



United States Department of Agriculture

Agricultural Marketing Service

National Organic Program

Basin and Range Organics

1365 Corporate Blvd., Ste. 200, Reno, NV 89403 USA

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 OF ACCREDITATION



Certificate No: **NP5264EEA**
Effective Date: **January 26, 2016**
Expiration Date: **January 25, 2021**

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

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NATIONAL ORGANIC PROGRAM: NONCOMPLIANCE REPORT

AUDIT AND REVIEW PROCESS

The National Organic Program (NOP) received Basin and Range Organics (BAR-O) accreditation application to become a U.S. Department of Agriculture (USDA) accredited certifier on August 25, 2015. BAR-O has requested accreditation for the scopes of Crops, Wild Crop, Livestock, and Handling. The NOP has reviewed BAR-O's application, conducted an onsite audit, and reviewed the audit report to determine BAR-O's capability to operate as a USDA accredited certifier.

GENERAL INFORMATION

Applicant Name	BASIN AND RANGE ORGANICS (BAR-O)
Physical Address	1365 Corporate Blvd. – Suite 200
Mailing Address	Reno, NV 89403
Contact & Title	Clinton Koble, BAR-O Advisory Committee Chair
E-mail Address	clinton.koble@nv.usda.gov
Phone Number	Phone: (775) 857-8500 Facsimile: (855) 816-0896
Reviewer & Auditor	Lars Crail, NOP Reviewer; Rick Skinner, On-site Auditor.
Program	USDA National Organic Program (NOP)
Review & Audit Date(s)	Onsite audit conducted: November 2 – 5, 2015. NOP review of the auditor's checklist (NOP 2005) and determination of noncompliances: November 30 – December 14, 2016 NOP review of BAR-O's submitted corrective measures: January 14, 2016.
Audit Identifier	NP5264EEA
Action Required	None
Audit & Review Type	Document Adequacy Review and Pre-decisional Assessments
Audit Objective	To evaluate the conformance to the audit criteria; and to verify the implementation and effectiveness of BAR-O's certification system.
Audit & Determination Criteria	7 CFR Part 205, National Organic Program as amended and NOP Policies.
Audit & Review Scope	BAR-O's certification services capability to carry out the audit criteria.

The Basin and Range Organics (BAR-O) is a small nonprofit start-up certification organization based in Reno, Nevada. BAR-O's mission is to provide USDA organic certification services throughout Nevada and Eastern California. BAR-O is requesting accreditation for the following scopes: Crops, Wild Crop, Handling, and Livestock.

NOP DETERMINATION

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.

NP5264EEA.NC1 – Accepted - 7 CFR §205.504(a)(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 ... §205.501: (a) Personnel. (1) A copy of the applicant’s policies and procedures for training, evaluating, and supervising personnel;” (emphasis added)

2015 Comments: *There are no policies or procedures listed in the BAR-O quality manual to perform annual personnel evaluations as required pursuant to §205.501(a)(6) which states, “Conduct an annual performance evaluation of all persons who review applications for certification, perform on-site inspections, review certification documents, evaluate qualifications for certification, make recommendations concerning certification, or make certification decisions and implement measures to correct any deficiencies in certification services.”*

Corrective Action: BAR-O submitted an updated BAR-O Program Manual with modifications to the “Personnel” section and they also submitted an “Employee Review Form” used as a record of performance review for personnel involved in certification activities. Both the BAR-O Program Manual and the employee review form align with guidance in NOP 2027, *Personnel Performance Evaluations*.

NP5264EEA.NC2 – Accepted - 7 CFR §205.504 states that “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 ... §205.501:” 7 CFR §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.” NOP 2025, *Internal Program Review – Instruction*, Section 3.1 states, “Qualified program reviewers must have the expertise to conduct such reviews, including knowledge of certification, auditing, and the USDA organic regulations. Internal program reviews are conducted by personnel different from those who perform certification activities.”

2015 Comments: *The BAR-O Program Manual does include a section on internal review process; however, there is no selection criteria described for person(s) designated to perform the review.*

Corrective Action: BAR-O submitted an updated BAR-O Program Manual with modifications to the “Internal Review” section that establish the selection criteria for individuals performing the review. BAR-O also submitted a name and resume for a consultant that they propose to hire to conduct an internal review.

NP5264EEA.NC3 – Accepted - 7 CFR §205.504(b)(1) states that “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 ... §205.501...(b) *Administrative policies and procedures.* (1) A copy of the procedures to be used to evaluate certification applicants, make certification decisions, and issue certification certificates.” Furthermore, 7 CFR §205.404(b)(1)–(4) states, “...The certifying agent must issue a certificate of organic operation which specifies the: (1) Name and address of the certified operation; (2) Effective date of certification; (3) Categories of organic operation, including crops, wild crops, livestock, or processed products produced by the certified operation; and (4) Name, address, and telephone number of the certifying agent. NOP 2603, Organic Certificate – Instruction, Section 3.1, further defines what is to be included in an organic certificate:

1. Certifying agent’s name, address, web site, and phone number*;
2. Anniversary date (when the certified operation must submit its annual update). Organic certificates cannot include expiration dates;
3. The statement, “Certified to the USDA organic regulations, 7 CFR Part 205.” This differentiates USDA organic products from those certified to other organic standards; and
4. The statement, “Once certified, a production or handling operation’s organic certification continues in effect until surrendered, suspended or revoked.”

2015 Comments: *BAR-O’s organic certificate template lacks the four above mentioned information or specific language items.*

Corrective Action: BAR-O made modifications to their Organic Certificate template and submitted a revised template for NOP review. The template contains the four missing items.

NP5264EEA.NC4 – Accepted - 7 CFR §205.642 **Fees and other charges for certification** 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...”

2015 Comments: *The following items were noted during the review of BAR-O’s proposed fee schedule and procedures for providing certification cost estimates:*

1. *BAR-O's program manual states that there is a \$250.00 fee for late submission of a certified operation's annual update which is not included on the proposed fee schedule.*
2. *The process for providing an applicant a certification cost estimate only lists the cost for inspection and not the portion for the annual certification cost based on the gross sales.*

Corrective Action: BAR-O made modifications to and submitted both a revised BAR-O Program Manual (Fee Schedule section) and a Fee Schedule for NOP's review. The two missing items are contained and aligned in both documents.

NP5264EEA.NC5 – Accepted - 7 CFR §205.501(a)(5) states, "... (a) A private or governmental entity accredited as a certifying agent under this subpart must: (1) Have sufficient expertise in organic production or handling techniques to fully comply with and implement the terms and conditions of the organic certification program established under the Act and the regulations in this part."

2015 Comments: *Interviews with BAR-O personnel indicate the organization intends to establish a contractual arrangement with a material review organization. There is currently no person in the organization identified as having the authority or sufficient expertise to perform material input reviews.*

Corrective Action: BAR-O submitted an updated BAR-O Program Manual with modifications to the "Material Review" section. This section states that the BAR-O Program Administrator will review input materials and make a decision on compliance. This section also outlines the process the BAR-O Program Administrator follows when conducting the review process. BAR-O intends to contract with a private material review organization for those materials BAR-O may need assistance in determining compliance. BAR-O also submitted for NOP review a "Material Review Request Form" for operations to submit material review requests and this form will provide a record for BAR-O decision results.

NP5264EEA.NC6 – Accepted - 7 CFR §205.670(e) states that "...residue testing must be performed in an accredited laboratory." NOP 2611, Laboratory Selection Criteria for Pesticide Residue Testing – Instruction, Section 4.2, indicates that a laboratory hold current accreditation to ISO 17025; or, an alternative standard approved by the NOP on a case-by-case basis.

2015 Comments: *BAR-O has not identified an accredited laboratory for the residue testing of samples.*

Corrective Action: BAR-O submitted an updated BAR-O Program Manual with modifications to the "Sampling" section. The section states that BAR-O will use an ISO/IEC 17025:2005 accredited laboratory. The BAR-O Program Administrator provided the laboratory's name which does comply with selection criteria in NOP 2611.

NP5264EEA.NC7 - Accepted - 7 CFR §205.504(b)(1) states that “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 ... §205.501...(b) *Administrative policies and procedures.* (1) A copy of the procedures to be used to evaluate certification applicants, make certification decisions, and issue certification certificates.” 7 CFR § 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: (3) The date by which the certified operation must rebut or correct each noncompliance ...” (emphasis added)

2015 Comments: *BAR-O submitted their Notice of Noncompliance template to demonstrate the notification to applicants or certified operations when noncompliances are identified. The template does not describe or instruct the recipient of an option to rebut a noncompliance. In addition, the template incorrectly refers to 7 CFR §205.405, "Denial of Certification," as a reference to the process of issuing noncompliances. The correct sub-section of the regulations for issuing noncompliances is 7 CFR § 205.662.*

Corrective Action: BAR-O submitted a modified Notice of Noncompliance template that clearly states that the operator may submit corrective measures or rebut the noncompliance(s). All references to “Denial of Certification” were removed from the template. Lastly, the template refers to 7 CFR § 205.662 as a basis for issuing the noncompliance notification.

NP5264EEA.NC8 – Accepted - 7 CFR §205.503(d)(2) states, “A private or governmental entity seeking accreditation as a certifying agent must submit the following information: (d) The type of entity the applicant is (e.g. government agricultural office, for-profit business, not-for-profit membership association) and for: (2) A private entity, documentation showing the entity’s status and organizational purpose, such as articles of incorporation and by-laws or ownership or membership provisions, and its date of establishment; and...”

2015 Comments: *BAR-O indicated on their application for accreditation (TM-10CG) that the organization is a not for profit business; however, disclosed during interviews with the Advisory Board members and a review of the submitted application documents, the group has not established a legal status.*

Corrective Action: On December 17, 2015, BAR-O was registered as a Nevada Non-Profit Corporation authorized by the Secretary of State to conduct business. BAR-O submitted documents to demonstrate their legal status.