



Module: 5.2.5

Price Verification

Overview and Scope

This module sets standards for the inspection of retail stores pricing practices as prescribed in the NCWM publication "Examination Procedure for Price Verification" found in NIST Handbook 130 . The module includes concepts relating to various types of routine store-wide inspections as well as specific inspections in response to consumer complaints or as follow-up to previous failed inspections.

Prerequisites

None

Learning Objectives

1 Legal Basis and Scope of Price Verification

A weights and measures professional should understand the legal basis and the scope of the Handbook 130 Examination Procedure for Price Verification. To demonstrate that understanding the professional can:

- 1.1 Describe the purpose of the Handbook 130 price verification procedures.
- 1.2 State the source of legal authority to conduct Handbook 130 price verification procedures and to take regulatory action as a result of those procedures.
- 1.3 State the source of legal authority to enter a commercial premises for the purpose of conducting Handbook 130 price verification procedures.
- 1.4 Describe the legal standing of Handbook 130 Examination Procedure for Price Verification.
- 1.5 Describe appropriate action when the Handbook 130 price verification procedures conflict with other state laws or regulations.

2 Terminology and Technology

A weights and measures professional should understand the terminology and technology associated with pricing of retail commodities and price verification procedures. To demonstrate that understanding the professional can:

- 2.1 Explain the terms used by retailers to describe various activities relating to pricing, e.g. pricing coordinator, ticketed merchandise, direct-store-delivery, etc.
- 2.2 Explain the terms describing methods for disclosing price information to customers, e.g advertising, shelf signs, item prices, etc.

- 2.3 Explain the terms that describe technologies and/or equipment used either to price retail items or to read those prices and capture them to complete a transaction.
- 2.4 Explain the terms used by retailers to describe the various areas within an establishment that may be examined for price verification, e.g. area, merchandise group, displays, etc.
- 2.5 Explain terms used to describe the differing types of price verification examinations.
- 2.6 Explain terms used to describe prices and related issues, e.g. paragraph 2.14. Prices.
- 2.7 Explain terms used to describe inspection frequency and enforcement levels.

3 Inspection and General Test Procedures

A weights and measures professional should understand and be able to describe the inspection and general test procedures involved in price verification. To demonstrate that understanding the professional can:

- 3.1 List the equipment and materials that are used when conducting price verification examinations.
- 3.2 Describe safe work habits that should be employed while performing price verification examinations to avoid personal injury or property damage.
- 3.3 Describe work habits related to sanitation and handling of perishable product that should be employed while performing price verification examinations.
- 3.4 Describe pre-inspection tasks that should be performed prior to beginning a price verification examination.
- 3.5 Describe the various sampling procedures that may be used in price verification examinations and when they are to be used.
- 3.6 Explain why randomized sampling procedures are used when conducting price verifications and describe situations where randomized sampling is not required.

4 Conducting Price Verification Examinations

A weights and measures professional should be able to correctly perform the specific test procedures associated with price verification. To demonstrate that understanding the professional can:

- 4.1 Demonstrate how to use Table 1. when selecting the sampling plan for a given store size and type.
- 4.2 Demonstrate how to properly collect the samples to satisfy the sampling plan.
- 4.3 Demonstrate the procedures for test purchases, investigating consumer complaints, and manually entered prices.
- 4.4 Describe special cases where additional samples may be required for a sampling plan.

5 Documenting the Examination and Enforcement Decisions

A weights and measures professional should understand how to determine compliance based on the test results and choose appropriate enforcement actions. To demonstrate that understanding the professional can:

- 5.1 Demonstrate the ability to properly document a price verification examination on the report form.
- 5.2 Explain the various types of errors that should not be considered violations for enforcement purposes.
- 5.3 Explain the accuracy requirements for the sample and determine the compliance of the price verification.
- 5.4 Explain the model enforcement levels and demonstrate how to apply these based on the test results.
- 5.5 Explain the post-inspection tasks for the price verification.

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