

## POLICY FOR STEWARD-INITIATED ADJUSTMENT REQUESTS

### KEY FEATURES:

- Stewards can request adjustments to submitted reports for a maximum of two years from the report submission deadline
- Adjustment requests must include supporting documentation
- Only adjustments that meet the policy requirements will be processed

### I. Overview

1. This policy provides guidance to stewards as to the types of adjustments that may be allowed.

### II. Purpose

2. This policy promotes fairness and consistency for all stewards and enables stewardship programs to operate in a cost-effective manner.
3. The two-year time limit:
  - (a) helps stabilize fees as adjustments can impact the total quantities of supplied materials (i.e. steward-reported quantities) which in turn impacts fee setting for the subsequent period or year. For example, where an adjustment results in a credit, these funds must be recouped in the subsequent period or year from steward fees and will be added to the program's budget; and
  - (b) provides stewards with sufficient time to identify possible issues in their reports and submit adjustment requests. The table below stipulates the deadlines.

### III. Scope

4. This policy applies to all adjustment requests submitted on or after January 1, 2018, regardless of the data or reporting period/year associated with the adjustment request, initiated by stewards and voluntary stewards ("stewards") meeting their regulatory stewardship obligations with one or more of the following programs:
  - Recycle BC (formerly MMBC);
  - Multi-Material Stewardship Western;
  - Multi-Material Stewardship Manitoba; and
  - Stewardship Ontario (Blue Box Program and MHSW Program)

5. This policy:
- (a) shall remain in force from the time that it is posted on the programs' websites until the time it is replaced; and
  - (b) shall be automatically amended by substituting the year appearing in this policy with the subsequent year, unless or until a new policy is posted on the programs' websites.

#### IV. Policy

##### Reporting and Payments Must be Up-to-Date

6. Only stewards whose reporting and payments to the program are up-to-date may make an adjustment request.

##### Two-Year Time Limit for Adjustment Requests

7. Stewards can request adjustments for a period of up to two years (eight quarters for MHSW) from the associated report submission deadline (regardless of the date the steward submitted its report).

**Table 1 – PPP Reports (Annual cycle)<sup>1</sup>**

Report	2016 Report (2015 Data)	2017 Report (2016 Data)	2018 Report (2017 Data)
<b>Deadline for annual report submission</b>	May 31, 2016	May 31, 2017	May 31, 2018
<b>Deadline for completed Adjustment Request<sup>2</sup></b>	May 31, 2018	May 31, 2019	May 31, 2020

<sup>1</sup> This table shall be automatically amended by substituting the year with the subsequent year, unless or until a new policy is posted in accordance with clause 5 of this policy

<sup>2</sup> If the deadline for an adjustment request falls on a non-business day, the deadline is extended to the next business day.

**Table 2 – MHSW Reports (Quarterly cycle)<sup>3</sup>**

MHSW Reports	Q1 - 2017	Q2 - 2017	Q3 - 2017	Q4 - 2017	Q1 - 2018	Q2 - 2018	Q3 - 2018	Q4 - 2018	Q1 - 2019
<b>Deadline for quarterly report submission</b>	Jan 31, 2017	Apr 30, 2017	July 31, 2017	Oct 31, 2017	Jan 31, 2018	Apr 30, 2018	July 31, 2018	Oct 31, 2018	Jan 31, 2019
<b>Deadline for completed Adjustment Request</b>	Jan 31, 2019	Apr 30, 2019	July 31, 2019	Oct 31, 2019	Jan 31, 2020	Apr 30, 2020	July 31, 2020	TBD <sup>4</sup>	TBD <sup>5</sup>

#### **Stewards Who Have Exited a Program**

8. A steward who has exited a program:
- may file an adjustment request within 30 days of exiting the program, following which no adjustment request may be filed; and
  - will be credited or debited within 90 days, unless the adjustment request requires a third party review.

#### **How to Make an Adjustment Request**

9. All stewards who wish to make an adjustment request must:
- submit a completed and signed [Adjustment Request Form](#), and email it to [adjustments@cssalliance.ca](mailto:adjustments@cssalliance.ca); and
  - provide accompanying supporting documentation.

#### **Contents of Adjustment Request form and Supporting Documentation**

10. Adjustment requests must include:

<sup>3</sup> This table shall be automatically amended by substituting the year with the subsequent year, unless or until a new policy is posted in accordance with clause 5 of this policy. ( The anticipated wind up of MHSW – Dec 2020 will impact the application of this policy).

<sup>4</sup> The MHSW Program will be wound up effective December 31, 2020. The deadline for steward-initiated adjustment requests for reports filed on or after October 31, 2018 shall be determined pursuant to the approved MHSW Wind Up Plan.

<sup>5</sup> The MHSW Program will be wound up effective December 31, 2020. The deadline for steward-initiated adjustment requests for reports filed on or after October 31, 2018 shall be determined pursuant to the approved MHSW Wind Up Plan.

- (a) clear and detailed supporting documentation and narratives to explain each of the errors; and
- (b) an audit trail that, if followed, would confirm the legitimacy of the adjustment request.

11. If there are multiple errors in a single report, stewards must include all relevant information for all errors as only one adjustment request will be considered for each year's report.

12. See Appendix A: "Steps to Complete an Adjustment Request" for step-by-step guidance on submitting an adjustment request.

### **Credits and Debits**

13. Following assessment of the steward's adjustment request:

- (a) Net Credits:
  - (i) can be applied to the steward's current or future invoices in the corresponding program; or
  - (ii) may be paid to the steward by cheque, upon request by the steward.
- (b) Debits are due within 30 days of the date of issue and are subject to the [Penalty and Interest Policy](#).

### **Permitted Adjustments**

14. Subject to adequate substantiation, adjustment requests that will be considered are limited to the following circumstances:

- (a) incorrect formula in Excel spreadsheet or similar "tool";
- (b) incorrect logic in Excel spreadsheet or similar "tool";
- (c) material classification error;
- (d) material weight input error (e.g., entered 1 instead of 10);
- (e) data entered in the wrong units (e.g., in grams instead of kilograms)
- (f) exclusion of materials in error;
- (g) inclusion of material for which another steward is obligated;
- (h) inclusion of non-obligated PPP;
- (i) actual data to replace estimates used by newly on-boarded stewards.

### **Non-Permitted Adjustments**

15. Adjustment that will not be accepted include, but are not limited to:

- (a) **Adjustments resulting from reporting methodology changes:**

- (i) changing from the use of calculators to the reporting of “actuals”;
- (ii) application of a new study or change in internal processes that identifies previous errors in reported quantities;<sup>6</sup>
- (iii) changing percentage allocations (e.g. for IC&I sales or for packaging that never leaves the commercial establishment);
- (iv) revisions to Average Bill of Material groupings (ABOMs);
- (v) creation of ABOMs, when one was not originally used to develop the report

**(b) Adjustments on adjustments:**

Requests will not be considered for changes to a report where the steward previously requested an adjustment for the same report, regardless of whether the steward is seeking the same or a different adjustment to the previously submitted report.

**(c) Adjustments due to changes to your business model such as divestments, mergers or acquisitions:**

If part of your business is acquired or divested in a given calendar year, the impact of those changes, if any, must be included during the next reporting cycle, but the steward will not be permitted to make an adjustment to a previously submitted report.

**(d) Adjustments with inadequate substantiation and supporting documentation:**

- (i) Stewards may be required to undergo a third-party review, at the steward’s expense, in order to have their adjustment requests validated and processed.
- (ii) If an incomplete package is submitted or additional substantiation is required by the program(s), stewards will be notified and must provide the additional documentation within 30 days of notification. A steward’s adjustment request will be closed where the steward fails to provide additional information requested by the program(s) within 30 days.

**Processing Time**

16. Adjustments can take from weeks to months to process. The amount of time is a function of a number of factors that include complexity, the completeness of the steward’s supporting documentation, and the number of adjustments in the queue.

**Third-Party Reviews**

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<sup>6</sup> Efforts to improve the accuracy of reports are appreciated, and can be used for future reports, but cannot be applied retroactively.  
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17. A third-party review is a detailed examination of a steward's methodology and data collection and reporting processes conducted by an independent consultant.
18. The programs reserve the right to initiate a third-party review of an adjustment request, and may do so in their sole discretion.
19. Third-party reviews will be paid for by the affected steward. In the event that the program(s) determines that a third-party review is warranted, a steward's refusal to participate in or pay for a third-party review will result in the steward's adjustment request being closed.
20. The scope and cost of the review will be outlined in a contract with the steward.
21. The professional services firm engaged to undertake the review will be required to ensure its independence.
22. Every effort will be made to collaborate with the steward with respect to the review process and timing.

### CHECK THE ACCURACY OF YOUR REPORTS

- All stewards are advised to take the following steps to identify potential errors in their reports on a timely basis:
- Carefully review Submission Detail Report (SDR) which is available on the WeRecycle Reporting Portal immediately upon submission of your steward report for accuracy.
- Review your first annual invoice for evidence of any errors (e.g. your invoice is significantly higher or lower than expected).
- Contact CSSA as soon as possible after identifying a potential error.

### QUESTIONS AND ASSISTANCE

Please contact National Steward Services with any questions about the adjustment process:

1 (888) 980-9549 or [adjustments@cssalliance.ca](mailto:adjustments@cssalliance.ca).

## Appendix A

### Steps to Complete an Adjustment Request

1. Verify that your request meets the criteria for permitted adjustments.
2. Ensure that your request and submission of all materials to substantiate the request, including all information requested by CSSA, is made within the two-year timeframe.
3. Download the Adjustment Request Form [available here](#).
4. Complete the Adjustment Request Form.
  - Provide previously reported material quantities and revised material quantities.
  - Explain the errors that led to the request and provide supporting documentation (e.g., validation data such as SKU, UPC or other product categorization information, internal audit reports, weight data from suppliers, internal testing to validate weights, etc.) that provides an audit trail sufficient to allow for assessment of the adjustment request.
5. Email your completed Adjustment Request Form and supporting documentation to [adjustments@cssalliance.ca](mailto:adjustments@cssalliance.ca) with “Adjustment Request” in the subject line. Please include your steward number and name in the email.