

The Producer Reporting Review Service

As referenced in the Interchange 360 program Participation Agreements, producers will undergo periodic Producer Reporting Reviews. Interchange 360 conducts these periodic reviews to help ensure producers are reporting covered products accurately and correctly. This review service provides producers confidence in knowing they're in compliance with Extended Producer Responsibility (EPR) laws, strengthens the financial stability of the program, and ensures a fair playing field for the industry. Producer reviews also provide proof to the states where Interchange 360 is a compliance option that the organization and its producers are complying with the law.

Producer reviews occur on a rotational basis, roughly every three years for each producer. Certain circumstances may warrant more frequent reviews including inaccurate reporting, significant changes to what is reported, mergers/acquisitions, requests by state regulators/auditors, or other changes to the producer's business.

How it Works

Interchange 360 will use an independent, third-party firm to conduct the review. When selected for a review, the producer will receive an email from Interchange 360 Accounting that includes the following information:

- Directions for scheduling the review;
- Timeline for when the producer needs to contact the independent firm and when the review needs to be completed;
- The year(s) the review will cover;
- Detailed information on the process; and
- Required documents.

The review will take place virtually. The producer schedules the review directly with the independent firm at a time convenient for them and provides the firm with electronic versions of the required documentation. All records and information will be kept confidential. After reviewing the documents, the firm will arrange interviews with the employee(s) involved in the process for determining the collection and remittance of the EPR Fees/Dues. The firm will provide detailed information about what will be asked during the interviews and allow for plenty of time to prepare.

Following the review, a final report will be issued to the producer and Interchange 360. Interchange 360 will apply a credit to the producer's account for any overpayments. In the case of underreporting, the producer is required to file an adjustment and generate a corresponding invoice.

Preparation

Producers should maintain copies of all records related to the program dating back at least five years or to the start of the program if less than five years. This would include product listings, records of payments, exemption details, supply chain agreements, and listings of all suppliers, distributors, and others where products are sold to for resale. The review typically covers a period of one year, however, if there are significant deficiencies or questions the review may go back further to the most recent review or start of the program if no other review exists.

Costs

The standard review service is included in the producer fees/dues remitted to Interchange 360. If during a review there are found to be a large number of deficiencies that require additional work by the independent firm, the producer will be responsible for those costs. The producer will be notified in advance of any additional costs.

Outside of the normal review schedule, producers can schedule a review on their own. However, producers will be responsible for the cost of those reviews.

FAQs

Are reviews legally required?

Producer reviews are included in each Participation Agreement and are therefore required. While each state law is different, state regulators are charged with oversight of programs in which Interchange 360 is an approved compliance option. Producer reviews help Interchange 360 demonstrate compliance to the regulators. States may also request documents and records related to the program directly from producers. Reporting reviews help producers demonstrate compliance to the state if necessary.

Has Interchange 360 conducted any reviews yet?

Reporting reviews have yet to begin.

Are the results of the reviews shared with state regulators?

Interchange 360 will only share documents and records with states as required by law.

Are reviews conducted for all states?

Yes. When a producer undergoes a reporting review, it will cover all states in which they are currently registered with Interchange 360.