



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

Applicant: Maryland Department of Agriculture
Program : National Organic Program – Corrective/Preventive Action Report
Location(s): Annapolis, Maryland
Audit Date(s): December 10, 2003
Audit File Number: NP3119AA CA Third Report
Action Required: Yes
Auditor(s): Beth Hayden - Auditor
Contact & Title: Valerie Frances, Organic Certification Program Director
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AUDIT ACTIVITIES

On December 10, 2003, a representative of the USDA, Audit, Review and Compliance (ARC) Branch reviewed the corrective actions submitted to address the continuous improvement points (CIPs) identified during the on-site evaluation of the Maryland Department of Agriculture's Organic Certification Program (Maryland), Annapolis, MD, on April 29 –30, 2003. This report follows two earlier corrective action reviews conducted on June 25 and September 15, 2003, to address the findings from the on-site audit. The purpose of the audit was to assess Maryland's compliance to the USDA, AMS 7 CFR Part 205, National Organic Program (NOP), Final Rule. Valerie Frances, MDAF Organic Certification Program Director provided the following documents for review:

- Three recent certificates;
- Three notification letters; and
- Three pages from the newly developed database.

FINDINGS

One of the remaining three non-compliances was not adequately addressed.

NP3119AA.NC2 (CIP) - § 205.404 Granting certification – Adequately Addressed - (c) Once certified, a production or handling operation's organic certification continues in effect until surrendered by the organic operation or suspended or revoked. *The current Maryland certificate includes an annual inspection date. It has been determined that this date could be construed as a renewal date, and therefore, is not acceptable.* **Submitted corrective action:** The certificate provided as an example is not consistent with the CIP. It includes a "Certified Since" date that is not explained. **Second submitted corrective action:** A copy of the actual certificate was not provided for review. *In the earlier submission two different certificates were provided, and it is still not clear which certificate will be used and whether it is in compliance.* **Third submitted corrective action:** New certificates were submitted that meet the requirements of the rule.

NP3119AA.NC3 (CIP) – Adequately Addressed - § 205.501 General requirements for accreditation. (a) A private or governmental entity accredited as a certifying agent under this subpart must: (11) Prevent conflicts of interest by: (iv) Not giving advice or providing consultancy services, to certification applicants or certified operations, for overcoming identified barriers to certification. *Giving advice and consulting is not addressed with the inspectors, the MOCAC members or the Program Director. The Program Director frequently includes "recommendations" in certification letters that could be construed*

as providing information that may overcome a barrier to certification. **Submitted corrective action:** Copies of letters, pamphlets, and guidance were not submitted to verify compliance. **Second submitted corrective action:** *No documentation was available for submission at this time.* **Third submitted corrective action:** Letters sent to clients recording certification activity were provided. They did not include recommendations.

NP3119AA.NC8 (CIP) – Insufficient - § 205.501 General requirements for accreditation. (a) A private or governmental entity accredited as a certifying agent under this subpart must: (6) Conduct an annual performance evaluation of all persons who review applications for certification, perform on-site inspections, review certification documents, evaluate qualifications for certification, make recommendations concerning certification, or make certification decisions and implement measures to correct any deficiencies in certification services. *While Maryland has a procedure for conducting annual performance evaluations for inspectors and MOCAC members, it does not follow the procedures.*

Submitted corrective action: The Maryland corrective action provides a procedure for conducting a performance evaluation of the MOCAC members; however, there is no need for this review since they no longer make recommendations for certification. A performance evaluation of the Secretary with regard to making certification decision is required. **Second submitted corrective action:** Under the new certification procedure, a performance evaluation for the organic program activities of the Chief of Grading Services must be provided to establish expertise. However, since the Chief is relatively new to the position, a performance evaluation has not been conducted. *A copy of the performance evaluation as it regards organic certification should be provided at the earliest possible time.* **Third submitted corrective action:** The performance evaluation will be performed by February 2004.

RECOMMENDATIONS

I recommend that the Maryland program retain its accreditation status. A follow-up site evaluation should be conducted to verify that the corrective actions have been implemented and that the program is operating in compliance to the NOP regulations.