United States Department of Agriculture

Agricultural Marketing Service

National Organic Program

CERTIFICATE OF ACCREDITATION

Maryland Department of Agriculture

50 Harry S. Truman Parkway, Annapolis, Maryland 21401

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, Wild Crops, Livestock and Handling 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**

Certificate No: NP7114LCA
Effective Date: April 29, 2017
Expiration Date: April 29, 2022

Jif Tucker FORRG

Ruihong Guo, Ph.D.
Acting Deputy Administrator
National Organic Program

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National Organic Program
1400 Independence Avenue, SW.
Room 2642-South, STOP 0268
Washington, DC 20250-0268

NATIONAL ORGANIC PROGRAM: AUDIT & CORRECTIVE ACTION REPORT

GENERAL INFORMATION

- **Certifier Name** Maryland Department of Agriculture (MDA)
- **Physical Address** 50 Harry S. Truman Parkway, Annapolis, Maryland 21401, U.S.A.
- **Audit Type** Mid-term Audit
- **Auditor & Audit Dates** Daniel Oliver, 06/17/2024 to 06/21/2024
- **Audit Identifier** NOP-17-24

CERTIFIER OVERVIEW

The National Organic Program (NOP) conducted an onsite Midterm Audit of the Maryland Department of Agriculture's (MDA) USDA organic certification program covering the period July 16, 2021, to June 21, 2024. The purpose of the audit was to verify MDA's compliance with the Organic Foods Production Act of 1990 (OFPA), the USDA organic regulations (7 CFR Part 205), and the NOP Handbook. Audit activities included a review of certification activities, interviews with MDA personnel, a records audit, and one onsite witness audit. The witness audit was conducted at a crops/handling/livestock operation in Maryland.

MDA is a state government agency initially accredited on April 29, 2002. MDA is accredited to the crops, wild crops, livestock, and handling scopes. MDA's office is in Annapolis, Maryland. MDA certifies 59 operations and offers certification services in Maryland only. Certification activities are performed by six employees.

NOP DETERMINATION:

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

Noncompliances from Prior Assessments

AIA-2453-20 - Cleared
AIA-2454-20 - Cleared
AIA-2460-20 - Cleared
AIA-247-22 - Cleared
AIA-248-22 - Cleared
AIA-7101-21 - Cleared
AIA-7103-21 - Cleared
AIA-7110-21 - Cleared
AIA-7111-21 - Cleared
AIA-7112-21 - Cleared
AIA-7113-21 - Cleared
AIA-8006-21 - Cleared
AIA-8007-21 - Cleared

Noncompliances Identified during the Current Assessment and Corrective Actions

AIA-2657-24 - Accepted. 7 CFR § 205.403(d)(1) states, "The onsite inspection of an operation must verify: The operation's compliance or capability to comply with the Act and the regulations in this part;"
Comments: *During the witness audit of a crops and livestock inspection, the auditor observed that the inspector did not fully verify the operation's compliance with the USDA organic regulations. The inspector did not verify the operation's compliance with §205.237(c)(1) by reviewing records to verify that the operation's animals grazed the entire length of the grazing season, nor did the inspector verify the operation's compliance with § 205.204(a) by verifying the amount of seed held back from a previous year's harvest.*
Corrective Actions: In December of 2024, MDA implemented the use of updated crop and livestock inspection report templates, which guide inspectors toward sufficient verification of operator compliance with regard to grazing records and saved seed. MDA informed inspectors of these changes by email on December 12, 2024, and trained inspectors on these topics during its annual organic training meeting on March 27, 2025.

AIA-2737-24 - Accepted. 7 CFR § 205.501(a)(2) 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."

Comments: *MDA does not demonstrate the ability to fully comply with the requirements for accreditation. The auditor reviewed certification files and interviewed staff and found MDA's settlement agreement template does not meet the requirements of § 205.663(f). The auditor found the following issues with MDA's settlement agreement template:*

1. *The template does not include a defined period of time for the terms to be completed.*
2. *The template does not clearly indicate that if the operation meets the terms of the agreement, that MDA agrees to cease the proposed adverse action.*
3. *The template does not clearly indicate that if the operation does not meet the terms of the agreement, that MDA will reissue the original proposed adverse action.*

Corrective Actions: MDA implemented revised settlement agreement templates on December 10, 2024. The revised templates include a defined period of time for the terms to be completed and describes appropriate outcomes when the terms of the settlement agreement are met or are not met. MDA confirmed that the two staff members involved in the adverse action process have reviewed and are familiar with the revised template.

AIA-2738-24 - Accepted. 7 CFR § 205.501(a)(3) states, "A private or governmental entity accredited as a certifying agent under this subpart must: Carry out the provisions of the Act and the regulations in this part, including the provisions of §§ 205.402 through 205.406 and § 205.670;"

Comments: *MDA does not carry out the provisions of the Act and the regulations. The auditor reviewed certification files and identified that MDA misrepresented the NOP regulations in a notification to an operation by stating that all organic agricultural ingredients in livestock feed must be labeled as organic. § 205.306(a)(4) states that organic agricultural ingredients in livestock feed may (not must) be labeled as organic.*

Corrective Actions: MDA sent a letter to the two operations affected by this change on December 12, 2024, in order to clarify the requirements for livestock feed labeling. MDA also confirmed that the operations' labels complied with the regulations. Additionally, MDA developed a new label review checklist specifically for livestock feed products labeled as "organic," which was implemented July 30, 2025. MDA also updated its standard operator procedure (SOP) for initial reviews to incorporate references to the new checklist to ensure staff use it when reviewing livestock feed labels. MDA implemented the new SOP on August 2, 2024. MDA emailed its organic staff to clarify the labeling requirements on December 12, 2024, and trained the relevant personnel on these topics during its annual organic training meeting on March 27, 2025.

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NATIONAL ORGANIC PROGRAM: AUDIT & CORRECTIVE ACTION REPORT

GENERAL INFORMATION

- **Certifier Name** Maryland Department of Agriculture (MDA)
- **Physical Address** 50 Harry S. Truman Parkway, Annapolis, Maryland 21401
- **Audit Type** Renewal Assessment (Desk-audit)
- **Auditors & Audit Dates** Joshua Lindau & Sherry Aultman, 07/12/2021 to 07/16/2021
- **Audit Identifier** NOP-17-21

CERTIFIER OVERVIEW

Maryland Department of Agriculture (MDA) is a state government agency with headquarters located in Annapolis, Maryland. MDA was originally accredited by the USDA National Organic Program (NOP) on April 29, 2002, to certify Crops, Wild Crops, Livestock, and Handling/processing operations. All key certification activities are conducted at the Annapolis office.

MDA certifies 102 operations to the following scopes: Crops (74), Livestock (33), Wild Crops (0), and Handling/Processing (16). MDA certifies organic operations located within the State of Maryland. MDA only accepts applications for new certifications in the state of Maryland.

The organic program is overseen by the two interim Program Managers who were the program's certification reviewers and inspectors. The interim Program Managers review files and coordinates certification activities. There are two part-time administrative staff members dedicated to the organic program and five MDA staff inspectors that work part-time for the MDA organic program and have inspection duties for other state programs.

NOP DETERMINATION

NOP reviewed the audit results to determine whether MDA'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 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 audit.

Noncompliances from Prior Assessments

AIA-2449-20 – Cleared.
AIA-2450-20 – Cleared.
AIA-2451-20 – Cleared.

AIA-2453-20 – Accepted. 7 C.F.R. §205.662 (e)(1) states, "If the operation fails to correct the noncompliance, to resolve the issue through rebuttal or mediation, or to file an appeal of theproposed suspension …, the certifying agent ... shall send the certified operation a written notification of suspension …."

Comments: *The following issues were identified:*

- *MDA suspended an operation but failed to issue the notification of suspension. The operation was suspended by MDA without notifying the operation of the suspension.*
- *MDA issued the operation's notification of suspension three months after the deadline to file an appeal or request mediation. The notification of suspension was not issued in a timely manner.*

2017 Corrective Actions: MDA has revised its Handling Non Compliances/Non Conformities procedure. The MDA Administrator, Program Manager or designee will conduct a bi-weekly review of the adverse action tracking spreadsheet and ensure the next step in the adverse action process is completed timely. MDA is also in the process of developing a database for the Organic Program capable of monitoring client status and needed actions improving the timeline for MDA actions. The Program Manager reviewed the new policy with the Administrator on August l, 2017.

2019 Verification of Corrective Actions: The auditor reviewed several files that contained both notices of proposed suspension and subsequent notices of suspension.

- The auditor verified that MDA is actively managing their adverse actions spreadsheet and issuing notices of suspension.
- The auditor found that MDA is still not issuing adverse actions documents in a timely manner. MDA has improved the timeframe for issuing notices but issued some of the reviewed notices well after the deadline.

2020 Corrective Actions: MDA has attributed the delay in issuing adverse action notices to a staffing shortage that required MDA's Administrator to perform inspections in addition to his/her other duties. MDA has begun training three employees as inspectors which will allow theAdministrator to focus on monitoring adverse actions and issuing them in a timely manner.

2021 Verification of Corrective Actions: The auditor's review of proposed suspension notifications found MDA still does not issue adverse action notices in a timely manner. One notice of proposed suspension was issued four months after the notice of noncompliance response deadline and one combined notice of noncompliance and proposed suspension was issued ten months after the inspection.

2022 Corrective Actions: MDA has hired a new Organic Administrator and the position was filled on June 8, 2022. The Organic Administrator's time will be fully dedicated to overseeing MDA's organic certification program, which will help with issuing, monitoring, and tracking of non-compliances, proposed adverse actions and adverse actions, in a timely manner. The new Organic Administrator will review MDA's Organic Policies, Procedures and Documents; NOP regulation; complete organic trainings in the NOP's Organic Integrity Learning Center; observe inspections with MDA inspectors; and become familiar with the regulations to perform the day-to-day operations by August 8, 2022. The Organic Administrator will be responsible for determining the best way to monitor the issuance of adverse actions to ensure they are processed in a timely manner.

AIA-2454-20 – Accepted. 7 C.F.R. §205.662(c) states, "When rebuttal is unsuccessful or correction of the noncompliance is not completed within the prescribed time period, the certifying agent or State organic program's governing State official shall send the certifiedoperation a written notification of proposed suspension or revocation of certification of theentire operation or a portion of the operation, as applicable to the noncompliance…."

Comments: *MDA is not consistently monitoring and tracking the process of issuing noncompliances, proposed adverse actions, and adverse actions. Auditors found several notifications of proposed suspension that were not issued in a timely manner after the operations deadline for responding to noncompliances had passed. These notifications of proposed suspension were sent five or more months after the noncompliance response deadline. MDA failed to issue a notice of proposed suspension after no response was received to the notice of noncompliance. The noncompliance was never resolved.*

2017 Corrective Actions: MDA has revised its Handling Non Compliances/Non Conformities procedure. The MDA Administrator, Program Manager or designee will conduct a bi-weekly review of the tracking spreadsheet and ensure the next step in the adverse action process is completed timely. MDA is also in the process of developing a database for the Organic Programcapable of monitoring client status and needed actions improving the timeline for MDA actions.The Program Manager reviewed the new policy with the Administrator on August l, 2017.

2019 Verification of Corrective Actions: Auditor reviewed several files that contained both notices of proposed suspension and subsequent notices of suspension. MDA is actively managing their adverse actions spreadsheet and issuing notices of suspension. MDA has improved the timeframe for issuing notices, but issued some of the reviewed notices well after the deadline.

2020 Corrective Actions: MDA has attributed the delay in issuing adverse action notices to a staffing

shortage that required MDA's Administrator to perform inspections in addition to his/her other duties. MDA has begun training three employees as inspectors which will allow the Administrator to focus on monitoring adverse actions and issuing them in a timely manner.

2021 Verification of Corrective Actions: The auditor's review of proposed suspension notifications found MDA still does not issue adverse action notices in a timely manner. One notice of proposed suspension was issued four months after the notice of noncompliance response deadline and one combined notice of noncompliance and proposed suspension was issued ten months after the inspection.

2022 Corrective Actions: MDA has hired a new Organic Administrator and the position was filled on June 8, 2022. The Organic Administrator's time will be fully dedicated to overseeing MDA's organic certification program, which will help with issuing, monitoring, and tracking of non-compliances, proposed adverse actions and adverse actions, in a timely manner. The new Organic Administrator will review MDA's Organic Policies, Procedures and Documents; NOP regulation; complete organic trainings in the NOP's Organic Integrity Learning Center; observe inspections with MDA inspectors; and become familiar with the regulations to perform the day-to-day operations by August 8, 2022. The Organic Administrator will be responsible for determining the best way to monitor the issuance of adverse actions to ensure they are processed in a timely manner.

AIA-2460-20 – 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: *The following issues were identified during conducted witness audits or a review of operation records:*

- *The MDA inspectors witnessed during inspections did conduct and record mass-balance and traceability inspection activities; however, records and their performance of those activities did not fully demonstrate a clear understanding of the two audit activity purposes.*
- *MDA inspectors did not fully verify organic system plan compliance. Inspectors incompletely verified OSP contents such as updates, flow charts, maps, supplier certificates, and labels. When inspecting the operations, the inspectors did not refer to the operations maps and flow charts when touring the farm or facility. In the case of suppliercertificates, one certificate indicated the product was certified to the European Union Organic Standard and there was no accompanying import certificate. Regarding labels, inspectors did not possess a complete OSP in order to verify that all labels had been approved by the certifier.*

2017 Corrective Actions:

- MDA inspectors not having completed the IOIA 300 Level Webinar In/Out Balances and Traceability Tests for Crop Inspections in November 2017 are registered to complete the IOIA 200 Level Webinar In/Out Balances Traceability Tests and Recipe Verification for Processing Inspections offered in February 2018. One new reviewer/inspector attended the IOIA Crop Inspection in person training in September 2017. 1st: Additional training,

including the In/Out Balances and Traceability Tests for Crop Inspections, will be provided as available to ensure inspectors fully understand and conduct inspection activities to verify the certified operation's compliance with their OSP.

- MDA is revising the inspection report to more completely verify compliance with the OSP and verification of the documentation/records kept throughout the production cycle.Once MDA has finalized the inspection reports, inspectors will receive training, so they completely understand the activities they are expected to conduct during inspections andhow to report those activities.

2019 Verification of Corrective Actions:

- The auditor verified that MDA inspectors completed the IOIA 200 Level Webinar In/Out Balances Traceability Tests and Recipe Verification for Processing Inspections in February 2018. One new reviewer/inspector attended the IOIA Crop Inspection in persontraining in September 2017. The inspectors successfully performed traceability and massbalance exercises during the witnessed inspections.
- The auditor found that OSP's for all scopes were missing information that was collected atthe inspection. These findings and information collected were not noted in the Inspection Report as an issue. The incomplete OSP's are not flagged during the inspection process, thus are not consistently followed up on in the review following the inspection.

2020 Corrective Actions: MDA's inspection report templates for all scopes have been updated to include a section in the exit interview where inspectors can identify any changes from the OSP noted during the inspection. When incomplete OSPs are identified during initial review, MDA is sending out requests to operations for additional information. MDA has also updated procedure MDA_SOP_002 Inspection Assignment SOP to state that an operation with an incomplete OSP will not have its inspection assigned until MDA receives the additional information from the operation. If the requested information is not received in a timely manner, MDA will issue the operation a Notice of Noncompliance.

2021 Verification of Corrective Actions: MDA has not effectively implemented its correctiveactions. The auditor's review of certification files and interviews with certification staff found that MDA failed to identify the following incomplete OSP's during the initial review and inspection processes:

- One OSP did not include a crop rotation plan.
- One OSP contained contradictory information regarding the use of steam on food contact surfaces and did not list any chemicals used in the steam or boiler system.

2022 Corrective Actions: All MDA organic staff were given audit cards on January 10, 2022, which outline the steps of a traceback and mass balance exercises for inspectors and the steps to take. MDA inspectors will attend an IOIA traceability and mass balance webinar when they become available. The current Program Manager for Food Quality took the course several years ago and will share her resources with staff until it is offered again. MDA inspectors also reviewed the following MDA standard operating procedures (SOPs); MDA_SOP_023 Initial Reviews, MDA_SOP_002 Inspection Assignment, and MDA_SOP_007 Inspection Protocols on January 10, 2022. The Organic Administrator's routine monitoring of inspectors, especially during annual evaluations will ensure

inspectors are following the proper steps of an inspection.

Noncompliances Identified during the Current Assessment

AIA-7101-21 – Accepted. 7 C.F.R. §205.501(a)(2) states, "A private or governmental entity accreditedas a certifying agent under this subpart must: Demonstrate the ability to fully comply with the requirements for accreditation set forth in this subpart."

Comments: *MDA does not demonstrate the ability to fully comply with the requirements for accreditation. The auditor's review of certification files and interviews with certification staff identified that MDA's inspection reports do not include verification of the following:*

- *The operation's biodiversity practices.*
- *The operation's compliance to §205.204(a)(1) which requires certified operation to use organically grown seed.*
- *The operation's compliance to §205.301(f)(1-7) which requires all products labeled organic to avoid use of excluded methods.*

2022 Corrective Actions: MDA reviewed and updated its inspection reports to verify an operation's biodiversity practices and an operation's compliance to *§205.204(a)(1).* The revised reports were released for use on August 27, 2021. MDA informed inspectors of the changes to the inspection reports via email on May 24, 2022. MDA identified the inspection reports do not fully address *§205.301(f)(1-7)*. MDA is updating the inspection reports to verify all products labeled as "100 percent organic" or "organic" and all ingredients identified as "organic" in the ingredient statement of any product are not produced using excluded methods as noted in §205.301(f)(1-7). MDA will update all of its inspection reports by July 15, 2022. Updated inspection forms will be sent to all inspectors, and they will be trained on the revised documents by August 1, 2022.

AIA-7103-21 – Accepted. 7 C.F.R. §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;"

Comments: *MDA did not conduct an annual program review in accordance with §205.501(a)(7) and NOP 2025 Internal Program Review Requirements. The auditors' review of MDA'scertification system and activities found the following:*

- *MDA did not conduct an annual program review in 2019.*
- *MDA's 2020 annual program review did not identify how corrective actions will be addressed in a timely and appropriate manner.*
- *MDA's 2020 report did not include findings, an assessment of prior findings, and implemented corrective actions verification of prior program reviews.*

2022 Corrective Actions: MDA reviewed and updated its standard operation procedure (SOP)

"MDA_SOP_017 Audits Reviews Reports" on June 16, 2021. This SOP now includes the following procedures:

1. "3.1. Program Manager: Conduct an annual internal audit of the Organic Certification Program between January 1 and April 15 of each year. In addition to the Program Manager, at a minimum the Administrator and at least one inspector must participate in the audit. Participants will not audit, or review work they have conducted. At a minimum the annual internal audit shall consist of:"
2. "3.1.4 Review findings and implemented corrective actions of prior years' review."
3. "3.1.5 A written record of the audit results that document findings and corrective actions that should be address within 30 days.

MDA will host staff raining regarding the implementation of the new SOP by August 1, 2022. The new MDA Organic Administrator will schedule annual audits each year and create the parameters with the program manager to ensure the requirements are met.

AIA-7110-21 – Accepted. 7 C.F.R. §205.403(a)(2)(ii) states, "The Administrator or State organic program's governing State official may require that additional inspections be performed by the certifying agent for the purpose of determining compliance with the Act and the regulations inthis part."

Comments: *The auditors' review of unannounced inspection files and interviews with staff found MDA is not conducting unannounced inspections of its certified operations in compliance with NOP 2609 Unannounced Inspections.*

- *MDA is not providing all operations with the reason the operation was chosen for the unannounced inspection.*
- *MDA is not disclosing to operations their protocols for unannounced inspections.*
- *MDA inspectors do not consistently conduct exit interviews at unannounced inspections.*
- *MDA does not consistently conduct a final review of the unannounced inspection reportand communicate the results to the operation.*
- *MDA inspectors are not limiting prior notification of their unannounced inspection tofour hours or less of the inspector arriving on-site.*
- *MDA is using unannounced residue sample collections to simultaneously fulfill the NOP requirements to conduct unannounced inspections and residue sampling of 5% of their total certified operations per year. An unannounced residue sample collection cannot count as both an unannounced inspection and a residue sample collection, unless additional inspection activities are also conducted.*

2022 Corrective Actions: MDA's Program Manager has reviewed MDA's documents pertaining to inspections and noted that MDA lacks standard operating procedures (SOPs) that address unannounced inspections. MDA has hired a new Organic Administrator who started working for the program on June 8, 2022. The Program Manager, new Organic Administrator and MDA personnel will create SOPs and policies that address the requirements of NOP 2609 Unannounced Inspections. MDA will create and finalize unannounced inspection SOPs and policies by July 15, 2022. Updated SOPs and policies will be sent to all staff, and they will be trained on the revised documents by August 1, 2022.

AIA-7111-21 – Accepted. 7 C.F.R. §205.504(b)(1) states "A private or governmental entity seeking accreditation as a certifying agent must submit the following documents and information to demonstrate its expertise in organic production or handling techniques; its ability to fully comply with and implement the organic certification program established in §§205.100 and 205.101, §§205.201 through 205.203, §§205.300 through 205.303, §§205.400 through 205.406,and §§205.661 and 205.662; and its ability to comply with the requirements for accreditation setforth in §205.501: Administrative policies and procedures. A copy of the procedures to be used to evaluate certification applicants, make certification decisions, and issue certification certificates;"

Comments: *MDA's Crop organic system plan (OSP) and inspection form do not demonstrate that MDA fully complies with the requirements of §205.201(a)(1)-(6) and NOP 5022 Guidance Wild Crop Harvesting. The auditors' review of MDA templates and interviews with staff foundthat MDA's crop OSP and inspection form does not ask operators to provide a list of any rare, threatened, or endangered terrestrial or aquatic plants or animals that occur in the harvest area; and training provided to ensure that all collectors harvest crops in accordance with the OSP and in a manner that does not damage the environment.*

2022 Corrective Actions: MDA's Program Manager reviewed MDA's crop organic system plan and inspection forms is working on an update to the OSP templates and the inspection reports so that they are in compliance with requirements of §205.201(a)(1)-(6) and NOP 5022 Guidance Wild Crop Harvesting. MDA hired a new Organic Administrator, and the position was filled on June 8, 2022. The new Organic Administrator will complete the review and updates to the OSP templates and inspection forms by July 15, 2022. Updated forms will be sent to all staff, and they will be trained on the revised documents by August 1, 2022. The organic administrator will monitor the use of the new templates and verify OSPs and inspection reports capture any rare, threatened, or endangered terrestrial or aquatic plants or animals that occur in the harvest area; and training provided to ensure that all collectors harvest crops in accordance with the OSP and in a manner that does not damage the environment.

AIA-7112-21 – Accepted. 7 C.F.R. §205.501(a)(2) 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."

Comments: *MDA does not consistently demonstrate the ability to fully comply with the requirements for accreditation. The auditor's review of MDA's adverse action procedure found MDA SOP 005 Application Denials and Appeals is noncompliant in the following sections:*

- *3.3.4 states "Corrective actions cannot be accepted after the due date provided in the noncompliance until mediation is requested in writing and mediation request is approved." USDA organic regulations allow corrective actions to be accepted until a notice of proposed adverse action (proposed suspension or proposed revocation) is issued.*
- *3.3.4.1 states "If the notice of proposed action or denial resulting in the mediation request was issued due to failure to respond to a prior notice of noncompliance, the acceptance of the corrective actions may be done outside of the settlement agreement." USDA organic*

regulations require certifiers to issue a final adverse action notice unless an operation requests mediation or files an appeal before the due date in the original notice of proposed adverse action regardless of why the original notice of proposed adverse action was issued.

2022 Corrective Actions: MDA certification staff reviewed the standard operating procedures (SOP) "MDA_SOP_005 Standard Operating Procedure 5: Application Denials and Appeals," July 17, 2021 and updated sections 3.3.4 and 3.3.4.1 to state the following:

1. "3.3.4 Program Manager, Administrator, or designee: Corrective actions can be accepted after the due date provided in the noncompliance until a notice of proposed suspension or proposed revocation is issued."
2. "3.3.4.1 If the notice resulting in the mediation request was a notice of a major noncompliance i.e. a combined notice, corrective actions must be included as a term of any possible settlement agreement."

MDA will host a training for all staff on the updated standard operating procedures "MDA_SOP_005 Standard Operating Procedure 5: Application Denials and Appeals," prior to August 1, 2022.

AIA-7113-21 – Accepted. 7 C.F.R. §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 on-site inspections, review certification documents, evaluate qualifications for certification, make recommendationsconcerning certification, or make certification decisions and implement measures to correct anydeficiencies in certification services."

Comments: *MDA did not conduct inspector field evaluations for any inspectors in 2020 and has not implemented an alternate proposal for inspector field evaluations per the requirements of NOP Instruction 2027 Personnel Performance Evaluations.*

2022 Corrective Actions: The MDA Program Manager has reviewed the standard operating procedure (SOP) "MDA_SOP_015 Qualifications and Training" and annual performance evaluations are not discussed. MDA's Organic Administrator will update the SOP to address requirements and alternate proposal for evaluation per the requirements of NOP Instruction 2021 Personnel Performance Evaluations. MDA will complete all field evaluations by November 2022. MDA hired a new Organic Administrator who started working for the program on June 8, 2022. The MDA Organic Administrator will complete the updates by July 15, 2022. MDA staff will be trained on the updated SOP by August 1, 2022.

AIA-8006-21 – 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 adequatelytrained personnel, including inspectors and certification review personnel, to comply with andimplement the organic certification program established under the Act and the regulations in subpart E of this part;"

Comments: *MDA does not have a sufficient number of personnel to implement its USDA organic certification program. The auditors' review of certification files and interviews with certification staff found the following:*

- *MDA did not conduct an annual inspection of all its certified operations in 2019 and 2020.*
- *MDA did not conduct unannounced inspections of 5% of its total certified operations in2019 and 2020.*

2022 Corrective Actions: MDA's Program Manager reviewed MDA's staff capacity and decided to implement a Handling/Processing scope reduction in order to comply with and implement the organic certification program. The Program Manager worked with the NOP and notified handlers of this decision on December 30, 2021. MDA has hired a new Organic Administrator and the position was filled on June 8, 2022. MDA also hired 6 contractual positions to help with other subprograms and to free up MDA inspectors to conduct organic inspections. These changes, along with having three inspectors available to conduct inspections, will allow MDA to conduct all inspections in 2022. MDA's Program Manager is tracking the annual inspections and the new Organic Administrator will assist in the tracking.

AIA-8007-21 – 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 andimplement the organic certification program established under the Act and the regulations in subpart E of this part;"

Comments: *MDA does not have a sufficient number of personnel to implement its USDA organic certification program and conduct certification activities in a timely manner. The auditors' review of certification files and interviews with certification staff found the following:*

- *In two cases, MDA failed to issue notices of suspension after the operations failed to request mediation or file an appeal by the deadline in their notices of proposed suspension.*
- *MDA issued three notices of noncompliance nine or more months after the operations'annual inspection.*
- *MDA is not reviewing inspection reports in a timely manner resulting in final certification decisions and the issuance of organic certificates to occur after theoperation's next anniversary date.*
- *MDA is not issuing organic certificates annually as required by NOP 2603 Organic Certificates. The auditors identified two cases where MDA issued the organic certificate 14 months after the operation's annual inspection.*

2022 Corrective Actions: MDA issued Notices of Suspension to the two operations in question. MDA's Program Manager reviewed MDA's staff capacity and decided to implement a handler scope reduction in order to comply with and implement the organic certification program. The Program Manager worked with the NOP and notified handlers of this decision on December 30, 2021. MDA has hired a new Organic Administrator and the position was filled on June 8, 2022. The new Organic Administrator will be responsible for reviewing inspection reports, making final certification decisions, issuing certificates, issuing noncompliances, proposed adverse actions, and adverse actions, and ensuring certification activities are conducted in a timely manner. MDA will host a training for staff by August 1, 2022.

USDA Agricultural Marketing Service

1400 Independence Avenue, SW.
Room 2646-S, STOP 0268
Washington, DC 20250-0201

NATIONAL ORGANIC PROGRAM: CORRECTIVE ACTION REPORT

AUDIT AND REVIEW PROCESS

An onsite Mid-Term assessment of the Maryland Department of Agriculture (MDA) organic program was conducted on September 9 – 12, 2019. The National Organic Program (NOP) reviewed MDA's corrective actions in response to the Notice of Noncompliance to assess MDA's compliance to the USDA organic regulations. This report provides the results of NOP's assessment.

GENERAL INFORMATION

Applicant Name	Maryland Department of Agriculture (MDA)
Physical Address	50 Harry S. Truman Parkway Annapolis, MD 21401
Mailing Address	50 Harry S. Truman Parkway Annapolis, MD 21401
Contact & Title	Deanna Baldwin, Program Manager
E-mail Address	deanna.baldwin@maryland.gov
Phone Number	410-841-5769
Reviewer & Auditor	Melissa Lahullier, NOP Reviewer Graham Davis, On-site Auditor.
Program	USDA National Organic Program (NOP)
Review & Audit Dates	NOP Corrective Action Review: August 7 through November 3, 2020 NOP assessment review: January 23, 2020 Onsite audit: August 8, 2019 (witness audit), September 5, 2019 (witness audit), September 9 -12, 2019 (office audit)
Audit Identifier	NOP-18-19
Action Required	None
Audit & Review Type	Mid-Term Assessment
Audit Objective	To evaluate the conformance to the audit criteria; and to verify the implementation and effectiveness of MDA's certification
Audit & Determination Criteria	*7 CFR Part 205, National Organic Program as amended*
Audit & Review Scope	MDA's certification services in carrying out the audit criteria during the period: April 2017 through September 2019

The Maryland Department of Agriculture (MDA) Organic Certification Program is part of the State of Maryland's Food Quality Assurance Program. MDA 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.

MDA certifies 107 operations to the following scopes: Crops (87), Wild Crops (0), Livestock (17), and Handler/Processor/Exporters (31).

MDA's office is located in Annapolis, Maryland. MDA's certification staff consists of: Technical Staff (4), Inspectors (3), and Administrative/support staff (2).

As part of the onsite accreditation audit activities, two witness audits were conducted – one of a crops/livestock/handler inspection and one of a handler/processor inspection.

NOP DETERMINATION

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

Noncompliances from Prior Assessments

NP7114LCA.NC1 – **Cleared**
NP7114LCA.NC5 – Cleared
NP7114LCA.NC6 – Cleared
NP7114LCA.NC7 - Cleared
NP7114LCA.NC8 – **Cleared**
NP7114LCA.NC10 – Cleared
NP7114LCA.NC11 – **Cleared**
NP7114LCA.NC12 – **Cleared**

AIA-2453-20 - Accepted. (NP7114LCA.NC2) 7 C.F.R. §205.662 (e)(1) states, "If the operation fails to correct the noncompliance, to resolve the issue through rebuttal or mediation, or to file an appeal of the proposed suspension …, the certifying agent ... shall send the certified operation a written notification of suspension …."

Comments: *The following issues were identified:*

- *MDA suspended an operation but failed to issue the notification of suspension. The operation was suspended by MDA without notifying the operation of the suspension.*
- *MDA issued the operations notification of suspension three months after the deadline to file an appeal or request mediation. The notification of suspension was not issued in a timely manner.*

Corrective Action: MDA has revised its Handling Non Compliances/Non Conformities procedure. The MDA Administrator, Program Manager or designee will conduct a bi-weekly review of the adverse action tracking spreadsheet and ensure the next step in the adverse action process is completed timely. MDA is also in the process of developing a database for the Organic Program capable of monitoring client status and needed actions improving the timeline for MDA actions. The Program Manager reviewed the new policy with the Administrator on August l, 2017.

Verification of Corrective Actions: The auditor reviewed several files that contained both notices of proposed suspension and subsequent notices of suspension.

- The auditor verified that MDA is actively managing their adverse actions spreadsheet and issuing notices of suspension.
- The auditor found that MDA is still not issuing adverse actions documents in a timely manner. MDA has improved the timeframe for issuing notices, but issued some of the reviewed notices well after the deadline.

2020 Corrective Actions: MDA has attributed the delay in issuing adverse action notices to a staffing shortage that required MDA's Administrator to perform inspections in addition to his/her other duties. MDA has begun training three employees as inspectors which will allow the Administrator to focus on monitoring adverse actions and issuing them in a timely manner.

AIA-2454-20 – **Accepted**. (NP7114LCA.NC3) 7 C.F.R. §205.662(c) states, "When rebuttal is unsuccessful or correction of the noncompliance is not completed within the prescribed time period, the certifying agent or 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…."
Comments: *MDA is not consistently monitoring and tracking the process of issuing noncompliances, proposed adverse actions, and adverse actions. Auditors found several notifications of proposed suspension that were not issued in a timely manner after the operations deadline for responding to noncompliances had passed. These notifications of proposed suspension were sent five or more months after the noncompliance response deadline. MDA failed to issue a notice of proposed suspension after no response was received to the notice of noncompliance. The noncompliance was never resolved.*
Corrective Actions: MDA has revised its Handling Non Compliances/Non Conformities procedure. The MDA Administrator, Program Manager or designee will conduct a bi-weekly review of the tracking spreadsheet and ensure the next step in the adverse action process is completed timely. MDA is also in the process of developing a database for the Organic Program capable of monitoring client status and needed actions improving the timeline for MDA actions. The Program Manager reviewed the new policy with the Administrator on August l, 2017.
Verification of Corrective Actions: Auditor reviewed several files that contained both notices of proposed suspension and subsequent notices of suspension. MDA is actively managing their adverse actions spreadsheet and issuing notices of suspension. MDA has improved the timeframe for issuing notices, but issued some of the reviewed notices well after the deadline.
2020 Corrective Actions: MDA has attributed the delay in issuing adverse action notices to a staffing shortage that required MDA's Administrator to perform inspections in addition to his/her other duties. MDA has begun training three employees as inspectors which will allow the Administrator to focus on monitoring adverse actions and issuing them in a timely manner.

AIA-2460-20 – Accepted. (NP7114LCA.NC9) 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: *The following issues were identified during conducted witness audits or a review of operation records:*

- *The MDA inspectors witnessed during inspections did conduct and record mass-balance and traceability inspection activities; however, records and their performance of those activities did not fully demonstrate a clear understanding of the two audit activity purposes.*
- *MDA inspectors did not fully verify organic system plan compliance. Inspectors incompletely verified OSP contents such as updates, flow charts, maps, supplier certificates, and labels. When inspecting the operations, the inspectors did not refer to the operations maps and flow charts when touring the farm or facility. In the case of supplier certificates, one certificate indicated the product was certified to the European Union Organic Standard and there was no accompanying import certificate. Regarding labels, inspectors did not possess a complete OSP in order to verify that all labels had been approved by the certifier.*

Corrective Actions:

- MDA inspectors not having completed the IOIA 300 Level Webinar In/Out Balances and Traceability Tests for Crop Inspections in November 2017 are registered to complete the IOIA 200 Level Webinar In/Out Balances Traceability Tests and Recipe Verification for Processing Inspections offered in February 2018. One new reviewer/inspector attended the IOIA Crop Inspection in person training in September 2017. Additional training, including the In/Out Balances and Traceability Tests for Crop Inspections, will be provided as available to ensure inspectors fully understand and conduct inspection activities to verify the certified operation's compliance with their OSP.
- MDA is revising the inspection report to more completely verify compliance with the OSP and verification of the documentation/records kept throughout the production cycle. Once MDA has finalized the inspection reports, inspectors will receive training so they completely understand the activities they are expected to conduct during inspections and how to report those activities.

Verification of Corrective Actions:

- The auditor verified that MDA inspectors completed the IOIA 200 Level Webinar In/Out Balances Traceability Tests and Recipe Verification for Processing Inspections in February 2018. One new reviewer/inspector attended the IOIA Crop Inspection in person training in September 2017. The inspectors successfully performed traceability and mass balance exercises during the witnessed inspections.
- The auditor found that OSP's for all scopes were missing information that was collected at the inspection. These findings and information collected were not noted in the Inspection Report as an issue. The incomplete OSP's are not flagged during the inspection process, thus are not consistently followed up on in the review following the inspection.

2020 Corrective Actions: MDA's inspection report templates for all scopes have been updated to include a section in the exit interview where inspectors can identify any changes from the OSP noted during the inspection. When incomplete OSPs are identified during initial review, MDA is sending out requests to operations for additional information. MDA has also updated procedure MDA_SOP_002 *Inspection Assignment SOP* to state that an operation with an incomplete OSP will not have its inspection assigned until MDA receives the additional information from the operation. If the requested information is not received in a timely manner, MDA will issue the operation a Notice of Noncompliance.

Noncompliances Identified during the Current Assessment

AIA-2449-20 - Accepted. 7 C.F.R. §205.662(a)(3) 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. 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 auditor reviewed notices of noncompliance issued by MDA. The notices state that the operation must respond by the deadline, but do not include the option to rebut noncompliances.*

Corrective Actions: MDA has revised their Notice of Noncompliance template to include the operation's option to rebut the noncompliance.

AIA-2450-20 – 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. Mediation shall be requested in writing to the applicable certifying agent."

Comments: *The auditor reviewed an example of mediation that did not comply with §205.663. The file contained an email exchange in which MDA accepted corrective actions prior to the mediation and after the deadline in the notice of noncompliance. Informal mediation took place prior to the operation requesting mediation in writing.*

Corrective Actions: MDA has updated procedure MDA_SOP_11 *Handling Noncompliances/Non Conformities* to state that a Notice of Proposed Suspension will be issued if an operation does not take correctable action by the due date on the Notice of Noncompliance. *MDA_SOP_005 Application Denials and Appeals* has also been updated to state that corrective actions cannot be accepted after the due date in the Notice of Noncompliance until mediation is requested in writing. MDA may consider accepting corrective actions as part of the settlement agreement resulting from the mediation. The revisions were reviewed with staff in January 2020.

AIA-2451-20 – Accepted. 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 2613, Responding to Results from Pesticide Residue Testing, Section 5.1.a, states that the certifying

agent should “Notify the certified operation of the test results and indicate that the product may be sold as organic.

Comments: *MDA’s procedure for responding to pesticide Residue Sampling Results is not in compliance with NOP 2613 Instruction Responding to Results from Pesticide Residue Testing. MDA does not indicate to operators that their products may be sold as organic when pesticide residue tests detect residues of prohibited pesticides at less than 0.01 parts per million.*

Corrective Actions: MDA has revised its templates MDA_DOC_100 and MDA_DOC_101 for notifying operations of sample test results. The templates include language indicating that the products or crops from the field/area sampled may be sold as organic.

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NATIONAL ORGANIC PROGRAM: CORRECTIVE ACTION REPORT

AUDIT AND REVIEW PROCESS

An onsite renewal assessment of the Maryland Department of Agriculture (MDA) organic program was conducted on April 24-28, 2017. The National Organic Program (NOP) reviewed the auditor's report to assess MDA's compliance to the USDA organic regulations. This report provides the results of NOP's assessment.

GENERAL INFORMATION

Applicant Name:	Maryland Department of Agriculture (MDA)
Physical Address:	50 Harry S. Truman Parkway Annapolis, MD 21401
Mailing Address:	50 Harry S. Truman Parkway Annapolis, MD 21401
Contact & Title:	Deanna Baldwin, Program Manager
E-mail Address:	Deanna.Baldwin@maryland.gov
Phone Number:	410-841-5769
Reviewer: **Auditor:**	Jason Lopez, NOP Reviewer Lars Crail, Onsite Lead Auditor; Graham Davis, Second Auditor.
Program:	USDA National Organic Program (NOP)
Review Dates: **Audit Dates:**	NOP Review date: November 2, 2017 Onsite assessment date: April 24-28, 2017
Audit Identifier:	NP7114LCA
Action Required:	None
Audit and Review Type:	Renewal Assessment
Audit Objective:	To evaluate the conformance to the audit criteria; and to verify the implementation and effectiveness of MDA's certification system.
Audit and Determination Criteria:	*7 CFR Part 205, National Organic Program as amended*
Audit and Review Scope:	Assessment of MDA's certification services in carrying out the audit criteria

NOP conducted an onsite accreditation renewal audit of the Maryland Department of Agriculture (MDA) April 24-28, 2017.

The Maryland Department of Agriculture (MDA) Organic Certification Program is part of the State of Maryland's Food Quality Assurance Program. MDA 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. MDA current accreditation period will expire on April 29, 2017.

MDA certifies 107 operations to the following scopes: Crops (82), Wild Crops (0), Livestock (18), and Handler/Processor/Exporters (41).

MDA's office is located in Annapolis, Maryland. MDA's staff consists of: Technical Staff (4), Inspectors (2), and Administrative/support staff (2).

As part of the onsite accreditation audit activities, 1 witness audits (WA) was conducted on an unannounced inspection of a crop operation, 1 crop/livestock/handler operation and 2 handler/processor operation.

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

NP4174BJR.NC3 – Cleared
NP5294RKA.NC1 – **Cleared**
NP5294RKA.NC2 – **Cleared**
NP5294RKA.NC3 – **Cleared**
NP5294RKA.NC4 – **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.

NP7114LCA.NC1 – **Accepted -** 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: *MDA issued notifications of noncompliance five or more months after the anniversary date for operations failing to submit annual updates or fees.*

Corrective Action: MDA will issue notices of noncompliance to operations failing to submit annual updates or fees within fifteen days after the anniversary date. MDA has amended its "Handling Non Compliance/Non Conformities" procedures to reflect the new policy. MDA has reviewed the new procedure with applicable staff and implemented the procedure on August 1, 2017.

NP7114LCA.NC2 – **Accepted -** 7 C.F.R. §205.662 (e)(1) states, "If the operation fails to correct the noncompliance, to resolve the issue through rebuttal or mediation, or to file an appeal of the proposed suspension …, the certifying agent ... shall send the certified operation a written notification of suspension …."

Comments: *The following issues were identified:*

- *MDA suspended an operation but failed to issue the notification of suspension. The operation was suspended by MDA without notifying the operation of the suspension.*
- *MDA issued the operations notification of suspension three months after the deadline to file an appeal or request mediation. The notification of suspension was not issued in a timely manner.*

Corrective Action: MDA has revised its Handling Non Compliances/Non Conformities procedure. The MDA Administrator, Program Manager or designee will conduct a bi-weekly review of the adverse action tracking spreadsheet and ensure the next step in the adverse action process is completed timely. MDA is also in the process of developing a database for the Organic Program capable of monitoring client status and needed actions improving the timeline for MDA actions. The Program Manager reviewed the new policy with the Administrator on August l, 2017.

NP7114LCA.NC3 – **Accepted -** 7 C.F.R. §205.662(c) states, "When rebuttal is unsuccessful or correction of the noncompliance is not completed within the prescribed time period, the certifying agent or 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…."

Comments: *MDA is not consistently monitoring and tracking the process of issuing noncompliances, proposed adverse actions, and adverse actions. Auditors found several notifications of proposed suspension that were not issued in a timely manner after the operations deadline for responding to noncompliances had passed. These notifications of proposed suspension were sent five or more months after the noncompliance response deadline. MDA failed to issue a notice of proposed suspension after no response was received to the notice of noncompliance. The noncompliance was never resolved.*

Corrective Actions: MDA has revised its Handling Non Compliances/Non Conformities procedure. The MDA Administrator, Program Manager or designee will conduct a bi-weekly review of the tracking spreadsheet and ensure the next step in the adverse action process is completed timely. MDA is also in the process of developing a database for the Organic Program capable of monitoring client status and needed actions improving the timeline for MDA actions. The Program Manager reviewed the new policy with the Administrator on August l, 2017.

NP7114LCA.NC4 – Rebuttal Accepted -

NP7114LCA.NC5 – 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: *The following issues were identified during a review of MDA's controlled documents:*

- *Organic System Plan templates do not prompt operations to state whether they import or export organic products. This information is essential to determine if an operation is complying with any requirements of the international trade arrangements.*

- *MDA organic system plans (OSP) templates with the exception of the Crops and Livestock OSP, do not reference the applicable USDA organic regulations, allowing operations to understand or adequately describe their activities in order to comply.*

Corrective Actions: The MDA handler OSP was updated on May 17, 2017 to include an ingredients and distribution list. The handler ingredients and distribution list records all ingredients and products that are distributed without repackaging with import information and origin. The MDA product profile has been revised and asks for product export information (if applicable) and ingredient import information and instructions to complete an ingredients and distribution list. The handler OSP is under revision to include applicable USDA organic regulation references. The revised handler OSP posted to MDA's website prior to the November l handler anniversary date.

NP7114LCA.NC6 – Accepted - 7 C.F.R. §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."

Comments: *The following MDA compliance verification issues were identified:*

- *Compliance verification of imported and exported products or ingredients purchased and handled by certified operations. Inspection report templates do not require inspectors to record compliance verification of internationally traded products.*
- *Inspection Report templates are not sufficiently designed to allow inspectors to record compliance verification of §205.201(a)(3), the verification that the OSP was effectively implemented.*

Corrective Actions: MDA's newly created handler ingredients and distribution list includes columns for inspectors to verify compliance of internationally traded products and the organic status of all ingredients and non-repackaged products distributed by the operation. MDA has revised the Handler/Processor, Crop and Pasture Inspection Reports to allow inspectors to record compliance verification of §205.201 (a)(3), the verification that the OSP was effectively implemented. The inspection reports were redesigned to allow inspectors to document the monitoring practices and procedures performed and maintained by the operation to verify the OSP was effectively implemented. MDA inspection reports (Handler/Processor, Crop, Pasture and Livestock) were revised on December 21, 20I7. MDA reviewed all documents and document revisions with inspectors on January 3, 2018.

NP7114LCA.NC7 - Accepted - 7 C.F.R. §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 2605, "Unannounced Inspections," Section 4.1.1 states, "…certifying agents conduct unannounced inspections of 5 percent of their total certified operations per year…."

Comments: *The percentage of unannounced inspections (3.7%) conducted in 2016 did not achieve the 5% benchmark described in NOP 2609, Unannounced Inspections.*

Corrective Actions: MDA's inspection assignment procedure has been revised to select 5% plus 1 operations for unannounced inspections each year. MDA will assign all unannounced inspections prior to October 1 of each year to ensure inspections are completed by December 31 of each year.

NP7114LCA.NC8 - Accepted - 7 C.F.R. §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."

Comments: *During the witness audits conducted, inspectors conducted exit interviews; however, issues of concern were not communicated clearly to the operations. The design of the exit interview portion of the inspection report does not facilitate a recording and identification of "issues of concern" and "any additional information" in a clear and understandable manner. Terms such as "Observations", "Findings", "Issues of Concern", and "Requests for Information" are not clearly defined and communicated by the inspector to the operators.*

Corrective Actions: MDA revised the exit interview portion of the inspection reports to include a separate areas to record information so the operator clearly understands if it is an issue of concern, a request for additional information, observations, findings or simply noting a request by the applicant. MDA inspection reports (Handler/Processor, Crop, Pasture and Livestock) were revised on December 21, 2017. MDA reviewed all documents and document revisions with inspectors on January 3, 2018.

NP7114LCA.NC9 - 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: The following issues were identified during conducted witness audits or a review of operation records:

- *The MDA inspectors witnessed during inspections did conduct and record mass-balance and traceability inspection activities; however, records and their performance of those activities did not fully demonstrate a clear understanding of the two audit activity purposes.*
- *MDA inspectors did not fully verify organic system plan compliance. Inspectors incompletely verified OSP contents such as updates, flow charts, maps, supplier certificates, and labels. When inspecting the operations, the inspectors did not refer to the operations maps and flow charts when touring the farm or facility. In the case of supplier certificates, one certificate indicated the product was certified to the European Union Organic Standard and there was no accompanying import certificate. Regarding labels, inspectors did not possess a complete OSP in order to verify that all labels had been approved by the certifier.*
- **Rebuttal Accepted**

Corrective Actions:

- MDA inspectors not having completed the IOIA 300 Level Webinar In/Out Balances and Traceability Tests for Crop Inspections in November 2017 are registered to complete the IOIA 200 Level Webinar In/Out Balances Traceability Tests and Recipe Verification for Processing Inspections offered in February 2018. One new reviewer/inspector attended

the IOIA Crop Inspection in person training in September 2017. Additional training, including the In/Out Balances and Traceability Tests for Crop Inspections, will be provided as available to ensure inspectors fully understand and conduct inspection activities to verify the certified operation's compliance with their OSP.

- MDA is revising the inspection report to more completely verify compliance with the OSP and verification of the documentation/records kept throughout the production cycle. Once MDA has finalized the inspection reports, inspectors will receive training so they completely understand the activities they are expected to conduct during inspections and how to report those activities.

NP7114LCA.NC10 – Accepted - 7 C.F.R. §205.501(a)(3) states, "A private or governmental entity accredited as a certifying agent under this subpart must:… Carry out the provisions of the Act and the regulations in this part, including the provisions of §§205.402 through 205.406 and §205.670."

Comments: *MDA is not ensuring compliance to §205.201(a)(3) which requires certification applicants and continuing operations to describe the monitoring practices and procedures to be performed and maintained, including the frequency with which they will be performed, to verify that the plan is effectively implemented.*

Corrective Actions: MDA is revising OSP templates so certified operations can fully provide a description of monitoring practices and procedures to be performed and maintained including the frequency with which they will be performed. The revisions to the OSP will provide inspectors with more information so they can completely verify that the certified operation has effectively implemented their OSP. MDA continues to make revisions to Handler, Crop and Livestock OSP's. MDA plans to implement and have operations utilize the revised OSP's for annual updates due March 2018.

NP7114LCA.NC11 – **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: *The inspection report template design does not reference the USDA organic regulations to the sections reporting verifications.*

Corrective Actions: MDA inspectors are currently citing the regulations when there is an issue of concern in the exit interview section of the inspection report template. MDA inspection reports (Handler/Processor, Crop, Pasture and Livestock) were revised on December 21, 2017. MDA reviewed all documents and document revisions with inspectors on January 3, 2018.

NP7114LCA.NC12 – **Accepted -** 7 C.F.R. § 205.662(a)(1) 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. Such notification shall provide: a description of each noncompliance [citation]."

Comments: *MDA issues "minor issues" to operations. The minor issues reviewed were determined by the auditors to be properly classified as "minor issues;" however, the "minor issues" issued to operations did not reference the USDA organic regulations.*

Corrective Actions: MDA has revised its Handling Noncompliances/Non Conformities procedure to require a reference to the USDA regulations when a minor issue notice is issued to an operation.

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NATIONAL ORGANIC PROGRAM: CORRECTIVE ACTION REPORT

AUDIT AND REVIEW PROCESS

The U.S. Department of Agriculture, Agricultural Marketing Service, National Organic Program (NOP) conducted an onsite mid-term accreditation assessment of the Maryland Department of Agriculture (MDA) from June 23-25, 2014 in Annapolis, MD. The NOP reviewed the auditor's report on July 11, 2014 to determine MDA's capability to operate as a USDA accredited certifier.

GENERAL INFORMATION

Applicant Name	Maryland Department of Agriculture (MDA)
Physical Address	50 Harry S. Truman Parkway, Annapolis, MD 21401
Mailing Address	Same
Contact & Title	Deanna Baldwin, Program Manager
E-mail Address	Deanna.Baldwin@maryland.gov
Phone Number	410-841-5769
Reviewer(s) & Auditor(s)	Janna Howley, NOP Reviewer; Betsy Rakola, Onsite Auditor.
Review & Audit Date(s)	Corrective actions reviewed: October 9, 2014 Audit Date: July 11, 2014
Audit Identifier	NP4147BJR
Action Required	None
Audit & Review Type	Mid-Term Assessment
Audit Objective	To evaluate the conformance to the audit criteria; and to verify the implementation and effectiveness of MDA's certification system.
Audit & Determination Criteria	*7 CFR Part 205, National Organic Program as amended*
Audit & Review Scope	The MDA's certification services in carrying out the audit criteria during the period: August 2012 – June 2014

The Maryland Department of Agriculture (the MDA) Organic Certification Program is part of the State of Maryland's Food Quality Assurance Program. It operates with employees whose areas of responsibility are not dedicated entirely to the organic program, but to various other responsibilities or activities within the Department, such as egg and poultry inspections. The MDA was accredited as a certifying agent to the USDA National Organic Program (NOP) for crops, wild crops, livestock, and handling operations on April 29, 2002. MDA's organic program currently includes 101 operations certified to the NOP, consisting of 78 crops, 20 livestock, and 24 handlers. All operations are located in Maryland. MDA does not certify any grower groups.

MDA staff for the NOP Program consists of the Program Manager, Program Administrator (also an inspector), and two other part-time staff inspectors. MDA is training an additional inspector/reviewer. MDA does not use independent inspectors for NOP inspections. Records reviewed verified that MDA is meeting the requirements for annual performance evaluations, annual confidentiality agreements and conflict of interest statements. Personnel files reviewed and interviews conducted indicated that all had the required education, training and experience in organic agricultural production and handling to perform the duties assigned, except as noted in the findings.

NOP DETERMINATION:
NOP reviewed the onsite audit results to determine whether MDA'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.

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.

NP2226ACA.NC1 – **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.

NP2226ACA.NC2 – **Accepted -** NOP §205.406(c) states, "If the certifying agent has reason to believe, based on the on-site inspection and a review of the information specified in §205.404, that a certified operation is not complying with the requirements of the Act and the regulations in this part, the certifying agent shall provide a written notification of noncompliance to the operation in accordance with §205.662."

2012 Comments: *Eight (8) certification files reviewed during the assessment found that continuation of certification was granted, with "conditions of certification" for two (2) of the files which were clearly violations of certain sections of the rule. The two files indicated that the clients were in violation of NOP §205.303(b)(2) and that the labels should be corrected prior to the next onsite inspection.*

2012 Corrective Action: MDA had the certified operations correct the two labels to be compliant with USDA organic regulations. MDA also revised its procedure document, MDA-SOP-011, *Handling Noncompliances/Nonconformities*, to define and address the implementation of the procedures concerning conditions of certification and noncompliances. Staff meetings

were held April 23, 2013 and May 28, 2013, to review the procedure amendments, and updated SOPs were provided to all organic program employees.

2014 NOP Verification: Two of the eight files reviewed included a letter with conditions for certification where the operations clearly violated the requirements. In the first file, the operator violated §205.103(b)(3) by maintaining records for only 3 years, §205.400(f)(2) by not notifying the MDA of changes to his organic system plan, and §205.239(c) by allowing heifers access to a stream in such a way that could contribute to the contamination of water. In a second file, the crop operation listed continuous corn production on two of its fields, which does not comply with §205.206(a)(1). In the second file, MDA did not address this issue in the certification decision letter, which listed other conditions for certification, and they did not issue a Notice of Noncompliance.

2014 Corrective Action: MDA-SOP-011, *Handling Noncompliances/Nonconformities,* has been revised. Reviewers and inspectors are to notify the Administrator and Program Manager of any potential noncompliances noted during reviews and/or inspections within five days of the review and/or inspection. This will assist the Administrator and Program Manager in investigating potential noncompliances as soon as they are noted and taking more timely action.

The Program Manager and Administrator are developing a more comprehensive document to clarify the difference between conditions of certification (i.e., soil test due, records disorganized) and non-compliances (example - records not kept for required time period). After the document is completed, a training session for all reviewers and inspectors will be conducted will be held by October 30, 2014 that will review identifying noncompliances, the clarifying document and NOP guidance on noncompliances. The Program Manager and Administrator will spot check certification files at different stages (after initial review, after inspection, after final review) to verify noncompliances are being identified and Notices of Noncompliance issued as appropriate. All Notices of Noncompliance will be issued as noncompliances are identified, rather than waiting for the certification decision. A template for noncompliance letters that includes the required instructions to certified operations was developed.

NP4174BJR.NC1 – Accepted - §205.501(a)(3) states, "A private or governmental entity accredited as a certifying agent under this subpart must: carry out the provisions of the Act and the regulations in this part, including the provisions of §§205.402 through 205.406 and §205.670."

Comments: *MDA doesn't have a consistent system to track approved product labels. Approvals are stored in the folder corresponding to the year in which they were submitted, but this information isn't easily accessible. Staff was not certain which copies of labels were the most recent, approved copies; and the inspector did not have copies of the approved labels during the witness audit.*

Corrective Action: MDA adopted a new system to track approved product labels to ensure approved product labels are tracked and the information on current approved labels is easily accessible. The new procedure (MDA-SOP-024) and tracking document (revised MDA-DOC-056) were provided to the NOP. The procedure requires inspectors to be provided with copies of all currently approved labels prior to conducting an inspection for comparison to labels used at the inspected operation. The new procedure has been reviewed with staff who receive labels by

email and/or regular mail. In August 2014, instructions were issued to inspectors clarifying that they will be provided copies of all currently approved labels prior to an inspection, and verification of each label must be conducted and documented during the inspection. The Administrator and/or Program Manager will begin to review inspection reports and take corrective actions with inspectors that are not following the new SOP.

NP4174BJR.NC2 – Accepted - §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."

Comments: *MDA only conducted one unannounced inspection since 2012. Therefore, they have not conducted unannounced inspections of 5% of their certified operations, as recommended by instruction NOP 2609, "Unannounced Inspections," under the authority of §205.403(a)(2)(iii).*

Corrective Action: MDA revised procedure MDA-SOP-002 to add procedures for ensuring that 5% of MDA certified operations are selected and receive annually unannounced inspections. The Administrator and the Program Manager reviewed NOP 2609 Instruction "Unannounced Inspections" and incorporated it by reference in MDA-SOP-002. The Administrator and Program Manager will ensure 5% of the certified operations have received an unannounced inspection by December 31, 2014.

NP4174BJR.NC3 – Accepted - §205.402(b)(3), "The certifying agent shall within a reasonable time: provide the applicant with a copy of the test results for any samples taken by an inspector."

Comments: *As of June 23, 2014, the MDA had not provided a copy of test results from residue testing to the operations which it had sampled. The MDA received the test results in February 2014. The MDA had submitted these samples to the state laboratory in May 2012.*

Corrective Action: MDA's Program Manager reviewed procedure MDA-SOP-016 *Testing Requirements, Soil Samples*. The SOP did not specifically detail the procedure for providing test results to certified operations. MDA revised the SOP and reviewed it with staff responsible for providing the test results to certified operations.

NP4174BJR.NC4 – Accepted - §205.642 states, "Fees charged by a certifying agent must be reasonable, and a certifying agent shall charge applicants for certification and certified production and handling operations only those fees and charges that it has filed with the Administrator. The certifying agent shall provide each applicant with an estimate of the total cost of certification and an estimate of the annual cost of updating the certification. The certifying agent may require applicants for certification to pay at the time of application a nonrefundable fee which shall be applied to the applicant's fees-for-service account. The certifying agent may set the nonrefundable portion of certification fees; however, the nonrefundable portion of certification fees must be explained in the fee schedule submitted to the Administrator. The fee schedule must explain what fee amounts are nonrefundable and at what stage during the certification process fees become nonrefundable. The certifying agent shall provide all persons inquiring about the application process with a copy of its fee schedule."

Comments: *Certification fees are refundable prior to the inspection, but not after the inspection. Neither MDA's website nor its application for certification explain at what stage during the certification process fees become nonrefundable.*

Corrective Action: MDA added the refund policy to certification applications and cover sheets (MDA-DOCS-002 thru -004, and MDA-DOCS-015 thru -018,). Copies of the updated documents were provided to the NOP. MDA will have this information on its website before December 31, 2014.

NP4174BJR.NC5 – Accepted - §205.405(a) states, "When the certifying agent has reason to believe, based on a review of the information specified in §205.402 or §205.404, that an applicant for certification is not able to comply or is not in compliance with the requirements of this part, the certifying agent must provide a written notification of noncompliance to the applicant."

Comments: *MDA did not provide a Notice of Noncompliance to two operations who were issued a proposed denial of certification.*

Corrective Action: MDA's procedure MDA-SOP-005 has been revised to include a required response date; a noncompliance will be issued to any applicant that does not respond by the due date. Failure to resolve the noncompliance will result in a Denial of Certification. The Program Manager will review the revised SOP with the Administrator and all reviewers.

NP4174BJR.NC6 – Accepted - §205.405(c)(2) states, "After issuance of a notification of noncompliance, the certifying agent must: issue a written notice of denial of certification to an applicant who fails to respond to the notification of noncompliance."

Comments: *The MDA did not issue a written notice of denial of certification to applicants that failed to respond to the notification of noncompliance. Instead, the MDA issued a "proposed denial of certification" but took no further action. However, there is no provision in the regulations for "proposed denial of certification".*

Corrective Action: MDA-SOP-005 has been revised to require response dates and the issue of a noncompliance for failure to submit additional information. The current SOP did not include a "Proposed denial of certification." The Administrator and Program Manager reviewed MDA-SOP-005 and will follow it in the future. A template for Denial of Certification letters, that includes the required standard information, will be developed.

NP4174BJR.NC7 – Accepted - §205.662(c)(4) states, "When rebuttal is unsuccessful or correction of the noncompliance is not completed within the prescribed time period, the certifying agent or 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. 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. The notification of proposed

suspension or revocation of certification shall state: the right to request mediation pursuant to §205.663 or to file an appeal pursuant to §205.681."

Comments: *The MDA adverse action procedure stated that all Notices of Proposed Suspension or Revocation must include "the date by which any rebuttal or corrective actions must be submitted." One Notice of Proposed Suspension included the option to submit a rebuttal of the noncompliance for approval by the MDA. However, operations may not respond to a Notice of Proposed Suspension with a rebuttal or corrective actions. The only remedies at this stage of the process are appeals and/or mediation.*

Corrective Action: MDA-SOP-011 was revised to remove the option of submitting corrective actions or rebuttals for proposed suspensions, suspensions, proposed revocations and revocations. The Program Manager and Administrator reviewed the new procedure. A template that includes the required standard information for proposed suspension, suspension, proposed revocation and revocation letters will be developed.

NP4174BJR.NC8 – Accepted - §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: *The inspector did not fully verify the operation's compliance during the witness inspection, as described below.*

- *The inspector only verified five product labels for a fruit and vegetable handler which handled more than fifty organic products. These labels did not represent all of the product lines handled by the operation. The inspector did not compare the labels viewed onsite to the ones which were approved by MDA to determine whether there were any changes.*
- *The inspector reviewed a selection of certificates for the operation's suppliers, which verified that the suppliers were certified to produce crops. However, the inspector did not review any of the product profiles to verify that the suppliers were actually producing the fruits and vegetables that the handler was purchasing.*
- *The inspector did not view procedures for receiving incoming product, bills of lading, or clean truck affidavits. The operation stated that they had these records available, but the inspector did not ask to review them. Therefore, he did not verify the integrity of organic products during receiving or shipping.*

Corrective Action: MDA-SOP-007 *Inspection Protocols* was revised to include MDA-DOC-056 to verify the labeling, product profiles, and NOP compliance of all ingredients. The new protocol will be reviewed with all inspectors by the Administrator and the Program Manager. MDA-SOP-007 already stated that all required records must be reviewed at the inspection; this would include procedures for incoming product, bills of lading, or clean truck affidavits. The Administrator and/or Program Manager will review the revised inspection protocol, and the requirement to review all required records, with all inspectors. Verification that inspectors are following these procedures will be conducted during their next supervisory witness inspections.

NP4174BJR.NC9 – Accepted - §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: *The MDA did not have a sufficient number of adequately trained staff to conduct certification activities according to the USDA organic regulations. The lead inspector and the program manager had not participated in the NOP's annual training, and they have not reviewed the training slides. Interviews showed staff were not aware of recent updates to NOP policies and had not reviewed recent guidance. In half the certification files reviewed the MDA did not make a certification until 12-14 months after the application was received. During interviews, personnel stated that they have difficulty recruiting and retaining qualified staff, which results in a slow certification process.*

Corrective Action: The Program Manager and Administrator will review all NOP training slides currently available on the NOP website. MDA-SOP-015 was revised to require the Program Manager, Administrator and Reviewers to attend the annual NOP training or review the training slides and to review all NOP guidance as it is issued. The Program Manager and/or Administrator will determine the relevance of training slides and guidance documents to the duties of other personnel; they will then be required to review these training slides and guidance.

MDA SOPs and documents will be updated by the Program Manager and/or Administrator as needed after the training, and/or reviewing the guidance documents. Delays in certification decisions are caused by a "bottleneck"; only the Program Manager is able to make certification decisions and write all letters concerning certification. The bulk of MDA's inspections must be conducted during the growing season from May to September. MDA currently has three inspectors (one of which is also the Administrator) and two reviewers (both are also inspectors). MDA currently has two inspectors in training; the plan is to have one of the inspectors in training transition to a position to make certification decisions after receiving adequate training in inspection, and review procedures and policies. The transition should take place by December 31, 2014. Two final certification decision makers will be able to reduce the time it takes MDA to make certification decisions.

NP4174BJR.NC10 – Accepted - §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: *The MDA was not able to locate several of the records requested for certification file reviews during the audit. For example, a dairy operation's certification file was missing dry matter intake worksheets, and a processor's file was missing organic certificates for ingredients and product verification forms. The MDA's records showed that staff had previously reviewed the records, but they could not be located or made available for the audit. These records are necessary to demonstrate compliance with the organic regulations.*

Corrective Action: MDA's policy and procedures require all records required to demonstrate compliance with the organic regulations to be kept in the certification file. To improve MDA's recordkeeping, a new procedure for maintaining product profiles, organic certificates for ingredients and labels was developed (MDA-SOP-024). MDA receives records by regular mail and electronically; a comprehensive filing system that makes records easy to locate is not possible without printing all records received by email.

MDA will immediately begin printing all records received by email and include them in the file of the certified operation. The current Administrator for the program moved a year ago; his new home is several hours away from the MDA main office. Previously he was in the office two to three days; currently he is now in the office two to three days per month. Many records are emailed to him or taken with him to review off site. One of the current inspectors in training – who will be moving into the Administrator position once she has received adequate experience and training - will be in the office two to three days per week. Records will be emailed to her by certified operations and printed for the files. If any records need to be taken off site, they will be copied and the originals will remain in the files. Until this transition takes place, MDA will discontinue the practice of taking originals records off site. All records taken off site will be copies of originals; originals will remain in the certified operation's file at the main office.

USDA Agricultural Marketing Service

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Applicant Name:	Maryland Department of Agriculture (MDA)
Est. Number:	N/A
Physical Address:	50 Harry S. Truman Parking, Annapolis, Maryland 21401
Mailing Address:	50 Harry S. Truman Parking, Annapolis, Maryland 21401
Contact & Title:	Deanna Baldwin, Program Manager
E-mail Address:	baldwidl@mda.state.md.us
Phone Number:	(410) 841-5769
Auditor(s):	Julie Hartley, Accreditation Manager
Program:	USDA National Organic Program (NOP)
Audit Date(s):	June 17-24, 2013
Audit Identifier:	NP2226ACA
Action Required:	No
Audit Type:	Corrective Action audit
Audit Objective:	To verify review and approve corrective actions addressing the noncompliances identified during the 2012 Renewal Assessment.
Audit Criteria:	*7 CFR Part 205, National Organic Program; Final Rule*, dated December 21, 2000; revised March 15, 2012.
Audit Scope:	MDA's May 10, 2013, response letter to the Renewal Assessment noncompliance report.
Location(s) Audited:	Desk

GENERAL INFORMATION

The Maryland Department of Agriculture (MDA) Organic Certification Program is embedded within the State of Maryland's Food Quality Assurance Program and operates with employees whose areas of responsibility are not dedicated entirely to the organic program, but to various other responsibilities or activities within the Department. MDA 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 MDA organic program currently includes 99 operations certified to the NOP, consisting of 78 crops, 0 wild crop, 16 livestock, and 21 handlers (18 Processors and 3 Distributers). All operations are located in the United States and only in the State of Maryland.

AUDIT INFORMATION

During the Renewal Assessment, the corrective actions for the noncompliances identified during the 2009 Deferred and Mid-term Assessment were found to be implemented and effective. Those noncompliances were cleared. There were two noncompliances identified during this audit. The NOP notified MDA of these findings in writing on April 11, 2013. MDA submitted a response to the NOP on May 10, 2013.

FINDINGS

NP2226ACA.NC1 – **Accepted** – NOP § 205.404(b)(3) states, "The certifying agent must issue a certificate of organic operation which specifies the: Categories of organic operation, including crops, wild crops, livestock, or processed products produced by the certified operation." *The eight (8) certification files reviewed during the assessment found that all eight (8) organic certificates in the files did not have the scope of certification listed.* **Corrective Action:** MDA updated its database that generates organic certificates to include the scope of certification, provided new certificates to certified operations since August 2012, and submitted a template of its organic certificate for review.

NP2226ACA.NC2 – **Accepted** –NOP § 205.406(c) states, "If the certifying agent has reason to believe, based on the on-site inspection and a review of the information specified in §205.404, that a certified operation is not complying with the requirements of the Act and the regulations in this part, the certifying agent shall provide a written notification of noncompliance to the operation in accordance with §205.662." *The eight (8) certification files reviewed during the assessment found that continuation of certification was granted with "conditions of certification" for two (2) of the files which were clearly violations of certain sections of the rule. The 2 files indicated that the clients were in violation of NOP §205.303 (b) (2) and that the labels should be corrected prior to the next onsite inspection.* **Corrective Action:** MDA had the certified operations correct the two labels to be compliant with USDA organic regulations. MDA also revised its procedure document, MDA_SOP_011, *Handling Noncompliances/Non-conformities*, to define and address the implementation of the procedures concerning conditions of certification and noncompliances. Staff meetings were held April 23, 2013, and May 28, 2013, to review the procedure amendments and updated SOPs were provided to all organic program employees.