



United States Department of Agriculture

Agricultural Marketing Service
National Organic Program

NATURAL FOOD CERTIFIERS

80 Broad Street, 5th Floor, Suite 502, New York, New York, 10004, 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

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CERTIFICATE OF ACCREDITATION





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NATIONAL ORGANIC PROGRAM:

CORRECTIVE ACTION REPORT AUDIT AND REVIEW PROCESS

An onsite renewal assessment of Natural Food Certifiers (NFC)’s organic program was conducted December 3-7, 2018. The National Organic Program (NOP) reviewed the auditor’s report to assess NFC’s compliance to the USDA organic regulations. This report provides the results of NOP’s assessment.

GENERAL INFORMATION

Applicant Name	Natural Food Certifiers (NFC)
Physical Address	100 Lawrence Street, Suite 304 Nanuet, NY 10954
Mailing Address	Same as above
Contact & Title	Mendy Flamer, Program Administrator
E-mail Address	mendy@nfccertification.com
Phone Number	(914) 319-9040
Reviewer & Auditor	Jon Frady, NOP Reviewer; Jason Lopez and Robert Yang, On-site Auditors
Program	USDA National Organic Program (NOP)
Review & Audit Date(s)	Corrective Action Review: January 4 – March 2, 2021 NOP Assessment Review: April 29 – September 15, 2020 Onsite Audit: December 3 – 7, 2018
Audit Identifier	Renewal Assessment: NOP-27-18
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 NFC’s certification
Audit & Determination Criteria	<i>7 CFR Part 205, National Organic Program as amended</i>
Audit & Review Scope	NFC’s certification services in carrying out the audit criteria during the period: February 2017 through July 2019; terms of settlement agreement dated August 29, 2018 with effective date of October 5, 2018.

Natural Food Certifiers (NFC) has been accredited since October 8, 2002. NFC is accredited for the scopes of crops, livestock, and handling. NFC certifies 130 operations certified to the National Organic Program (crops 3, livestock 2, and handlers 125). NFC’s offices are in Nanuet, NY, and a secondary office in Rockaway, NJ. NFC provides certification services in Arizona, California, Connecticut, Delaware, District of Columbia, Florida, Illinois, Massachusetts, Michigan, New

Jersey, New York, Pennsylvania, Tennessee, Texas, Virginia, Washington.

Certification services are performed by the Program Administrator, two office staff, and three contract inspectors. As part of the renewal assessment, witness audits were conducted on a crops, a livestock and a handling operation.

On October 5, 2018, the USDA issued NFC a Decision Without Hearing by Reason of Consent (ALJ Settlement). As part of the onsite audit, auditors reviewed whether NFC had adequately met the terms of the ALJ Settlement to date. In addition, the NOP reviewer examined information NFC submitted to the NOP outside the renewal assessment to determine whether NFC had met the terms.

NOP DETERMINATION

The NOP reviewed the onsite audit results to determine whether NFC corrective actions adequately addressed previous noncompliances and whether NFC adequately met the terms of the settlement agreement. The NOP also reviewed the findings identified during the onsite audit to determine whether noncompliances should be issued to NFC.

Noncompliances from Prior Assessments & Corrective Actions

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.

NP0221ACA.NC1 – Cleared.
NP2255OOA.NC3 – Cleared.
NP5349RKA.NC1 – Cleared.
NP5349RKA.NC2 – Cleared.
NP5349RKA.NC4 – Cleared.
NP5349RKA.NC5 – Cleared.
NP5349RKA.NC15 – Cleared.
NP5349RKA.NC16 – Cleared.

NP5349RKA.NC3 (AIA-4153-20) – Accepted. 7 C.F.R. §205.404 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.” 7 CFR §205.501(a)(21) NOP Instruction 2603 “Organic Certificates.”

Comments:

a) The auditors noted that the certificate does not report the following dates: anniversary, effective, and issue. On two certificates reviewed, only the month and year are specified. Furthermore, the certifier’s address, website, and phone number are not shown on the certificate. Finally, the certificate does not specifically state “Certified to the USDA organic regulations, 7

CFR Part 205.” It only states the operation “has met the USDA – National Organic Program Standards.”

b) One operation is certified under an incorrect scope. The certificate reports the operation as a Handler, which is appropriate for the packaging operations conducted. However, the operation should be certified for the scope of Crops too, based on its current production activities.

c) A certificate was issued to Canadian operation as an “organic trader,” which is not a recognized scope in the USDA organic regulations.

d) One certificate issued to a processor listed a different name than that on the application or other documents for the same operator.

e) On one certificate for a sauce processor, the product list addendum was incomplete and did not align with the most recent version of the client’s OSP. The auditor noted that during the audit, the certificate template was updated to include the following: initial, anniversary and issue dates (day, month, year); a reference to 7 CFR Part 205; and NFC’s e-mail, phone number, address, and website.

2016 Corrective Action: NFC submitted an updated certificate template. The template does not state the effective date, and the NFC’s website was not added to the certificate template.

2018 Verification of Corrective Action: NFC has added the issuance of compliant certificates to the Administrator and Final Reviewer SOP duties (NC3.1.4). The Final Reviewer is responsible for generating the organic certificate and the Administrator is tasked with verifying the certificates are correct during the monthly spot check review. Additionally, the inspector SOP was updated to include verification of scopes listed while onsite. Staff were made aware of these changes in policy during the monthly meeting on August 14, 2017. Despite the NFC changes the following elements of the noncompliance remain outstanding:

- a) **Cleared.** NFC has made amendments to the organic certificate template that includes anniversary, effective, and issue dates and the names of operations match the names listed in the application. The certifier’s address, website, and phone number have been added and certification statements have been correct to state “Certified to the USDA organic regulations, 7 CFR Part 205.”
- b) **Cleared.** No evidence of this issue was found in audit documentation. The organic certificates currently identify the incorrect scopes as “Producer – Crops” and “Processor and Handler.”
- c) **Cleared.** Auditor found no organic certificates with an “Organic Trader” scope.
- d) **Cleared.** The auditor saw no evidence of NFC issuing operations organic certificates that had not applied for certification.
- e) **Outstanding.** The auditor found an operation’s certificate did not include two of the three organic products requested for certification on the current OSP. The operation is currently selling organic products that are not listed on the organic certificate.

2020 Corrective Action: The certificate of the operation in question was updated to properly reflect all products as required. Effective December 2020, NFC implemented an updated detailed final review checklist which now requires the final reviewer to list each individual product to be certified. In addition, NFC now requires operations to submit the NFC completed master product list for the reviewer to cross reference and review. Effective January 2020, the NFC Program Administrator is the only one to sign off on certificates before they are issued. Before issuing the certificate, the Program Administrator will review the final review checklist and product list or

the approval notice for any OSP changes. The final review checklist includes verification that the product list matches the certificate. The NFC Program Administrator discussed the above requirements in the December 28, 2020 staff meeting.

NP5349RKA.NC6 (AIA-4154-20) – Accepted. 7 CFR §205.403(d) states, “The inspector must conduct an exit interview with an authorized representative of the operation who is knowledgeable about the inspected operation to confirm the accuracy and completeness of inspection observations and information gathered during the on-site inspection. The inspector must also address the need for any additional information as well as any issues of concern.”

Comments: *During the witness audit of a processor, two of the sauce labels reviewed by the inspector contained the statement “100% Organic Italian tomatoes” on the principal display panel for an “organic” category product. The inspector did not record the compliance issue with the sauce labels (per §205.301) as an issue of concern during the exit interview.*

2016 Corrective Action: NFC contacted the operation and they revised the labels to no longer claim “100% organic.” The new labels submitted use a noncompliant USDA seal and the “Certified organic by ***” statement placement is incorrect. NFC did not provide a description of the actions taken to prevent a reoccurrence of this noncompliance and documentary evidence supporting the actions taken.

2018 Verification of Corrective Action: The auditor witnessed the manager of an operation state to the inspector they were using a noncompliant label approved by the certifier prior to the exit meeting. The inspector did not note the issue on the exit meeting form. NFC received and approved a corrected label from the operation. The Inspector SOP was updated to require the verification of labels and percentage organic claims and discuss findings during the exit interview. 1.4.4. The product checklist includes verification of label elements for compliance. The staff were informed of the policy changes during the August 14, 2018 monthly meeting.

2020 Corrective Action: NFC received and approved a revised compliant label from the operation. Effective May 28, 2019, NFC requires inspectors to complete the NFC inspection report checklist to address all key issues that may be missed in a narrative report. Effective January 1, 2021, NFC implemented the use of a new NFC exit interview template that inspectors are required to use. The exit interview template requires the inspector to address any issues noted during the inspection. The Inspector SOP has been revised to include the new requirements and all inspectors received copies of the SOP and templates. During onsite evaluations, NFC will verify that inspectors are using NFC templates. NFC also plans to send NFC inspectors doing more than 2 inspections to an advanced inspection training with IOIA. The timeframe will be determined once IOIA resumes onsite trainings. NFC reviewed the internal policy update during the NFC Staff Monthly Meeting on December 28, 2020.

NP5349RKA.NC7 (AIA-4155-20) – Accepted. 7 CFR §205.501(a)(21) states, “A private or governmental entity accredited as a certifying agent under this subpart must...comply with, implement, and carry out any other terms and conditions determined by the Administrator to be necessary.”

Comments: *The auditor identified two cases where NFC is not following the terms of the US organic equivalency terms for Canada or Korea. NFC certifies an operation based in Canada, which violates the terms of the US-Canada Organic Equivalency Arrangement. The NFC director stated he planned to issue a letter notifying the Canadian client that he would terminate the USDA organic certification provided by NFC. During the file review, the auditor noted that NFC*

issued one NAQS Import Certificate for Organic Processed Foods for organic maple syrup that did not include the attestation statement “Certified in compliance with the terms of the US- Korea Organic Equivalency Arrangement.”

2016 Corrective Action: NFC no longer certifies the Canadian client in question. The client shipping to Korea, will have the certificate reviewed at their annual inspection in late July of 2016. NFC will submit an updated certificate at that time.

2018 Verification of Corrective Action: The auditors’ review of certification files indicated that NFC does not currently certify any operations in Canada, and that NFC no longer certifies the client shipping to Korea. The auditors’ review of NAQS Import certificates found that in one case, NFC issued a certificate that did not include an attestation statement.

2020 Corrective Action: Effective January 2020, NFC has implemented a checklist to be completed for all international agreements. Checklists for Canada and EU are to be completed during the final reviews. When a request for an export certificate (JAS and Taiwan), NAQS Import (Korea) or COI (EU and Switzerland) is submitted, an equivalency agreement checklist will be completed. Effective November 2020, NFC protocols require that only the Program Administrator will issue international certificates for export/ import. NFC created an export certificate template for JAS, Taiwan and Korea that includes the attestation pre-filled. Copies of all templates are saved in the new NFC templates folder which are accessible to all NFC staff to provide to certified operations. NFC conducted a training on March 23, 2020 on three of the six international equivalency agreements (Canada, EU and Japan). NFC certified operations currently only certify under those three agreements which is the reason for the focus. NFC plans to conduct an additional training on the other three agreements in early 2021.

NP5349RKA.NC8 (AIA-4156-20) – Accepted. 7 C.F.R. §205.501(a)(21) states, “A private or governmental entity accredited as a certifying agent under this subpart must...Comply with, implement, and carry out any other terms and conditions determined by the Administrator to be necessary.”

Comments: *NFC’s inspectors do not verify that imported products comply with the terms of the USDA NOP’s international trade arrangements. During the witness audit of a processor, the inspector did not verify the compliance of imported olive oil or tomatoes. The inspector did not review organic certificates and NOP import certificates to verify the product was compliant with the terms of the U.S.-EU equivalency arrangement. In one file reviewed, the inspector did not verify import documentation for grain products imported from Canada under the U.S.-Canada equivalency arrangement. Based on the auditors’ interviews with NFC employees, the review of import documents is not a component of inspection or review activity to determine compliance with organic trade arrangement terms and conditions.*

2016 Corrective Action: NFC has notified all inspectors that they must check all EU incoming certificates, and the letter sent to inspectors was submitted. All current desk audits include confirmation that equivalency agreements are being met.

2018 Verification of Corrective Action: The auditor reviewed two files in which the inspector did not note verification of the international agreements in his inspection report. NFC updated the EU-US Organic Equivalency Arrangement Checklist. The checklist includes the import and export requirements. The desk review verifies the import certificate and the organic certificate are valid. The SOPs’ for Document Manager, Assistant Administrator, Administrator, and Inspector have been amended to require the verify documents comply with international arrangement

requirements. The staff were informed of the policy change on August 14, 2018 monthly meeting.

2020 Corrective Action: Inspection requests issued now include the question of whether EU and COR imports need to be verified. Effective May 28, 2019, NFC implemented and requires inspectors to complete the NFC inspection report checklist. The checklist requires the inspector to address international imports from countries with equivalency. Effective January 1, 2021, NFC implemented the use of a new NFC exit interview template that inspectors are required to use. The Inspector SOP has been revised to include the new requirements and all inspectors received copies of the SOP and templates. During onsite evaluations, NFC will verify the above is being carried out by the inspectors. NFC conducted a training on March 23, 2020 on three of the six international equivalency agreements (Canada, EU and Japan). NFC has planned to conduct an additional training on the other three agreements in early 2021. NFC staff joined the ACA training for international agreements which was completed during the NOP/ACA training. NFC reviewed the internal policy update during the NFC Staff Monthly Meeting on December 28, 2020.

NP5349RKA.NC9 (AIA-4157-20) – Accepted. 7 CFR §205.501(a)(6) states, “A private or governmental entity accredited as a certifying agent under this subpart must... conduct an annual performance evaluation of all persons who review applications for certification, perform 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.” NOP Instruction 2027(3.1) states, “Certifying agents must conduct annual performance evaluations of personnel and contract staff that perform any of the following roles: a. Review applications and certification documents; b. Inspect operations; c. Evaluate qualifications for certification; and d. Make recommendations concerning certification decisions.”

Comments: *Inspector field performance evaluations have not been conducted on four of the inspectors, including the director. NFC has four contract inspectors and one staff inspector (NFC’s director). Two contract inspectors are located the Midwest and Southwest regions of the United States and perform one and two inspections annually for NFC. In addition, the NFC director conducts an evaluation of himself; his review is not performed by a peer or third-party evaluator.*

2016 Corrective Action: NFC’s Operations Manager plans to conduct performance evaluations for all personnel in December of 2016 including inspectors. NFC did not address the issues with the evaluation of the director or field evaluations for inspectors.

2018 Verification of Corrective Action: The NFC administrator was unaware of the requirements of NOP 2027 requirements for an inspector field evaluation system. NFC conducts annual performance evaluations for all staff, but these do not include a field evaluation system for staff that perform on-site inspections.

2020 Corrective Action: Effective July 21, 2019, NFC has implemented a separate checklist for performance and field evaluations. The implemented checklists have been used for the year 2019 and are in the process of being used for the year 2020 performance reviews. NFC has implemented a SOP detailing the protocol for conducting Annual Performance Evaluations and field evaluations. NFC created an “administrative checklist” which includes Program Administrator tasks, including the task of performing evaluations annually. The Program

Administrator has put in his tasks a reminder on October 1st to make ensure that all performance and field evaluations have been completed or scheduled by December 31 of each year. NFC reviewed the internal policy update during the NFC Staff Monthly Meeting on July 21, 2019.

NP5349RKA.NC10 (AIA-4158-20) – Accepted. 7 C.F.R. §205.402(b) states, “The certifying agent shall within a reasonable time: (1) Review the application materials received and communicate its findings to the applicant;”

Comments: *During the witness audit, the auditor identified that NFC approved tomato sauce labels stating “100% organic Italian tomatoes” on the principal display panel for an “organic” label category product. Additionally, during the review of one crop producer file and one grain processor file, the auditor could not verify 1) when the operations submitted retail labels to NFC, 2) if a label review was conducted for each label submission, or 3) when the operations were notified by NFC about the compliance status of the labels. The NFC director stated that label compliance was discussed with the operation via telephone.*

2016 Corrective Action: NFC instructed the client remove the 100% organic claim on the label. NFC responded that all label approvals are now recorded on a new form. NFC did not submit the new form used for label reviews.

2018 Verification of Corrective Action: The auditor was not able to determine a label’s approval from viewing the proof provided by the certifier. The only way to identify approved labels is to have access to the certifier’s computer files. The label in question was corrected. NFC’s label review process is initiated in the initial review or the label review log when the label is submitted for approval. Labels are reviewed using the label review checklist, according to the organic label class identified in the product profile. The label review checklist includes label requirements for all organic label classes. The task of label review is captured in the operation certification log. Label review can be tracked through the label review logs and an Operation certification history log. Approved labels are saved in a label subfolder within the current year file in the file system. This label is cross-referenced in the Label review log listed as an “OSP Change approval” specifying the label approval.

2020 Corrective Action: The label review checklist will be completed during the initial review, final review, and any time a label is added or revised. During the initial and renewal certification process when a certificate is issued an approval notice with a copy of all labels will be drafted and digitally signed by the reviewer or NFC Program Administrator. A copy of label approval will be filed in the labels folder of the certified operation. When an operation requests to update the OSP with a new or revised label, a checklist will be completed, and an approval notice will be issued. The approval notice will include a copy of the labels approved. The approval notices will be filed with the operation’s OSP Change folder with all supporting documents. All label reviews made outside of the application process are logged in the NFC logs on the label review log and timestamped when they were reviewed and approved. A revised SOP detailing the protocol for reviewing and approving labels has been created. NFC reviewed the internal policy update during the NFC Staff Monthly Meeting on December 28, 2020.

NP5349RKA.NC11 (AIA-4159-20) – Accepted. 7 C.F.R. §205.501(a)(3) states, “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:

a) The auditor determined that NFC is not consistently following its procedures for multiple certification activities; particularly label reviews, material reviews, and tracking of operation deadlines to respond to requests or notices issued by NFC. In five of the files reviewed, it was difficult to determine who performed a review, when it was performed (i.e. labels, materials), and/or the outcome/findings of the review. There are multiple versions of files (both hard copy and electronic) and some contain different information making it difficult to understand which information is most current, or what information has been reviewed, approved/not approved, etc.

b) NFC is not carrying out all provisions of the Act and regulations. The NFC director is not knowledgeable of some current NOP policies or parts of the USDA organic regulations. For example, the NOP published the requirement for unannounced inspections in 2012 and the instruction on informing operations of the pesticide results in 2013. NFC's director stated he was not aware of these requirements until it was discussed during this audit.

2016 Corrective Action: NFC hired a Document Control Manager and NFC plans to move to a web-based system which will rectify multiple versions of the same document. Residue sampling and analysis are scheduled for 2016, and NFC has added the requirement to send the test results to the operation.

2018 Verification of Corrective Action:

a) The NFC Administrator is not utilizing the established Google drive system for all storage of NFC files. Files continue to be in multiple versions, stored in several locations and in paper and electronic form. The positions of Assistant Administrator (July 13, 2015) and Document Manager (August 1, 2016) were established to establish and maintain a consistent document process. NFC's document manager established and document control system in Google Drive. The system utilizes logs to track incoming certification tasks (label review, product review, material review, issuance of notices) and recording milestones as the task is completed and the completion date. In conjunction with the logs, task supporting documents are saved in predetermined folders (ex. labels, certificates, application, etc.) organized by year. The Document Manager reviews the logs every 2 weeks and follows up on items where response deadlines have passed. The Assistant Director and Document Manager are responsible for the maintenance and accuracy of the documents and procedure completion. Staff were made aware of these policy changes on August 14, 2018 at the monthly meeting.

b) NFC is not able to carry out all provisions of the Act and regulations. The administrator did not understand the avenues of resolution for proposed suspension and asked the auditor, "What is mediation?" and sought clarification of what mediation is. The NFC administrator, who is solely responsible for the reviewing the pesticide test results and determining the certifier response based on the information, was not aware of requirements.

2020 Corrective Action:

a) The Program Administrator has been removed from his position due to the record keeping and administrative deficiencies. The new Program Administrator is responsible to oversee all aspects of the organic certification program including NFC documents and the google drive document management system. In review of the system, NFC found that the overall system in place for record keeping will be sufficient with the certifier's current size. However, implementation of that system was lacking with the previous Program Administrator. NFC continues to utilize the google drive platform and continues to use a log to timestamp all milestones of the process. Reviews of the logs and files are completed on a biweekly basis by the Program Administrator. Identified

inconsistencies are corrected in real time and the reviewer/inspector is notified of the issue identified. The Program Administrator conducts weekly meetings with each of the reviewers and inspectors to go through the status of their work and address any concerns. Prior to issuing documents to operations, they are sent to the Program Administrator to review any issues. NFC reviewed the internal policy of storing documents during the NFC Staff Monthly Meeting on December 28, 2020.

(b) The new Program Administrator is responsible to oversee all administrative work including adverse action process and residue results review. NFC has joined with the ACA and will be joining various working groups and the annual training to keep up with the ongoing changes and requirements with the NOP and other organic certifiers. The new Standard Operating Procedure for adverse action and the mediation process has been implemented on December 15, 2018. The Mediation request form and agreement templates have been implemented. A Mediation log has been implemented to track all mediations conducted each year. A training on the adverse action and mediation process has been conducted and presented by the Program Administrator to NFC staff/contractors on April 6, 2020. NFC reviewed the NOP guidance on residue testing and internal policy for adverse action and review of residue results during the NFC Staff Monthly Meeting on December 17, 2018. A new Standard Operating Procedure for reviewing residue testing results have been implemented effective January 1, 2019. A Residue Testing log was created to track the progress of all residue testing completed.

NP5349RKA.NC12 (AIA-4160-20) – Accepted. 7 C.F.R. §205.501(a)(5) states, “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:

a) NFC has no training program for staff or contracted staff. The NFC director stated he hires staff or contractors based on the training background they have. The NFC director provided training to the one contractor who conducts initial reviews, but the final reviewer, who is also a contractor, has not received any training (she is an organic consultant). Generally, the inspectors have not received any training beyond what they bring with them when hired, although the NFC director is providing some training to one new contract inspector.

b) During the audit the NFC director stated he was not familiar with some NOP requirements, particularly with respect to international trade verification or the policy on annual inspector field evaluations.

c) The inspection report for a vegetable co-packing operation states that “only blending and packaging” of the vegetables occur, but “there will be no processing of organic products.” However, the facility performs blanching, packaging and freezing services as a toll-processor; all of these activities are defined as “processing” in §205.2.

2016 Corrective Action: NFC provides feedback and direction to staff when needed by personal email or phone conversations. NFC will conduct an annual webinar training (at the minimum) each January and will cover any areas that need review. A certificate was reissued for the operation freezing vegetables that states “Processing and handling”.

2018 Verification of Corrective Action:

a) **Outstanding** Review of contract inspector records show no additional training despite the following corrective action policies the noncompliance persists. NFC amended the training to

require new inspectors to complete IOIA Trainings for each scope of intended inspection. Inspectors must attend two onsite inspections with the administrator prior to completing an independent inspection. NFC will attend the NOP annual training at the ACA conference. NFC staff are required to review all new NOP modules at the beginning of each year and review the modules at the monthly meeting. This training plan is included in the internal procedures manual updated in January 2018.

b) **Outstanding** – NFC is not able to carry out all provisions of the Act and regulations. The NFC Administrator is not aware of the requirements of the US-Switzerland arrangement including the need to issue a Switzerland import certificate. The NFC administrator was unaware of the requirements of NOP 2027 requirements for an inspector field evaluation system. The NFC Administrator, solely responsible for reviewing and approving product labels for export under the EU-US equivalency arrangement, was not aware of the req. to include the NFC certifier code on product labeling.

c) **Cleared** – There was no evidence of this instance occurring in any of the files reviewed.

2020 Corrective Action:

(a) NFC now provides training to all full time and contracted staff. For 2019, NFC has provided trainings for all staff in the forms of various webinars and NOP trainings through the learning center. A review of the trainings has been conducted and determined that protocols should be changed to properly oversee and document the trainings. For the second half of 2020, NFC staff attended third party trainings provided by IOIA. For 2021 and beyond, NFC will provide approximately 25 hours of training including the ACA/NOP training, IOIA trainings, Internal NFC trainings and trainings provided on the Organic Integrity Learning Center. The schedule of training will be provided to each staff member at the beginning of each year based on their role and expertise at NFC. Contracted personnel will attend NFC trainings, or be required to submit verification of ongoing training equivalent to the NFC trainings. Staff who do not attend trainings as scheduled will not be allowed to conduct future jobs with NFC. The NFC Program Administrator will complete a log verifying that all NFC approved staff have completed the necessary trainings. NFC reviewed the internal policy update during the NFC Staff Monthly Meeting on December 28, 2020.

(b) The Program Administrator has been replaced due to past deficiencies in the management of the NFC program. The new Program Administrator has led NFC to develop and implement a checklist to be completed for all international agreements including the EU and Switzerland as of January 2020. International checklists will be completed prior to issuing any COI for shipments. Effective November 2020, NFC protocols require that the Program Administrator will approve international certificates for export/import provided by the reviewers. NFC conducted a training on March 23, 2020 on three of the six international equivalency agreements (Canada, EU and Japan). NFC certified operations currently only certify under those three agreements which is the reason for the focus. NFC has planned to conduct an additional training on the other three agreements in early 2021 once the ACA completes their best practices for international arrangements. Effective July 21, 2019, NFC has implemented a separate checklist for performance and field evaluations. The implemented checklists have been used for the year 2019 and are in the process of being used for the year 2020 performance reviews. NFC has implemented a SOP detailing the protocol for conducting Annual Performance Evaluations and field evaluations. NFC created an “administrative checklist” which includes Program Administrator tasks, including the task of performing evaluations annually. The Program Administrator has put in his tasks a reminder on October 1st to make ensure that all performance and field evaluations have been completed or scheduled by

December 31 of each year. NFC reviewed the internal policy update during the NFC Staff Monthly Meeting on July 21, 2019.

NP5349RKA.NC13 (AIA-4161-20) – Accepted. 7 C.F.R. §205.403(c)(2) states, “The on-site inspection of an operation must verify...that the information, including the organic production or handling system plan, provided in accordance with §§205.401, 205.406, and 205.200, accurately reflects the practices used or to be used by the applicant for certification or by the certified operation;...”

Comments: *During the auditor’s review of two inspection reports for handlers, the inspector did not verify all aspects of the OSP. For operations that process both organic and conventional products, the inspectors did not report practices to prevent commingling or specify equipment purge on packaging lines. During a witness audit of a crop producer, the inspector did not verify the information reported on the operation’s OSP.*

2016 Corrective Action: NFC’s response is to ensure that the OSP and inspection report are cross checked by the reviewer to be in agreement. This corrective action does not address the noncompliance of OSPs not being verified during inspection.

2018 Verification of Corrective Action: Witness inspections conducted revealed NFC inspectors were not conducting an on-site verification of the operations approved OSP. The following on-site deviations from the operations’ OSP were not noted by the inspectors:

- Organic products not listed on the operation’s organic certificate, that were requested in the OSP.
- Operation’s noncompliant outdoor access policy and lack of confinement documentation.
- Bag style fly traps in use that are not listed or approved on the OSP.
- An operation’s use of a label that was not approved by the certifier.
- OSP identified organic storage and the onsite organic storage was not labeled.
- No on-site verification of labels approved in the OSP.
- The OSP’s approved pest control plan specified trap location and trap bait used as determined by trap location. The inspection did not verify the location of traps or bait within the trap. This occurred despite the certifier’s inspection instructions listing pest control verification as a focus of the inspection.

2020 Corrective Action: Effective May 28, 2019, NFC requires inspectors to complete the NFC inspection report checklist to address all key issues that may be missed in a narrative report. Inspection Report Checklist requires the inspector to verify that operation’s OSP is consistent with what is observed at the inspection. Effective January 1, 2021, NFC implemented the use of a new NFC exit interview template that inspectors are required to use as well. The Inspector SOP has been revised to include the new requirements and all inspectors received copies of the SOP and templates. During onsite evaluations, NFC will verify that inspectors are using NFC templates. NFC also plans to send NFC inspectors doing more than 2 inspections to an advanced inspection training with IOIA. The timeframe will be determined once IOIA resumes onsite trainings. NFC reviewed the internal policy update during the NFC Staff Monthly Meeting on December 28, 2020.

NP5349RKA.NC14 (AIA-4162-20) – Accepted. 7 C.F.R. §205.501(a)(9) states, “Maintain all records pursuant to §205.510(b) and make all such records available for inspection and copying during normal business hours by authorized representatives of the Secretary...”

Comments: *Access to information and records for the audit was difficult due to the fact that NFC*
NOP-27-18 CA NFC 3/1/2021

stores information on multiple computers, in cloud storage, and in paper files shared among inspectors and contract staff. NFC's director often notifies clients via telephone, instead of in written format as outlined in the NFC procedures, about approvals or the need for more information. During the audit, some e-mails were not available to verify communications between NFC and its contract staff or its certified operations.

2016 Corrective Action: NFC is in the process of moving all applications and paperwork to a web-based system. A consultant was hired, and the website is currently being developed and should be active by September 1, 2016.

2018 Verification of Corrective Action: The noncompliance persists despite the change in NFC policies, not all NFC documents are retained on the web-based system. The following are some of the files/documents found to be stored outside the Google Drive: residue testing, personnel, residue test result notifications, email communication for noncompliant labeling. NFC's policy was the implementation of a document system based in Google Drive and managed by the Document Manager. The document manager will back up on a hard drive except for client submitted hard copy submissions. Hard copy submissions are reviewed, and applicable documents are scanned and retained in the Google Drive. NFC may contact operations via telephone, but all notifications and requests are additionally sent via email.

2020 Corrective Action: The Program Administrator has been removed from his position due to the record keeping and administrative deficiencies. The new Program Administrator is responsible to oversee all aspects of the organic certification program including NFC documents and the google drive document management system. In review of the system, NFC found that the overall system in place for record keeping will be sufficient with the certifier's current size. However, implementation of that system was lacking with the previous Program Administrator. NFC continues to utilize the google drive platform and continues to use a log to timestamp all milestones of the process. Reviews of the logs and files are completed on a biweekly basis by the Program Administrator. Identified inconsistencies are corrected in real time and the reviewer/inspector is notified of the issue identified. The Program Administrator conducts weekly meetings with each of the reviewers and inspectors to go through the status of their work and address any concerns. Prior to issuing documents to operations, they are sent to the Program Administrator to review any issues. NFC reviewed the internal policy of storing documents during the NFC Staff Monthly Meeting on December 28, 2020.

NP5349RKA.NC17 (AIA-4163-20) – Accepted. 7 C.F.R. §205.403(e)(2) states, “A copy of the on-site inspection report and any test results will be sent to the inspected operation by the certifying agent.”

Comments: *NFC is not providing pesticide residue test results to its clients.*

2016 Corrective Action: NFC responded that residue test results will be sent to all sampled operations.

2018 Verification of Corrective Action: NFC did not retain evidence of residue test results mailed by the NFC Administrator.

2020 Corrective Action: Due to the administrative assistant leaving without notice, the previous Program Administrator assumed the responsibility to review and send all residue results to operations. This caused issues of evidence not being documented that notices have been sent. Effective December 5, 2018, the new Program Administrator has taken the responsibilities to oversee scheduling and making sure residue result notices are sent to operations and properly

documented. Since December 2018, all notices have been sent with return receipt email/mail and documented. To prevent the issue from reoccurring in the future, NFC requires all correspondence with the operation to be conducted on a company email which the Program Administrator has access to and can retrieve if the staff should leave without notice. Job description for the Program Administrator has been updated and includes that should a staff member leave the Program Administrator is responsible to oversee to pass on the responsibilities of the staff member to another individual. NFC reviewed the internal policy update during the NFC Staff Monthly Meeting on December 28, 2020.

Noncompliances Identified during the Current Assessment and Corrective Actions

NOP-27-18.NC1 (AIA-4164-20) – Accepted. 7 CFR §205.662(e)(1) states, “If the certified operation fails to correct the noncompliance, to resolve the issue through rebuttal or mediation, or to file an appeal of the proposed suspension or revocation of certification, the certifying agent or State organic program's governing State official shall send the certified operation a written notification of suspension or revocation.”

Comments: *NFC is incorrectly accepting corrective actions and issuing a notice of noncompliance resolution to operations that NFC has issued a proposed adverse action notice to*

2020 Corrective Action: The new Program Administrator is currently responsible to oversee administrative work and implement the adverse action protocol. Effective December 18, 2018, NFC implemented a new adverse action protocol and created a flow chart for the process. A mediation request form and mediation agreement templates have been created for the process. Training on adverse actions was conducted with NFC staff and contractors on April 6, 2020. To prevent the future occurrence of the noncompliance an adverse action checklist was created to manage the process. A log to track all mediation agreements conducted was created as part of the NFC logbook. NFC reviewed the internal policy update regarding adverse action on December 17, 2018.

NOP-27-18.NC2 (AIA-4166-20) – Accepted. 7 CFR §205.501(a)(11)(iv) states, “ A private or governmental entity accredited as a certifying agent under this subpart must: Prevent conflicts of interest by not giving advice or providing consultancy services, to certification applicants or certified operations, for overcoming identified barriers to certification;”

Comments: *During the witness audit, the auditor observed that the NFC representative provided consultancy to the inspected operation by providing information required to document their outdoor access plan.*

2020 Corrective Action: NFC has updated the NFC Conflict of Interest (COI) form to include the statement “I agree that as an NFC representative, I will not provide any advice or consultation to an operation that I am visiting or have any communication with.” The COI form is completed by all NFC staff/consultants when they are first contracted and in January of each year. A revised COI has been sent to all NFC staff/consultants for completion. NFC reviewed the internal policy update regarding what constitutes consultation with the NFC personnel at the monthly meeting on December 28, 2020.

NOP-27-18.NC3 (AIA-4167-20) – Accepted. 7 C.F.R. §205.403(b)(2) states, “All on-site inspections must be conducted when an authorized representative of the operation who is

knowledgeable about the operation is present and at a time when land, facilities, and activities that demonstrate the operation's compliance with or capability to comply with the applicable provisions of subpart C of this part can be observed, except that this requirement does not apply to unannounced on-site inspections.”

Comments: *During the witness audit, the auditor found that NFC’s inspection of the operation consistently occurred in the late fall when the livestock outdoor access could not be observed. Additionally, NFC’s policy to complete the certification process by an operation’s anniversary date results in the inspection of the operation occurring at a time when outdoor access cannot be observed.*

2020 Corrective Action: NFC’s protocol requires that inspections be conducted when compliance or capability of compliance can be observed. Anniversary date is set based on the operation’s annual anniversary of initial certification. In general, this process would mean that the operation would have their inspection approximately 4-6 months after their anniversary date. NFC inspection report checklists will require that inspector to verify verification of compliance or capability of compliance. NFC will update the anniversary date for the operation in question to August 1, 2021 to allow sufficient time to properly observe access to the outside. Inspection for the operation in question will be projected for the month of September when access to the outdoors can be observed. In addition, an unannounced inspection will be scheduled for the operation in question. The protocol to observe compliance or capability of compliance was discussed at the NFC staff meeting on December 28, 2020.

NOP- 27-18.NC4 (AIA-4168-20) – 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: *The auditor requested a copy of NFC’s current fee schedule from NFC and was informed they did not have one. NFC stated the estimate was always the same amount except for an increase in the certification fee last year. The auditor found that NFC had not submitted the increased certification fee schedule to the NOP.*

2020 Corrective Action: NFC has created a complete fee schedule effective February 1, 2020. A notice to operations has been sent on November 11, 2019 notifying them of the upcoming change. NFC has included the fee schedule in the application package sent to potential applicants as well it is included in the NFC agreement signed by the certified operations. The NFC Program Administrator will be responsible to complete the NFC Internal Changes log during any changes that should be submitted to the NOP.

NOP-27-18.NC5 (AIA-4170-20) – Accepted. 7 CFR §205.404 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.” indicates the required elements of the organic certificate.

Comments: *The auditor’s review of organic certificates issued by NFC found that the categories of certification were not correctly listed on the certificates per NOP Instruction 2603 “Organic Certificates” Section 3.1, Item 6. The organic certificates incorrectly identified the operation’s categories as “Producer – Crops” and “Processor and Handler.”*

2020 Corrective Action: The certificates have been corrected with correct organic scopes effective December 17, 2018. A certificate template for each organic scope has been created to help prevent confusion and having incorrect scopes. The NFC Program Administrator will review and sign all organic certificates before being issued. A new Standard Operating Procedure for issuing organic certificates was created. NFC personnel reviewed the NOP Instruction 2603 regarding certificates during the monthly meeting on December 17, 2018.

Verification of October 5, 2018 Decision Without Hearing by Reason of Consent

Any term labeled as “**Adequate**,” indicates that the term was determined to have been met. Any term labeled as “**Not Yet Verified**” indicates that additional actions are needed in order for the NOP to verify whether the term has been met. Any term labeled as “**Corrective Action Accepted**” indicates acceptance of the listed corrective action and verification of corrective action implementation will be conducted during the next onsite audit.

Terms:

1. Within twenty-four (24) months of the issuance of this Order, Respondent will undergo two additional accreditation audits conducted by NOP at Respondent's expense.

Verification of term: Not Yet Verified.

The first additional accreditation audit was conducted December 3-7, 2018. NFC has yet to undergo the second additional accreditation audit.

2. Within twenty-four (24) months of the issuance of this Order, Respondent will undergo two additional witness audits of an on-site inspection of a USDA organic program certification operation, with those witness audits conducted by NOP at Respondent's expense. The inspections should occur roughly annually, with the first inspection occurring after ten (10) months have passed, and the second inspection occurring before the full twenty-four (24) months have passed.

Verification of term: Adequate.

Three (3) witness audits were conducted in conjunction with the Renewal Assessment in December 2018.

3. Respondent will obtain the services of a qualified accreditation consultant to develop an on-going training program for certification staff, inspectors, and contractors to ensure an adequate staff skill level for maintaining compliance with the USDA organic regulations. Respondent's training will provide a minimum of 40 hours of training time per year for two (2) years. Respondent's training materials will address USDA organic regulations, NOP Handbook, NOP international trade arrangements and NOP policy updates. Respondent will submit its annual training plan to NOP within three (3) months of the issuance of this Order and on the same date the following year.

Verification of Term: Corrective Action Accepted.

- *The 2019 training schedule did not propose a minimum of 40 hours of annual training be provided. The 2020 training schedule was not submitted timely according to documents in file. The 2020 schedule was received by the Accreditation Manager on May 19, 2020, past the due date of January 5, 2020.*

- *The 2019 training schedule states “...all contracted inspectors will be invited to attend.” If contracted inspector’s attendance is not required, the submitted schedule does not meet the settlement agreement term requirement of “ensure an adequate staff skill level for maintaining compliance with the USDA organic regulations.”*
- *The accreditation consultant hired does not meet the requirements of “a qualified accreditation consultant” as listed in the term of the settlement agreement. The consultant’s experience in the organic industry was very limited. The consulting agency’s owner was primarily experienced in food safety auditing and training, not organic.*

Corrective Action:

- Based on NFC’s records, the training hours provided in 2019 were 40 hours of training for staff members. The delay in submitting the proposed training schedule for 2020 occurred during the transition of the Program Administrator position. However, the training provided over the 2020 year was 40 hours annually per staff member. This issue will not reoccur in the future as the NFC Program Administrator includes reminders on his calendar for submitting required items to the NOP.
- NFC has created a new training program moving forward that requires 25 hours of training annually. NFC has revised the language for the training requirements to include that contractors need to provide verification they have attended the required hours of training. Contracted employees must join the NFC trainings or provide comparable training evidence or NFC can choose not to use them moving forward.
- The consultant originally hired to assist with developing the training schedule is an organic consultant for operations and NFC understood that to be sufficient. The new Program Administrator, after consulting with other certifiers and consultants, has decided to utilize IOIA, ACA and the NOP for most of the NFC staff training options.

4. Respondent will submit objective evidence of their implemented written or electronic system—including a description of their quality management system for version control of Respondent templates, operator file documents, and label reviews—to the NOP within one (1) month of the issuance of this Order.

Verification of Term: Corrective Action Accepted.

The submission does not include “a description of their quality management system for version control of Respondent templates.” Interview with the Document Manager and Assistant Administrator revealed the current process is a template or form is changed and saved with a date in the title. Staff are expected to use the document with the most current date. This does not specify the process of which the templates are stored after revision. It also does not specify how new versions are communicated to all staff for use.

Corrective Action: The previous templates of NFC’s documents are stored on the Google Drive System under NFC’s system folder titled “previous versions”. Whenever templates are updated, the NFC Program Administrator will email the revised template to all personnel that will be using it. Any contracted staff will generally receive the needed current checklists when they receive a certification task and NFC will not rely on them having it previously stored on their computer. All staff have access to the NFC templates folder on the Google Drive System to have access to the most current version. As NFC personnel numbers have grown, NFC has added the protocol to include the document number on the header of each document.

5. Respondent will submit future corrective actions using the format it used for its submission to the NOP on May 23, 2018.

Verification of Term: Adequate.

NFC has changed its format for corrective action submissions to mirror the May 2018 submission and provide a full description in response to NOP-issued noncompliances. This includes a description of the changes implemented to correct the cause of the noncompliance and prevent it in the future. NFC submitted corrective actions to NOP-27-18 Noncompliance Report in the appropriate format.

6. Respondent will contract with an outside entity to conduct its annual employee performance evaluation of the Administrator. The outside entity will be knowledgeable of the USDA organic regulations, and Respondent will not otherwise employ the outside entity either as an employee or contractor.

Verification of Term: Corrective Action Accepted.

NFC initially contracted with a consulting agency whose experience in the organic industry was very limited. The agency's owner was primarily experienced in food safety auditing and training. The Administrator stated he was evaluated in November 2018 by the agency. A field evaluation was to be conducted in January 2019. A performance evaluation and field evaluation were both completed in December 2019 by the director of another USDA NOP accredited certifying agent. Both evaluations seem to be satisfactory. However, neither show that the NFC Administrator received a satisfactory, passing, or otherwise acceptable opinion of performance.

Corrective Action: The new Program Administrator now manages completion of all performance evaluations. To ensure completion of an acceptable evaluation of the Program Administrator by an outside entity that would be knowledgeable of the USDA organic regulations, NFC has implemented a new contract with the director of another USDA accredited certifying agency so that this issue will not reoccur. In 2020, the performance review of the Program Administrator was conducted by the other agency and includes acceptable evaluation and opinion of performance.

CORRECTIVE ACTION REPORT

Applicant Name:	Natural Food Certifiers (NFC)
Est. Number:	N/A
Physical Address:	119A South Main Street, Spring Valley, New York 10977
Mailing Address:	119A South Main Street, Spring Valley, New York 10977
Contact & Title:	Reuven Flamer, President/Owner
E-mail Address:	info@nfccertification.com
Phone Number:	(845) 426-5098
Auditor(s):	Julie Hartley, Accreditation Manager; Betsy Rakola, Accreditation Manager
Program:	USDA National Organic Program (NOP)
Audit Date(s):	January 22, March 4, and May 12, 2014
Audit Identifier:	NP2255OOA
Action Required:	None
Audit Type:	Renewal Assessment
Audit Objective:	To verify, review, and approve corrective actions addressing the noncompliances identified during the September 2012 Renewal Assessment.
Audit Criteria:	7 CFR Part 205, National Organic Program; as amended.
Audit Scope:	NFC's January 14, 2014 response letter to the 2012 Renewal Assessment noncompliance report
Location(s) Audited:	Desk

GENERAL INFORMATION

Natural Food Certifiers (NFC) is a for profit company that was accredited as a certifying agent on October 8, 2002, to the USDA National Organic Program (NOP) for crops, livestock, and handling operations. The NFC organic program currently includes 35 operations certified to the NOP, consisting of 1 crop, 2 livestock, and 35 handlers (all processors). NFC provides certification services in New York, New Jersey, Texas, Pennsylvania, Connecticut, Colorado, Delaware, and Massachusetts.

AUDIT INFORMATION

During the September 11 – October 17, 2012 Renewal Assessment, the corrective actions for the noncompliances identified during the 2010 Mid-term Assessment were found to be implemented and effective. Those non-compliances were cleared, with exception of NP0221ACA.NC1. There were 4 noncompliances identified during this audit. The NOP notified Natural Food Certifiers (NFC) of these findings in writing on December 18, 2013. NFC submitted a response to the NOP on January 14, 2014, and additional information on February 10, 2014. The NOP Accreditation Committee recommended accreditation renewal on May 27, 2014.

FINDINGS

NP0221ACA.NC1 – Accepted. NOP § 205.406(a) states, “To continue certification, a certified operation must annually... submit the following information as applicable, to the certifying agent: (1) an updated organic production or handling system plan which includes: (i) a summary statement, supported by documentation, detailing any deviations from, changes to, modifications to, or other amendments made to the previous year’s organic system plan during the previous year; and (ii) any additions or deletions to the previous year’s organic system plan, intended to be undertaken in the coming year, detailed pursuant to §205.200.” *Two of 5 files reviewed indicated that an updated organic system plan (OSP) was not submitted annually and NFC conducted on-site inspections; however, NFC did issue noncompliances to the clients after the inspections that an updated OSP must be submitted.* **Corrective Action:** NFC has updated its procedures to institute timeframes for certification renewal files. If operations do not submit updated OSPs (or pay certification fees) within the timeframes indicated, and after several notices are sent within the timeframe, then NFC will issue notices of noncompliance to the operation, followed by proposed adverse action procedures. **Verification of Corrective Action (October 2012):** An interview with the President of NFC verified that this practice still continues. If a returning client does not submit their update on time and if NFC does not receive the updates as requested, they are still conducting the inspections in order to keep the inspections with the annual requirement. NFC is issuing noncompliances to clients that are not submitting the updates on time. For one of the six files reviewed, an operation did not submit an annual update concerning its crops operation for the last certification cycle. This was not identified during the NFC review of the update and ultimately the operation was granted continuing certification for crops. **Corrective Action:** NFC submitted template letters that will be issued to an operation prior to its anniversary date specifying possible ramifications if updated organic system plans are not submitted. Ramifications include charging possible late fees and commencing noncompliance procedures. NFC submitted a checklist of operations with company billing cycles to track whether operations have submitted required information annually prior to conducting an onsite inspection.

NP2255OOA.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.” *NFC is approving operations for certification that do not meet the USDA organic regulation requirements of §205.311(b)(1) and §205.301(b).*

- §205.311(b)(1) states, “The USDA seal must replicate the form and design of the example in figure 1 and must be printed legibly and conspicuously: On a white background with a brown outer circle and with the term, “USDA,” in green overlaying a white upper semicircle and with the term, “organic,” in white overlaying the green lower half circle.” *During the review of labels for certified operations it was revealed that in 2 of the 6 client files reviewed that the labels included the USDA Seal that did not have a brown outer circle.*
- §205.301(b) states in part “A raw or processed agricultural product sold, labeled, or represented as “organic” must contain (by weight or fluid volume, excluding water and salt) not less than 95 percent organically produced raw or processed agricultural products.” *During the review of labels for certified operations it was revealed that in 1*

of the 6 client files reviewed, the label indicated that sea salt was organic and the product profiles indicated that sea salt was included in the calculation for the percentage of organic product.

Corrective Action: NFC reviewed all labels from its certified operations for compliance to §205.311(b)(1) and §205.301(b). The operations corrected the labels in question, and NFC reviewed and approved each one. NFC also updated its policy to mandate that certified operations must submit all labels with annual updates for review by NFC.

NP225500A.NC2 – Accepted. NOP §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.” *There were no qualifications available for review during this assessment for the individual that makes the final decision for certification.*

Corrective Action: NFC submitted a resume for their newly hired reviewer, which showed evidence of relevant skills and experience.

NP225500A.NC3 – Accepted. NOP §205.662(b) states, “When a certified operation demonstrates that each noncompliance has been resolved, the certifying agent...shall send the certified operation a written notification of noncompliance resolution.” *During the review of 2 certification files, for which noncompliances had been issued, it was revealed that for one of the operations, corrective actions had been submitted to NFC, but a notice of noncompliance resolution had not been sent to the operation.* **Corrective Action:** NFC developed a checklist to ensure outstanding procedures are completed. The process includes monthly reviews of separate operation files which include master diaries of actions taken. NFC has also contracted with a private service to review or audit the NFC certification system on a quarterly basis to ensure compliance.

NP225500A.NC4 – Accepted. NOP §205.662(c)(4) states, “The notification of proposed suspension...of certification shall state: The right to request mediation pursuant to §205.663....” *NFC had issued one proposed suspension since the last assessment and a review of the issued notice of noncompliance/notice of proposed suspension was reviewed. The notification of proposed suspension did not contain the right to request mediation.* **Corrective Action:** NFC submitted its notification of proposed suspension template, which included information concerning mediation rights, and developed a procedure to ensure that the notices will be reviewed by multiple staff.

Applicant Name:	Natural Food Certifiers (NFC)
Est. Number:	N/A
Physical Address:	119A South Main Street, Spring Valley, NY 10977
Mailing Address:	Same
Contact & Title:	Reuven Flamer, President/Owner
E-mail Address:	info@nfc certification.com
Phone Number:	845-426-5098
Auditor(s):	Meg Kuhn, RAM – East Region
Program:	USDA National Organic Program (NOP)
Audit Date(s):	December 1 – 17, 2010
NOP Audit Identifier:	AIA120110MMK
Action Required:	No
Audit Type:	Mid- Term Corrective Action Audit
Audit Objective:	To verify review and approve corrective actions addressing the non-compliances identified during the Mid-Term Audit.
Audit Criteria:	7 CFR Part 205, National Organic Program; Final Rule, dated December 21, 2000; revised February 17, 2010.
Audit Scope:	Natural Food Certifiers, LLC 11/15/10 response letter to the Mid Term Audit non-compliance report (ARC audit identifier: NP0221ACA)
Location(s) Audited:	Desk

AUDIT INFORMATION

During the Mid Term audit, the corrective actions for the non-compliances identified during the Surveillance-Accreditation Renewal audit were verified and found to be implemented and effective and the non-compliances were cleared. There was one (1) non-compliance identified during this audit. NFC was notified of this finding in a notice from the NOP on September 27, 2010. A response, dated November 15, 2010, was received from NFC on December 1, 2010.

NP0221ACA.NC1 – Adequately Addressed: NOP § 205.406(a) states, “To continue certification, a certified operation must annually... submit the following information as applicable, to the certifying agent: (1) an updated organic production or handling system plan which includes: (i) a summary statement, supported by documentation, detailing any deviations from, changes to, modifications to, or other amendments made to the previous year’s organic system plan during the previous year; and (ii) any additions or deletions to the previous year’s organic system plan, intended to be undertaken in the coming year, detailed pursuant to §205.200.” *Two of 5 files reviewed indicated that an updated organic system plan (OSP) was not submitted annually and NFC conducted on-site inspections; however, NFC did issue non-compliances to the clients after the inspections that an updated OSP must be submitted.*

Corrective Action Response: NFC has updated its procedures to institute timeframes for certification renewal files. If operations do not submit updated OSPs (or pay certification fees) within the timeframes indicated, and after several notices are sent within the timeframe, then

Page 2

NFC will issue notices of non-compliance to the operation, followed by proposed adverse action procedures. This response is to be verified at the next on-site audit. If effectively implemented, NFC's plan demonstrates compliance to the NOP accreditation requirements.