



CERTIFICATE OF ACCREDITATION



United States Department of Agriculture

Agricultural Marketing Service

National Organic Program

MINNESOTA CROP IMPROVEMENT ASSOCIATION

1900 Hendon Avenue, St. Paul, Minnesota, 55108, 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, Wild Crops Operations

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

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

Certificate No: **USDA-100-23**

Effective Date: **04/29/2022**

Expiration Date: **04/29/2027**

Issue Date: **07/13/2023**

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Deputy Administrator

National Organic Program

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National Organic Program
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Room 2642-South, STOP 0268
Washington, DC 20250-0268

NATIONAL ORGANIC PROGRAM: AUDIT & CORRECTIVE ACTION REPORT

GENERAL INFORMATION

- **Certifier Name** Minnesota Crop Improvement Association (MCIA)
- **Physical Address** 1900 Hendon Avenue, St. Paul, Minnesota 55108, U.S.A.
- **Audit Type** Mid-term Audit
- **Auditors & Audit Dates** Kendra Volk, Joshua Lindau, Sherry Aultman, 07/08/2024 to 07/13/2024
- **Audit Identifier** NOP-14-24

CERTIFIER OVERVIEW

The National Organic Program (NOP) conducted an onsite Midterm Audit of Minnesota Crop Improvement Association's (MCIA) USDA organic certification program covering the period August 15, 2021 through July 7, 2024. The purpose of the audit was to verify MCIA'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 MCIA personnel, a records audit, and two onsite witness audits. The two witness audits consisted of one onsite annual inspection of a crop operation and one onsite annual inspection of a handling operation; both operations are in Minnesota.

MCIA is a not-for-profit organization accredited to the USDA National Organic program (NOP) on April 29, 2002. MCIA is accredited to the crop, wild crop, livestock, and handling scopes. MCIA certifies 579 operations in Colorado, Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Nebraska, Nevada, North Dakota, South Dakota, Wisconsin. Certification activities are performed by 12 employees and 13 contract inspectors.

NOP DETERMINATION:

NOP reviewed the audit results to determine whether MCIA'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-1402-22 - Cleared.

AIA-1943-22 - Cleared.

AIA-509-22 - Cleared.

AIA-6070-23 - Cleared.

AIA-6071-23 - Cleared.

AIA-7227-21 - Cleared.

AIA-7228-21 - Cleared.

AIA-7230-21 - Cleared.

AIA-7232-21 - Cleared.

AIA-7234-21 - Cleared.

AIA-7235-21 - Cleared.

AIA-888-22 - Cleared.

AIA-508-22 - Accepted. 7 C.F.R. §205.403(c)(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: *MCIA’s inspectors do not fully verify an operation’s compliance with the USDA organic regulations. The auditor’s review of certification files found that MCIA’s inspectors are not consistently performing and recording traceability exercises during inspections. This does not meet the requirements of NOP 2601 Instruction, The Organic Certification Process, which states, “The inspector will review each production unit, facility, and site where the operation produces or handles organic products. The inspection includes, but is not limited to:[...] Reconciliation of the volume of organic products produced or received with the amount of organic products shipped, handled and/or sold, also known as trace-back audits or in-out balances;”*

Corrective Action: MCIA now requires inspectors to perform traceability and mass balance activities at each inspection. MCIA updated their inspection report template in March of 2021 to reflect this requirement. MCIA trained their inspectors on the updates in April of 2022. MCIA submitted the training slides and attendance log to the NOP along with the revised inspection report language.

Verification of Corrective Action: The auditors reviewed certification files and found that at one annual inspection, the MCIA inspector only performed one type of audit. MCIA has not updated its handler inspection report to prompt inspectors to conduct both types of audits.

2024 Corrective Action: MCIA submitted documentation of a new management structure,

which is designed to ensure follow-up on previous corrective actions and ongoing compliance with the USDA organic regulations through improved communication and accountability. Additionally, MCIA updated the livestock and handling inspection report templates in July and August of 2024, respectively, to require both types of audits, mass balance and traceability. MCIA also submitted a revised procedure for onsite inspections, which affirms this requirement. MCIA submitted an email training reminder that was sent to all inspectors on July 30, 2024, to confirm audit requirements and supply inspectors with the revised templates to use. MCIA submitted a written policy and associated slides that will be presented at the spring 2025 inspector training. MCIA also implemented Inspection Report receiving procedures on October 7, 2024, which direct administrative staff to return reports to inspectors when they do not contain the required audit information, and to contact team leaders if it is not clear whether the required audit information is included.

AIA-6350-21 - Accepted. (NOP-29-19.NC5) 7 C.F.R. §205.662(c) states, “Proposed suspension or revocation. 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.”

Comments: *MCIA did not comply with the requirements of §205.662(c) in the following manner:*

- *MCIA re-issued a notice of noncompliance 30 days after initially issuing it. MCIA then tried to contact the operation repeatedly prior to issuing the notice of proposed suspension 60 days after the deadline to submit corrective actions.*
- *MCIA did not always issue notifications of proposed suspension in a timely manner. MCIA issued a notification of noncompliance to an operation 8/10/2018. MCIA issued the operation a notification of proposed suspension on 2/28/2019, which was 6 months after the date by which the certified operation had to rebut or correct the noncompliance.*

Corrective Action: On June 29, 2020, MCIA implemented the use of the following database features:

- Generic letter templates for Notices of Noncompliance, Noncompliance Resolutions, Notices of Proposed Suspension, and Notices of Suspension. MCIA submitted the new templates to the NOP. The new templates allow MCIA to generate and send out Notices in batches with one response date making deadlines easier to track. In 2020, MCIA sent Notices of Noncompliance for failure to renew and the corresponding Notices of Proposed Suspension in batches.
- Noncompliance and suspension modules that indicate when the next action should be initiated. When a step in a module is completed, the next appropriate step is set as pending using the applicable date, as given in the Notice. MCIA now runs monthly reports to make sure deadlines are met. On May 12, 2021, MCIA sent a training email to staff on how to use the noncompliance and suspension modules in the database to ensure notifications are issued in a timely manner. MCIA submitted the email to the NOP. MCIA is requiring all organic certification staff to take the Organic Integrity Learning Center training on Adverse Actions by the end of 2021.

Verification of Corrective Action: The auditors reviewed certification files and found that MCIA updated the notice of noncompliance and adverse actions templates and implemented their monthly reporting process; however, the auditor verified MCIA is not monitoring the monthly

reports and does not consistently issue noncompliance and adverse action in a timely manner. MCIA certification staff did not complete the Organic Integrity Learning Center training.

2022 Corrective Actions: MCIA now generates Noncompliance Pending Action reports and emails them to staff twice per month. Staff have been instructed via email on the need to follow up on these notices in a timely manner and have been asked to use their Outlook calendars to set reminders when they issue each notice requiring a follow-up. MCIA submitted the instructional email to staff as well as a copy of the current Noncompliance Pending Action report as evidence. MCIA submitted a training log showing that all staff had completed the Compliance and Enforcement training, including the lesson on Noncompliance and Adverse Actions, in the Organic Integrity Learning Center.

2024 Verification of Corrective Action: The auditors reviewed certification files and found MCIA still does not issue adverse action notices in a timely manner. MCIA is not monitoring and sending the Noncompliance Pending Action reports or emailing them to staff twice per month, as described in MCIA's corrective action. Additionally, MCIA did not monitor the report for three months while the responsible staff member was on leave.

2024 Corrective Action: MCIA has designated a Team Leader as the point person for running the bi-weekly Noncompliance Pending Action reports and emailing them to the staff. MCIA has also designated a backup Team Leader to run the bi-weekly reports in the absence of the designated point person. MCIA created the document Work Instruction—Noncompliance and Adverse Actions, which describes the process for issuing noncompliances and adverse actions and how to track them in MCIA's database. MCIA also created the document Procedure—File Prioritization for Timeliness, which describes the process for running the bi-weekly reports and how the adverse actions will be monitored and followed up on by the Team Leader. MCIA trained staff on these topics on November 13, 2024.

AIA-7226-21 - Accepted. 7 C.F.R. §205.403(c)(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: *MCIA's inspectors do not fully verify an operation's compliance with the USDA organic regulations. The auditors reviewed certification files and found that inspectors are not verifying an operation's compliance with §205.103(b)(2) which requires certified operations to maintain records that can be understood and audited. MCIA's inspectors are not consistently recording mass balance and traceability audits in inspection reports.*

Corrective Action: MCIA updated their inspection report template in March of 2021 to include more specific language related to mass balance and traceback requirements. MCIA now requires both types of audits at each inspection as a means of verifying the operation's compliance with the record keeping requirements. MCIA trained their inspectors on the requirements in April of 2022. MCIA submitted the training slides and attendance log to the NOP along with the revised inspection reports templates.

2024 Verification of Corrective Action: The auditors reviewed certification files and found that at one annual inspection, the MCIA inspector only performed one type of audit. MCIA has not updated its handler inspection report to prompt inspectors to conduct both types of audits.

2024 Corrective Action: MCIA updated the livestock and handling inspection report templates in July and August of 2024 respectively to require both types of audits, mass balance and traceability. MCIA also submitted a revised procedure for onsite inspections, which affirms this requirement. MCIA submitted an email training reminder that was sent to all inspectors on July 30, 2024, to confirm audit requirements and supply inspectors with the revised templates to use. MCIA submitted a written policy and associated slides that will be presented at the spring 2025 inspector

training. MCIA also implemented Inspection Report receiving procedures on October 7, 2024, which direct administrative staff to return reports to inspectors when they do not contain the required audit information, and to contact team leaders if it is not clear whether the required audit information is included. Therefore, MCIA has implemented a framework for verifying each operation's compliance with §205.103(b)(2) which requires certified operations to maintain records that can be understood and audited.

AIA-7233-21 - Accepted. 7 C.F.R. §205.501(a)(4) states, "A private or governmental entity accredited as a certifying agent under this subpart must: Use a sufficient number of adequately trained personnel, including inspectors and certification review personnel, to comply with and implement the organic certification program established under the Act and the regulations in subpart E of this part;"

Comments: *MCIA does not use a sufficient number of personnel to implement its USDA organic certification program. The auditors reviewed certification files and conducted interviews with certification staff who said MCIA does not have a sufficient number of staff:*

- 1. MCIA did not conduct onsite inspections for all its operations in 2020. Two operations did not get inspected.*
- 2. MCIA is not following their Work Instruction – Noncompliance document and their own adverse action deadlines when issuing Notices of Noncompliance and adverse actions. MCIA's work instruction states that if a written response is not received within the required time period, further action, including proposed suspension or revocation of certification may ensue. The auditor's reviewed four noncompliance and adverse action files in which MCIA did not issue the proposed adverse action or the adverse action in the time period described in the original noncompliance.*

Corrective Action: MCIA has hired four new staff since 2021 but has lost the same number of staff during that time. They have shifted to increased use of contract inspectors in order to allow certification staff to focus more on in-office work. MCIA has also limited the number of new applications they will accept during a given year (cutting off new applications in August or September depending on workload and capacity). MCIA continually monitors inspector availability and does not accept applications from regions they cannot service in a timely manner. Additionally, MCIA is currently attempting to hire a new staff member and submitted a current job posting to the NOP.

Verification of Corrective Action: The auditors reviewed certification files and interviewed MCIA certification staff and found that MCIA did not complete all annual inspections in 2022 and 2023. MCIA failed to conduct annual inspections at 5 operations in 2022 and ten operations in 2023. MCIA still does not issue adverse action notices in a timely manner.

2024 Corrective Actions: To balance client numbers with administrative capacity, MCIA stopped accepting new applicants in September 2024, as evidenced by internal communications submitted to NOP. MCIA also sent letters to clients in Nebraska to inform them MCIA will no longer conduct business there after 2024. MCIA met with a representative of the NOP Accreditation Division on October 22, 2024, to ensure a compliant withdrawal from that region. For 2024, MCIA submitted a tracking spreadsheet showing that all 2024 inspections had been assigned. Inspectors have been instructed to make sure final 2024 inspections are conducted within the calendar year. Confirmation from all inspectors was received back by from all inspectors on November 24, 2024. For 2025 and beyond, the re-structuring of the management team at MCIA means that there is one person responsible for inspections, with another as a backup. Finally, MCIA is changing the renewal dates for handlers to avoid confusion and allow more lead time for scheduling inspections. Renewal dates that used to be from February to

November have been moved to January 15, starting in 2025. MCIA informed their clients in their newsletter, which they also submitted to the NOP, and plans to reiterate this change when they send their 2025 renewal update communications.

Noncompliances Identified during the Current Assessment

AIA-2776-24 - Accepted. 7 CFR § 205.501(a)(16) states, “A private or governmental entity accredited as a certifying agent under this subpart must: Charge applicants for certification and certified production and handling operations only those fees and charges for certification activities that it has filed with the Administrator;”

Comments: *MCIA charged operations certification fees that were not filed with the NOP. The auditors reviewed MCIA’s fee schedule and interviewed staff and found MCIA updated its fee schedule with an effective date of January 1, 2024, but did not file the updated fee schedule to the NOP until April 2024.*

Corrective Actions: MCIA created a policy for submitting any fee schedule changes to the NOP and notified relevant staff via a policy memo.

AIA-2777-24 - Accepted. 7 CFR § 205.403(d)(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: *During the witness audit of a crop inspection, the auditor observed that the inspector did not fully verify the operation’s compliance with the USDA organic regulations. The inspector did not inspect all parts of the operation by failing to enter multiple outbuildings on the property.*

Corrective Actions: MCIA discussed the issue by phone with inspector in question on August 21, 2024. MCIA also emailed all inspectors on July 30, 2024 with training reminders on this topic. All inspectors confirmed their understanding of the need to inspect all locations. MCIA sent NOP draft training slides for the 2025 inspector training, where this topic will also be reviewed.

AIA-2779-24 - 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: *MCIA does not demonstrate the ability to fully comply with the requirements for accreditation. The auditors reviewed MCIA’s Organic Certification Handbook and found it incorrectly states, "Non-retail containers may identify the product as organic," which does not comply with § 205.307(a). § 205.307(a) states that “Nonretail containers used to ship or store certified organic agricultural products must display: Identification of the product as organic.”*

Corrective Actions: MCIA corrected the relevant section of the MCIA certification handbook on September 26, 2024, and notified staff by email on September 30, 2024. To ensure ongoing accuracy of the certification handbook and other controlled documents, MCIA has implemented a new document control policy that requires at least three organic team leaders to approve of changes.

AIA-2780-24 - 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: *MCIA does not carry out the provisions of the Act and regulations. The auditors reviewed certification files and found MCIA does not consistently verify operations’ compliance with applicable annotations or use restrictions for input materials. MCIA staff are not consistently recording material restriction information on material input lists, which is MCIA’s*

process for inspectors to obtain restriction information and indicate whether they verified compliance with material input restrictions.

Corrective Actions: On November 13, 2024, MCIA implemented changes to its material database to simplify the process for adding information to individual material lists. MCIA has begun the process of updating its materials database line-by-line to check for appropriate restrictions and plans to complete this process by spring of 2025. MCIA trained staff on relevant changes on October 7, 2024 and MCIA submitted the training materials as evidence. Also on October 7, 2024, MCIA implemented a material review policy for helping staff identify and respond to material restrictions on client material lists. MCIA updates individual livestock lists, including updates to restrictions during the application and final review processes. MCIA has implemented “Required Training Prior to Conducting Material Review” and requires training to be documented on individual staff training spreadsheets. MCIA submitted staff training email notifications and training slides, along with the revised material review policy.

AIA-2781-24 - 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: *MCIA does not fully implement NOP’s international organic trade arrangement policies and procedures, which are outlined on NOP’s International Trade Partners webpage. The auditors reviewed certification files and MCIA policies and procedures and found:*

- 1. MCIA issues organic certificates which include the U.S.-Canada Organic Equivalency Arrangement (USCOEA) attestation; however, MCIA did not have documented evidence that it MCIA has verified the operations’ compliance with the terms of the arrangement.*
- 2. MCIA does not require operations to provide sufficient information on import and export activities in their organic system plan (OSP) in order to demonstrate compliance.*

Corrective Actions: MCIA submitted updated forms and processes for ensuring that operations provide sufficient information to demonstrate compliance with the terms of the NOP’s international organic trade arrangements and ensuring that MCIA verifies compliance with those arrangements. New and updated forms include the handler OSP and an international trade addendum. MCIA also submitted work instructions for staff to review information about imports and exports. MCIA trained staff on November 13, 2024 and plans to train inspectors during their spring training, prior to the upcoming inspection season. MCIA submitted the training slides and related communications as additional evidence.

AIA-2782-24 - 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: *MCIA does not consistently demonstrate the ability to fully comply with the requirements for accreditation. The auditors reviewed MCIA policies, procedures, and records and found MCIA does not have documented procedures for the following:*

- 1. Defining staff qualification requirements as required by § 205.501(a)(4) and § 205.501(a)(5). Additionally, MCIA did not have records demonstrating how it had determined that current staff had the necessary qualifications to meet the applicable Strengthening Organic Enforcement requirements for personnel qualifications.*
- 2. Defining previous and ongoing training requirements for inspectors and certification review personnel as required by § 205.501(a)(4).*
- 3. Defining experience requirements to demonstrate that staff have experience to perform*

their assigned duties, including the specific requirements for inspectors required in § 205.501(a)(4)(i)(c).

4. Conducting annual performance evaluations for all persons who conduct inspections, certification review, or implement measures to correct any deficiencies in certification services.

Corrective Actions: MCIA implemented and submitted procedures for defining staff qualification and training requirements as required by § 205.501(a)(4) and § 205.501(a)(5), and they submitted documentation showing the qualifications and training of all staff. MCIA also submitted forms and procedures for conducting annual performance evaluations for all relevant personnel. MCIA emailed relevant information to staff and inspectors and submitted those communications to the NOP.

AIA-2783-24 - 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: *MCIA does not demonstrate the ability to fully comply with the requirements for accreditation. The auditors reviewed MCIA’s Organic Certification Handbook and interviewed staff and found MCIA does not have documented procedures to be used for sharing information with other certifying agents and for maintaining the confidentiality of any business-related information as required by 205.504(b)(4).*

Corrective Actions: MCIA submitted updates to its certification handbook, Work Instruction: Assessing and Responding to Risk, and Procedure-Records document, which together provide instructions and procedures for maintenance of records, sharing information, and maintaining confidentiality. Work Instruction: Assessing and Responding to Risk also includes email templates for staff to use when communicating with other certifying agents. MCIA submitted an email notification to staff as well as slides they used for staff training.

AIA-2784-24 - Accepted. 7 CFR § 205.501(a)(7) General requirements for accreditation 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: *The auditors reviewed MCIA’s annual program review (Internal Audit) reports and checklists and interviewed staff and found that MCIA’s internal audit does not meet the requirements of § 205.501(a)(7) and NOP 2025: Internal Program Review Requirements. The auditors identified the following issues:*

- 1. The Internal Audit Report did not identify or properly record audit findings and continuous improvement points, as required by MCIA’s Internal Audit Checklist.*
- 2. MCIA could not demonstrate that the internal auditor verified implementation of corrective actions of prior internal audits. Additionally, the internal auditor stated they did not know whether MCIA management reviewed the most recent internal audit findings.*
- 3. The internal auditor is an administrative staff member and does not have sufficient expertise to review certification activities, as defined in 7 CFR § 205.2. The internal auditor focused on file completion and organization and did not review certification files to ensure appropriate certification decisions were made in accordance with MCIA’s policies and procedures and NOP requirements.*

4. *The 2023 Internal Audit Checklist utilized outdated or incorrect information to conduct the audit.*

Corrective Actions: MCIA has contracted with organic consulting professionals for its 2024 internal audit. MCIA submitted to the NOP a signed contract for their 2024 internal audit, scheduled to start on November 18, 2024. MCIA designated a Lead for Accreditation, who will submit the Internal Audit Report and Corrective Action Report to the President/CEO, work with other team leaders to respond to issues, and document the implementation of corrective actions resulting from the internal audit, including staff training. MCIA also submitted a new form for documenting how proposed corrective actions will be addressed: Internal Audit Corrective Action Report. MCIA updated its Procedure-Internal Audit to describe the process for ensuring that MCIA utilizes accurate information for the audit and meets the requirements of §205.501(a)(7).

AIA-2785-24 - Accepted. 7 CFR § 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.”

Comments: *MCIA does not consistently issue its certified operations a notification of noncompliance, even though the review of the inspection report finds that the operation does not comply with the USDA organic regulations. The auditors reviewed certification files and found MCIA did not provide operations with a written notification of noncompliance for noncompliant practices identified during the operation’s onsite inspection. The noncompliant practices were relayed to the operations as “Notes and Reminders” in the Certification Determination Letter.*

Corrective Actions: MCIA submitted a new procedure, Identifying a Noncompliance, Condition for Continued Certification, or Reminder, which outlines MCIA’s policies for when an issue must be escalated to the level of noncompliance. MCIA trained staff on the document on November 13, 2024. MCIA now requires certification staff to take Organic Integrity Learning Center courses related to noncompliance processes and to work with an experienced staff or team leads to make certification decisions. MCIA submitted training slides and email notifications to staff to demonstrate implementation of the new processes and requirements.

AIA-2786-24 - 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: *MCIA does not demonstrate the ability to fully comply with the requirements for accreditation. The auditors reviewed MCIA’s Organic Certification Handbook and interviewed staff and found MCIA does not have policies or procedures outlining reasonable decision criteria for acceptance of mediation, and a process for identifying personnel conducting mediation and setting up mediation, as required by § 205.663(a).*

Corrective Actions: MCIA implemented a mediation policy that outlines the criteria for accepting or rejecting mediation. MCIA implemented a corresponding procedure, which describes the process for conducting formal and informal mediation. MCIA updated its certification handbook to reflect the new policies and written new letter templates for accepting and rejecting mediation. MCIA trained staff on these updates on December 11, 2024.

AIA-2787-24 - 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: *MCIA does not consistently carry out the provisions of the Act and regulations, specifically the noncompliance and adverse action process. The auditors reviewed certification files and found that MCIA initiated and completed the adverse action process against an operation that had surrendered before the adverse action process had begun, which does not comply with § 205.662.*

Corrective Actions: MCIA reviewed the situation and found that staff previously involved with the surrender process were either no longer employed at MCIA or no longer involved in the surrender process. MCIA updated its certification handbook to include a more comprehensive description of the requirements related to surrender of organic certification and required staff to complete the Organic Integrity Learning Center training on the adverse action process by October 4, 2024.

AIA-2789-24 - 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: *MCIA does not consistently carry out the provisions of the Act and regulations, specifically the noncompliance and adverse action process. The auditors reviewed certification files and found MCIA issued a notice of noncompliance to an operation nine months after the unannounced inspection was performed which revealed the noncompliance, and four months after the issue was identified at final review.*

Corrective Actions: MCIA has updated and streamlined the method for processing inspection reports to reduce delays in report processing. Their new Work Instruction—Processing Organic Inspection Reports from Shared Folders, directs the inspection report processor to document any timing or compliance issues that the inspector has noted in the database and notify the appropriate team leader. The work instruction directs the inspection report processor to email the team leaders if the inspector notes anything that could be a serious concern. MCIA also created Procedure—File Prioritization for Timeliness to describe the process for assigning files with compliance issues and how to run the bi-weekly reports. MCIA also created Work Instruction—Noncompliance and Adverse Actions, which describes a system for tracking certification staff’s open noncompliances. MCIA trained staff on November 13, 2024.



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NATIONAL ORGANIC PROGRAM: AUDIT & CORRECTIVE ACTION REPORT

GENERAL INFORMATION

- **Certifier Name** Minnesota Crop Improvement Association (MCIA)
- **Physical Address** 1900 Hendon Avenue, St. Paul, Minnesota 55108 U.S.A.
- **Audit Type** Renewal Audit
- **Auditors & Audit Dates** Alison Howard, Stephen Nix, 08/09/2021 to 08/14/2021
- **Audit Identifier** NOP-19-21

CERTIFIER OVERVIEW

A renewal audit was conducted for the Minnesota Crop Improvement Association's (MCIA) organic program. The National Organic Program (NOP) assessed the certifier's conformance to the USDA organic regulations during the period of October 26, 2019 through August 8, 2021.

MCIA is a not-for-profit organization accredited to the USDA National Organic program (NOP) on April 29, 2002, for crops and handling. Scope extensions for wild crops and livestock were granted on June 4, 2004 and October 19, 2007, respectively.

MCIA certifies 596 operations to the following certification scopes: Crops (486), Handling (126), Wild Crop (1), and Livestock (107). MCIA's office is in St. Paul, Minnesota, and provides certification services in Minnesota, Wisconsin, Iowa, Missouri, South Dakota, North Dakota, Nebraska, Indiana, Illinois, Colorado, Nevada, and Michigan.

Certification activities are conducted by seven full-time staff: one manager, five certification specialist/inspectors and one administrative assistant. MCIA also utilizes 11 contract inspectors.

NOP DETERMINATION:

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

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

Noncompliances from Prior Assessments

AIA-6351-21 – Cleared.

AIA-6352-21 – Cleared.

AIA-6339-21 – Cleared.

AIA-6346-21 – Cleared.

AIA-6347-21 – Cleared.

AIA-6348-21 – Cleared.

AIA-6349-21 – Cleared.

AIA-6350-21 – Accepted. (NOP-29-19.NC5) 7 C.F.R. §205.662(c) states, "Proposed suspension or revocation. 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."

Comments: *MCIA did not comply with the requirements of §205.662(c) in the following manner:*

- *MCIA re-issued a notice of noncompliance 30 days after initially issuing it. MCIA then tried to contact the operation repeatedly prior to issuing the notice of proposed suspension 60 days after the deadline to submit corrective actions.*
- *MCIA did not always issue notification of proposed suspension in a timely manner. MCIA issued a notification of noncompliance to an operation 8/10/2018. MCIA issued the operation a notification of proposed suspension on 2/28/2019, which was 6 months after the date by which the certified operation had to rebut or correct the noncompliance.*

Corrective Actions: On June 29, 2020, MCIA implemented the use of the following database features:

- Generic letter templates for Notices of Noncompliance, Noncompliance Resolutions, Notice of Proposed Suspension, and Notices of Suspension. MCIA submitted the new templates to the NOP. The new templates allow MCIA to generate and send out notices in batches with one response date making deadlines easier to track. In 2020, MCIA sent Notices of Noncompliances for failure to renew and the corresponding Notices of Proposed Suspension in batches.
- Noncompliance and suspension modules that indicate when the next action should be initiated. When a step in a module is completed, the next appropriate step is set as pending

using the applicable date, as given in the Notice. MCIA now runs monthly reports to make sure deadline are met.

- On May 12, 2021, MCIA sent a training email to staff on how to use the noncompliance and suspension modules in the database to ensure notifications are issued in a timely manner. MCIA submitted the email to the NOP.
- MCIA is requiring all organic certification staff to take the Organic Integrity Learning Center training on Adverse Actions by the end of 2021.

Verification of Corrective Actions: The auditors reviewed certification files and found that MCIA updated the notice of noncompliance and adverse actions templates and implemented their monthly reporting process; however, the auditor verified MCIA is not monitoring the monthly reports and does not consistently issue noncompliance and adverse action in a timely manner. MCIA certification staff did not complete the Organic Integrity Learning Center training.

2022 Corrective Actions: MCIA now generates Noncompliance Pending Action reports and emails them to staff twice per month. Staff have been instructed via email on the need to follow up on these notices in a timely manner and have been asked to use their Outlook calendars to set reminders when they issue each notice requiring a follow-up. MCIA submitted the instructional email to staff as well as a copy of the current Noncompliance Pending Action report as evidence. MCIA submitted a training log showing that all staff had completed the Compliance and Enforcement training, including the lesson on Noncompliance and Adverse Actions, in the Organic Integrity Learning Center.

Noncompliances Identified during the Current Assessment

AIA-7226-21 – Accepted. 7 C.F.R. §205.403(c)(1) states, “The on-site inspection of an operation must verify: The operation’s compliance or the capability to comply with the Act and the regulations in this part:”

Comments: *MCIA’s inspectors do not fully verify an operation’s compliance with the USDA organic regulations. The auditors reviewed certification files and found that inspectors are not verifying an operation’s compliance with §205.103(b)(2) which requires certified operations to maintain records that can be understood and audited. MCIA’s inspectors are not consistently recording mass balance and traceability audits in inspection reports.*

Corrective Actions: MCIA updated their inspection report template in March of 2021 to include more specific language related to mass balance and traceback requirements. MCIA now requires both types of audits at each inspection as a means of verifying the operation’s compliance with the record keeping requirements. MCIA trained their inspectors on the requirements in April of 2022. MCIA submitted the training slides and attendance log to the NOP along with the revised inspection reports templates.

AIA-508-22 – Accepted. 7 C.F.R. §205.403(c)(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: *MCIA’s inspectors do not fully verify an operation’s compliance with the USDA organic regulations. The auditor’s review of certification files found that MCIA’s inspectors are not consistently performing and recording traceability exercises during inspections. This does not meet the requirements of NOP 2601 Instruction, The Organic Certification Process, which states, “The inspector will review each production unit, facility, and site where the operation produces or handles organic products. The inspection includes, but is not limited to:[...] Reconciliation of the volume of organic products produced or received with the amount of organic products shipped, handled and/or sold, also known as trace-back audits or in-out balances;”*

Corrective Actions: MCIA now requires inspectors to perform traceability and mass balance activities at each inspection. MCIA updated their inspection report template in March of 2021 to reflect this requirement. MCIA trained their inspectors on the updates in April of 2022. MCIA submitted the training slides and attendance log to the NOP along with the revised inspection report language.

AIA-7227-21 – 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 certified operation; and Name, address, and telephone number of the certifying agent.”

Comments: *MCIA’s organic certificates do not contain elements identified in the USDA organic regulations and NOP 2603 Instruction: Organic Certificates. The auditors reviewed certification files and found the following issues:*

1. *The organic certificate for an operation that produces organic crops and livestock indicated the operation is only certified for crops.*
2. *An organic certificate incorrectly identified the handling category as “On-Farm Processing.”*

Corrective Actions: MCIA issued corrected versions of the organic certificates that were originally printed in error and submitted copies to the NOP. For the certificate that was missing the livestock scope listing, MCIA monitored the 2021 version to ensure all correct scopes were listed. The three staff who issue organic certificates were trained in August of 2021 to understand that although “on-farm handling” is a billing category for MCIA, it is not an appropriate scope listing on the organic certificate. These same staff also each reviewed the **NOP 2603 Instruction: Organic Certificates**. MCIA submitted a list of attendees and training attestation to the NOP. Additionally, MCIA reviewed their certificate templates to ensure that only Crop, Livestock, Wild Crop, and Handling are included as potential scopes categories. MCIA began generating organic certificates out of the Organic Integrity Database in spring of 2023.

AIA-509-22 – 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: *MCIA does not fully implement the NOP’s international organic trade arrangement policies and procedures, which are outlined in the NOP’s International Trade Policies resources. The auditor’s review of import/export procedures and/or documents found that MCIA did not include the required attestation, “Certified in accordance with the terms of the US-Canada Organic Equivalency Arrangement” on the organic certificates for USDA organic products operators export to Canada.*

Corrective Actions: MCIA updated its templates for their Certification Determination Letter and organic certificates to use the required wording and attestation. MCIA also submitted a corrected version of the organic certificate that led to the noncompliance. MCIA made the updates in 2021 and verified them in February of 2023.

AIA-7228-21 – 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: *MCIA does not consistently demonstrate the ability to fully comply with the requirements for accreditation, including NOP 3012 Interim Instruction Material Review. The*

auditors reviewed certification files and conducted interviews with certification staff and found that MCIA does not have a written policy providing clear direction for evaluation of ingredients, sub-ingredients, processing aids, and manufacturing processes at all stages of production when conducting material reviews.

Corrective Actions: MCIA informed the NOP that since 2019 they have had in place a Material Review Policy Manual for policies and procedures on conducting complete material reviews. MCIA suggested that their staff who indicated MCIA lacked policies and procedures may have been unaware of the policies and procedures or how to access them. MCIA sent an email to staff informing them of the existence and location of the manual and instructing them to be familiar with its contents. Additionally, staff performing material reviews have been required to take the OILC training on material review. The email to staff and the OILC training log were submitted to the NOP. MCIA also submitted to the NOP a newly written Material Review Procedure that refers to the material review policy used by MCIA and provides a timeline for required review of materials. The policy also describes where to store documentation used in the material review process and references NOP Handbook documents on material review requirements. MCIA plans to add this policy document to their controlled documents in spring of 2023.

AIA-7230-21 – 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: *MCIA did not carry out the provisions of the Act and regulation §205.402(a)(3). The auditors reviewed certification files and found that MCIA accepted an applicant’s organic system plan without verifying the applicant’s correction of noncompliances issued by the applicant’s previous certifying agent.*

Corrective Actions: MCIA revised the instructional text in their database module for operations transferring from another certifier to contain the following statement: “Certification MAY NOT proceed until outstanding noncompliances, proposed adverse actions, and adverse actions are resolved.” On April 3, 2023, MCIA emailed staff a notification of the database update and the requirement to resolve noncompliances prior to certification for transferring operations. MCIA submitted the revised database module and staff email to the NOP.

AIA-7232-21 – Accepted. 7 C.F.R. §205.501(a)(5) states “A private or governmental entity accredited as a certifying agent under this subpart must: Ensure that its responsibly connected persons, employees, and contractors with inspection, analysis, and decision-making responsibilities have sufficient expertise in organic production or handling techniques to successfully perform the duties assigned.”

Comments: *MCIA does not ensure that its staff with inspection, analysis, and decision-making responsibilities have sufficient expertise in organic production or handling techniques prior to performing the duties assigned. The auditors reviewed a certification file and conducted interviews with an inspector, file reviewer and certification decision maker, who had not identified through file review and onsite inspection, that a producer conducting activities consistent with §205.270(a-c) needed to be certified to the handling scope. The organic crops and livestock producer was grinding and selling feed to neighboring certified organic farms and a local feed store.*

Corrective Action: MCIA gathered additional information from the operator and conducted an unannounced inspection in attempt to verify compliance with the handling regulations, but the operator passed away before the product was verified, and the product was no longer requested for certification. MCIA provided training for all staff and inspectors at its 2023 Inspector Training on April 11 and April 19, 2023, which included instructions on what to do when reviewers or inspectors determine that a crop or livestock operator is performing handling activities for which they are not

certified. On April 20, 2023, MCIA sent an additional email to staff providing resources to help determine whether specific activities would need to be verified according to the organic regulations pertaining to handling. MCIA submitted the training slide and email to staff and inspectors to the NOP.

AIA-510-22 – Rebuttal accepted.

AIA-7233-21 – Accepted. 7C.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 the part;”

Comments: *MCIA does not use a sufficient number of personnel to implement its USDA organic certification program. The auditors reviewed certification files and conducted interviews with certification staff who said MCIA does not have a sufficient number of staff:*

1. *MCIA did not conduct onsite inspections for all its operations in 2020. Two operations did not get inspected.*
2. *MCIA is not following their Work Instruction – Noncompliance document and their own adverse action deadlines when issuing Notices of Noncompliance and adverse actions. MCIA’s work instruction states that if a written response is not received within the required time period, further action, including proposed suspension or revocation of certification may ensue. The auditor’s reviewed four noncompliance and adverse action files in which MCIA did not issue the proposed adverse action or the adverse action in the time period described in the original noncompliance.*

Corrective Actions: MCIA has hired four new staff since 2021 but has lost the same number of staff during that time. They have shifted to increased use of contract inspectors in order to allow certification staff to focus more on in-office work. MCIA has also limited the number of new applications they will accept during a given year (cutting off new applications in August or September depending on workload and capacity). MCIA continually monitors inspector availability and does not accept applications from regions they cannot service in a timely manner. Additionally, MCIA is currently attempting to hire a new staff member and submitted a current job posting to the NOP.

AIA-7234-21 – 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 recommendations concerning certification, or make certification decisions and implement measures to correct any deficiencies in certification services.”

Comments: *MCIA did not conduct inspector field evaluations for all inspectors in 2020 and has not implemented an alternate proposal for inspector field evaluations per the requirements of **NOP 2027 Instruction: Personnel Performance Evaluations**. The auditors reviewed personnel files and conducted interviews with staff and found that field evaluations for ten inspectors were not conducted in 2020.*

Corrective Actions: MCIA submitted a new field evaluation procedure in 2021 that was approved by the NOP as a part of MCIA’s 2021 Annual Report review. A copy of the procedure was submitted with MCIA’s corrective action response. Additionally, MCIA submitted a screenshot of performance evaluation files for all inspectors MCIA contracted with in 2021.

AIA-7235-21 – 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: *MCIA did not meet the requirements of the USDA organic regulations and NOP 2025 Instruction: Internal Program Review. The auditors reviewed certification files and found personnel responsible for certification reviews, inspections, and final reviews conducted MCIA’s internal program review in 2020. NOP 2025, Section 3.1 requires the internal program review to be conducted by personnel different from those who perform certification activities.*

Corrective Actions: MCIA updated their Procedure – Internal Audit to reference NOP 2025 and states that “The internal program review must be conducted by personnel different from those who perform certification activities.” MCIA submitted this procedure to the NOP along with a copy of the 2021 internal program review, which was conducted by a staff member who does not perform certification activities.

AIA-1402-22 – 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 file an appeal of the proposed suspension..., the certifying agent...shall send the certified operation a written notification of suspension...”

Comments: *MCIA does not consistently carry out the requirements of §205.662(e)(1). The auditors’ review of certification files found that MCIA issued an operation a notice of proposed suspension but did not issue a notice of suspension when the operation failed to correct the noncompliance, resolve the issue through rebuttal or mediation, or file an appeal.*

Corrective Actions: MCIA required all certification staff to complete the Organic Integrity Learning Center course NOP-040 Compliance and Enforcement by the end of March 2023. MCIA submitted an email to staff that described this requirement and copies of training logs.