



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

AUDIT INFORMATION

Applicant Name:	Indiana Certified Organic (ICO), LLC
Est. Number:	N/A
Physical Address:	8364 S SR 39, Clayton, IN 46118
Mailing Address:	8364 S SR 39, Clayton, IN 46118
Contact & Title:	Cecilia Bowman, CEO
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Auditor(s):	Darrell Wilson
Program:	USDA National Organic Program (NOP)
Audit Date(s):	March 2 – November 8, 2007
Audit Identifier:	NP7061OOA
Action Required:	Yes
Audit Type:	Surveillance – Accreditation Renewal Audit
Audit Objective:	To verify continuing compliance to the audit criteria
Audit Criteria:	<i>7 CFR Part 205, National Organic Program; Final Rule</i> , dated December 21, 2000; updated September 11, 2006.
Audit Scope:	ICO's quality manual dated January 2007, including personnel, processes, procedures, facilities, and related records.
Location(s) Audited:	ICO office in Clayton, IN; David Randle Farm in Lebanon, IN; Frog Tree Farm in LaOtto, IN; Weydert Organic Farm in DeKalb, IL; and Kaneville Seed and Feed, Inc. in Kaneville, IL.

Indiana Certified Organic (ICO), LLC is a for-profit organization. The ICO Organic Certification Program was accredited as a certifying agent on April 29, 2002, to the National Organic Program (NOP) for crops, livestock, wild crop, and handling operations. ICO currently has 305 clients with 245 crop, 74 livestock, 4 wild crop, and 72 processor/handling operations. Clients are certified in AR, AZ, CA, DC, IL, IN, KS, KY, LA, MS, MO, MI, MN, NE, NH, OH, OK, OR, SD, TX, WI, the US Virgin Islands & Ontario, Canada.

The 5 Year Accreditation Audit process started on March 2, 2007 with a review of the documents submitted by ICO and concluded with the on-site surveillance audit which was conducted on November 8, 2007. The ISO Guide 65 audit was conducted along with the NOP re-accreditation audit.



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Initial applications and annual updates are reviewed for completeness by the internal auditor. Compliance of the application is then determined by the Administrations Director or the CEO. Once the reviewer(s) determines that the file is complete and ready for an onsite inspection, an inspector is assigned. After the inspection is complete, the inspection report and all other documentation pertaining to the application are presented to the CEO, and are reviewed for compliance and the final decision is made.

The audit included observations of four renewal inspections by ICO using two different inspectors. The operations for the renewal inspection consisted of a wild crop operation consisting of various wild crops; a crop operation raising soybeans, wheat, alfalfa, corn, and oats; a processing operation which ground corn meal and corn flour; and a livestock operation consisting of poultry, sheep, and hogs.

A comparison of fees assessed to the fee schedule verified that the fees being charged are the same as charges shown on the fee schedule.

FINDINGS

Observations made, interviews conducted, and procedures and records reviewed verified that ICO is currently operating in compliance to the requirements of the audit criteria except as noted in the non-compliances. Three non-compliances were identified during the audit.

NP706100A.NC1 - NOP §205.403(c)(1) states “The on-site inspection of an operation must verify: The operations compliance or capability to comply with the Act and the regulations in this part.” *During the witness inspections it was observed that the two inspectors were not inspecting all buildings relating to the certified operation nor did they inspect any of the equipment used for field work. Also it was observed on September 20, 2007, during the farm inspection that the inspector did not verify all of the invoices for products purchased. T-22 was indicated to be used for seed treatment, but the label nor the invoice was requested for review. The inspector asked questions about the operation and accepted the clients answer without verifying the accuracy of the answer through records or documents. During the inspection of the processing facility the same day, the inspector again asked about records, such as clean out records for the grain handling equipment between non-organic and organic grains, but did not request to look at any records.*

NP706100A.NC2 - NOP §205.406 (a)(2) states, “To continue certification, a certified operation must pay the certification fees and submit the following information, as applicable, to the certifying agent: Any additions to or deletions from the information required pursuant to §205.401 (b).” *During the review of client files, it was observed that one annual update was submitted indicating no changes. During the inspection, the inspector had indicated that there were additional inputs, which were not included in the annual update and were not a part of the initial organic system plan (OSP). The inspector had also submitted documentation supporting his finding, which was included in the inspection report. There was no indication found that the OSP has been updated to reflect these changes.*



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NP706100A.NC3 – NOP §205.601 (j)(6) states, “Micronutrients – not to be used as a defoliant, herbicide, or desiccant. Those made from nitrates or chlorides are not allowed. Soil deficiency must be documented by testing.” *During the review of client files, it was found that one of the certified operations had used an input which contained Boron. There was no documentation found to substantiate the deficiency.*