Date 6/23/2017

**Jonathan Rupp, Scientific Director**

CannTest, LLC		Policy and Procedure for Reporting	
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## 3 Scope

### 3.1 Purpose

This policy is intended to ensure results are reported accurately and in a timely manner, to both the client and AMCO. The procedure standardizes the methods for reporting.

## 4 Policy

CannTest strives to provide the most accurate results as quickly as possible. 72 hours is the target turnaround time for a standard battery of tests. If issues arise requiring additional time, all time necessary to provide accurate results will be taken. Any failures of required tests are reported as soon as possible, to both the client and to AMCO. Within 24 hours of obtaining a result indicating a failed product, reports will be sent to both the client and to AMCO.

## 5 Procedure

When a client brings a sample in to be tested, a sample ID is generated for the sample in the CannTest laboratory information management system (LIMS). The following information is recorded into the LIMS upon receipt; the inventory tracking number, the sample type, the amount, and the ordered tests, as well as chain of custody and date information. The ordered tests are performed, and the results are analyzed. The analyzed results are recorded into the LIMS, and reviewed by quality management. Once testing is completed successfully, a report is generated for the sample from the LIMS (see appendix for sample report). This report is e-mailed to the client, and the results are entered into METRC.

If a test indicates a failed product, the AMCO director is notified. CannTest management is responsible for notifying AMCO within 24 hours of any failed products.

## 6 References

N/A

## 7 Summary of Changes since last revision

Updated language in procedure.

## 8 Appendix: Sample Report



620 E Whitney Road  
Anchorage, AK 99501  
(907) 258-6878

## Flower Final Report

Thank you for allowing CannTest, LLC to provide you with the enclosed final report. Your results will be kept confidential between CannTest and your company unless you request us to advertise results. The report contains the following informational fields:

**Sample ID:** This is the sample ID designated by CannTest, LLC.

**Matrix:** The type of sample, i.e. Flower, Concentrate, etc.

**Strain:** Strain of the flower, or flower used to create product.

**METRC ID:** This is the sample identifier provided by your company.

**Transport ID:** This is the chain of custody identifier in the METRC system.

**Moisture Content:** A sample is weighed when delivered, then weighed again after a 24 hour drying period at 35 degrees Celsius. Moisture content is defined as:

$(1 - \text{Weight After Drying} / \text{Weight When Delivered}) * 100$

**Potency Results:** The results of ten cannabinoid tests conducted by High Pressure Liquid Chromatography are listed. They are shown as a percentage of total weight, i.e. 25% THCA means 0.25 gram of every 1 gram is made up of THCA.

**Total THC:** Total THC is defined as  $\text{THC\%} + 0.877 * \text{THCA\%}$ . Total THC represents the percent weight of available THC when heated.

**Total CBD:** Total CBD is defined as  $\text{CBD\%} + 0.877 * \text{CBDA\%}$ . Total CBD represents the percent weight of available CBD when heated.

**Total Cannabinoids:** The addition of all ten cannabinoid percentages.

**Terpene Results:** Terpenes are the compounds that give cannabis its unique smell and taste. CannTest tests for 20 of the major terpenes found in cannabis. Similar to potency results terpene results are given as a percent of total weight.

**Microbial Results:** Pass/Fail results are provided for tests that determine the existence of E-Coli (STEC), Salmonella, and three forms of the Aspergillus mold. If any of these tests fail the overall microbial test will show a Failed result.

**Microscope Evaluation:** Every flower sample that is evaluated at CannTest undergoes a microscopic evaluation, and high resolution digital photos are stored. The report notes if any foreign substance were identified, and a picture of the sample is provided.

We encourage your feedback and urge you to contact us through phone (907-258-6878), email ([mark@canntest.com](mailto:mark@canntest.com)) or website comment ([www.canntest.com](http://www.canntest.com)). Please let us know your thoughts on what we are doing right or on how any part of your experience may be improved. We look forward to serving your future testing needs.



620 E Whitney Ave.  
Anchorage, AK 99501  
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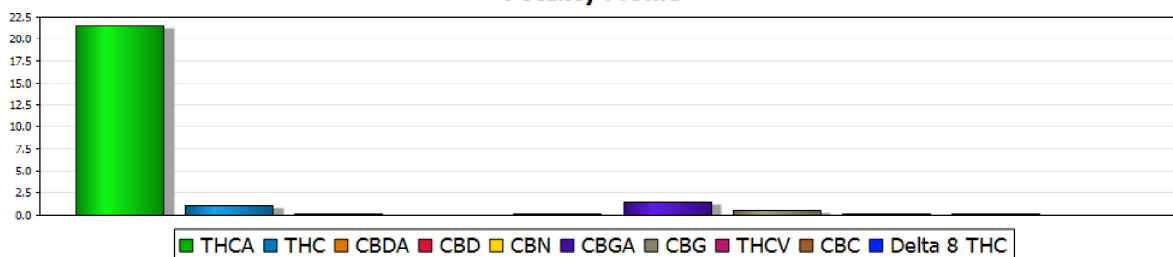
Sample ID: 17  
Company: Quality Control  
METRC ID: 123456  
Transport ID: 654321  
Date Received: 2016-07-14

Moisture Content: 6.67

Strain: Arctic Blue

Matrix: Dried Flower

### Potency Profile



Total THC %: 19.90

Total CBD %: 0.05

Total Cannabinoid %: 24.58

THCA %: 21.49

CBDA %: 0.05

THC %: 1.05

CBD %: <0.01

CBN %: 0.02

THCV %: <0.01

CBGA %: 1.41

CBG %: 0.52

D-8 THC %: <0.01

CBC %: 0.03

### TERPENES RESULTS

Alpha Pinene %: 0.02

Beta Pinene %: <0.01

Beta Myrcene %: 0.91

Camphene %: <0.01

D 3 Carene %: <0.01

A-Terpinene %: <0.01

P Cymene %: <0.01

Limonene %: 0.10

Ocimene %: <0.01

G-Terpinene %: <0.01

Terpinolene %: <0.01

Linalool %: 0.13

Isopulegol %: 0.11

Geraniol %: <0.01

B-Caryophyllene %: 0.15

A-Humulene %: 0.07

Nerolidol %: 0.04

A- Bisabolol %: 0.02

Guaiol %: <0.01

Total Terpene %: 1.58

### MICROBIAL RESULTS:

Overall Result: Passed

E-Coli (STEC): Passed

Salmonella Result:

Passed

Aspergillus Fumigatus Result:

Passed

Aspergillus Flavus Result:

Passed

Aspergillus Niger Result:

Passed

### MICROSCOPE EVALUATION:

Observations: Excellent Sample

