



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

Applicant: Monterey County Certified Organic
Program : National Organic Program – 2004 Annual Update – Desk Audit
Location(s): 1428 Abbott St. Salinas, CA 93901
Audit Date(s): July 2, – July 13, 2004
Audit File Number: NP4184GA
Action Required: Yes
Auditor(s): Vickie Robertson
Contact & Title: Katherine Smith-Borchard, Chief Deputy Agricultural Commissioner
E-mail Address: smithk@co.monterey.ca.us

AUDIT ACTIVITIES

On various days from July 2-13, 2004 a representative of the Audit Review and Compliance (ARC) Branch conducted a review of annual update information and documents submitted by Monterey County Certified Organic (MCCO) to verify continued compliance to the USDA, AMS 7CFR Part 205, National Organic Program (NOP). MCCO's organizational structure has not changed, and its place of operation remains the same.

A review of the materials submitted indicated no major changes in the certification process, method of operations or personnel since the accreditation by NOP on April 29, 2002. There have been some modifications to the Quality Manual, Handbook and the Procedures for Soil and Tissue Sampling, Analysis and Soil Fertility Assessment. Revised copies of these documents were provided. MCCO submitted three client files each for crop and handling operations and one file for processing. They had not certified any clients for livestock or wild crop as of the date of the review. The client files submitted contained the following; the application (new clients), organic system plan, the narrative inspection report and audit trail documents used, a history of correspondence, fee information and collection documents and the certificate issued. The certificates are NOP compliant and have an issue date and an amended date. Documents to determine the certification decision were not included in the files. The review indicated a heavy reliance on the OMRI list to evaluate approved inputs. MCCO is not requesting a change in their scope of accreditation. MCCO currently certifies clients in Monterey County, CA only. MCCO estimates 4 crop, 5 handling, 0 wild crop and 0 livestock operations will be certified annually. MCCO performed an internal audit on March 4, 2003. The audit investigates MCCO's performance for each element of the Rule and notes non-compliances and dates for corrections to be completed.

Resumes or other evidence of expertise, conflict of interest disclosure reports, confidentiality statements and performance evaluations were provided for Katherine Smith-Borchard and Ken Allen. Documents were not provided for the inspectors of record for the client files submitted. A complete roster of employees and positions held was not provided. MCCO has successfully addressed all non-compliances from the accreditation and annual update audits. Audit documentation is available for review (NP4184GA NC Audit Doc).

FINDINGS

As a result of this review the auditor concludes that MCCO provided certification services in compliance to the National Organic Program Final Rule 7 CFR Part 205. Six minor non-compliances were identified during this review.

NP4184GA.NC1- Minor - 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.*

NP4184GA.NC2 – Minor - 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.*

NP4184GA.NC3 – Minor - 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.*

NP4184GA.NC4 –Minor - 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.*

NP4184GA.NC5 – Minor - 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.*

NP4184GA.NC6 – Minor - 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.*

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.