



United States Department of Agriculture

Agricultural Marketing Service
National Organic Program

QUALITY ASSURANCE INTERNATIONAL

789 N. Dixboro Road, Ann Arbor, MI, 48105, U.S.A.

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

7 CFR Part 205

as an Accredited Certifying Agent

for the scope of

Crops, Handling, Livestock 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: **USDA-113-23**
Effective Date: **04/29/2022**
Expiration Date: **04/29/2027**
Issue Date: **09/29/2023**

Jennifer Tucker, Ph.D.
Deputy Administrator
National Organic Program

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CERTIFICATE OF ACCREDITATION



NATIONAL ORGANIC PROGRAM: AUDIT & CORRECTIVE ACTION REPORT

GENERAL INFORMATION

- **Certifier Name** Quality Insurance International, QAI
- **Physical Address** 4370 La Jolla Village Drive #300, San Diego, California
92122, U.S.A.
- **Audit Type** Renewal Assessment
- **Auditor(s) & Audit Dates** Sherry Aultman, Alison Howard, 03/03/2022 to 03/11/2022
- **Audit Identifier** NOP-41-22

CERTIFIER OVERVIEW

The NOP assessed Quality Assurance International, Inc. (QAI) for conformance to the USDA organic regulations covering audit activities during the period April 10, 2020 to March 11, 2022. A renewal assessment was conducted remotely on March 7-11, 2022. Onsite witness audits were conducted on March 4, 2022 and included the annual inspection of a crops and processing operation and the annual inspection of an organic dairy operation, both located in the United States.

QAI is a subsidiary of NSF International, and was initially accredited by the NOP on April 29, 2002, for the scopes of Crops, Livestock, and Processing/Handling. QAI certifies operations in the United States (all states except Alaska), Austria, Canada, Iceland, Colombia, Sri Lanka, Taiwan, Japan, United Kingdom, and Mexico.

QAI certifies 1,792 operations in the following scopes: 93 Crops, 66 Livestock, and 1669 Handlers. QAI does not currently certify any grower groups. All of the certification activities are carried out from the main office in San Diego, CA. QAI has 57 full time staff consisting of 2 Directors, 6 Senior Managers, 19 Certification Reviewers, 19 Account Managers, 7 Administrative staff, 4 Coordinators, and 51 inspectors. QAI also works with 57 contract inspectors.

NOP DETERMINATION:

NOP reviewed the audit results to determine whether QAI'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-949-20 - Cleared.

AIA-950-20 - Cleared.

AIA-951-20 - Cleared.

AIA-6939-21 - Cleared.

Non-compliances Identified during the Current Assessment and Corrective Actions

AIA-553-22 - Accepted. 7 C.F.R. §205.404(b)(1) – (4) states, “The certifying agent must issue a certificate of organic operation which specifies the: Name and address of the certified operation; Effective date of certification; Categories of organic operation, including crops, wild crops, livestock, or processed products produced by the certified operation; and Name, address, and telephone number of the certifying agent.”

Comments: *QAI’s organic certificates do not fully comply with the requirements of the USDA organic regulations. The auditors’ review of certification files found the following issues:*

1. *QAI issued an organic certificate to a dairy operation that did not include the correct categories of organic operation. The certificate listed the livestock scope but not the crops scope covering the pasture.*
2. *QAI issued an organic certificate to an operation that was not consistent with the handled products listed in the operation’s organic system plan.*

Corrective Actions:

1. QAI issued a crops scope certificate to the dairy operation identified. QAI will issue a crops scope certificate to all other ruminant livestock operations as they move through the certification cycle in 2022. QAI updated its “QAI Reviewer Work Instruction Manual Application, L1, L2, and L3 Review and QAI Work Instruction L3 Certification Decision Review” to require ruminant operations to be certified to the crops scope. QAI Technical Staff conducted training on the updated work instructions on August 8-9, 2022. QAI submitted a copy of the crops certificate issued to the dairy operation, the updated work instructions, and training logs.
2. QAI submitted an updated certificate organic system plan summary (OSPS) for the operation identified that matches the operation’s product profile workbook. On June 1, 2022, QAI conducted training for all Technical Staff on ensuring accuracy and consistency of an operation’s documentation and the published certificate OSPS. QAI submitted training documents and attendance logs.

AIA-554-22 - Accepted. 7 C.F.R. §205.403(a)(2)(ii) states, “The Administrator or State organic program's governing State may require that additional inspections be performed by the certifying

agent for the purpose of determining compliance with the Act and the regulations in this part.”

Comments: *QAI did not conduct unannounced inspections of 5% of its total certified operations in 2020 and 2021, which does not meet the requirements of **NOP 2609 Unannounced Inspections**. The auditors’ review of QAI’s certification information identified that QAI conducted unannounced inspections at 30 of its 1717 total certified operations in 2020 (1.7%) and 49 of its 1755 operations (2.7%) in 2021.*

Corrective Actions: QAI designated the Technical Scheme Lead as responsible for ensuring that unannounced inspection targets are met and submitted document #9430 Work Instruction Unannounced Inspections outlining these responsibilities and monitoring requirements. QAI has a task force consisting of the team lead, members of QAI management, and members of NSF Audit Delivery who meet monthly to ensure the unannounced inspection requirement will be met. QAI developed a new process for identifying geographic clusters of operations to be targeted for unannounced inspections resulting in increased efficiency. QAI is also moving to new IT system that will include an automated system of selecting unannounced inspections based on risk, industry, location, and previous unannounced inspections. The new IT system will enable QAI to monitor and track unannounced inspections that are selected, scheduled, completed, or withdrawn. QAI is on track to begin using the new system by December 2022. Additionally, QAI submitted documentation that as of September 15, 2022, QAI has completed 90% of its required unannounced inspections for the year.

AIA-555-22 - Accepted. 7 C.F.R. §205.670(d) states, “A certifying agent must, on an annual basis, sample and test from a minimum of five percent of the operations it certifies, rounded to the nearest whole number.”

Comments: *QAI did not meet the requirement to sample and test from 5% of its certified operations annually in 2021. The auditors’ review of QAI’s certification information identified that QAI sampled and tested from 79 of its 1758 operations in 2021 (4.4%).*

Corrective Actions: QAI identified that understaffing at the Account Manager position, which is responsible for identifying operations for residue samples, led to the noncompliance. QAI is now fully staffed on Account Managers. QAI is managing residue samples more closely by increasing the number of operations targeted from 5% to 5.5% as a buffer. QAI is moving to a new IT system to be implemented in December 2022 that will allow for better visibility into residue samples by providing a dashboard showing samples targeted, selected, and completed. Additionally, QAI submitted documentation that as of August 10, 2022, QAI has completed 84% of its required residue samples for the year.

AIA-556-22 - Accepted. 7 C.F.R. §205.670(g) states, “If test results indicate a specific agricultural product contains pesticide residues or environmental contaminants that exceed the Food and Drug Administration's or the Environmental Protection Agency's regulatory tolerances, the certifying agent must promptly report such data to the Federal health agency whose regulatory tolerance or action level has been exceeded. Test results that exceed federal regulatory tolerances must also be reported to the appropriate State health agency or foreign equivalent.”

Comments: *QAI does not fully carry out the procedures of **NOP 2613 Instruction Responding to Results from Pesticide Residue Testing**. The auditors’ review of pesticide residue analysis*

reports found QAI is not always reporting the violation to the appropriate authority when testing determines regulatory tolerances or action levels have been exceeded.

Corrective Actions: QAI immediately notified the FDA of the detection identified in the noncompliance. QAI submitted email documentation that all subsequent notifications were made as required. QAI revised work instruction, “QAI Sample Collection Request, Collection, and Analysis” document #12148 to make it clear that results should be notified as soon as possible, and to not wait for the investigation to be completed. QAI submitted the updated work instruction and an August 9, 2022, email notifying staff of the updated work instruction.

NATIONAL ORGANIC PROGRAM: CORRECTIVE ACTION REPORT

AUDIT AND REVIEW PROCESS

The National Organic Program (NOP) conducted an audit as part of the NOP's assessment of the Quality Assurance International (QAI) organic program. The NOP reviewed the auditor's report to assess QAI's compliance to the USDA organic regulations. This report provides the results of NOP's assessment.

GENERAL INFORMATION

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|---|--|
| Applicant Name | Quality Assurance International (QAI) |
| Physical Address | 4370 La Jolla Village Drive #300, San Diego, California 92122, U.S.A. |
| Mailing Address | 4370 La Jolla Village Drive #300, San Diego, California 92122, U.S.A. |
| Contact & Title | Ms. Theresa Hughes, Quality Specialist |
| E-mail Address | thughes@nsf.org |
| Phone Number | 734-214-6272 |
| Reviewer & Auditors | Melissa Lahullier, NOP Reviewer; Alison Howard, Lars Crail, Auditors |
| Program | USDA National Organic Program (NOP) |
| Review & Audit Date(s) | Corrective actions review: January 6, 2021 NOP assessment review: August 10, 2020 Onsite audit: April 6 – 10, 2020 |
| Audit Identifier | NOP-9-20 |
| Action Required | No |
| Audit & Review Type | Midterm Assessment |
| Audit Objective | To evaluate the conformance to the audit criteria; and to verify the implementation and effectiveness of QAI's certification system. |
| Audit & Determination Criteria | <i>7 CFR Part 205, National Organic Program as amended</i> |
| Audit & Review Scope | QAI's certification services in carrying out the audit criteria during the period: 03/24/2017 through 04/10/2020 |

As part of QAI's Midterm assessment, the NOP conducted a desk audit of QAI's organic certification program on April 6 - 10, 2020.

QAI is an NOP-accredited subsidiary of NSF International and provides certification services for agricultural producers, product manufacturers, and other handlers of organic products. QAI certifies operations in the United States (all states except Alaska), Canada, Iceland, Colombia, Sri Lanka, Taiwan, Japan, UK and Mexico. QAI has been accredited since April 29, 2002.

QAI certifies 1,729 operations in the following scopes; 83 Crops, 64 Livestock, and 1620 Handlers QAI does not certify any grower groups. All of the certification activities are carried out from the main office in San Diego, CA. QAI staff consists of 3 Senior Managers, 5 Quality staff, 15 Reviewers, 20 Certification Project Managers, 7 Administrative staff and 55 Inspectors.

NOP DETERMINATION

The NOP reviewed the audit results to determine whether QAI'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

AIA-205-20 – Cleared.

AIA-843-20 – Cleared.

Noncompliances Identified during the Current Assessment

AIA-949-20 – Accepted. 7 C.F.R. §205.405(a)(1) 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. When correction of a noncompliance is not possible, a notification of noncompliance and a notification of denial of certification may be combined in one notification. The notification of noncompliance shall provide: a description of each noncompliance."

Comments: *QAI's notifications of noncompliance to applicants do not consistently include a correct reference to denial of certification. The auditor's review of certification applicant files found that QAI's Notice of Noncompliance incorrectly referenced a suspension of organic certification if corrective action or rebuttal is not sufficient to qualify for certification.*

Corrective Action: QAI created four templates for Notices of Noncompliances to new applicants that correctly reference denial of certification. QAI submitted one Notice generated from the new templates as an example that the corrective action has been implemented. QAI also sent an email to staff on October 9, 2020 reminding them of the adverse action process for applicants. Additionally, QAI issued a Notice of Denial to the applicant that had received a suspension-referencing Notice of Noncompliance.

AIA-950-20 – Accepted. 7 C.F.R. §205.501(a)(15)(i) states, “A private or governmental entity accredited as a certifying agent under this subpart must: Submit to the Administrator a copy of: Any notice of denial of certification issued pursuant to §205.405, notification of noncompliance, notification of noncompliance correction, notification of proposed suspension or revocation, and notification of suspension or revocation sent pursuant to §205.662 simultaneously with its issuance;”

Comments: *QAI does not consistently submit to the NOP a copy of all the notices listed in §205.501(a)(15)(i). The auditor’s review of certification files found that QAI did not submit all Notices of Noncompliance to the NOP.*

Corrective Action: QAI has implemented the following corrective actions:

- QAI updated its procedure *IQ Sending Major Noncompliance Letters to Clients* to state that NOP should be copied on all Notices of Noncompliance. QAI notified staff of the updated procedure via email on October 9, 2020.
- QAI revised the instructions to staff in its Notice of Noncompliance templates to indicate that NOP should be copied on all Notices of Noncompliances, even if the operation is located in California. QAI submitted two emails with Notices of Noncompliance as evidence of implementation, one sent to an operation in California and one sent to an operation outside of California, both of which included NOP on the distribution list.
- QAI identified that an IT issue was preventing email addresses from being auto-populated on some Notice of Noncompliance emails to operation. The issue was corrected on November 6, 2020.
- QAI is scheduled to implement its NSF Connect system on January 30, 2021. Through this system QAI’s operations will be able to log in and view Notices of Noncompliances or requests for information from QAI. The operation will also be able to submit corrective actions electronically through NSF Connect. When QAI issues a Notice of Noncompliance, the operation will receive an email asking them to log in to NSF Connect to view and respond to the Notice. The email will also contain a pdf of the Notice and include NOP on the distribution list.

AIA-951-20 – 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: *QAI does not consistently issue a notice of noncompliance to its certified operation when the operation is found to be noncompliant. The auditor’s review of certification files found that QAI issues operations a “Request for More Information” when inspectors identify an incomplete organic system plan (OSP) at inspections. The incomplete OSPs did not include the use of new inputs and new equipment.*

Corrective Action: QAI revised its procedure *Guidance for Determining Severity of Corrective Actions* to include additional examples of situations where a Notice of Noncompliance should be issued to an operation. QAI notified reviewers and certification project managers via webinar on October 1, 2020 and distributed the revised procedure to reviewers on October 9, 2020 via email.

AIA-952-20 – Rescinded.

NATIONAL ORGANIC PROGRAM: CORRECTIVE ACTION REPORT

AUDIT AND REVIEW PROCESS

An onsite renewal assessment of Quality Assurance International (QAI) organic program was conducted February 7 - March 23, 2017. The National Organic Program (NOP) reviewed the auditor's report to assess QAI's compliance to the USDA organic regulations. This report provides the results of NOP's assessment.

GENERAL INFORMATION

| | |
|---|---|
| Applicant Name | Quality Assurance International (QAI) |
| Physical Address | 9191 Towne Center Drive, Suite 200, San Diego, CA 92122 |
| Mailing Address | 9191 Towne Center Drive, Suite 200, San Diego, CA 92122 |
| Contact & Title | Iris Rendon |
| E-mail Address | irendon@nsf.org |
| Phone Number | 519.821.1246 xt. 6433 |
| Reviewer(s) & Auditor(s) | Penny Zuck, NOP Reviewer; Nikki Adams and Lars Crail, Onsite Auditors. |
| Program | USDA National Organic Program (NOP) |
| Review & Audit Date(s) | Corrective action review: October 16, 2017 NOP assessment review: July 10, 2017 Onsite office audit: March 20-23, 2017 Handler witness audits: February 7-8, 2017 Crop/Handler & Livestock/ Handler witness audits: March 16-17, 2017 |
| Audit Identifier | NP7038ADA |
| Action Required | None |
| Audit & Review Type | Renewal Assessment |
| Audit Objective | To evaluate the conformance to the audit criteria; and to verify the implementation and effectiveness of QAI's certification system. |
| Audit & Determination Criteria | <i>7 CFR Part 205, National Organic Program as amended</i> |
| Audit & Review Scope | QAI's certification services in carrying out the audit criteria during the period: April 2014 through March 2017 |

QAI is a subsidiary of NSF International and provides certification services for agricultural producers, product manufacturers, and other handlers of organic products. QAI maintains accreditation for the COR, EU, NSF 305 (personal care products), ISO 17065 (through IOAS), DEKRA ISO 17001, Quebec Ice Cider and CAEQ (Quebec labeling standard for COR). QAI certifies operations in the United States (all states except Alaska), Canada, Iceland, Columbia, Sri Lanka, Taiwan, Japan, UK and Mexico.

QAI certifies 1,536 operations; 84 crops, 59 livestock, and 1429 handlers; of which 1117 are processors, 203 are distributors, 121 are trader/brokers and 4 are retailers. QAI does not certify any grower groups. All of the certification activities are carried out from the main office in San Diego, CA.

The QAI staff consists of 2 Senior Management, 3 Quality, 15 Reviewers, 20 Certification Project Managers, 7 Administrative staff and 51 Inspectors (46 contract and 5 staff inspectors).

In conjunction with the onsite office audit, four witness audits were conducted during the inspections of operations certified to the scopes of crops, livestock, and handling/processing. All four witness audits were annual renewal inspections and were announced. The witness audits included a handler operation, a beef processor, a crop (citrus fruit) operation and a poultry operation.

NOP DETERMINATION:

NOP reviewed the onsite audit results to determine whether QAI'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. 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.

AIA6055JZ.NC1 – Cleared

AIA6055JZ.NC2 - Cleared

Non-compliances Identified during the Current Assessment

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

NP7038ADA.NC1 – Accepted. 7 C.F.R. §205.501(a)(21) states, "Comply with, implement, and carry out any other terms and conditions determined by the Administrator to be necessary." NOP 2603, Organic Certificates, Section 3.1, indicates the elements of an organic certificate.

Comments: *The following issues were identified on issued certificates:*

1. *"Certified to the USDA organic regulations, 7 C.F.R. Part 205." is not accurately stated.*
2. *The statement "Once certified, a production or handling operation's organic certification continues in effect until surrendered, suspended or revoked." is missing.*

Corrective Action: QAI revised the certificate template to include the correct statements, “Certified to the USDA organic regulations, 7 C.F.R. Part 205” and “Once certified, a production or handling operation’s organic certification continues in effect until surrendered, suspended, or revoked.” The revised certificate template is a controlled document in the IQ system. An example of the corrected certificate was submitted to the NOP.

NP7038ADA.NC2 – Accepted. 7 C.F.R. §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....”

Comments: *QAI does not have a process to submit fee schedules to the NOP. The current fee schedule, dated February 13, 2017, has not been sent to the NOP. The actual fees did not change; however, statements in the document were modified.*

Corrective Action: QAI submitted a copy of its current fee schedule, which was updated in June 2017, to the NOP. QAI also added the following note to its fee schedule: “*ANY changes to this fee schedule must be promptly reported to the NOP administrator.*” This requirement has been communicated to the Operations Manager, who will ensure follow through.

NATIONAL ORGANIC PROGRAM: CORRECTIVE ACTION REPORT

AUDIT AND REVIEW PROCESS

An onsite renewal assessment of Quality Assurance International (QAI) organic program was conducted February 7 - March 23, 2017. The National Organic Program (NOP) reviewed the auditor's report to assess QAI's compliance to the USDA organic regulations. This report provides the results of NOP's assessment.

GENERAL INFORMATION

| | |
|---|---|
| Applicant Name | Quality Assurance International (QAI) |
| Physical Address | 9191 Towne Center Drive, Suite 200, San Diego, CA 92122 |
| Mailing Address | 9191 Towne Center Drive, Suite 200, San Diego, CA 92122 |
| Contact & Title | Iris Rendon |
| E-mail Address | irendon@nsf.org |
| Phone Number | 519.821.1246 xt. 6433 |
| Reviewer(s) & Auditor(s) | Penny Zuck, NOP Reviewer; Nikki Adams and Lars Crail, Onsite Auditors. |
| Program | USDA National Organic Program (NOP) |
| Review & Audit Date(s) | Corrective action review: October 16, 2017 NOP assessment review: July 10, 2017 Onsite office audit: March 20-23, 2017 Handler witness audits: February 7-8, 2017 Crop/Handler & Livestock/ Handler witness audits: March 16-17, 2017 |
| Audit Identifier | NP7038ADA |
| Action Required | None |
| Audit & Review Type | Renewal Assessment |
| Audit Objective | To evaluate the conformance to the audit criteria; and to verify the implementation and effectiveness of QAI's certification system. |
| Audit & Determination Criteria | <i>7 CFR Part 205, National Organic Program as amended</i> |
| Audit & Review Scope | QAI's certification services in carrying out the audit criteria during the period: April 2014 through March 2017 |

QAI is a subsidiary of NSF International and provides certification services for agricultural producers, product manufacturers, and other handlers of organic products. QAI maintains accreditation for the COR, EU, NSF 305 (personal care products), ISO 17065 (through IOAS), DEKRA ISO 17001, Quebec Ice Cider and CAEQ (Quebec labeling standard for COR). QAI certifies operations in the United States (all states except Alaska), Canada, Iceland, Columbia, Sri Lanka, Taiwan, Japan, UK and Mexico.

QAI certifies 1,536 operations; 84 crops, 59 livestock, and 1429 handlers; of which 1117 are processors, 203 are distributors, 121 are trader/brokers and 4 are retailers. QAI does not certify any grower groups. All of the certification activities are carried out from the main office in San Diego, CA.

The QAI staff consists of 2 Senior Management, 3 Quality, 15 Reviewers, 20 Certification Project Managers, 7 Administrative staff and 51 Inspectors (46 contract and 5 staff inspectors).

In conjunction with the onsite office audit, four witness audits were conducted during the inspections of operations certified to the scopes of crops, livestock, and handling/processing. All four witness audits were annual renewal inspections and were announced. The witness audits included a handler operation, a beef processor, a crop (citrus fruit) operation and a poultry operation.

NOP DETERMINATION:

NOP reviewed the onsite audit results to determine whether QAI'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. 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.

AIA6055JZ.NC1 – Cleared

AIA6055JZ.NC2 - Cleared

Non-compliances Identified during the Current Assessment

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

NP7038ADA.NC1 – Accepted. 7 C.F.R. §205.501(a)(21) states, "Comply with, implement, and carry out any other terms and conditions determined by the Administrator to be necessary." NOP 2603, Organic Certificates, Section 3.1, indicates the elements of an organic certificate.

Comments: *The following issues were identified on issued certificates:*

1. *"Certified to the USDA organic regulations, 7 C.F.R. Part 205." is not accurately stated.*
2. *The statement "Once certified, a production or handling operation's organic certification continues in effect until surrendered, suspended or revoked." is missing.*

Corrective Action: QAI revised the certificate template to include the correct statements, “Certified to the USDA organic regulations, 7 C.F.R. Part 205” and “Once certified, a production or handling operation’s organic certification continues in effect until surrendered, suspended, or revoked.” The revised certificate template is a controlled document in the IQ system. An example of the corrected certificate was submitted to the NOP.

NP7038ADA.NC2 – Accepted. 7 C.F.R. §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....”

Comments: *QAI does not have a process to submit fee schedules to the NOP. The current fee schedule, dated February 13, 2017, has not been sent to the NOP. The actual fees did not change; however, statements in the document were modified.*

Corrective Action: QAI submitted a copy of its current fee schedule, which was updated in June 2017, to the NOP. QAI also added the following note to its fee schedule: “*ANY changes to this fee schedule must be promptly reported to the NOP administrator.*” This requirement has been communicated to the Operations Manager, who will ensure follow through.

NATIONAL ORGANIC PROGRAM REPORT

AUDIT AND REVIEW PROCESS

Quality Assurance International, Inc. (QAI) was accredited as a USDA organic certifying agent on April 29, 2002. An onsite Mid-Term assessment of QAI occurred April 8 - 10, 2014. Verification of corrective actions for previous non-compliances was conducted; no new non-compliances were identified. This report records NOP's decision.

GENERAL INFORMATION

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|-----------------------------|--|
| Applicant Name: | Quality Assurance International, Inc. (QAI) |
| Physical Address: | 9191 Towne Centre Drive, Suite 200, San Diego, CA 92122 |
| Mailing Address: | 9191 Towne Centre Drive, Suite 200, San Diego, CA 92122 |
| Contact & Title: | Craig Morr, Quality Director |
| E-mail Address: | cmorr@nsf.org |
| Phone Number: | 734-769-5143 |
| Auditor(s): | Meg Kuhn, NOP Reviewer; Martin Friesenhahn & David Hildreth, On-site Auditor(s). |
| Program: | USDA National Organic Program (NOP) |
| Audit Date(s): | April 8 – 10, 2014 |
| Audit Identifier: | NP4057BBA |
| Action Required: | None |
| Audit Type: | Mid-Term Assessment |
| Audit Objective: | To evaluate the conformance to the audit criteria; and to verify the implementation and effectiveness of QAI's certification system. |
| Audit Criteria: | <i>7 CFR Part 205, National Organic Program as amended</i> |
| Audit Scope: | QAI's certification services in carrying out the audit criteria during the period: April 12, 2012 – April 10, 2014 |

ORGANIZATIONAL STRUCTURE:

QAI is currently approved as a certifying agent to the USDA National Organic Program (NOP) for the scopes of crops, livestock, and handling/processing. QAI currently has 1,562 clients certified to the NOP standard; 102 for crops, 47 for livestock, and 1,459 for handling of which 921 are processors, 252 are retailers, 180 are distributors, 116 are traders, 25 are post-harvest, and 3 are feed processors. QAI certifies clients to the NOP in the United States, Canada, Mexico, Taiwan, and the United Kingdom. QAI does not currently certify any grower groups. All certification activities are carried out of the main office in San Diego, California.

QAI is also accredited by the International Organic Accreditation Service (IOAS) for ISO Guide 65, Canada Organic Regime (COR), and the European Recognition Program (EU), Japanese Agricultural Standards (JAS/MAFF), DEKRA (ISO 14001) and CARTV, Canada.

QAI is a wholly owned subsidiary of NSF International. The QAI personnel consists of a Director of NSF Agriculture, North America, 14 Certification Project Managers, 11 staff and 6 contract Reviewers, 7 staff and 58 contract Inspectors, and 6 Administrative staff. QAI also has a Global Managing Director, 5 customer service staff, and 7 additional Managers and supervisors. QAI is managed onsite by the Director of NSF Agriculture who reports to an NSF International Vice-President who in turn reports to the NSF International Holding Board of Directors.

The current conflict of interest disclosure reports and confidentiality statements were available for certification staff members and subcontracted reviewers or inspectors. A review of the files and interviews conducted verified that the organic certification staff had sufficient experience, training, and education or a combination thereof in agriculture, organic production, and organic handling. A review of training records indicated that all staff, inspectors, and sub-contracted inspectors had received current training on the NOP regulations and requirements.

CERTIFICATION PROCESS:

The QAI certification process begins with initial contact from the client through the Certification Project Manager (CPM). Applications are reviewed by Application Reviewers for completeness and compliance. Once the application is approved, the inspector is assigned by the Inspection Coordinator. The inspections are usually conducted by contract inspectors but could also be conducted by staff inspectors. After inspection, the completed Organic System Plan (OSP) and inspection reports are reviewed by a Level 1 (L1) reviewer who proposes corrective action(s) areas, identifies products for certificate listing, and identifies minor non-compliances. The entire file is then reviewed by a Level 2 (L2) Reviewer. This is a re-review of the findings identified by the L1 reviewer. The L2 reviewer can make changes to the findings if necessary, identify major non-compliances, identify additional minor non-compliances, and complete the notification of non-compliance, which is then sent to clients thru the CPM. The Level 3 (L3) Reviewer then conducts a re-review of the file and makes the final certification decision including any non-compliances or conditions for continued certification. The L3 reviewer or the CPM also reviews the corrective actions submitted by the clients with the final approval by the L3 Reviewer. The L3 Reviewer submits the organic certificate with the QAI seal including the organic product list after certification requirements are met. Organic certificates are updated annually or as certificate information changes. Changes to the OSP are required to be submitted annually or as required by changes throughout the year. Material inputs and labels are reviewed by Reviewers or CPMs with the initial application, annual updates or through the year as needed. The certification process is completed and monitored through a computerized electronic system called "IQ" which maintains checks and balances for the certification process.

QAI also has procedures for verification and oversight activities of International exports and Import activities for Canada, Japan, Taiwan, and the European Union. A review of these activities and oversight were confirmed during the on-site audit.

ADMINISTRATIVE RECORDS AND PROCESSES:

QAI has a Quality Manual, Inspection Manual and Program Policies for Organic System Plan Certification. These manuals include standard operating procedures and forms used for NOP certification activities. Forms and letters reviewed for the NOP certification activities were found to meet NOP requirements. QAI conducts internal audits and has an annual program review relating to requirements that are specific to the NOP. Non-conformances are identified and corrective actions are implemented as needed. Annual reports and updates are submitted to the NOP as required. Training is both internal and external and training records and documentation has been maintained. Refresher training or additional training is completed as needed.

SUMMARY OF WITNESS INSPECTIONS AND REVIEW AUDITS CONDUCTED:

The audit included one witness inspection and a review audit. The witness inspection was a renewal inspection of a company in Lewisville, TX that produces botanical extracts for the cosmetic industry. This company produces approximately 5% of their volume in organic products and the retail products are processed at other facilities. The renewal inspection was conducted by a contract inspector. A detailed inspection was observed including the verification of the Organic Compliance Plan and the applicable NOP requirements. An exit interview was conducted providing a summary of the inspection results. The inspector was very knowledgeable of the NOP requirements and the process of conducting an organic inspection for QAI.

The review audit included a crop producer in Heber, CA that had their initial organic certification the previous year. This company is producing various organic vegetables and melons including squash, peppers, and others for the Asian market. The company also is a conventional hay broker for the Asian market. The company was currently in the application review process and the renewal inspection had not yet been conducted. The review audit confirmed that QAI was reviewing and verifying the updated changes to the Organic Compliance Plan (OCP) and additional information from the client as requested. The review audit also confirmed the results of the previous inspection and that QAI was completing the organic certification and renewal process as required by the NOP Standards.

NOP DETERMINATION

NOP's assessment and accreditation decision of QAI's compliance to the USDA organic regulations is based on a sample of its certification system records and activities. This section describes the NOP's review and determination of the certifying agent's noncompliance response.

Prior Non-compliance Corrective Actions

The NOP auditor reviewed information during the assessment to verify that the certifying agent effectively implemented the corrective actions from previous assessments. The auditor was able to verify all the items labeled "cleared."

1. **NP2094AKA.NC1 – Cleared** - NOP §205.402(a)(2) states, "Upon acceptance of an application for certification, a certifying agent must: determine by a review of the

application materials whether the applicant appears to comply or may be able to comply with the applicable requirements of subpart C of this part.” *A review of a crop producer’s Annual Input Record indicated that input materials (i.e. composts) have been used from two sources with the following findings:*

Source 1- There is no evidence indicating that these composts or material inputs comply with the regulations. There is no evidence indicating that the feed stocks (i.e. ingredients) of the composts are compliant; furthermore, there is no record that these inputs meet the requirements of 205.203(c)(2), the NOP composting process.

Source 2- This compost was a new input (2011); a change from the previously used source of compost material. This new input was not identified or questioned by the initial certification reviewer. Additionally, the inspector reviewed some material documentation on-site, but this documentation did not indicate the compost ingredients, nor whether the compost complied to the NOP compost processing criteria (e.g. C/N ratio, temperature, etc...).

Corrective Actions: Compost from Source 1 was approved by QAI in 2009. The addition of compost from Source 2 to QAI’s Annual Input Record (AIR) made the record appear to list a new input; however, Source 2 is a contract applicator who purchases and applies the Source 1 compost to the client’s fields. A corrected AIR was obtained from the client listing the input suppliers rather than the applicators. QAI did not document its justification of the approval of the former AIR prior to inspection which resulted in the appearance of an unapproved input from a new supplier being applied to the field. QAI internal procedures have been revised to clarify review procedures. Specifically, QAI reviewers will cross check the submitted AIR updates against the previously approved inputs in the database and records.

Documentation of the compost’s compliance was on file with QAI including the compost process protocol, laboratory analysis, and time/temperature turn logs. The evidence of compliance of the Source 1 compost to NOP regulation 205.203(c)(2) and NOP Program Handbook 5021 section 4.1 and 4.2 was provided to the NOP for review. Updated compost information was obtained by QAI which corroborates the initial compliance determination made by QAI. The corrective measures for NC1 are accepted by the NOP.

Verification at Mid-Term assessment: Annual Input Records (AIR) verified during the audit through file reviews and the on-site review audit confirmed that any new inputs are reviewed and verified. In addition, compost usage was verified as meeting the NOP requirements. Compost requirements and protocol was also verified through documentation that was provided during the review audit.

- 2. NP2094AKA.NC2 – Cleared** - NOP §205.402(a)(2) states, “Upon acceptance of an application for certification, a certifying agent must: determine by a review of the application materials whether the applicant appears to comply or may be able to comply with the applicable requirements of subpart C of this part.” *A review of a crop producer file indicated that the certified operation was using a fertilizer, Allganic 12-0-12, where the label disclosed that sodium nitrate was an ingredient at the rate of 12%. Sodium nitrate is restricted for use at no more than 20% of the crops total nitrogen requirement.*

There was no documentation on file that indicated that the calculation for total nitrogen derived from sodium nitrate was performed. Two other files reviewed included soil amendments which included sodium nitrate as an ingredient and were correctly calculated and verified for nitrogen content. **Corrective Actions:**

QAI internal procedures have been revised to clarify material input review procedures. Reviewers are directed to cross check the submitted material updates against any previously approved inputs. QAI management distributed and reviewed the updated procedural requirements with review staff on June 1, 2012. QAI conducted the sodium nitrate calculations for the client cited in this noncompliance and found the client to be in compliance with NOP205.602 (g). Documented evidence of the procedural updates, training, and verification of sodium nitrate calculations were provided by QAI for NOP review. The corrective measures for NC2 are accepted by the NOP. **Verification at Mid-Term assessment:** The on-site audit at QAI confirmed current internal procedures were being followed to verify any material updates to any previously approved inputs. Interviews and files reviewed also confirmed that any soil amendments including sodium nitrate were correctly calculated for nitrogen content as required.

3. **NP2094AKA.NC3 - Cleared** - NOP §205.670(d)(1) states, “Results of all analyses and tests performed under this section must be promptly provided to the Administrator; *Except, that, where a State organic program exists, all test results and analyses shall be provided to the State organic program’s governing State official by the applicable certifying party that requested testing.” In one case, results of pesticide residue testing were not sent to the California state organic program. Additionally, the ACA’s procedures indicated that only positive results are to be sent, whereas the regulations require that all results be sent to the State organic program.* **Corrective Actions:** QAI issued the California State Organic Program on April 12, 2012 results of the residue test. QAI revised the associated procedure to ensure the relevant authorities receive all test results. QAI conducted a review of issued test results over the preceding year and confirmed that this was an isolated incident. QAI provided NOP documented evidence of all corrective actions for review. The corrective measures for NC3 are accepted by the NOP. **Verification at Mid-Term assessment:** Records reviewed and interviews conducted during the on-site audit confirmed that all test results are being sent to the California State Organic Program as required.

AUDIT INFORMATION

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| Applicant Name: | Quality Assurance International (QAI) |
| Est. Number: | N/A |
| Physical Address: | 9191 Towne Centre Drive, Suite 200; San Diego, CA 92122 |
| Mailing Address: | 9191 Towne Centre Drive, Suite 200; San Diego, CA 92122 |
| Contact & Title: | Craig Morr, Director Quality |
| E-mail Address: | cmorr@nsf.org |
| Phone Number: | (734) 769-5143 |
| Auditor(s): | Lars Crail, NOP AIA Accreditation Manager |
| Program: | USDA National Organic Program (NOP) |
| Audit Date(s): | August 6, 2012 |
| Audit Identifier: | NP2094AKA |
| Action Required: | No |
| Audit Type: | Correct Action Audit (CA) – Accreditation Renewal Assessment |
| Audit Objective: | To review certifying agent submitted noncompliance corrective actions and determine if the measures should be accepted by the NOP. |
| Audit Criteria: | 7 CFR Part 205, National Organic Program, Final Rule, dated December 21, 2000; updated March 15, 2012. NOP 2608, Instruction – Responding to Noncompliances. |
| Audit Scope: | QAI submitted corrective actions corresponding to the noncompliances issued on May 24, 2012 and related renewal assessment findings. |
| Location(s) Audited: | Desk |

Quality Assurance International (QAI) was initially accredited as a NOP certifying agent on April 29, 2002 for the scopes of crops, wild crops, livestock, and handling. QAI certifies 1,648 operations in the United States, Canada, Italy, Japan, Taiwan, and the United Kingdom. Between April 3 and 12, 2012, NOP conducted witness inspections and an on-site office audit of QAI as a requirement of the accreditation renewal assessment process and to determine its compliance to NOP regulations.

QAI in their accreditation renewal application requested accreditation to all scopes with the exception of wild crops. QAI's two wild crop client operations were notified by QAI that certification services under the NOP wild crop scope would be discontinued. NOP auditors confirmed that the two wild crop operations successfully applied and received certification with

other certifying agents.

On May 24, 2012, QAI was issued a Notice of Noncompliance for three noncompliances (NP2094AKA.NC1 - 3) identified during the onsite audit. QAI submitted timely corrective actions to the NOP on June 22, 2012.

FINDINGS

The corrective actions submitted by QAI are accepted and will be verified for implementation and effectiveness during the next on-site assessment.

NP2094AKA.NC1 – Accepted - NOP §205.402(a)(2) states, “Upon acceptance of an application for certification, a certifying agent must: determine by a review of the application materials whether the applicant appears to comply or may be able to comply with the applicable requirements of subpart C of this part.” *A review of a crop producer’s Annual Input Record indicated that input materials (i.e. composts) have been used from two sources with the following findings:*

Source 1- There is no evidence indicating that these composts or material inputs comply with the regulations. There is no evidence indicating that the feed stocks (i.e. ingredients) of the composts are compliant; furthermore, there is no record that these inputs meet the requirements of 205.203(c)(2), the NOP composting process.

Source 2- This compost was a new input (2011); a change from the previously used source of compost material. This new input was not identified or questioned by the initial certification reviewer. Additionally, the inspector reviewed some material documentation on-site, but this documentation did not indicate the compost ingredients, nor whether the compost complied to the NOP compost processing criteria (e.g. C/N ratio, temperature, etc...).

Corrective Actions: Compost from Source 1 was approved by QAI in 2009. The addition of compost from Source 2 to QAI’s Annual Input Record (AIR) made the record appear to list a new input; however, Source 2 is a contract applicator who purchases and applies the Source 1 compost to the client’s fields. A corrected AIR was obtained from the client listing the input suppliers rather than the applicators. QAI did not document its justification of the approval of the former AIR prior to inspection which resulted in the appearance of an unapproved input from a new supplier being applied to the field. QAI internal procedures have been revised to clarify review procedures. Specifically, QAI reviewers will cross check the submitted AIR updates against the previously approved inputs in the database and records.

Documentation of the compost’s compliance was on file with QAI including the compost process protocol, laboratory analysis, and time/temperature turn logs. The evidence of compliance of the Source 1 compost to NOP regulation 205.203(c)(2) and NOP Program Handbook 5021 section 4.1 and 4.2 was provided to the NOP for review. Updated compost information was obtained by QAI which corroborates the initial compliance determination made by QAI.

The corrective measures for NC1 are accepted by the NOP.

NP2094AKA.NC2 – Accepted - NOP §205.402(a)(2) states, “Upon acceptance of an application for certification, a certifying agent must: determine by a review of the application materials whether the applicant appears to comply or may be able to comply with the applicable requirements of subpart C of this part.” *A review of a crop producer file indicated that the certified operation was using a fertilizer, Allganic 12-0-12, where the label disclosed that sodium nitrate was an ingredient at the rate of 12%. Sodium nitrate is restricted for use at no more than 20% of the crops total nitrogen requirement. There was no documentation on file that indicated that the calculation for total nitrogen derived from sodium nitrate was performed. Two other files reviewed included soil amendments which included sodium nitrate as an ingredient and were correctly calculated and verified for nitrogen content.* **Corrective**

Actions:

QAI internal procedures have been revised to clarify material input review procedures. Reviewers are directed to cross check the submitted material updates against any previously approved inputs. QAI management distributed and reviewed the updated procedural requirements with review staff on June 1, 2012. QAI conducted the sodium nitrate calculations for the client cited in this noncompliance and found the client to be in compliance with NOP205.602 (g). Documented evidence of the procedural updates, training, and verification of sodium nitrate calculations were provided by QAI for NOP review. The corrective measures for NC2 are accepted by the NOP.

NP2094AKA.NC3 - Accepted - NOP §205.670(d)(1) states, “Results of all analyses and tests performed under this section must be promptly provided to the Administrator; *Except*, that, where a State organic program exists, all test results and analyses shall be provided to the State organic program’s governing State official by the applicable certifying party that requested testing.” *In one case, results of pesticide residue testing were not sent to the California state organic program. Additionally, the ACA’s procedures indicated that only positive results are to be sent, whereas the regulations require that all results be sent to the State organic program.*

Corrective Actions: QAI issued the California State Organic Program on April 12, 2012 results of the residue test. QAI revised the associated procedure to ensure the relevant authorities receive all test results. QAI conducted a review of issued test results over the preceding year and confirmed that this was an isolated incident. QAI provided NOP documented evidence of all corrective actions for review. The corrective measures for NC3 are accepted by the NOP.



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

AUDIT INFORMATION

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| Applicant Name: | Quality Assurance International (QAI) |
| Est. Number: | N/A |
| Physical Address: | 9191 Towne Centre Drive, Suite 510; San Diego, CA 92122 |
| Mailing Address: | 9191 Towne Centre Drive, Suite 510; San Diego, CA 92122 |
| Contact & Title: | Maria DeVincenzo, Quality Specialist |
| E-mail Address: | Maria@qai-inc.com |
| Phone Number: | (858) 792-3531 |
| Auditor(s): | Mike Lopez, Lead Auditor; Mike Caceres, Auditor; and David Hildreth, Auditor. |
| Program: | USDA National Organic Program (NOP) |
| Audit Date(s): | April 07-08 and June 07-10, 2010 |
| Audit Identifier: | NP0158AKA |
| Action Required: | No |
| Audit Type: | Deferred/Mid-Term/Appeal Audit |
| Audit Objective: | To verify continuing compliance to the audit criteria; and to verify the implementation and effectiveness of corrective actions in addressing the outstanding non-compliance from the Deferred and Mid-Term Audit in the scope of Wild Crops only. |
| Audit Criteria: | 7 CFR Part 205, <i>National Organic Program, Final Rule</i> , dated December 21, 2000; revised February 17, 2010. |
| Audit Scope: | The company's quality manual dated June 17, 2009, including personnel, processes, procedures, facilities, and related records in the scope of Wild Crops only. |
| Location(s) Audited: | QAI Office in San Diego, CA; Bascom Maple in Alstead, NH. |

QAI is currently approved in the USDA National Organic Program (NOP) for the scopes of crops, wild crops, livestock, and handling/processing. QAI currently certifies 1,314 clients to the NOP standard; 122 for crops, 3 for wild crops, 40 for livestock, and 1,149 for handling of which 186 are distributors, 124 are traders, and 38 are post-harvest. QAI certifies one grower group. QAI certifies clients to the NOP in the United States, Canada, Mexico, Italy, Paraguay, Japan, Taiwan, Iceland, and the United Kingdom. This audit was performed in conjunction with the USDA ISO Guide 65 Reassessment audit and was limited in scope to wild crops, which was under appeal at the time of the last Deferred and Mid-term NOP audit.

The wild crop producer where the previous non-compliance was observed is no longer certified by QAI. As a result, a witness inspection was performed at a wild crop producer that harvested a different product and did not operate in the same manner as the producer where the non-compliance was noted. Where possible, the auditor verified corrective actions for the non-compliance that had similar procedures



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associated with them. For the non-compliance that resulted from actions or procedures specific to the original operation, corrective actions were verified through the implementation of specific policies and procedures by QAI. In short, the entire inspection and verification procedure for wild crop producers by QAI was verified for effectiveness and compliance with NOP standards.

The wild crop witness inspection was conducted at a maple syrup producer/processor in Alstead, New Hampshire. This operation collects maple sap from trees on numerous plots of land, tanks it, and processes it into maple syrup. This is a split operation that collects and produces both organic and conventional maple syrup. The inspector toured all parcels of land, both owned and leased, that are used for organic production. The inspector viewed all collection/holding tanks and verified cleanout logs for all equipment used for conventional and organic product. Bulk storage tanks were verified to be exclusively used for organic product and were verified as labeled appropriately. The inspector performed a product trace-back and verified control of organic product through labeling and physical separation. All areas of production and processing were verified to be consistent with the Organic System Plan submitted by the client. The inspector documented that due to extensive forest management practices, this client may be inappropriately classified as a wild crop producer. The client is clearing the maple bush areas of brush, dead trees, and undesirable trees (non-maple species). No prohibited substances are being used, the thinning/clearing is being done by hand and specialized machinery. In follow-up discussions with NOP, it has been determined that these management practices are not consistent with the definition of a wild crop operation as defined in the NOP standards. QAI has subsequently reclassified this operation as a crop producer.

FINDINGS

Observations made, interviews conducted, and documents and records reviewed verified that QAI is currently operating in compliance to the audit criteria. The corrective actions for the outstanding non-compliance identified during the Deferred and Mid-Term audit pertaining to Wild Crops were verified for implementation and effectiveness. One previous non-compliance was cleared and two non-compliances were not reviewed for implementation due to the limited scope (Wild Crop only) of this audit. There were no new non-compliances identified during this audit.

NP7142EEA.NC6 – Cleared - NOP §205.403 c states, “The onsite inspection of an operation must verify: (1) The operation’s compliance or capability to comply with the Act and the regulations in this part; (2) 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.” *The witness inspection observed at the wild crop harvest and processing facility concluded that there was no indication that previous inspections verified that the company actually met the requirements of the rule and that they were operating according to their updated system plan. There are 15,000 to 20,000 pickers in the Canadian National Forest that are harvesting the crops destined for certification.*

The following were identified:

- *The wild crop client was not verifying with the Ministry of Natural Resources that no permits for spraying of pesticides or herbicides had been issued in the previous certification year. **Corrective Action:** QAI provided the inspector with the copy of the letter from the Ministry of Natural Resources during the October 2007 paperwork re-inspection that stated that no pesticides or*



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herbicides were used on the forest. This letter only informs the company of government requirements and the inspector is required to verify the use of all prohibited substances during the inspection and previous inspections. **Verification of Corrective Action:** As stated previously, this client is no longer certified by QAI. However, QAI has documented in their inspection manual that all inspectors are to verify that prohibited substances are not used on land that is being used for the production of organic wild crops. During the witness inspection, the inspector verified that prohibited substances were not being used on owned and leased land used for organic production.

- *The letter supporting document from the Ministry of Natural Resources from 2001 was not available for review. The letter was destroyed when the updated letter was issued, which is in violation of the NOP requirement to maintain those types of records for at least 5 years. The Hydro-Quebec (electric utility) letter does not address the activities in all sectors where berries are harvested by the wild crop client. The new letter that was submitted in response to last year's non-compliance letter from QAI does not address the use of pesticides – only herbicides. **Corrective Action:** The corrective actions for the letter did not verify the approval for the land where the berries were located. The NOP Rule requires that the certifying agent or inspector verify that prohibited substances are not used in all sectors where berries are harvested. The letter cannot be the sole verification. **Verification of Corrective Action:** QAI has advised all inspectors and documented in their inspection manual that the use of prohibited substances must be verified during the inspection and letters of compliance are not adequate as the sole form of verification.*
- *There is no documentation generated at the time the berries are picked up from the buying station. The only paperwork is the Rapport Pesee that lists the number of containers and weight. This document is created at the time of receiving and does not have paperwork to support the data entered on that sheet. Since the conventional and organic blueberry harvests are parallel harvests, there is a real possibility that conventional and organic harvest cannot be traced and that one type of blueberry could be substituted for another. This is a significant concern since the price of conventional blueberries is .18 and the price of certified organic blueberries is \$1.00 per pound. **Corrective Action:** The corrective actions did not adequately address this portion for the possibility of comingling conventional and organic blueberries. QAI had stated that a visual comparison of wild and tame blueberries could not be completed since the inspection was conducted during the off-season but that it is a known fact that there are visually comparable differences between tame and wild blueberry production, including size, coloration, and taste differences. QAI also acknowledged the fact that there still remains a slight possibility that comingling of organically harvested and conventionally harvested wild blueberries was possible. **Verification of Corrective Action:** During the witness inspection, the inspector verified the integrity of organic product throughout the tapping, storage, and processing stages through labeling and physical separation of organic and conventional product. A product trace-back was performed with adequate results.*
- *Follow-up to a previous noncompliance found that there are still no tags or other forms of identification on the pallets or boxes being picked up at the buying station that give the lot number, the company name, and the source buying post and harvest region. **Corrective Action:** The corrective actions adequately addressed this portion of the non-compliance. Corrective actions stated that the client sent to QAI an acceptable plan of action which was approved for identification. The corrective actions stated that the paperwork was verified during the October inspection and that the actual harvest procedures would be verified during the harvest period of August 2008. **Verification of Corrective Action:** The inspector verified that all collection/holding tanks are adequately labeled*



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and identified throughout the collection process. Bulk storage tanks at the sugar house were verified as being appropriately labeled and used exclusively for organic product.

- *There is no way to track any purchases of blueberries within the system. The wild crop contact person indicated that there are financial records to show transactions of advance money to buyers and payment to buyers carried by truckers picking up the berries, but the company refused to make those records available. This is not a transparent arrangement and the current system doesn't show any purchase of blueberries from the buying posts, or transportation records other than those created upon delivery to the wild crop client. **Corrective Action:** The corrective actions did not address why the records were not available and the inspector verifying the previous records. **Verification of Corrective Action:** As previously stated, this particular client is no longer certified by QAI. QAI documents the requirement that clients provide all relevant records to inspectors in the Organic Certification Contract (Service Agreement). The inspector requested and was given access to all relevant documents and records during the witness inspection.*
- *There is no indication that the wild crop client is conveying the requirements for organic requirements to the buyers or the pickers relative to NOP. Instructions posted at the buying stations refer to some issues of contamination but do not address other integrity issues for source and compliance of the product. There is no SOP for disseminating information to the buyers to ensure that the berries they are picking are actually from one of the sectors of the approved organic harvest area. **Corrective Action:** The corrective actions adequately addressed this portion of the non-compliance. SOP's were created and training had been completed. **Verification of Corrective Action:** As stated previously, this particular client is no longer certified by QAI. However, the inspector verified that all interested parties were provided SOPs and had adequate training in regards to upholding the integrity of organic products.*
- *The findings of this inspection indicate that previous inspections were not according to the QAI procedures and the actual operations were not reflected in the inspections reports. There is no evidence that there has ever been compliance to the NOP in the above findings. Previous inspection reports indicated computer system failures, updates, malfunctions, etc., that did not allow for trace-backs and other verification activities. This is contrary to what NOP mandates for record keeping and providing a system for traceability. **Corrective Action:** The corrective actions submitted by QAI did not adequately address how the inspections and the follow-up on-site inspection verified all the deficient areas identified in the non-compliances. QAI had mentioned that the due to on-site audit time limitations, the USDA-NOP on-site audit occurred before the wild-crop harvest period during the month of August and that normal harvest activities could not be observed, and auditing paperwork was not accessible. QAI then sent a non-compliance letter to the client on August 27, 2007 that recommended a re-inspection due to the severity of the non-compliances. The re-inspection by QAI was completed on October 29, 2007 which included a limited scope review of the audit trail paperwork. QAI had mentioned that because of the time lapse from the initial inspection to the review, the harvesting process will not be inspected until their annual harvest period of August 2008. The corrective actions submitted by QAI did not adequately address the majority of issues for this non-compliance and the NOP on-site audit time limitations did not exclude QAI from completing the inspection during harvest or adequately verifying records or procedures as required by the NOP Rule. **Verification of Corrective Action:** QAI has established and documented policies in their inspection manual that inspectors perform inspection during the harvest season, that all relevant documents and records be reviewed, that product trace-back be conducted to verify organic integrity, and that*



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inspectors observe the actual harvesting and off-loading of product to verify controls. Inspectors are also required to tour /observe 100% of harvested land unless uncontrollable circumstances such as inclement weather prevent this. QAI has also established a procedure to address circumstances where harvested land is separated by great distances, so that compliance can be determined in a reasonable timeframe.

NP9152DDA.NC1 – Adequately Addressed – This was not verified due to the limited scope (Wild Crop only) of this audit - NOP §205.239(a)(1) states, “The producer of an organic livestock operation must establish and maintain livestock living conditions with accommodate the health and natural behavior of animals including: Access to the outdoors, shade, shelter, exercise areas, fresh air, and direct sunlight suitable to the species, its stage of production, the climate, and the environment.” QAI had issued a poultry operation a non-compliance in 2008 for not allowing access to the outdoors for the poultry. The poultry operation submitted the following corrective actions:

1. The first 21 days of the chicken’s life will be housed indoors due to the stage of production.
2. Chickens will not be allowed outside if the temperatures are above 90°F or below 60°F due to climate.
3. Chickens will not be allowed outside due to rainy or foggy conditions due to climate.
4. If a documented case of influenza is found within a 100 mile direct radius of the poultry facility, the chickens will be housed inside for up to 6 months in order for the problem case to clear.

The poultry operation supplied QAI with data from the past two years to show how long the chickens would be or possibly be housed inside. The data showed that the chickens could be housed inside for as much as 60-75% of their expected 45 day life span. QAI had contacted other ACA’s to try and determine if these would be acceptable provisions for access to outdoors. Other ACA’s thought they were acceptable with some even stating the initial 21 days was too short and could be 28 days. *QAI accepted the corrective actions from the poultry operations which in fact deny access to the outdoors for the chickens based on the NOP requirements.* **Corrective Action:** QAI again issued Foster Farms a non-compliance for restricting access to the outdoors based on the above reasons as not being adequate to allow access to the outdoors. Foster Farms responded to the non-compliance in the agreed upon timeframe and amended the OSP for the chickens to allow the chickens to be housed indoors for the first 21 days of life due to lack of feathering. After the 21 days, the chickens will be allowed access to the fenced in area during the daylight hours for the rest of their life. Both the restriction for the 21 days and then the access thereafter will be recorded on the “Outdoor Access Log” by Foster Farm employees. The revised OSP and outdoor access log were reviewed and found to complete and acceptable in the fact that Foster Farms is not confining the poultry on an indefinite basis.

NP9152DDA.NC2 – Adequately Addressed - This was not verified due to the limited scope (Wild Crop only) of this audit - NOP §205.510(a)(1-4) requires that an ACA must submit annually to the Administrator on or before the anniversary date of the issuance of the notification of accreditation an Annual Update that is in compliance to (1-4). *QAI submitted on 1/26/09 an annual update that consisted of only the revised fee schedule and not an entire annual update.* **Corrective Action:** On September 15, 2009, QAI submitted to the NOP and the auditor of record the 2008/2009 annual update as required by the NOP Rule. The QAI Data Base has been revised to trigger QAI to submit the annual update prior to the April 29th date of accreditation each year. The annual update was reviewed and found to be in compliance for submission to the Rule.