



**Livestock and Seed Program
Audit, Review, and Compliance Branch
Quality System Audit Report**

AUDIT INFORMATION

Applicant Name:	Northeast Organic Farming Association of New Jersey
Est. Number:	NA
Physical Address:	Trenton, NJ
Mailing Address:	P.O. Box 330, Trenton, NJ 08625
Contact & Title:	Erich V. Bremer, Supervisor, Organic Certification Program
E-mail Address:	erich.bremer@ag.state.nj.us
Phone Number:	609-633-1738
Auditor(s):	Miguel A. Caceres
Program:	USDA National Organic Program (NOP)
Audit Date(s):	October 14 – 15, 2005
Audit Identifier:	NP5287MMB
Action Required:	Yes
Audit Type:	Annual Update
Audit Objective:	To determine the compliance of the company's submission of the 2005 Annual Update Report to the requirements of the audit criteria.
Audit Criteria:	<ul style="list-style-type: none">• <i>USDA, AMS, 7 CFR Part 205, National Organic Program; Final Rule – December 21, 2000</i>
Audit Scope:	The 2005 Annual Update Report and supporting documentation
Location(s) Audited:	Desk

The Northeast Organic Farming Association of New Jersey (NOFA-NJ) 2005 Annual Update Report was received by the auditor on May 18, 2005. The desk audit was started on October 14, 2005 and completed on October 28, 2005.

The NOFA-NJ Certification Program is being transferred to the New Jersey Department of Agriculture (NJDA). The NOFA-NJ Certification Administrator, Mr. Bremer, was relocated to the NJDA and his position title changed to Supervisor, Organic Certification Program. Mr. Bremer continues to administer the NOFA-NJ Certification Program under a memorandum of agreement between NOFA-NJ and the NJDA. The program office and the current client files are at the NJDA Trenton office. The inactive files are being kept at the NOFA-NJ corporate office located in Pennington, NJ.



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The following contact information was provided:

Erich V. Bremer
Supervisor, Organic Certification Program
New Jersey Department of Agriculture
Division of Marketing and Development
P.O. Box 330
Trenton, NJ 08625
Phone (609) 984-2225
Fax (609) 984-2508
Erich.bremer@ag.state.nj.us

The following information was also submitted:

1. **Certification Files:** 6 files; 1 – crop producer, 3 handlers, 1 livestock, and 1 wild crop.
2. **Annual Program Review:** Performance evaluations were submitted for the certification committee members and the current inspectors. The NOFA-NJ Certification Program Audit Report was submitted, This is the report on the annual internal review along with the corrective actions taken..
3. **Conflict of Interest Disclosure Reports:** No conflict of interest disclosure reports (COI) were submitted as part of the 2005 Annual Update Report. Instead a list consisting of the board of directors, staff members, committee members and inspectors that had a COI on file was submitted. The list contained the name, form type, date signed, and conflicts of interest for all personnel. The form types consisted of 3 forms; 2 covered confidentiality and COI and 1 only covered COI. After a phone conversation with the Executive Director, some of the COI's were submitted via fax (see findings). There were 6 COI submitted as part of the correspondence discussed under item 7 (Other documents submitted, ii) of this report. The forms were accepted as meeting the requirement for having to submit the COI.
4. **Current Certification Activities:** NOFA-NJ estimated it will certify 58 producers and 7 handlers. Of the 58 farms, approximately 17 have livestock and 7 have wild-crops. The list of certified operations listed 54 producers and 7 handlers.
5. **Current fee Schedule:** The fees did not change but the contact information on the fee schedules changed to reflect the new office location. One producer and 1 handlers fee schedules were provided with the report. The producer fee schedule contained some information on non-refundable fees. The handler's fee schedule did not contain any information on non-refundable fees (see findings).
6. **ARC 1025C:** Completed Annual Update of NOP Accredited Certifying Agents Checklist.
7. **Other documents submitted:**
 - i. Administrative Procedures Manual, Part 8 Office Procedures
 - ii. Correspondence between NOFA-NJ, an Audit, Review, and Compliance (ARC) Branch auditor, and the NOP concerning the 2004 Annual Update Report which was not received by the time NOFA-NJ submitted the 2005 Annual Update Report. Additionally, correspondence between NOFA-NJ and an ARC Branch



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auditor concerning a non-compliance from the 2003 Annual Update Report.
The non-compliance was cleared on report *NP4040GA* in September 8, 2004.

8. **Changes to program:**
- i. NOFA-NJ listed the following information for a second office:
Karen Anderson, Executive Director, NOFA-NJ
Email: kanderson@nofanj.org
Corporate office: Mailing address – P.O. Box 886, Pennington, NJ 08534
Physical address – 60 South Main Street, Pennington, NJ 08534
Phone (609) 737-6848
Fax (609) 737-2366
 - ii. List of inspector's with 3 listed as being currently used and 7 inspectors listed as those that may be used in the future. The list also contained contact, training, and last inspection information.
 - iii. Lists for certification committee members and board of directors.
 - iv. Four Parts of the *Administrative Procedures Manual* and 2 pages of Part 2 were submitted and contained changes. The parts and main changes are summarized as follows;
 - a. Part 2 Personnel Handbook
 - 1) Modified to better explain the conflict of interest policy.
 - b. Part 3 Committee Procedures
 - 1) Information on orientation to be provided to certification committee members.
 - 2) Requirement of having the Certification Administrator retain and review the conflict of interest disclosure reports of the CM when assigning files.
 - 3) Addition of the certification decision being submitted by electronic mail.
 - c. Part 4 Inspectors and Inspections.
 - 1) Added requirement to submit list of inspectors with the annual update report submitted to the Administrator.
 - 2) Most of the other changes were administrative in nature and did not affect the certification program.
 - d. Part 5 Certification
 - 1) Information on NOFA-NJ certifying operations under the NJDA.
 - 2) Added the requirement of the administrator preparing an organic operation information form.
 - 3) Added information on term of certificate to indicate it did not expire.

FINDINGS

Procedures and records reviewed verified that Northeast Organic Farming Association of New Jersey is currently operating in compliance to the requirements of the audit criteria except as noted below. There were no outstanding non-compliances to address. One major and one minor non-compliance were identified for documents that were not submitted.



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NP51277MMA.NC1 – Major – NOP §205.510(a)(1) requires “A complete and accurate update of information submitted pursuant to §§ 205.503 and 205.504.” 205.504(c)(2) *requires the submission of the annual conflict of interest disclosure reports (COI), however none were submitted. A list of personnel indicating their conflicts of interest and the date of the conflict of interest disclosure reports was submitted. No actual reports were submitted for 5 of the 6 members of the Certification Committee, and none for the 3 inspectors that were used in 2004.*

NP5287MMB.NC2 – Minor – NOP §205.642 states “...the certifying agent may set the nonrefundable portion of certification fees; however, the nonrefundable portion of certification fees must be explained in the fee schedule.” *The NOFA-NJ Handlers (processors) Fee Form did not contain information on non-refundable fees. Neither of the 2 fee schedules contained additional non-refundable and refundable fee information contained in section 5.1.6 of the Administrative Procedures Manual.*