



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

**AUDIT INFORMATION**

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|-----------------------------|---|
| <b>Applicant Name:</b>      | Idaho State Department of Agriculture (ISDA)  |
| <b>Est. Number:</b>         | N/A   |
| <b>Physical Address:</b>    | 2270 Old Penitentiary Road; Boise, ID 83701   |
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| <b>Auditor(s):</b>          | Rick Skinner  |
| <b>Program:</b>             | USDA National Organic Program (NOP)   |
| <b>Audit Date(s):</b>       | October 25, 2007  |
| <b>Audit Identifier:</b>    | NP7047EEA   |
| <b>Action Required:</b>     | No  |
| <b>Audit Type:</b>          | Corrective Action Audit   |
| <b>Audit Objective:</b>     | To verify that submitted corrective actions adequately address the non-compliances identified during the on-site Accreditation Renewal Audit. |
| <b>Audit Criteria:</b>      | 7 CFR Part 205, National Organic Program (NOP) Final Rule, dated December 21, 2000, Updated September 11, 2006.                               |
| <b>Audit Scope:</b>         | The company's submitted corrective actions which were received on October 17, 2007.   |
| <b>Location(s) Audited:</b> | Desk  |

Idaho State Department of Agriculture (ISDA) submitted corrective actions addressing the non-compliances from the on-site Accreditation Renewal Audit. The corrective actions were received by the auditor on October 17, 2007.

**FINDINGS**

The corrective actions submitted by ISDA adequately addressed the eight non-compliances identified during the on-site Accreditation Renewal Audit.

**NP7047EEA.NC1 – Adequately Addressed - NOP § 205.103(a)** Recordkeeping by certified operations states, “A certified operation must maintain records concerning the production, harvesting, and handling of agricultural products that are or that are intended to be sold, labeled, or represented... (b) Such records must: (2) fully disclose all activities and transactions of the certified operation in sufficient detail as to be readily understood and audited; (3) be maintained for not less than 5 years beyond their creation; and (4) be sufficient to demonstrate compliance with the Act and the regulations in this part.” *The witness*



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*inspection of the livestock and grain operation in Carey, Idaho, found that the records available for review were not auditable to verify that the identified treated animals within the herd were actually those sold as treated animals and that conforming cattle sold were actually all conforming. Additionally, there were no records for the application of manure to specified fields, including the rate and date of application. Records were not available for the movement of hay from one location to another within the family, and a fall pasture used for grazing was not included in the organic system plan (OSP). There were no records to verify the dates of cattle movements, means of transport, length of time at another location, and/or movement directly back to a certified location. **Corrective Action:** The operation in question provided records to verify the numbers of cattle that were treated and sold as conventional and records representing the treatment of cattle in 2007. Records of the manure application not available during the inspection were also provided. The map for fall pasture which is used for grazing was included into the OSP. A follow-up inspection by ISDA was scheduled to review the records. Changes are contained in Attachment A to the submission.*

**NP7047EEA.NC2 – Adequately Addressed** - NOP § 205.504 Evidence of expertise and ability states, “A private or governmental entity seeking accreditation as a certifying agent must submit the following documents and information to demonstrate its expertise... (a)(2) the name and position description of all personnel to be used in the certification operation, including staff, certification inspectors,...; (b)(2) a copy of the procedures to be used for reviewing and investigating certified operations compliance with the Act and the regulations in this part and the reporting of violations of the Act and the regulations in this part to the Administrator.” *The ISDA procedures manual and the associated documents reviewed were not controlled to allow for verification that the procedures currently in use were those submitted to the Administrator as required. There is no control date for the organizational chart which was found to be obsolete, along with the employee list. Records show that the forms used to perform livestock and crop inspections are not necessarily the forms submitted to the Administrator as the documents used to verify compliance to the Act. Reports indicate that the approved forms are not being consistently used. Overall – there is no way to verify that any of the documents and procedures currently in use are those submitted to the Administrator with the annual update. **Corrective Action:** The procedure (quality) manual was updated with dates on all procedures and forms to show document control. The dated procedures were submitted as Attachment B. The investigators and the contract inspector were notified that they must use the most current forms. At the time of the on-site audit there was not a current organizational chart available. The ISDA was in the process of reorganizing and the chart had not been completed. The organizational chart was submitted as a part of Attachment B.*

**NP7047EEA.NC3 – Adequately Addressed** - NOP § 205.642 Fees and other charges for certification states, “Fees charged by a certifying agent must be reasonable, and a certifying agent shall charge applicants for certification and certified production and handling operations only those fees and charges that it has filed with the Administrator. The certifying agent shall provide each applicant with an estimate of the total cost of certification... The fee schedule must explain what fee amounts are nonrefundable and at what stage during the certification process fees become nonrefundable.” *ISDA is not currently providing every client with an estimate of certification services at what point in the process they become nonrefundable. Records show that some estimates are being provided, but not consistently to all clients. **Corrective Action:** ISDA states, “...all new applicants who are mailed a packet receive a cost estimate with their packet. Copies are kept in the file of potential customers and are to be kept on file if the ISDA*



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receives an application. If an applicant prints the application off of the website he will not receive an estimate sheet. The ISDA has a contract with a software development company to develop software for the organic certification program. Included in that software program is an estimate sheet that will be produced for each organic operation.” An attached sample is still in development. On the application for certification/registration there is a section that states the fees are non-refundable. That statement is also included in the memo that is mailed to each applicant along with an estimate sheet. In IDAPA 02.06.33 300.05(b) it states the fees are non-refundable. All responses are included in Attachment C.

**NP7047EEA.NC4 – Adequately Addressed - NOP § 205.501(a) General Requirements for Accreditation** states, “A private or governmental entity accredited as a certifying agent under this subpart must: (4) use a sufficient number of adequately trained personnel, including inspectors and certification review personnel, to comply with and implement the organic certification program established under the Act and the regulations in subpart E of this part.” Subpart E § 205.400 (d) requires the maintenance of records for a specified time that support the activities of the certifying agent. *There are currently no records specific to the training criteria outlined in the ISDA Organic Procedures book. The procedure describing the activities surrounding the initial review of applications refers to the Technical Record Specialist. There is currently no Technical Record Specialist and there is no procedure for other staff to perform the function. There are no training records to indicate that the previous Technical Records Specialist was trained according to the criteria outlined in the Procedure. There are no training records to validate the ability of an investigator (inspector) to review applications for adequacy according to the criteria listed in the Procedure. Corrective Action:* ISDA states, “...In October 2006 the Technical Records Specialist retired. A Program Specialist and Office Specialist were trained according to procedures in the absence of a Technical Records Specialist. No record of training was made or maintained at that point. A revised training procedure was produced to allow employees other than a Technical Records Specialist to process organic registration paperwork. On June 4, 2007, a full time permanent Technical Records Specialist was hired. A form was created to record training dates for all employees working in the organic program and it will be maintained in the on-site personnel file.” A copy of the form was submitted as Attachment D.

**NP7047EEA.NC5 – Adequately Addressed - NOP § 205.662 (a) Noncompliance procedure for certified operations** states, “When an inspection, review, or investigation of a certified operation by a certifying agent or a State organic program’s governing State official reveals any noncompliance with the Act or regulation in this part, a written notification of noncompliance shall be sent to the certified operation. Such notification shall provide: (1) a description of each noncompliance; (2) the facts upon which the notification of noncompliance is based; and (3) the date by which the certified operation must rebut or correct each noncompliance and submit supporting documentation of each such correction when correction is possible. (b) Resolution. When a certified operation demonstrates that each noncompliance has been resolved, the certifying agent or the State organic program’s governing State official, as applicable, shall send the certified operation a written notification of noncompliance resolution.” *A complaint and ensuing investigation regarding mislabeling of organic product and two other non-associated complaints were investigated by a senior investigator for the state of Idaho. The offense was a violation of Idaho State Law: title 22 Agriculture and Horticulture, Chapter 11 Organic Food Products; and IDAPA 02.05.30 state of Idaho, Department of Agriculture, Organic Food Products. Witnesses to the complaint were the Organic Program Coordinator for the State of Montana and an Independent*



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*Inspector from Driggs, ID. The complaint centered on the use of Nitrates in an organic frankfurter product. There is no record or other indication that the procedure specified in 205.662 has been followed. No letter was filed with the Administrator, and there is no letter or other record of communication with the certified meat processing facility in Rigby, ID, that was the source of the complaint. Corrective Action:* ISDA states, "...this complaint occurred in November 2004. The USDA Meat Compliance found that no organic products were involved in the complaint. ISDA has not had any more complaints. The procedure was followed except for the response to the operator when the investigation was complete as outlined in §205.662. When another complaint is filed it will be reviewed to ensure complete compliance with §205.662."

**NP7047EEA.NC6 – Adequately Addressed - Procedure for Unannounced On-site Organic Inspections –** from the ISDA Organic Procedures Manual states, "...1. Unannounced visit – randomly determined by the Program Manager. Only 2 will be conducted in the Fall of 2003 and annually thereafter." *Records show that this self-imposed requirement is not being met. Corrective Action:* ISDA states, "...As described in NOP §205.403 (a)(2)(iii), the ISDA developed a procedure to conduct unannounced inspections, after this current audit, it was found ISDA was not meeting their requirement. Due to the time constraints on the ISDA inspectors they were not sent on any unannounced visits. In review, this requirement is too stringent. The procedure has been changed to reflect that ISDA can continue to perform unannounced visits but it is not mandatory." The updated procedure was submitted as Attachment E.

**NP7047EEA.NC7– Adequately Addressed - NOP § 205.402 (b) Review of application states,** "The certifying agent, within a reasonable time: (1) Review the application materials received and communicate its findings to the applicant." *Three of the seven client files reviewed during the audit showed time from receipt of the application to final certification between 6 and 8 months. This is not within a reasonable time, since there are no records to indicate that conditions for additional information or other conditions caused the delay. Corrective Action:* ISDA states, "...we agree. Six to eight months is not within a reasonable time frame. Part of the reason for this has to do with when the application is submitted to ISDA. If the application is submitted at the beginning of the year and crops are not ready for inspection until summer that could appear as a three or four month delay. However, we agree there have been cases where the time frame from receipt of application to final certification needs to be shortened. To that end we have trained and certified one additional employee to help with the review process. We have also hired one additional full time employee to the organic program. Our goal this past season was to issue final certification within 30 days of inspection. We have accomplished that goal with approximately 166 certifications." The updated procedure was submitted as Attachment F.

**NP7047EEA.NC8 – Adequately Addressed - NOP § 205.202 Land requirements states,** "Any field or farm parcel from which harvested crops are intended to be sold, labeled or represented as "organic," must: (a) have been managed in accordance with the provisions of §§205.203 through 205.206; (b) have had no prohibited substances...; and (c) have distinct, defined boundaries and buffer zones such as runoff diversions to prevent the unintended application of prohibited substance..." *The Bureau of Land Management land grazing allotment referenced in the organic system plan (OSP) from one of the client files reviewed had none of the requirements of this section verified or documented. The grazing allotment included in the OSP was not verified for the ability to be certified for management of organic livestock.*



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**Corrective Action:** ISDA states, "...ISDA understands that verbal confirmation and inspector review of the BLM license is not adequate to fulfill the land requirements. A letter has been sent to the operator to confirm the BLM allotment meets the land requirements." The letter to the certified operation was submitted as Attachment G. The response to this request should be verified.