



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

**Applicant:** Monterey County Certified Organic  
**Program :** National Organic Program Annual Update Review, Corrective Action Review  
**Location(s):** Desk review  
**Audit Date(s):** October 22, 2004  
**Audit File Number:** NP4184GA CA  
**Action Required:** No  
**Auditor(s):** Vickie Robertson  
**Contact & Title:** Katherine Smith-Borchard, Chief Deputy Agricultural Commissioner  
**E-mail Address:** [smithk@co.monterey.ca.us](mailto:smithk@co.monterey.ca.us)

**AUDIT ACTIVITIES**

On October 22, 2004 a representative of the Audit Review and Compliance (ARC) Branch conducted a review of information and documents submitted by Monterey County Certified Organic (MCCO) in response to the Annual Update Review Quality System Audit Report dated July 13, 2004. The purpose of the review was to verify the adequacy of the corrective actions and MCCO's continued compliance to the USDA, AMS 7 CFR Part 205, National Organic Program (NOP).

On September 20, 2004, MCCO provided documentation that addressed all of the non-compliances identified in the Quality System Audit Report, and the information was forwarded to the auditor of record for review. Audit documentation for the annual update review is available for review (**NP4184GA.NC Audit Documentation**).

**FINDINGS**

As a result of this review the auditor concludes that MCCO provided adequate corrective actions addressing all of the non-compliances identified in the Quality System Audit Report, and that MCCO certification services are in compliance to the National Organic Program Final Rule 7 CFR Part 205, National Organic Program.

**NP4184GA.NC1- Minor – Cleared** - National Organic Program Final Rule 7 CFR Part 205.105(a-g) – States, “ To be sold or labeled as “100% organic” “organic” or “made with organic” the product must be produced and handled without the use of:” (a-g) referencing the applicable Rule sections that contain the information of allowed substances that may be used. *The client files reviewed indicated that some of the applications and some of the inspection forms referenced the OMRI list to evaluate inputs for acceptability for use in NOP production and processing operations. The OMRI list is not an approved source for this information.* **Corrective action:** MCCO provided adequate explanation of their verification process to assure that all inputs meet the NOP standards. Also provided was a spread sheet used to verify materials, listing ingredients comparing them to the NOP Regulation.

**NP4184GA.NC2 – Minor – Cleared** - National Organic Program Final Rule 7 CFR Part 205.504(a)(2) requires a governmental agency seeking accreditation as a certifying agent to submit the name and position description of all personnel to be used in the certification operation..... *MCCO did not provide a roster of personnel and the positions they hold. The two inspectors that performed the inspections*

contained in the client files were not named in the materials provided. **Corrective action:** MCCO provided the staff roster which includes the names and positions held of all staff members.

**NP4184GA.NC3 – Minor – Cleared** - National Organic Program Final Rule 7 CFR Part 205.504(a)(3)(i) requires a governmental agency seeking accreditation as a certifying agent to submit a description of the qualifications, including experience, training, and education in agriculture..... for each inspector to be used by the applicant. *MCCO did not provide resumes or other means to show expertise for the two inspectors that performed the on-site inspections for the client files submitted.* **Corrective action:** MCCO provided evidence of experience, training and awards earned for the staff members in question.

**NP4184GA.NC4 –Minor – Cleared** - National Organic Program Final Rule 7 CFR Part 205.504(c)(2) requires for all persons who review applications for certification, perform on-site inspections.....a conflict of interest disclosure report, identifying any food or agriculture related business interests..... *Conflict of interest disclosure reports were not provided for the two inspectors that performed the on-site inspections for the client files submitted.* **Corrective action:** MCCO provided current signed conflict of interest disclosure reports for the inspectors in question.

**NP4184GA.NC5 – Minor – Cleared** - National Organic Program Final Rule 7 CFR Part 205.510(a)(4) requires an accredited certifying agent to submit annually to the Administrator.... the following report. The results of the most recent performance evaluations.... *MCCO did not submit performance evaluations for the two inspectors that performed the on-site inspections for the client files submitted.* **Corrective action:** MCCO provided current performance evaluations for the inspectors in question.

**NP4185GA.NC6 – Minor – Cleared** - National Organic Program Final Rule 7 CFR Part 205.504(d)(2) states, “ An applicant who currently certifies production or handling operations must submit (2) Copies of at least 3 different inspection reports and certification documents certified by the applicant during the previous year.... *The materials submitted by MCCO include only the Organic Plan, the inspection report and miscellaneous documents. It does not provide certification decision documentation. It is not possible to ascertain who made the final certification decision.* **Corrective action:** MMCO provided the Monterey County Certified Organic Process Flow Chart and the position description of the Chief Deputy Agricultural Commissioner. These documents indicate that the Chief Deputy Agricultural Commissioner is responsible for the final certification decision, and that Katherine Smith-Borchard currently holds that position. Certificates contained in the files submitted are signed by Ms. Smith-Borchard. Also provided was evidence of expertise, training and awards earned by Ms. Smith-Borchard. Conflict of interest and performance evaluation documents were previously submitted with the annual report.

## **RECOMMENDATIONS**

Based on the findings of this review, the auditor recommends that MCCO’s accreditation be continued with surveillance audits by appropriate members of the USDA and as mandated by the National Organic Program Final Rule 7 CFR Part 205.