



# United States Department of Agriculture

Agricultural Marketing Service  
National Organic Program

CERTIFICATE OF ACCREDITATION

***NEW HAMPSHIRE DEPARTMENT OF AGRICULTURE,  
MARKETS & FOOD***

***25 Capitol Street, Concord, New Hampshire, 03301, U.S.A.***

meets all the requirements prescribed in the USDA National Organic Program Regulations

**7 CFR Part 205**

**as an Accredited Certifying Agent**


for the scope of

**Crops Operations**

This certificate is receivable by all officers of all courts of the United States as prima facie evidence of the truth of the statements therein contained. This certificate does not excuse failure to comply with any of the regulatory laws enforced by the U.S. Department of Agriculture.

Status of this accreditation may be verified at <http://www.ams.usda.gov>

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Effective Date: **03/31/2022**  
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**Deputy Administrator**  
**National Organic Program**



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## NATIONAL ORGANIC PROGRAM: AUDIT & CORRECTIVE ACTION REPORT

### GENERAL INFORMATION

- **Certifier Name** New Hampshire Department of Agriculture, Markets & Food, NHDAMF
- **Physical Address** 25 Capitol Street, Concord, New Hampshire 03301, U.S.A.
- **Audit Type** Mid-term Audit
- **Auditor(s) & Audit Dates** Joshua Lindau, 06/22/2020 to 06/25/2020
- **Audit Identifier** NOP-35-20

### CERTIFIER OVERVIEW

A mid-term audit was conducted of the New Hampshire Department of Agriculture, Markets and Food (NHDAMF). Audit activities included a remote desk audit. The USDA National Organic Program (NOP) assessed the certifier's conformance to the USDA organic regulations, during the period July 21, 2017 to June 22, 2020.

NHDAMF was first accredited on April 29, 2002 and is accredited for Crops, Wild Crops, Livestock, and Handling. The NHDAMF Organic Certification Program is under the Division of Regulatory Services. NHDAMF certifies 102 operations to the following certification scopes: Crops (84), Livestock (18), and Handling (29). NHDAMF's office is located in Concord, New Hampshire and provides certification services exclusively in New Hampshire. Certification services are performed by the division director of regulatory services, three agricultural inspectors, one organic inspector and one division assistant.

## **NOP DETERMINATION:**

NOP reviewed the audit results to determine whether NHDAMF's corrective actions adequately addressed previous noncompliances. NOP also reviewed any corrective actions submitted as a result of noncompliances issued from Findings identified during the onsite audit.

Any noncompliance labeled as "**Cleared**," indicates that the corrective actions for the noncompliance are determined to be implemented and working effectively. Any noncompliance labeled as "**Accepted**" indicates acceptance of the corrective actions and verification of corrective action implementation will be conducted during the next onsite audit.

### **Non-compliances from Prior Assessments**

**AIA-1238-20 - Cleared**

**AIA-1239-20 - Cleared**

**AIA-1240-20 - Cleared**

**AIA-1243-20 - Cleared**

**AIA-1241-20 - Accepted.** (NP7198NNA.NC4) - 7 C.F.R. § 205.402(a)(2) states, “Upon acceptance of an application for certification, a certifying agent must:…Determine by a review of the application materials whether the applicant appears to comply or may be able to comply with the applicable requirements…”

**Comments:**

1. *NHDAMF is not conducting material reviews for all inputs listed in the Organic System Plan.*

2. *NHDAMF is not verifying all ingredients in organic products are not produced using ionizing radiation, and sewage sludge.*

**Corrective Action:** NHDAMF made the following changes:

1. NHDAMF submitted a newly created materials review sheet which states all materials must be reviewed by certifiers for compliance with the USDA organic regulations. The material review sheet will be completed by NHDAMF and retained in the clients file for all materials not approved by OMRI, WSDA or PCO. The NHDAMF OSP’s were revised to include a column where the inspector is to indicate their completed verification of each product. Inspectors have been instructed to write verifications in the margins of old OSP versions. A copy of the material review sheet will be included with the applicant's organic system plan. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.

2. NHDAMF submitted a revised Product Profile sheet where the operation must indicate each ingredient was not produced using excluded methods, ionizing radiation or sewage sludge. The sheet now informs the operation that documentation will be verified for compliance during on-site inspections. NHDAMF submitted a revised processor inspection report now requires inspectors to verify compliance of at least 5 ingredients during the onsite inspection. Inspector verification of ingredients will be recorded on the inspection report. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.

**Verification of Corrective Action:**

1. Although NHDAMF has implemented the use of the newly created material review sheet, NHDAMF is still not conducting material reviews for all inputs listed in organic system plans (OSPs). The auditor’s review of certification files and interviews with staff found that NHDAMF did not verify the materials-use of several organic operations.

2. Although NHDAMF has implemented the use of the revised Product Profile sheet, the auditor’s review of certification files found that NHDAMF did not have a Product Profile sheet on file for all products. NHDAMF could not demonstrate that they are verifying that all ingredients in organic products are not produced using excluded methods, ionizing radiation or sewage sludge.

**2022 Corrective Action:** NHDAMF added a checkbox to the Organic Crop Verification Checklist for inspectors to confirm that they verified and updated the information in the material use table at inspection. The NHDAMF Director will conduct the final review of the inspection reports to verify that the materials review worksheet is complete and will initial completed worksheets. NHDAMF is reducing its scopes of accreditation. After March 31, 2022, NHDAMF will no longer offer wild crop, livestock, and handling certification services. NHDAMF confirmed that after March 31 NHDAMF will only certify single ingredient organic products. NHDAMF staff discussed the noncompliance and corrective actions during a staff meeting including scenarios and examples of how to conduct the review of material use.

**AIA-1242-20 - Accepted.** (NP7198NNA.NC6) - 7 C.F.R. §205.402(a) (1) states, “Upon acceptance of an application for certification, a certifying agent must review the application to ensure completeness pursuant to §205.402.”

**Comments:** *The NHDAMF processor Organic System Plan does not include a list of each substance to be used as a production or handling input, indicating its composition, source, location(s) where it will be used, and documentation of commercial availability, as applicable according to the USDA organic regulations.*

**Corrective Action:** The NHDAMF submitted a revised Product Profile Sheet including a table for the operation to list each substance intended for use as a production or handling input. The table requires the products composition, source, location(s) where it will be used, and documentation of commercial availability, as applicable according to the USDA organic regulations. NHDAMF revised the processor OSP to require the completion of a Product Profile Sheet for each product intended for certification. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.

**Verification of Corrective Action:** Although NHDAMF has implemented the use of the revised Product Profile sheet, four product profiles reviewed by the auditor contained ingredient information that was not readily understood or auditable. The four product profiles noted the percentages of ingredients as "varies."

**2022 Corrective Action:** NHDAMF is reducing its scopes of accreditation. After March 31, 2022, NHDAMF will no longer offer wild crop, livestock, and handling certification services. NHDAMF confirmed that after March 31 NHDAMF will only certify single ingredient organic products that will not include non-organic ingredients.

**AIA-1244-20 - Accepted.** (NP7198NNA.NC8) - 7 C.F.R. § 205.403 (c)(1) and (2) states, “The on-site inspection of an operation must verify: The operation’s compliance or capability to comply with the Act and the regulations of 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.”

**Comments:** *During the witness audits, the following observations were made:*

- 1. The inspector did not verify the labels being used by the operation were the same as approved by the certifier.*
- 2. The inspector did not verify materials being used, including cleaners/sanitizers and pest management.*
- 3. The inspector did not verify composition of organic products.*
- 4. The inspector did not verify documentation of cleaning equipment.*
- 5. The inspector did not verify residue testing on equipment as indicated in the organic system plan.*

**Corrective Action:** NHDAMF made the following corrective actions:

- NHDAMF submitted a revised copy of the processor inspection report showing the addition of questions to verify the labels used by the operation onsite are the same labels approved by NHDAMF. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.
- NHDAMF submitted a revised processor inspection report where inspectors are to list the cleaning and sanitation products verified during the onsite inspection. Additionally, NHDAMF submitted a revised copy of the processor organic system plan with a table in the “Sanitation” section where cleaners, sanitizers and pest management products are to be listed. The table requests the operation to provide the protocol for the materials use, labels of the material, ingredients in the material that appear on the National list and a NHDAMF approval and review indicator. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.
- NHDAMF submitted a revised processor inspection report instructing inspectors to complete a Product Composition Verification Worksheet for each product and report how many products were verified during the inspection. NHDAMF submitted a new Product Composition Verification Worksheet to facilitate this process. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.
- NHDAMF submitted a revised processor inspection report where inspectors must answer questions verifying the maintenance of a cleaning log and the areas for which the cleaning is performed. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.
- NHDAMF submitted a revised processor inspection report to include a table that indicates where residual testing is required and the verification of completed residual testing. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.

**Verification of Corrective Action:** The auditor reviewed certification files and found that NHDAMF has effectively implemented corrective actions for subpoint 1. Subpoints 2-5 remain outstanding. The auditor’s review of files found the following:

- All processing and handling files reviewed by the auditor used the revised processor inspection report. Inspectors are verifying that the labels used by the operation are the same labels approved by NHDAMF.

2. The auditor's review of certification files found that an operation's organic system plan (OSP) lacked information regarding a sanitizer and the inspector did not obtain the information needed to verify the cleaning process.
3. The auditor's review of a processing and handling file found that although the operation's OSP noted 25 different products, the operation only provided six product profiles to NHDAMF. NHDAMF did not resolve the information missing from the OSP during inspection or final review.
4. The auditor's review of a maple syrup operation's OSP found that it did not list the equipment used in production or describe the cleaning process of production equipment with enough detail to verify organic products do not have contact with prohibited substances. The inspector did not note the deficiency in the inspection report.
5. NHDAMF approved an operation's process to verify the absence of sanitizer residue on contact surfaces. However, the process submitted by the operation and approved by NHDAMF did not test for sanitizer residue. The process involved ATP testing, which is used to determine the presence of harmful bacteria, not sanitizer residue.

**2022 Corrective Action:** NHDAMF is reducing its scopes of accreditation. After March 31, 2022, NHDAMF will no longer offer wild crop, livestock, and handling certification services. NHDAMF confirmed that after March 31 NHDAMF will only certify single ingredient organic products including 100% organic maple products.

NHDAMF added individual tables and more specific questions to *Section F. Cleaners and Section G. Sanitizers* of its Maple Syrup Organic System Plan (OSP). The OSP requires operations to list all cleaning products, equipment being cleaned, and explain how the operation will prevent the cleaner from contacting organic product, including residue testing, if applicable. NHDAMF submitted the updated OSP to the NOP. NHDAMF updated the Organic Maple Products Inspection Report to include questions verifying materials are used as indicated in the OSP, including residue testing, if applicable. NHDAMF submitted the updated report to the NOP. NHDAMF updated its Organic Crop Verification Checklist to include a cleaners/sanitizers checkbox to make sure that all cleaners and sanitizers in Sections F and G were approved and initialed. NHDAMF submitted the updated checklist to the NOP. NHDAMF staff reviewed and discussed the regulatory requirements for testing to validate the absence of sanitizers, specifically §205.272, and the document titled, "Allowed Detergents and Sanitizers for Food Contact Surfaces and Equipment in Organic Operations." NHDAMF has made all certification staff aware that an ATP test is not appropriate for testing the absence of sanitizer. NHDAMF staff discussed the noncompliance and corrective actions during a staff meeting.

**AIA-1245-20 - Accepted.** (NP7198NNA.NC9) - 7 C.F.R. § 205.662(a) states, "When an inspection, review, or investigation of a certified operation by a certifying agent or a State organic program's governing State official reveals any noncompliance with the Act or regulations in this part, a written notification of noncompliance shall be sent to the certified operation."

**Comments:** *NHDAMF did not issue a notice of noncompliance to the operation. The operations product profile changed previous non-organic ingredients now being sourced as organic, and did not revise the label to identify the organic ingredients as "organic" in the ingredient panel.*

**Corrective Action:** NHDAMF submitted a revised processor OSP with statement in Labeling and Product Composition section reminding processors that changes to product profiles may require label changes. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.

**Verification of Corrective Action:** The auditor’s review of an inspection report found that the inspector noted that all the organic certificates on file for the certified operation’s suppliers were more than two years old. NHDAMF did not issue a notice of noncompliance to the operation.

**2022 Corrective Action:** NHDAMF added a checkbox to the Organic Crop Verification Checklist for the inspector to check if they identify potential issues at inspection. NHDAMF submitted the updated checklist to the NOP. NHDAMF’s Exit Interview and Information Request form requires operations to submit missing information within ten days. During a staff discussion, NHDAMF reminded staff how to use this form, including using it to request updated certificates. If a certified operation fails to provide the documentation, NHDAMF will issue a notice of noncompliance to the operation. NHDAMF staff discussed the noncompliance and corrective actions during a staff meeting.

**AIA-1246-20 - Accepted.** (NP7198NNA.NC10) - 7 C.F.R. § 205.403 (d) states, “The inspector must conduct an exit interview with an authorized representative of the operation... The inspector must also address the need for additional information as well as any issues of concern.”

**Comments:** *During the livestock witness inspection, the inspector identified that the operation missing receipts for purchased feeds. However, this was not addressed as an issue in the exit interview. The operator was told to keep track of all receipts for purchased feed for next year’s inspection.*

**Corrective Action:** NHDAMF revised and submitted the exit interview portion of the inspection reports. The exit interview portions of the revised inspection reports include two columns, one for the inspector list of the applicable standards and the other provides space for the inspector to identify any “issues of concern” for the Director to consider as a noncompliance. The Director and inspectors collaborated on the revisions so the inspectors are aware of the changes.

**Verification of Corrective Action:** The auditor’s review of an inspection report, which used the revised exit interview section, found that the inspector noted a crop rotation plan that had the same crops in the same field for three consecutive years. However, the inspector did not address this as an issue in the exit interview.

**2022 Corrective Action:** NHDAMF updated checkboxes on the Organic Crop Exit Interview form. The inspector must select and discuss with the operation one of three checkboxes: no issues of concern, additional info needed, or issuance of NNC/CCC may be required by director. The updated exit interview form also includes a statement regarding what information the inspector is to cover during the exit interview. NHDAMF submitted the revised Organic Crop Exit Interview form to the NOP. NHDAMF staff discussed the noncompliance and corrective actions during a staff meeting.



## **Non-compliances Identified during the Current Assessment**

**AIA-1899-20 - Accepted.** 7 C.F.R. §205.670(g) states, “If test results indicate a specific agricultural product contains pesticide residues or environmental contaminants that exceed the Food and Drug Administration's or the Environmental Protection Agency's regulatory tolerances, the certifying agent must promptly report such data to the Federal health agency whose regulatory tolerance or action level has been exceeded. Test results that exceed federal regulatory tolerances must also be reported to the appropriate State health agency or foreign equivalent.”

**Comments:** *NHDAMF does not fully carry out the procedures of NOP 2613 Instruction Responding to Results from Pesticide Residue Testing. The auditor's review of pesticide residue analysis reports found that NHDAMF did not include a statement indicating the organic status of the tested product when notifying operations of pesticide residue test results.*

**Corrective Action:** NHDAMF updated their Residue Testing Checklist to include a checkbox on contacting the producer regarding the status of the crop. NHDAMF submitted the updated checklist to the NOP. NHDAMF updated their Sampling and Residue Testing Procedures to include a statement that NHDAMF will respond to results in accordance with NOP 2613. The NHDAMF Director will review the Residue Testing Checklist to confirm that the operation was notified in accordance with NOP 2613 and will attach a copy of the notification to the checklist. NHDAMF staff discussed the noncompliance and corrective actions during a staff meeting.

**AIA-1900-20 - Accepted.** 7 C.F.R. §205.303(b)(2) states, "Agricultural products in packages described in §205.301(a) and (b) must: On the information panel, below the information identifying the handler or distributor of the product and preceded by the statement, “Certified organic by \* \* \*,” or similar phrase, identify the name of the certifying agent that certified the handler of the finished product and may display the business address, Internet address, or telephone number of the certifying agent in such label."

**Comments:** *The auditor's review of labels found that NHDAMF approved labels that did not have the “Certified organic by \*\*\*” statement in a compliant location.*

**Corrective Action:** NHDAMF issued a notice of noncompliance to the operation for noncompliant labels. NHDAMF submitted the notice of noncompliance resolution and the operation's revised compliant labels to the NOP. NHDAMF determined that this noncompliance was the result of human error and as a result updated their Organic Crop Verification Checklist to include three checkboxes for reviewers to indicate the following: the most current label is attached, the completed organic label review worksheet is attached, and the labels are in compliance with USDA organic regulations. NHDAMF submitted the updated checklist to the NOP. NHDAMF staff discussed the noncompliance and corrective actions during a staff meeting.

**AIA-1932-20 - Accepted.** 7 C.F.R. §205.403(c)(2) states, “The on-site inspection of an operation must verify: 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;”

**Comments:** *NHDAMF’s inspectors do not fully verify the accuracy of an operation’s organic system plan (OSP). The auditor’s review of certification files found that an inspector did not verify the accuracy of a meat processing and handling operation’s OSP. The operation noted four private label products in their OSP and the inspector only noted one private label in the inspection report without explanation of this discrepancy.*

**Corrective Action:** NHDAMF is reducing its scopes of accreditation. After March 31, 2022, NHDAMF will no longer offer wild crop, livestock, and handling certification services. NHDAMF confirmed that after March 31 NHDAMF will only certify single ingredient organic products. NHDAMF updated the Organic Crop Verification Checklist to include a checkbox for inspectors to indicate whether the organic system plan (OSP) was updated at inspection and whether the submitted OSP agrees with the onsite inspection findings. NHDAMF staff discussed the noncompliance and corrective actions during a staff meeting.

**AIA-1933-20 - Accepted.** 7 C.F.R. §205.501(a)(8) states, “A private or governmental entity accredited as a certifying agent under this subpart must: Provide sufficient information to persons seeking certification to enable them to comply with the applicable requirements of the Act and the regulations in this part.”

**Comments:** *NHDAMF does not provide sufficient information to applicants to enable them to comply with the regulations. The auditor reviewed material review sheets that either did not include annotations or included incorrect annotations. NHDAMF does not communicate accurate material restrictions or annotations to operators.*

**Corrective Action:** NHDAMF updated its Material Use Table to include a column to note any restrictions or annotations. The initial reviewer verifies that the table is complete, including required restrictions and annotations, and the second reviewer, who also acts as the inspector, is responsible for reviewing all materials and verifying that the information in the table is accurate. NHDAMF staff discussed the noncompliance and corrective actions during a staff meeting.

**AIA-8712-21 - Accepted.** 7 C.F.R. §205.501(a)(9) states, “A private or governmental entity accredited as a certifying agent under this subpart must: Maintain all records pursuant to §205.510(b) and make all such records available for inspection and copying during normal business hours by authorized representatives of the Secretary and the applicable State organic program's governing State official;”

**Comments:** *NHDAMF did not make all records available for inspection during the audit. NHDAMF did not provide label review sheets for an operation with 25 labeled products and associated attachments after multiple requests for the information.*

**Corrective Action:** NHDAMF requires inspectors to attach the corresponding Organic Label Review Worksheet to each current label to assure that the most up-to-date information is on file. Certification files are kept in the Director’s office and are available during normal business hours. It is the Director’s responsibility to ensure all documents are properly filed and available. NHDAMF staff discussed the noncompliance and corrective actions during a staff meeting.

**AIA-8713-21 - Accepted.** 7 C.F.R. §205.501(a)(4) states, “A private or governmental entity accredited as a certifying agent under this subpart must: Use a sufficient number of adequately trained personnel, including inspectors and certification review personnel, to comply with and implement the organic certification program established under the Act and the regulations in subpart E of this part;”

**Comments:** *NHDAMF does not consistently use adequately trained personnel to comply with and implement its USDA organic certification program. NHDAMF approved an operation’s process for residue testing that did not validate the absence of residue for the sanitizers being used. A processing facility noted in their OSP that they would use an ATP test to verify the absence of sanitizers. However, ATP testing is not intended for chemical residue testing but for biological matter contamination.*

**Corrective Action:** NHDAMF staff reviewed and discussed the regulatory requirements for testing to validate the absence of sanitizers, specifically §205.272, and the document titled, “Allowed Detergents and Sanitizers for Food Contact Surfaces and Equipment in Organic Operations.” NHDAMF has made all certification staff aware that an ATP test is not appropriate for testing the absence of sanitizer.

**AIA-8714-21 - Accepted.** 7 CFR §205.663 states, “Any dispute with respect to denial of certification or proposed suspension or revocation of certification under this part may be mediated at the request of the applicant for certification or certified operation and with acceptance by the certifying agent... Any agreement reached during or as a result of the mediation process shall be in compliance with the Act and the regulations in this part. The Secretary may review any mediated agreement for conformity to the Act and the regulations in this part and may reject any agreement or provision not in conformance with the Act or the regulations in this part.”

**Comments:** *NHDAMF’s settlement agreements do not comply with the requirements of the USDA organic regulations. The auditor’s review of settlement agreements established by NHDAMF found that the settlement agreements do not include a defined period of time for the terms to be completed.*

**Corrective Action:** NHDAMF’s Director, who is responsible for developing settlement agreements, reviewed the Accredited Certifiers Association (ACA) document titled, “Utilizing Mediation and Settlement Agreements,” and Lesson 4 of the Organic Integrity Learning Center training titled, “Compliance and Enforcement: Adverse Actions, Appeals, and Reinstatements.” The Director will reference the templates in the ACA document when developing settlement agreements.

**AIA-8722-21 - Accepted.** 7 C.F.R. §205.402(a)(1) states, “Upon acceptance of an application for certification, a certifying agent must: Review the application to ensure completeness pursuant to §205.401.”

**Comments:** *NHDAMF did not fully review an application to ensure completeness. The auditor’s review of certification files and interviews with certification staff found that a poultry operation did not note ration amounts in their organic system plan, and NHDAMF staff did not address the missing information.*

**Corrective Action:** NHDAMF’s Organic System Plan (OSP) review sheet requires the first reviewer to note missing information for the inspector to address with the operation. NHDAMF updated the review sheet with a checkbox for the inspector to indicate to the final reviewer if information is still missing after inspection. After the final review, NHDAMF follows the noncompliance process for any missing information. NHDAMF staff discussed the noncompliance and corrective actions during a staff meeting.

## NATIONAL ORGANIC PROGRAM: CORRECTIVE ACTION REPORT

### AUDIT AND REVIEW PROCESS

An onsite renewal assessment of New Hampshire Department of Agriculture, Markets & Food organic program was conducted on July 10-17, 2017. The National Organic Program (NOP) reviewed the auditor's report to assess NHDAMF's compliance to the USDA organic regulations. This report provides the results of NOP's assessment.

### GENERAL INFORMATION

<b>Applicant Name</b>	New Hampshire Department of Agriculture, Markets & Food (NHDAMF)
<b>Physical Address</b>	25 Capitol Street Rm. 218, Concord, NH 03302
<b>Mailing Address</b>	P.O. Box 2042, Concord, NH 03302
<b>Contact &amp; Title</b>	Jennifer Gornert; Director, Division of Regulatory Services
<b>E-mail Address</b>	<a href="mailto:Jennifer.Gornert@agr.nh.gov">Jennifer.Gornert@agr.nh.gov</a>
<b>Phone Number</b>	603-271-7761
<b>Reviewer Auditors</b>	Jason Lopez, NOP Reviewer; Patricia Heckart and Penny Zuck, On-site Auditors.
<b>Program</b>	USDA National Organic Program (NOP)
<b>Review Date &amp; Audit Dates</b>	NOP assessment review: December 18, 2017 Onsite audit: July 10-17, 2017
<b>Audit Identifier</b>	NP7198NNA
<b>Action Required</b>	Yes
<b>Audit &amp; Review Type</b>	Renewal Assessment
<b>Audit Objective</b>	To evaluate the conformance to the audit criteria; and to verify the implementation and effectiveness of NHDAMF's certification
<b>Audit &amp; Determination Criteria</b>	<i>7 CFR Part 205, National Organic Program as amended</i>
<b>Audit &amp; Review Scope</b>	NHDAMF's certification services in carrying out the audit criteria during the period: July 2014 through July 2017.

The National Organic Program (NOP) conducted the renewal audit of New Hampshire Department of Agriculture Markets and Foods (NHDAMF) July 17-19, 2017.

The NHDAMF Organic Certification Program is under the Division of Regulatory Services. NHDAMF was accredited as a certifying agent on April 29, 2002, to the scopes of crops, wild crops, livestock, and handling. Their organic accreditation period expired on April 29, 2017. The NHDAMF organic program certifies 137 operations, consisting of 117 crops, 34 livestock, 0 wild crops, and 22 processor/handling operations. NHDAMF office is located in Concord, NH and certified are all in the state of New Hampshire. The NHDAMF organic certification

program staff consists of the Director, three full time inspectors, one part time inspector and one administrative assistant.

As part of the onsite accreditation activities, two witness audits (WA) were conducted. Inspections of a crops/livestock operation and handler operation were reviewed. The NHDAMF inspector collected a sample during the crops/livestock inspection.

## **NOP DETERMINATION**

The NOP reviewed the onsite audit results to determine whether NHDAMF corrective actions adequately addressed previous noncompliances. The NOP also reviewed the findings identified during the onsite audit to determine whether noncompliances should be issued to NHDAMF.

### **Non-compliances from Prior Assessments**

Any noncompliance labeled as “**Cleared**,” indicates that the corrective actions for the noncompliance are determined to be implemented and working effectively. Any noncompliance labeled as “**Outstanding**” indicates that either the auditor could not verify implementation of the corrective actions or that records reviewed and audit observations did not demonstrate compliance. Any noncompliance labeled as “**Accepted**” indicates acceptance of the corrective actions and verification of corrective action implementation will be conducted during the next onsite audit.

**NP4188BBA.NC1 – Cleared**

**NP4188BBA.NC2 – Cleared**

### **Non-compliances Identified during the Current Assessment**

Any noncompliance labeled as “**Accepted**,” indicates that the corrective actions for the noncompliance are accepted by the NOP and will be verified for implementation and effectiveness during the next onsite audit.

**NP7198NNA.NC1** - 7 C.F.R. § 205. 662 (c) (4) states, “Proposed suspension or revocation. When rebuttal is unsuccessful or correction of the noncompliance is not completed within the prescribed time period, the [State organic program](#)'s governing [State](#) official shall send the [certified operation](#) a written notification of proposed suspension or revocation of certification of the entire operation or a portion of the operation, as applicable to the noncompliance. The notification shall state the right to request mediation pursuant to § 205. 663 or to file an appeal pursuant to § 205.681.

**Comments:** *NHDAMF has issued notices of proposed suspension that indicate the operation can submit corrective actions the letters also outlined corrective action that the operation could take to resolve the issue.*

**Corrective Action:** NHDAMF submitted a revised Notice of Proposed Suspension template. The revised notice of proposed suspension template no longer indicates that an operation may submit corrective actions to resolve the proposed suspension. NHDAMF staff responsible for issuing the notices made the Notice of Proposed Suspension template revisions.

**NP7198NNA.NC2** - 7 C.F.R. § 205. 662 (a) (3) states, “Such notification shall provide the date by which the [certified operation](#) must rebut or correct each noncompliance and submit supporting documentation of each such correction when correction is possible.”

**Comments:** *The notices of noncompliance reviewed by the auditors did not include the option to rebut the noncompliance(s).*

**Corrective Actions:** NHDAMF submitted a revised Notice of Noncompliance template to include the option to rebut the noncompliance(s). NHDAMF staff responsible for issuing the notices made the Notice of Noncompliance template revisions.

**NP7198NNA.NC3-** 7 CFR § 205.501(a)(21) states, “A private or governmental entity accredited as a certifying agent under this subpart must: Comply with, implement, and carry out any other terms and conditions determined by the Administrator to be necessary.” NOP 2025, *Instruction Internal Program Review*, Section 3.1, states, “Internal program reviews are conducted by personnel different from those who perform certification activities.”

**Comments:** *The 2016 NHDAMF program review was conducted by the Organic Regulatory Program Director and Organic Inspectors. Personnel that conduct certification activities may not conduct the annual internal review of NHDAMF’s organic certification program.*

**Corrective Actions:** NHDAMF submitted a revised SOP for Conducting the Annual Program Review to reflect the following courses of action. NHDAMF will make a request each budget cycle to have an appropriation of funds to cover the expense of hiring a third party to complete the annual program review. If funds are not provided, NHDAMF will request a fellow Director complete the annual program review. The NHDAMF annual program review was completed by David Rousseau, Director of the Pesticide Control Division on December 11, 2017. This change has been communicated throughout NHDAMF and a copy of the revised SOP has been reviewed by staff.

**NP7198NNA.NC4** – 7 C.F.R. § 205.402(a)(2) states, “Upon acceptance of an application for certification, a certifying agent must:...Determine by a review of the application materials whether the applicant appears to comply or may be able to comply with the applicable requirements...”

**Comments:**

1. *NHDAMF is not conducting material reviews for all inputs listed in the Organic System Plan.*
2. *NHDAMF is not verifying all ingredients in organic products are not produced using ionizing radiation, and sewage sludge.*

**Corrective Actions:** NHDAMF made the following changes:

1. NHDAMF submitted a newly created materials review sheet which states all materials must be reviewed by certifiers for compliance with the USDA organic regulations. The material review sheet will be completed by NHDAMF and retained in the clients file for all materials not approved by OMRI, WSDA or PCO. The NHDAMF OSP’s were revised to include a column where the inspector is to indicate their completed verification of each product. Inspectors have been instructed to write verifications in the margins of

old OSP versions. A copy of the material review sheet will be included with the applicant's organic system plan. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.

2. NHDAMF submitted a revised Product Profile sheet where the operation must indicate each ingredient was not produced using excluded methods, ionizing radiation or sewage sludge. The sheet now informs the operation that documentation will be verified for compliance during on-site inspections. NHDAMF submitted a revised processor inspection report now requires inspectors to verify compliance of at least 5 ingredients during the onsite inspection. Inspector verification of ingredients will be recorded on the inspection report. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.

**NP7198NNA.NC5 - Rebuttal Accepted.**

**NP7198NNA.NC6** – 7 C.F.R. §205.402(a) (1) states, “Upon acceptance of an application for certification, a certifying agent must review the application to ensure completeness pursuant to §205.402.”

**Comments:** *The NHDAMF processor Organic System Plan does not include a list of each substance to be used as a production or handling input, indicating its composition, source, location(s) where it will be used, and documentation of commercial availability, as applicable according to the USDA organic regulations.*

**Corrective Actions:** The NHDAMF submitted a revised Product Profile Sheet including a table for the operation to list each substance intended for use as a production or handling input. The table requires the products composition, source, location(s) where it will be used, and documentation of commercial availability, as applicable according to the USDA organic regulations. NHDAMF revised the processor OSP to require the completion of a Product Profile Sheet for each product intended for certification. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.

**NP7198NNA.NC7** - 7 C.F.R. § 205.501(a)(21) states, “A private or governmental entity accredited as a certifying agent under this subpart must: Demonstrate the ability to fully comply with the requirements for accreditation set forth in this subpart; Comply with, implement, and carry out any other terms and conditions determined by the Administrator to be necessary.” The NOP website provides instructions and the terms of international trade arrangements.

**Comments:** *The auditors review of International Trade Arrangement procedures, revealed the following:*

1. *Export and Import questions are not included in the Organic System Plans. Export questions are included in the Processor Organic System Plan.*
2. **Rebuttal Accepted.**
3. *NHDAMF does not keep a log of Export Certificates issued to operations for products exported to Japan.*
4. *NHDAMF did not review labels for products exported to Japan under the US-Japan Equivalency Arrangement.*



**Corrective Actions:** NHDAMF is making the following corrective actions:

1. NHDAMF has revised and submitted its handler OSP which includes import and export questions in the International Import and Export Activity section. NHDAMF has revised its crop and livestock OSP's by adding import and export questions and the final versions will be complete on February 2, 2018. NHDAMF crop operations will utilize the revised OSP's for their 2018 renewal applications due March 1, 2018. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.
2. **Rebuttal Accepted.**
3. NHDAMF has added an "Export" tab in its database where the required information of issued export certificates will be logged. NHDAMF submitted a copy of the "Export" tab for review. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.
4. NHDAMF has revised its SOP for issuing export certificates to include documentation that labels were reviewed for compliance with the applicable country's trade arrangement. The director currently handles export requests, and as such, is aware of the need to document label reviews.

**NP7198NNA.NC8** - 7 C.F.R. § 205.403 (c)(1) and (2) states, "The on-site inspection of an operation must verify: The operation's compliance or capability to comply with the Act and the regulations of 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."

**Comments:** *During the witness audits, the following observations were made:*

1. *The inspector did not verify the labels being used by the operation were the same as approved by the certifier.*
2. *The inspector did not verify materials being used, including cleaners/sanitizers and pest management.*
3. *The inspector did not verify composition of organic products.*
4. *The inspector did not verify documentation of cleaning equipment.*
5. *The inspector did not verify residue testing on equipment as indicated in the organic system plan.*

**Corrective Actions:** NHDAMF made the following corrective actions:

1. NHDAMF submitted a revised copy of the processor inspection report showing the addition of questions to verify the labels used by the operation onsite are the same labels approved by NHDAMF. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.
2. NHDAMF submitted a revised processor inspection report where inspectors are to list the cleaning and sanitation products verified during the onsite inspection. Additionally, NHDAMF submitted a revised copy of the processor organic system plan with a table in the "Sanitation" section where cleaners, sanitizers and pest management products are to be listed. The table requests the operation to provide the protocol for the materials use, labels of the material, ingredients in the material that appear on the National list and a NHDAMF approval and review indicator. NHDAMF staff and inspectors developed and

reviewed all corrective action prior to submission to the NOP and are informed of the process changes.

3. NHDAMF submitted a revised processor inspection report instructing inspectors to complete a Product Composition Verification Worksheet for each product and report how many products were verified during the inspection. NHDAMF submitted a new Product Composition Verification Worksheet to facilitate this process. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.
4. NHDAMF submitted a revised processor inspection report where inspectors must answer questions verifying the maintenance of a cleaning log and the areas for which the cleaning is performed. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.
5. NHDAMF submitted a revised processor inspection report to include a table that indicates where residual testing is required and the verification of completed residual testing. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.

**NP7198NNA.NC9** - 7 C.F.R. § 205.662(a) states, “When an inspection, review, or investigation of a certified operation by a certifying agent or a State organic program's governing State official reveals any noncompliance with the Act or regulations in this part, a written notification of noncompliance shall be sent to the certified operation.”

**Comments:** *NHDAMF did not issue a notice of noncompliance to the operation. The operations product profile changed previous non-organic ingredients now being sourced as organic, and did not revise the label to identify the organic ingredients as “organic” in the ingredient panel.*

**Corrective Actions:** NHDAMF submitted a revised processor OSP with statement in Labeling and Product Composition section reminding processors that changes to product profiles may require label changes. NHDAMF staff and inspectors developed and reviewed all corrective action prior to submission to the NOP and are informed of the process changes.

**NP7198NNA.NC10** - 7 C.F.R. § 205.403 (d) states, “The inspector must conduct an exit interview with an authorized representative of the operation... The inspector must also address the need for additional information as well as any issues of concern.”

**Comments:** *During the livestock witness inspection, the inspector identified that the operation missing receipts for purchased feeds. However, this was not addressed as an issue in the exit interview. The operator was told to keep track of all receipts for purchased feed for next year’s inspection.*

**Corrective Actions:** NHDAMF revised and submitted the exit interview portion of the inspection reports. The exit interview portions of the revised inspection reports include two columns, one for the inspector list of the applicable standards and the other provides space for the inspector to identify any “issues of concern” for the Director to consider as a noncompliance. The Director and inspectors collaborated on the revisions so the inspectors are aware of the changes.

## NATIONAL ORGANIC PROGRAM: CORRECTIVE ACTION REPORT

### AUDIT AND REVIEW PROCESS

The National Organic Program (NOP) conducted the New Hampshire Department of Agriculture, Marketing and Food's (NHDAMF) mid-term assessment. The NOP reviewed NHDAMF's submitted certification program materials, conducted an onsite audit, and reviewed the results of the onsite audit to determine NHDAMF's capability to continue to operate as a USDA accredited certifying agent.

### GENERAL INFORMATION

<b>Applicant Name:</b>	New Hampshire Department of Agriculture, Marketing and Food (NHDAMF)
<b>Physical Address:</b>	25 Capitol Street, Rm. 218, Concord, NH 03302
<b>Mailing Address:</b>	PO Box 2042, Concord, NH 03302
<b>Contact &amp; Title:</b>	Jennifer Gornert, Director, Division of Regulatory Services
<b>E-mail Address:</b>	<a href="mailto:Jennifer.Gornert@agr.nh.gov">Jennifer.Gornert@agr.nh.gov</a>
<b>Phone Number:</b>	603-271-7761
<b>Reviewer (s) and Auditor(s):</b>	Renée Gebault King, NOP Reviewer; Martin Friesenhahn, Onsite Auditor
<b>Program:</b>	USDA National Organic Program (NOP)
<b>Audit and Review Date(s):</b>	NOP Corrective Action Review: October 7, 2014 NOP Audit Review: August 7, 2014 Onsite audit: July 7-9, 2014
<b>Audit Identifier:</b>	NP4188BBA
<b>Action Required:</b>	Yes
<b>Audit and Review Type:</b>	Mid-term Assessment
<b>Audit Objective:</b>	To evaluate the conformance to the audit criteria; and to verify the implementation and effectiveness of NHDAMF's certification system.
<b>Audit and Determination Criteria:</b>	<i>7 CFR Part 205, National Organic Program as amended</i>
<b>Audit and Review Scope:</b>	NHDAMF's certification program activities in carrying out the audit criteria during the period: April 22, 2013 - July 7, 2014

### ORGANIZATIONAL STRUCTURE:

NHDAMF Organic Certification Program (hereafter referred to as NHDAMF) is under the New Hampshire State Division of Regulatory Services. NHDAMF was accredited as a certifying agent on April 29, 2002, to the USDA National Organic Program (NOP) for crops, wild crops,

livestock, and handling operations. NHDAMF currently includes 162 operations certified to the NOP: 111 crops, 30 livestock, 0 wild crops, and 21 processor/handling operations. Per New Hampshire State Law, all clients and operations are only certified in the state of New Hampshire. The NHDAMF also conducts other audits and reviews such as for Country of Origin Labeling requirements.

NHDAMF consists of one office located in Concord, New Hampshire. The certification program staff consists of the Director, the Certification Coordinator (also an inspector), one full time staff Agricultural Inspector, and one part-time Agricultural Inspector. A review of the files and interviews conducted confirmed that the organic certification staff had sufficient experience, training, and education or a combination thereof in agriculture, organic production, and organic handling. A review of training records indicated that all organic certification staff had received current training on the USDA organic regulations and guidance.

#### **NOP DETERMINATION:**

NOP reviewed the onsite audit results to determine whether NHDAMF's corrective actions adequately addressed previous noncompliances. NOP also reviewed any corrective actions submitted as a result of noncompliances issued from Findings identified during the onsite audit.

#### **Noncompliances from Prior Assessments**

Any noncompliance labeled as "**Cleared**," indicates that the corrective actions for the noncompliance are determined to be implemented and working effectively. Any noncompliance labeled as "**Outstanding**" indicates that either the auditor could not verify implementation of the corrective actions or that records reviewed and audit observations did not demonstrate compliance.

**NP2191ACA.NC1 – Cleared**  
**NP2191ACA.NC2 – Cleared**  
**NP2191ACA.NC3 – Cleared**  
**NP2191ACA.NC4 – Cleared**  
**NP2191ACA.NC5 – Cleared**

#### **Noncompliances Identified during the Current Assessment**

Any noncompliance labeled as "**Accepted**," indicates that the corrective actions for the noncompliance are accepted by the NOP and will be verified for implementation and effectiveness during the next onsite audit.

**NP4188BBA.NC1 – Accepted** – 7 CFR § 205.501 (a)(6) states, "A private or governmental entity accredited as a certifying agent under this subpart must: Conduct an annual performance

evaluation of all persons who review applications for certification, perform onsite inspections, review certification documents...”

**Comments:** *The Director has not received a written performance evaluation since starting the position in July 2012, and a part time inspector has not received a written performance evaluation since 2012. An interview with the Director during the audit indicated she is scheduled to receive an evaluation on July 14, 2014 and that the part time inspector was evaluated during an inspection, but the event was not recorded.*

**Corrective Action:** NHDAMF has created a policy as part of its quality management system that states new employees will have their annual review conducted no later than the anniversary date of their hire, while senior staff annual performance reviews will be conducted in August or September. The State of New Hampshire Employee Performance-Technical Staff Form will be used for these evaluations, with copies issued to the employee and retained in the personnel files.

**NP4188BBA.NC2 – Accepted** – 7 CFR § 205.662 (c) states, “Proposed suspension or revocation...When correction of a noncompliance is not possible, the notification of noncompliance and the proposed suspension or revocation of certification may be combined in one notification...”

**Comments:** *NHDAMF issued a combined Notice of Noncompliance and Proposed Suspension to several clients that had not submitted the required renewal Organic System Plan (OSP) for organic crops by the March 1 deadline. This noncompliance is correctable and NHDAMF should issue a noncompliance and allow the operation to submit corrective actions before proposing adverse actions.*

**Corrective Action:** NHDAMF updated its policies and procedures to reflect that a Notice of Noncompliance will be issued to operations that fail to submit annual OSPs by the March 1 deadline.

<b>Applicant Name:</b>	New Hampshire Department of Agriculture, Markets & Food; Division of Regulatory Services (NHDAMF)
<b>Est. Number:</b>	N/A
<b>Physical Address:</b>	25 Capital Street, Concord, NH 03302
<b>Mailing Address:</b>	P.O. Box 2042, Concord, NH 03302-2042
<b>Contact &amp; Title:</b>	Jennifer Z. Gornnert, Director Division of Regulatory Services Victoria M. Smith, Certification Coordinator
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<b>Phone Number:</b>	(603) 271-3685
<b>Auditor(s):</b>	Julie Hartley, Accreditation Manager
<b>Program:</b>	USDA National Organic Program (NOP)
<b>Audit Date(s):</b>	March 12, 18, and 29, 2013
<b>Audit Identifier:</b>	NP2191ACA
<b>Action Required:</b>	No
<b>Audit Type:</b>	Corrective Action audit
<b>Audit Objective:</b>	To verify review and approve corrective actions addressing the noncompliances identified during the 2012 Renewal Assessment.
<b>Audit Criteria:</b>	7 CFR Part 205, National Organic Program; Final Rule, dated December 21, 2000; updated March 15, 2012
<b>Audit Scope:</b>	NHDAMF's November 26, 2012 response letter and subsequent January 2, February 20 and March 18, 2013 documentation to the Renewal Assessment non-compliance report
<b>Location(s) Audited:</b>	Desk

## GENERAL INFORMATION

The New Hampshire Department of Agriculture, Markets & Food (NHDAMF) Organic Certification Program is under the Division of Regulatory Services (DRS). NHDAMF, Division of Regulatory Services was accredited as a certifying agent on April 29, 2002, to the USDA National Organic Program (NOP) for crops, wild crops, livestock, and handling operations. The NHDAMF organic program currently includes 127 operations certified to the NOP consisting of 104 crops, 30 livestock, 0 wild crops, and 21 processor/handling operations. All operations are located in the United States and per New Hampshire State Law clients are only certified in the state of New Hampshire.

## AUDIT INFORMATION

During the Renewal Assessment, the corrective action for the non-compliance identified during the 2009 Deferred/Mid-Term Audit was verified and found to be implemented and effective and the noncompliance was cleared. There were five noncompliances identified during the Renewal audit. The NOP notified NHDAMF of these findings in writing on October 25, 2012. NHDAMF submitted a response to the NOP on November 26, 2012, with subsequent documentation submitted on January 2, February 20, and March 18, 2013.

## FINDINGS

The NOP accepts the corrective actions NHDAMF submitted to address the noncompliances identified during the 2012 Renewal Assessment.

**NP2191ACA.NC1 – Accepted** – NOP §205.402(a)(1) and (2) state, “Upon acceptance of an application for certification, a certifying agent must: Review the application to ensure completeness pursuant to §205.401; and (2) Determine by a review of the application materials whether the applicant appears to comply or may be able to comply...” *A review of the 10 client files identified that the Organic System Plans (OSP) and labels are not being adequately reviewed. Four of ten OSP’s were found to be incomplete. In three cases, the processors or producers indicated that there were no changes to their OSP when in fact there were significant changes. Inspectors conduct an initial review of the OSPs prior to the inspection; however, significant missing information regarding inputs, procedures and other required information is not addressed with the operation prior to the on-site inspection. The following issues were identified during the file review and witness inspection:*

- *During the witness inspection at the livestock/crop operation, the inspector found significant updates or changes to the OSP. There were many feed supplements and medications that were identified by the inspector that were not documented on the OSP.*
- *Of the 10 labels reviewed, two labels from the same processor had the placement of the “Certified organic by NHDAMF” statement located above the distributor’s name.*
- *During the witness inspection, the inspector indicated that a need for a buffer zone had been discussed with the operation manager during the previous year’s inspection. The current OSP did not include the buffer zones that had been discussed and required from the previous inspection.*
- *One OSP did not have the seeds and planting stock practice standard section completed.*
- *One operator’s OSP was incomplete for the livestock living conditions. The operator did not include all cases of temporary confinement for breeding, calving, illness, etc.*
- *One OSP had an incomplete pasture plan that did not address the proposed DMI calculations for the entire grazing season; field maps were incomplete and did not identify details such as neighboring land use, water, sources, buffers, natural areas, etc.; the type of grazing methods used in the pasture system; and no information on erosion control and protection of natural wetlands and riparian areas practices.*

**Corrective Action:** NHDAMF received and reviewed missing information necessary to complete OSPs and also issued an operation a notice of noncompliance to resolve subsequent findings. The noncompliance bullet point listed above concerning labels was addressed by NHDAMF implementing the NOP Policy Memo 12-2, *Placement of “Certified Organic by \*\*\*” Statement*. NHDAMF created a Standard Operation Procedure (SOP) for reviewing organic system plans which involves a three-person review process. Staff meetings were held in March, 2013, to review proper procedure for reviewing applications and the requirement of obtaining all required information and documentation prior to conducting on-site inspections. NHDAMF revised its Livestock OSP to emphasize USDA organic Pasture Rule requirements. Certified operations were informed of changes to the revised forms and that completed OSPs are required



to be submitted prior to an on-site inspection. DRS staff participated in IOIA training on August 22, 2012, to better understand the Pasture Rule and DMI calculation verification and will provide subsequent training to other staff members.

**NP2191ACA.NC2 – Accepted** – NOP §205.403(c)(1) 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.” *NHDAMF does not require inspectors to conduct trace-back and input/output sampling activities, nor does the inspection report or checklist provide for a section that documents these inspection verification activities.* **Corrective Action:** NHDAMF revised its inspection report forms to include sections for ‘audit back track’ to verify trace-back activities and ‘product in/product out balance audit’ to verify input/output activities and submitted its processor inspection report. Inspectors also review crop operations’ yield and sales information and harvest records as documented in an operation’s application and OSP to verify compliance. Internal training was held in March, 2013, for staff and inspectors and included procedures for conducting verification activities.

**NP2191ACA.NC3 – Accepted** – NOP §205.403(d) states, “The inspector must conduct an exit interview with an authorized representative of the operation who is knowledgeable about the inspected operation to confirm the accuracy and completeness of inspection observations and information gathered during the on-site inspection. The inspector must also address the need for any additional information as well as any issues of concern.” *During 1 of 3 witness inspections observed by NOP auditors, the inspector did not conduct an exit interview.* **Corrective Action:** An NHDAMF letter documenting findings from the on-site inspection noted above was sent to the operation on July 24, 2012. NHDAMF standard procedure for on-site inspections is to conduct an exit interview at the end of an inspection, and noted that this was an isolated incident. Staff meetings held in August and November, 2012, provided clarification of the procedure including the requirement of completing a summary exit interview narrative in the inspection report. The NHDAMF Director will accompany inspectors periodically to verify the exit interview procedure is being implemented.

**NP2191ACA.NC4 – Accepted** – NOP §205.501(a)(7) states, “A private or governmental entity accredited as a certifying agent under this subpart must: Have an annual program review of its certification activities conducted by the certifying agent’s staff, an outside auditor, or a consultant who has expertise to conduct such reviews and implement measures to correct any noncompliances with the Act and the regulations in this part that are identified in the evaluation.” *During the assessment, NHDAMF provided a one page document dated January 1, 2011, titled “2011 Annual NHDAMF Organic Program Review” to the NOP auditors for review. The document listed four actions or changes that have been implemented to NHDAMF organic program. Additionally, there were five recommendations listed. The document does not reference the Act when identifying noncompliances; consequently, there is no basis or reference to develop a plan to implement corrective measures to address deficiencies in the program.* **Corrective Action:** NHDAMF created an SOP for completing an annual organic program review. A DRS staff person will conduct an annual program review using the NOP 2005, Accreditation Assessment Checklist which references citations of the USDA organic regulations.



The NHDAMF annual program review and corrective actions will be submitted to the NOP with its annual report in April, 2013.

**NP2191ACA.NC5 – Accepted** – NOP §205.501(a)(11)(v) states, “A private or governmental entity accredited as a certifying agent under this subpart must: Prevent conflicts of interest by: Requiring 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 all parties responsibly connected to the certifying agent to complete an annual conflict of interest disclosure report.” *No annual signed conflict of interest disclosure reports are on file within the NHDA Division of Market and Regulatory Affairs.* **Corrective Action:** NHDAMF submitted its 2012 Annual Conflict of Interest (COI) Disclosure Report which all employees signed, and created an SOP to indicate procedures for completion of an annual COI. The COI is to be renewed annually by each employee in November.