

New Policy for Steward Initiated Adjustments

Overview of Policy Change:

This document provides an overview of MMSM's new policy on steward initiated adjustments. This policy sets a two year time limit on requests for adjustments and establishes a standardized process for submitting requests.

Background:

- A primary objective of stewardship programs is to ensure fairness for all stewards; MMSM policies and procedures are developed to be fair and reasonable for all stewards and to enable the program to operate in a cost effective manner.
- This policy is designed to limit the negative impact of credit adjustments on the steward community by capping the allowable retroactive adjustment period to two years. Credit adjustments to individual stewards impact the rest of the community because funds must be collected from the larger community in subsequent years to cover individual stewards' claims. The resources required to prepare, review and process individual adjustments can also represent a significant cost to all stewards.
- Our objective is to avoid fee instability whilst providing stewards with sufficient time to identify possible issues in their report, review data and then collect any required substantiation and internal approvals before submitting a completed adjustment request.
- Stewards have a regulatory obligation to ensure that the data they submit as part of their annual steward report is as accurate as possible. This ensures that costs are allocated correctly and recognizes that many stewards invest significant resources to ensure they are compliant in submitting accurate reports by the annual submission date.
- This new policy limits steward initiated adjustments, but does not impact compliance or third party reviews initiated by program staff that identify chronic and historical reporting issues that have impacted fairness to other stewards.
- The steward services team is always available to stewards to assist in the preparation of their report and to review steward reports and invoices. Improved accuracy of reporting minimizes the requirement for adjustment requests which ultimately reduces overall program costs.
- In order to enable stewards to meet the timeframe required by this policy, a detailed submission report is available to stewards immediately upon submission of their steward report. We strongly encourage stewards to review their reported tonnage at this time to ensure accuracy of their report.
- Alternatively, upon receipt of their invoice in April, stewards are encouraged to review their invoices to allow for early identification of reporting errors.

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New Two Year Adjustment Policy:

- Stewards may request adjustments to their reports for a period of up to two years from the due date associated with the report.
 - For example, requests for adjustments to a report due on May 31st, 2014 may be submitted until May 31st, 2016.
- All requests must be accompanied by a complete adjustment package including an adjustment request form¹ with revised quantities and explanations for the revisions. Packages must include documentation to support the request [“substantiation”].
 - 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 allowed per report. Adjustments on adjustments will not be allowed.
 - If an incomplete package is submitted or additional substantiation is requested in order to validate the request, stewards will be required to provide the additional documentation within a reasonable time frame.

Example:

- Steward X submits their 2015 report in early May, 2015 (i.e. Year 1. Note report due date is May 31st, 2015)
- The first invoices are received April 1st 2016 (Year 2)
- Steward X has till May 31, 2017 (Year 3) to request an adjustment to the quantities included in its 2015 (Year 1) report

¹ The new request form will be available in January 2016
MMSM Steward Initiated Adjustment Policy – January 2016