



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

**AUDIT INFORMATION**

<b>Applicant Name:</b>	International Certification Services, Inc. (ICS)
<b>Est. Number:</b>	N/A
<b>Physical Address:</b>	301 5th Avenue SE; Medina, ND 58467
<b>Mailing Address:</b>	Same
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<b>Phone Number:</b>	(701) 486-3578
<b>Auditor(s):</b>	Vickie Robertson
<b>Program:</b>	USDA National Organic Program (NOP)
<b>Audit Date(s):</b>	February 9 - May 4, 2007
<b>Audit Identifier:</b>	NP7040GGA
<b>Action Required:</b>	Yes
<b>Audit Type:</b>	Surveillance - Accreditation Renewal Audit
<b>Audit Objective:</b>	To verify continuing compliance to the audit criteria; and to verify the implementation and effectiveness of corrective actions in addressing the previous non-compliances
<b>Audit Criteria:</b>	7 CFR Part 205, National Organic Program; Final Rule, dated December 21, 2000; and Updated September 11, 2006
<b>Audit Scope:</b>	ICS's quality manual dated February 22, 2006, including personnel, processes, procedures, facilities, and related records.
<b>Location(s) Audited:</b>	ICS Office in Medina, ND; Best Formulations in Industry, CA; Dakota Organic Beef in Furney, SD; and the Warren Farm in Dixon, CA.

The International Certification Services (ICS) Organic Certification Program was accredited as a certifying agent on April 29, 2002 to the National Organic Program (NOP) for crops, wild crops, livestock, and handling operations. ICS currently certifies 62 crop, 31 livestock, and 43 handling operations certified to the NOP Standards in most of the continental United States and one grower group located in Guatemala. ICS currently has no clients certified for wild crops.

The 5 Year Accreditation Audit process started on February 9, 2007 with a review of the documents submitted by ICS and concluded with the on-site surveillance audit which was conducted on April 16–19, 2007 and May 4, 2007.

ICS currently applies the NOP Standards and is certified for ISO Guide 65 by IOAS to certify to IFOAM, Farm Verified Organic (FVO), Bio Swiss, and EU 2092/91 standards. The standards, application modules, handbook, administrative procedures, and policy manual combine the NOP as



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well as the additional requirements for the other standards. Inspections performed verify the FVO, BIO Swiss and IFOAM standards, in conjunction with the NOP Standards. The certification review process identifies non-compliances as they pertain to the applicable standard.

The ICS Customer Care Specialist (CCS) conducts the initial application review to assure the application is complete, and a member of the Certification Committee (CC) conducts the application review for ability to comply. Inspections and inspectors are scheduled by the CCS lead person. The completed report is reviewed by a member of the CC who makes the final certification decision. This person may be the same individual that made the review for ability to comply (NP7040GGA.NC5). Under rare circumstances, the CCS may make the final certification decision. The CCS, in all situations, prepares and signs off on the certificate issued to the client. ICS utilizes primarily contract inspectors that are on the IOIA registry that have been approved by ICS prior to their assignment to inspections.

The audit included observations of three renewal inspections by ICS. The operations for the inspections included organic crop, beef cattle production and a processing facility.

### FINDINGS

Observations made, interviews conducted, and procedures and records reviewed verified that ICS is currently operating in compliance to the audit criteria except as noted in the non-compliances below.

The corrective actions for previous non-compliances were reviewed and found to be effective, therefore the non-compliances were cleared. Six non-compliances were identified during the audit; however, one non-compliance was withdrawn.

#### **NP5178EEA – Major –Cleared**

**NP6296FFB.NC1 – Minor – Cleared** - NOP § 205.404(b) states, “The certifying agent must issue a certificate of organic operation which specifies the: (1) Name and address of the certified operation; (2) Effective date of certification; (3) Categories of organic operation, including crops, wild crops, livestock, or processed products produced by the certified operation; and (4) Name, address, and telephone number of the certifying agent.” *ICS did not submit any NOP certificates with the files submitted for review. ICS only submitted a ICS (FVO) certificate for the processor file, but no NOP certificate for review. Corrective Action:* 6 of 6 files reviewed during the on-site audit did not contain certificates. They are not contained in the individual files; they are maintained in a separate binder for ease in sending when requested by other CAs or users of the products. ICS was not aware that a certificate should be included in the client file packages.

**NP7040GGA.NC1** -- NOP §205.271 (a) states, “The producer or handler of an organic facility must use management practices to prevent pests, including but not limited to: (1-3)”. *The ICS organic system plan modules 25 Sanitation and Clean Out and 26 Structural Pests do not reflect the requirement of management practices to prevent pests prior to using the other methods detailed in the other sections of this clause. The review and inspection of processing operations do not stress management practices.*



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**NP7040GGA.NC2 –Withdrawn** - NOP §205.403 (a)(1) states, “A certifying agent must conduct an initial on-site inspection of each production unit, facility, and site that produces or handles organic products and that is included in an operation for which certification is requested. An on-site inspection shall be conducted annually thereafter for each certified operation that produces or handles organic products for the purpose of determining whether to approve the request for certification or whether the certification of the operation should continue.” *ICS currently certifies one grower group located in Guatemala. The inspection of individual units of the group is inspected by an Internal Control Group with ICS inspecting approximately 10% of the units per their procedure. ICS contracts with Myacert to perform the required inspections (10%) of the grower group.* **Reason for Withdrawal:** NOP notified the organic industry on May 2, 2007, that they would revert back to the October 20, 2002 NOSB recommendation regarding Grower Groups Certification. This recommendation allows accredited certifying agents to determine the level of inspections conducted on individual producers within a grower group or cooperative.

**NP7040GGA.NC3** – NOP §205.403 (c)(1-3) states, “The on-site inspection of an operation must verify: The operation’s compliance or capability to comply with the Act and the regulations in this part. That the information, including the organic production or handling system plan, provided in accordance with §§205.401, 205.406 and 205.200, accurately reflects the practices used or to be used by the applicant for certification or by the certified operation. That prohibited substances have not been and are not being applied to the operation...” *During two of the witness audits, it was observed that the inspectors did not have a current copy of the NOP Standards. The livestock inspector was not provided with module 16 to account for the livestock reported by the applicant so that the number could be verified by the inspector. The packet was also missing module 16C.*

**NP7040GGA.NC4** – NOP §205.501 (a)(11)(iv) states, A private or governmental entity accredited as a certifying agent under this subpart must: Prevent conflicts of interest by: Not giving advice or providing consultancy services, to certification applicants or certified operations, for overcoming identified barriers to certification.” *The notes observed in the review process of two client files provided consultancy to clients for soil building and pest weed management. The packet sent to crop producers with application materials provided an article written by a member of the board of directors that provided consultancy on soil building and pest weed management.*

**NP7040GGA.NC5** – NOP §205.501 (a)(11)(vi) states, “A private or governmental entity accredited as a certifying agent – under this subpart must: Prevent conflicts of interest by: Ensuring that the decision to certify an operation is made by a person different from those who conducted the review of documents and on-site inspection.” *One of six files reviewed indicate that the certification committee member that performed the initial review for ability to comply also made the final certification decision. The ICS certification procedure does not prevent this situation from occurring.*



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**NP7040GGA.NC6** – NOP §205.600 states, “The following criteria will be utilized in the evaluation of substances or ingredients for organic production and handling sections of the National List: (a)-(c).” *The certifying agent advises clients to verify inputs using the OMRI list in the Production Agreement #1. Other documents refer the client to the OMRI list, but advise the client to verify the inputs with the certifying agent prior to use. Inspectors reference the use of the OMRI list in the inspection report, which was evident in the review of client files.*