



CERTIFICATE OF ACCREDITATION



# United States Department of Agriculture

Agricultural Marketing Service

National Organic Program

**WHERE FOOD COMES FROM ORGANIC**

**202 6th Street, Castle Rock, Colorado, 80104, 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-5-20**

Effective Date: **5/30/2019**

Renewal Date: **5/30/2024**

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**Deputy Administrator**  
**National Organic Program**

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## NATIONAL ORGANIC PROGRAM: CORRECTIVE ACTION REPORT

### AUDIT AND REVIEW PROCESS

A desk Initial Assessment audit of the Where Food Comes From Organic (WFCFO) organic program was conducted during August 24, 2020 to August 28, 2020. The National Organic Program (NOP) reviewed the auditor's report to assess WFCFO's compliance to the USDA organic regulations. This report provides the results of the assessment by NOP and review of corrective actions.

### GENERAL INFORMATION

<b>Applicant Name</b>	Where Food Comes From Organic (WFCFO)
<b>Physical Address</b>	202 6th Street, Castle Rock, Colorado 80104, U.S.A.
<b>Mailing Address</b>	202 6th Street, Castle Rock, Colorado 80104, U.S.A.
<b>Contact &amp; Title</b>	Vinodthan Nayagar, Director of Organic Divisions
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<b>Phone Number</b>	303-895-3002
<b>Reviewer &amp; Auditors</b>	Melissa Lahullier, NOP Reviewer; Jessica Walden, Alison Howard, Auditors
<b>Program</b>	USDA National Organic Program (NOP)
<b>Review &amp; Audit Date(s)</b>	Corrective Action review: September 1, 2021 NOP assessment review: February 19, 2021 Onsite audit: August 24 – 28, 2020
<b>Audit Identifier</b>	NOP-41-20
<b>Action Required</b>	None
<b>Audit &amp; Review Type</b>	Initial Assessment (Desk Audit)
<b>Audit Objective</b>	To evaluate the conformance to the audit criteria; and to verify the implementation and effectiveness of WFCFO's certification
<b>Audit &amp; Determination Criteria</b>	<i>7 CFR Part 205, National Organic Program as amended</i>
<b>Audit &amp; Review Scope</b>	WFCFO's demonstrated conformance and program implementation during the period: 08/31/2018 through 06/26/2020.

Where Food Comes From Organic (WFCFO) has been accredited by the USDA National Organic Program since it purchased A Bee Organic (ABO) in May 2017. As of August 2020, ABO was re-named Where Food Comes From Organic. WFCFO is accredited by the USDA-National Organic Program for the scopes of Crops, Wild Crops, Livestock, and Handling. The main office is in Castle Rock, Colorado, although staff are in home offices across the United States. This was a remote Initial audit.

WFCFO currently certifies 259 operations including 70 Crops, 1 Wild Crops, 107 Livestock, and 78 Processor/Handlers. WFCFO certifies operations in the USA only: Alabama, Alaska Arizona Nevada, California, Colorado, New Jersey, New York, North Carolina, North Dakota, Florida, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, South Carolina, Tennessee, Texas, Utah, Maryland, Virginia, Washington, West Virginia, and Washington DC.

WFCFO employs seven certification staff, two of whom are also staff inspectors, plus one administrative staff, one manager and one director. Additionally, WFCFO contracts with 26 inspectors.

## **NOP DETERMINATION:**

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

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

## **Noncompliances from Prior Assessments**

**AIA-2199-20 – Cleared**  
**AIA-2200-20 – Cleared**  
**AIA-2202-20 – Cleared**  
**AIA-2205-20 – Cleared**  
**AIA-2209-20 – Cleared**  
**AIA-2210-20 – Cleared**  
**AIA-2211-20 – Cleared**  
**AIA-2212-20 – Cleared**  
**AIA-2623-20 – Cleared**

**AIA-2197-20 - Accepted.** (NOP-9-18.NC1) 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." 2001 National Organic Standards Board (NOSB) Recommendation which provides the criteria for the mushroom practice standards, states "Agricultural materials including grain and straw that are used in production substrate must be organically produced..."

**Comments:** *ABO allows the use of nonorganic agricultural substrate (pecan hulls) to produce organic mushrooms.*

**2019 Corrective Action:** ABO is requiring mushroom producers to test non-organic agricultural substrates for prohibited substances to document contamination prevention.

**2020 Verification of Corrective Action:** The auditors reviewed records of two mushroom certified operations. Residue tests were carried out on the substrate for one operation but not for the other.

**2021 Corrective Action:** WFCFO updated its policy for mushroom substrate in August 2021 to no longer require the pesticide residue testing of substrate. Instead, WFCFO's new policy requires that agricultural mushroom substrate be free of prohibited substances, non-GMO, and not include sewage sludge.

**AIA-2198-20 - Accepted.** (NOP-9-18.NC2) 7 C.F.R. §205.402(a)(1 - 2) states, “ Upon acceptance of an application for certification, a certifying agent must: Review the application to ensure completeness pursuant to §205.401...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;...”

**Comments:** *ABO is not reviewing applications for completeness. Organic System Plans reviewed by the auditor contained unanswered questions that pertain to the operation's activities.*

**2019 Corrective Action:** ABO's online system, Sow Organic, marks “no answer” in areas that do not apply to the operation, which appears to make the application seem incomplete. ABO is working with the developer to correct this to “not applicable.” This change is currently in beta testing and will then be implemented.

**2020 Verification of Corrective Action:** The auditors reviewed several files including a Wild Crops operation, a Livestock operation, three Handling operations, and a Crops operation. All operations had incomplete OSPs with unanswered or non-auditable information.

**2021 Corrective Action:** WFCFO developed guidance for staff, “OSP Completeness Guide” requiring the completeness of OSPs prior to inspections. WFCFO now requires all OSP items to be submitted and reviewed by staff within SOW to prevent missing information being recorded outside of the system. WFCFO conducted training for reviewers in September 2020 and January 2021. WFCFO will monitor this process through evaluations of staff performance. WFCFO submitted training materials, OSP Completeness Guide, and the performance evaluation form to the NOP.”

**AIA-2203-20 - Accepted.** (NOP-9-18.NC7) 7 C.F.R. §205.662(c) states, “When rebuttal is unsuccessful or correction of the noncompliance is not completed within the prescribed time period, the certifying agent shall send the certified operation a written notification of proposed suspension or revocation of certification...”

**Comments:** *ABO is not consistently issuing notices of proposed suspension or issuing the notices timely. In one case, ABO did not issue a notice of proposed suspension to an operation that failed to respond to a notice of noncompliance. In another case, ABO issued the notice of proposed suspension approximately eight months after issuing the notice of noncompliance.*

**2019 Corrective Action:** The root cause of this noncompliance was determined to be the result of inadequate staff to complete certification processes consistently in a timely manner and insufficient tracking of noncompliance timeframes. ABO's parent company, Where Food Comes From, Inc. has hired two part-time employees to assist with certification processes. One of the

new employees is moving to full-time final review, noncompliance issuance, and noncompliance monitoring. Additionally, two more full-time employees will be hired to assist. A worksheet for tracking timeframes of noncompliances, responses, and adverse actions was developed and is currently in use.

**2020 Verification of Corrective Action:** The auditors' review of files from 2018 and 2019 found that WFCFO did not issue notices of proposed suspension in a timely manner. The auditors identified the following issues from the file review:

1. In one case, the operation cancelled the inspection on the inspection day. WFCFO did not issue the operation a Notice of Noncompliance until 8 months after the cancellation. When the operation failed to respond to the Notice of Noncompliance, WFCFO did not issue the operation a Notice of Proposed Suspension until 3 months later.
2. In another case, WFCFO issued an operation a Notice of Noncompliance and gave the operation two weeks to provide a response. The operation did not respond within the timeframe, however WFCFO did not issue the Notice of Proposed Suspension until 3 months later.
3. In a third case, WFCFO sent a request for renewal to an operation, however the operation did not respond to the request. WFCFO did not issue a Notice of Noncompliance until 4 months later. Two months after WFCFO issued the Notice of Noncompliance, WFCFO issued the operation a Notice of Proposed Suspension.
4. In the final case, WFCFO sent a renewal notice to an operation, however the operation did not respond within the timeframe given. WFCFO did not issue a Notice of Noncompliance until 10 months later. Three months after WFCFO issued the Notice of Noncompliance, WFCFO issued the operation a Notice of Proposed Suspension. Additionally, WFCFO did not conduct an inspection of this operation in 2018.

**2021 Corrective Action:** WFCFO hired additional staff beginning in early 2020, conducted a restructuring of its management in early 2021 and has been holding regular trainings with its certification staff. Additionally, WFCFO's management team meets weekly and includes workflow and workflow demands among the discussion topics. WFCFO also implemented a plan for tracking workflow and performance that is conducted by the Workflow Manager on a weekly basis.

**AIA-2204-20 - Accepted.** (NOP-9-18.NC8) 7 C.F.R. §205.662(a) states, "When an inspection, review, or investigation of a certified operation by a certifying agent or a State organic program's governing State official reveals any noncompliance with the Act or regulations in this part, a written notification of noncompliance shall be sent to the certified operation." And §205.406(a)(1) states, "To continue certification, a certified operation must annually pay the certification fees and submit ... An updated organic production or handling system plan..."

**Comments:** *ABO does not promptly issue notices of noncompliance to operations.*

- *There are approximately 15 operations late in submitting their annual renewal applications and fees. None were issued a notice of noncompliance.*
- *ABO has communicated with a certified co-packer regarding noncompliant labels for nine months and has not issued a notice of noncompliance.*

**2019 Corrective Action:** The root cause of this noncompliance was determined to be the result of inadequate staff to complete certification processes consistently in a timely manner and insufficient tracking of noncompliance timeframes. ABO's parent company, Where Food Comes From, Inc. has hired two part-time employees to assist with certification processes. One of the new employees is moving to full-time final review, noncompliance issuance, and noncompliance monitoring. Additionally, two more full-time employees will be hired to assist. A worksheet for tracking timeframes of noncompliances, responses, and adverse actions was developed and is currently in use. The new compliance reviewer is also responsible for annual update reminders and monitoring for issuing notices of noncompliance.

**2020 Verification of Corrective Action:** The auditors reviewed five files which demonstrated that WFCFO did not issue notices of noncompliances in a timely manner. The review of files from 2018 and 2019 found the following:

- In one case, an inspection was cancelled on the inspection day by the certified operation. WFCFO did not issue a notice of noncompliance to this operation until 8/31/2018, which was over eight months after the cancelled inspection date.
- In another case, WFCFO determined that an operation was using noncompliant ingredients in organic products. WFCFO sent an email to the operation on 11/12/2018 asking for more information to be submitted "immediately," which the operation failed to do. WFCFO did not issue the operation a notice of noncompliance until 10/10/2019.
- In another case, WFCFO sent a certified operation a renewal notification and fee invoice on 1/15/2018. Even though the operation did not respond, WFCFO did not issue the operation a notice of noncompliance until 5/31/2019.
- Similarly, in another case, WFCFO sent a certified operation a renewal notice and fee invoice on 11/29/17. The operation did not respond. WFCFO did not issue the operation a notice of noncompliance until 9/21/18.
- In another case, WFCFO sent a certified operation a renewal notice and fee invoice on 7/22/2019. The operation did not respond. WFCFO did not issue the operation a notice of noncompliance until 12/27/2019.

**2021 Corrective Action:** WFCFO hired additional staff beginning in early 2020, conducted a restructuring of its management in early 2021 and has been holding regular trainings with its certification staff. Additionally, WFCFO's management team meets weekly and includes workflow and workflow demands among the discussion topics. WFCFO also implemented a plan for tracking workflow and performance that is conducted by the Workflow Manager on a weekly basis.

**AIA-2206-20 - Accepted.** (NOP-9-18.NC10) 7 C.F.R. §205.403(a)(1) states that "...An on-site inspection shall be conducted annually... for each certified operation that produces or handles organic products for the purpose of determining... whether the certification of the operation should continue."

**Comments:** *In two cases reviewed by the auditor, ABO did not conduct the 2017 annual inspection of the certified operations. In one case the operation cancelled the inspection the day it was scheduled, and in another case the inspector had to cancel the scheduled inspection.*

**2019 Corrective Action:** The operation that cancelled was issued a notice of noncompliance and was suspended. ABO understands this was not completed in a timely manner, however, with additional staff and a staff person monitoring the noncompliance and adverse actions (as identified in corrective actions for NC7), this will be prevented from happening in the future. The inspector who cancelled the inspection was not a regular ABO inspector. ABO has limited its inspection staff to qualified, reliable, known individuals that it uses regularly. ABO revised the inspector procedures manual with allowable reasons for postponement/cancellation by the inspector and if the inspector cancels without cause, that inspector will be removed from the ABO inspector list.

**2020 Verification of Corrective Action:** The auditors' review of certification files and interviews with certification staff found that three operations did not receive their annual inspections in 2018.

**2021 Corrective Action:** WFCFO's Workflow Manager performs weekly check-ins with the Inspection Coordinator and all review staff. The Workflow Manager reviews workflow metrics weekly so that WFCFO's reviewers prioritize the oldest files in the review queue. The Inspection Coordinator and Workflow Manager also review all inspections awaiting assignment to inspectors. WFCFO has trained review staff to issue notices of noncompliance for failure to respond during initial review or failure to respond to inspection scheduling requests. WFCFO submitted the training presentation and attendance list to the NOP.

**AIA-2207-20 - Accepted.** (NOP-9-18.NC11) 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."

**Comments:** *ABO did not conduct annual personnel evaluations in 2017 and has not yet completed any 2018 evaluations.*

**2019 Corrective Action:** ABO's Administrative Policy and Procedures Guide was revised to include the requirement of annual performance evaluations. To monitor the evaluation process, ABO created an evaluation schedule that includes all current ABO employees and contractors. Several completed evaluations were submitted, and all others are on the schedule to be completed by September 2019 or early 2020 (for new personnel who started in 2019).

**2020 Verification of Corrective Action:** The 2019 evaluations for all 26 contracted inspectors did not occur.

**2021 Corrective Action:** In September of 2020, WFCFO implemented an online survey that is completed by the final reviewer for each inspection report. The survey results are aggregated by the inspection coordinator (along with field evaluation results and operator feedback, as applicable) and used to regularly evaluate inspectors. WFCFO submitted an inspector evaluation procedure that explains the annual performance evaluation process, an example of the online survey completed by the reviewer after each inspection, and evidence that all 26 contracted inspectors received annual evaluations from September 2020 to September 2021.

**AIA-2208-20 - Accepted.** (NOP-9-18.NC12) 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:** *ABO is not following their Certification Policies and Procedures Guide which states inspector field evaluations will be conducted annually. ABO plans to conduct inspector field evaluations every third year but has not updated this section (2.5) of their policy or submitted a plan to the NOP.*

**2019 Corrective Action:** ABO’s revised policies and procedures for conducting field evaluations of inspectors every three years includes criteria for a risk-based approach for the selection of inspectors for field evaluations. ABO is contracting in 2019 with IOIA’s peer evaluation program to complete some field evaluations. ABO submitted the 2019 inspector field evaluation schedule.

**2020 Verification of Corrective Action:** WFCFO did not conduct field evaluations in 2019 for three inspectors scheduled to receive field evaluations according to WFCFO's Certification Policies and Procedures Guide.

**2021 Corrective Action:** WFCFO is in the process of hiring a staff member who will perform all inspector field evaluations. WFCFO submitted a tracking spreadsheet that includes information on who will receive a field evaluation in 2022. WFCFO also submitted its “Inspector Field Evaluation Plan” that provides its plan for conducting all required field evaluations in 2022.

**AIA-2201-20 - Accepted.** (NOP-9-18.NC5) 7 C.F.R. §205.403(d) states, “The inspector must conduct an exit interview with an authorized representative of the operation who is knowledgeable about the inspected operation to confirm the accuracy and completeness of inspection observations and information gathered during the on-site inspection. The inspector must also address the need for any additional information as well as any issues of concern.”

**Comments:** *During a witness audit of a Crops and Wild Crop operation, the inspector did not identify that an unapproved label was on-site during the exit interview. The label viewed during the inspection was a new label.*

**2019 Corrective Action:** ABO conducted inspector training in November 2018 including labels and what is expected to be reviewed at the inspection. For inspectors who were not in attendance, trainings are available online through the Mindflash system. The inspectors review the trainings and complete exercises and quizzes as applicable. An additional training was held at the home office in Colorado in March 2019 including label verification. The inspector procedure manual was revised to include more specific instructions on label verification. Instructions for completing label comparisons are a part of each inspection report form.

**2020 Verification of Corrective Action:** The auditors reviewed staff training records and two inspection reports. The instructions for carrying out label comparisons is not a part of the inspection reports reviewed. However, the two files reviewed were new operations who had not yet submitted labels. WFCFO explained that if the operation does not have labels, then this instruction is not provided to the inspector. This corrective action will be assessed at a future time during witness audits to verify whether inspectors are comparing labels according to WFCFO’s instructions.



## **Non-compliances Identified during the Current Assessment and Corrective Actions**

**AIA-2630-20 – Accepted.** 7 C.F.R. §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:** *WFCFO’s Policy and Procedures Manuals refer to charges for material review and mediation expenses that are fees not filed with the NOP. The auditor’s review of the policy and procedures manual as well as the certifier’s fee schedule during the audit did not match the fee schedule that was on file with NOP.*

**Corrective Action:** WFCFO submitted an updated fee schedule to NOP that includes material review and mediation expenses. In addition, WFCFO updated their fee schedule again in February 2022 and submitted the newly revised fee schedule to the NOP.

**AIA-2632-20 – Accepted.** 7 C.F.R. §205.504(b)(1) states, “A private or governmental entity seeking accreditation as a certifying agent must submit the following documents and information to demonstrate its expertise in organic production or handling techniques; its ability to fully comply with and implement the organic certification program established in §§205.100 and 205.101, §§205.201 through 205.203, §§205.300 through 205.303, §§205.400 through 205.406, and §§205.661 and 205.662; and its ability to comply with the requirements for accreditation set forth in §205.501: A copy of the procedures to be used to evaluate certification applicants, make certification decisions, and issue certification certificates;”

**Comments:** *The WFCFO Policy and Procedures Manuals do not include complete, accurate, or updated policies and/or procedures related to the following areas:*

1. *Current certificate requirements for the US-Canada Organic Equivalency Arrangement attestation;*
2. *Current information regarding the US-Japan Equivalency Agreement, which now includes livestock products;*
3. *Current information regarding the US-Taiwan Equivalency Arrangement, which now requires a new attestation statement on TM-11 documents;*
4. *The correct policy regarding how to determine the “effective date” of certification;*
5. *Procedures related to using qualified labs for residue testing;*
6. *Conditions for issuing a proposed revocation vs a proposed suspension;*
7. *Procedures for verifying whether new applicants are currently suspended by another certifier;*
8. *Procedures related to issuing notices of denial;*
9. *Procedures related to how to proceed if a settlement agreement is broken; and*
10. *Information regarding appeals if the operation is based in California.*

**Corrective Action:** WFCFO created, corrected, or removed the policies mentioned in the noncompliance and provided the NOP with a spreadsheet listing how each policy and procedure has been updated to reflect compliant processes. With regards to point 4 of the noncompliance,

WFCFO's organic certificates reference "effective date" in 2 different places. The first reference is at the bottom of the certificate and is the date WFCFO first certified the operation to the USDA organic regulations. The other reference is for each product on the organic certificate; this 'effective date' is the date the product was added to the certificate. WFCFO attached a certificate to illustrate the changes. WFCFO also updated their policy manual to clarify and define the two different effective dates.

**AIA-2633-20 -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:** *WFCFO does not consistently follow their written policies and procedures related to material review. Procedures for material review state that reviewers must record the verification source for their approval and any material use restrictions; however, the auditors identified four operator files where the verification and use restrictions were not consistently recorded for materials reviewed in-house, specifically, for sanitation materials, pest control materials, feed materials and crop inputs.*

**Corrective Action:** WFCFO added an input "Restriction" column to its SOW Organic online database system that will be completed by the reviewer and can be viewed by the certified operation. WFCFO also updated its procedure "Performing Material Review" to describe the steps for conducting material reviews, identify when WFCFO staff should contact a Material Review Organization (MRO) for a 3<sup>rd</sup> party review and explain how WFCFO staff should record and communicate restrictions and input approval to the certified operation. WFCFO has created a master material review reference database in SalesForce, which includes all historic material reviews conducted by A Bee Organic (ABO) and International Certification Services (ICS). WFCFO conducted training for staff in February 2021 on its input review procedures and submitted updated SOW Organic worksheets, the Input Review Procedures, and the Input Review training to the NOP.

**AIA-2641-20 – Accepted.** 7 C.F.R. §205.501(a)(4) states, "A private or governmental entity accredited as a certifying agent under this subpart must: Use a sufficient number of adequately trained personnel, including inspectors and certification review personnel, to comply with and implement the organic certification program established under the Act and the regulations in subpart E of this part;"

**Comments:** *WFCFO does not use adequately trained personnel to implement its USDA organic certification program. The auditors identified the following issues during the file review and interviews with certification staff:*

1. *For three certified handling operations reviewed, the reviewers did not verify that ingredients, processing aids, and sanitizers were used in accordance with USDA organic standards.*
2. *For one producer operation reviewed, incorrect information on the organic system plan (OSP) regarding the export of certified products to Canada was not verified.*
3. *For one handling operation reviewed, products that are only eligible for the "made with organic" claim were listed under the "organic" claim on the organic certificate.*

4. *For one handling operation, noncompliant non-organic ingredients that are not on the National List were approved for use in a certified organic product.*
5. *Inspection reports reviewed do not consistently provide the detail that is requested on the inspection report template. The template instructs inspectors to “provide comments that give the reviewer a clear picture of the operation even when you do not think there is an issue of concern” and also states that “reports will not be accepted if this area is not completed.” The auditor’s review of one operation found that the inspection report contained little or missing information related to livestock healthcare, how the operation monitors their OSP, the lot numbering system used, and other sections of the template that require a description of the operation’s management systems.*
6. *One livestock file reviewed contained inspection reports for livestock (beef for slaughter), crops (pasture) and handling. There was no information on what was being handled in the operator’s file as well as missing sections of the OSP. The reviewer indicated that the OSP should have been updated to reflect actual organic practices.*
7. *For one mushroom file reviewed, the inspector documented in his report that the operator did not have records available at the inspection. The inspector’s exit interview requested that the operator choose their own sample traceback and in/out balance and send the documents to the inspector by email.*

**Corrective Action:** WFCFO informed the handling operation identified in points 3 and 4 of the noncompliance that two products containing non-allowed ingredients could not be sold as organic and issued the operation a corrected organic certificate with those two products removed. WFCFO created and implemented its WFCFO Policy manual, WFCFO procedures manual, and supplementary guidance documents such as the “OSP Completeness Guide” and “Noncompliance Decision Guide” in late 2020. WFCFO management has performed 15 staff trainings since September 2020 on topics such as reviewing supplier certificates, label and formula review, final review procedures, export documentation, input review, writing noncompliances, initial review procedures, and risk assessment. WFCFO also updated its SOW Organic OSP and added several additional worksheets to it in order to address previous gaps in requested information. As of 2021, all WFCFO certified operations are using this updated OSP. WFCFO continues to monitor staff performance, re-review files internally, and perform trainings on pertinent topics. WFCFO created new performance measures for 2021 which include a standard list of USDA Organic Learning Center Trainings that all existing and new WFCFO certification staff must complete by the end of 2021.

**AIA-2642-20 – 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:** *WFCFO does not fully comply with the requirements of NOP 2025 Internal Program Review Requirements. WFCFO’s 2019-2020 program review report did not identify how the proposed corrective actions for previous noncompliances issued by the NOP will be addressed in a timely and appropriate manner. The report also did not include an assessment of findings and implemented corrective actions of prior program reviews.*

**Corrective Action:** WFCFO developed a system for capturing internal and external findings by creating Improvement Request forms (IRFs). WFCFO will review the progress of IRFs at least annually and decide whether they can be closed or whether they need further monitoring. WFCFO provided NOP with their procedure that explains their annual IRF review process and also confirmed that they plan to carry out the next review in February 2022.

**AIA-2643-20 – 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:** *WFCFO does not fully implement the NOP’s international organic trade arrangement policies and procedures, which are outlined in the NOP’s International Trade Policies. The auditor observed the following:*

1. *For products exported under the US – Japan Equivalency arrangement, WFCFO did not add the statement “Certified in compliance with the terms of the US-Japan Organic Equivalency Arrangement” to the one TM-11 export certificate issued.*
2. *For one operation that is exporting under the US – EU Equivalency Arrangement, a label was not available for a product listed on the Certificate of Inspection (COI) for export to the EU.*

**Corrective Action:** WFCFO added the required text “Certified in compliance with the terms of the US-Japan Organic Equivalency Arrangement” to its TM-11 template and updated its SOW Organic System Plan (OSP) H3.2 Product List to include a question as to whether the product is requesting equivalency to an international program. WFCFO also added a text box to document the review of all labels (NOP and any labels for export). WFCFO conducted a training for staff in April 2021 where dedicated lead team members were trained on export certificates and export product reviews. A copy of the training and the staff attendee list was provided to NOP.

**AIA-2644-20 – Accepted.** 7 C.F.R. §205.402(a)(1) states, “Upon acceptance of an application for certification, a certifying agent must: Review the application to ensure completeness pursuant to §205.401.”

**Comments:** *WFCFO does not always review applications for certification for completeness. For one new applicant, the on-site inspector reported an organic system plan (OSP) missing the following: a facility map, ingredient supplier list, procedures for preventing quaternary ammonium sanitizers from contacting organic product, and procedures for verifying the organic status of ingredients at receipt. The inspector also noted in the inspection report that the operation had no approved labels or product list in WFCFO’s Sow Organic database system. WFCFO identified these issues as minor and did not issue a Notice of Noncompliance.*

**Corrective Action:** WFCFO developed guidance for staff, “OSP Completeness Guide” requiring the completeness of OSPs prior to inspections. WFCFO now requires all OSP items to be submitted and reviewed by staff within SOW to prevent missing information being recorded outside of the system. WFCFO conducted training for reviewers in September 2020 and January 2021. WFCFO will monitor this process through evaluations of staff performance. WFCFO submitted training materials, OSP Completeness Guide, and the performance evaluation form to the NOP.”

**AIA-2645-20 – Accepted.** 7 C.F.R. §205.501(a)(9) states, “A private or governmental entity accredited as a certifying agent under this subpart must: Maintain all records pursuant to §205.510(b) and make all such records available for inspection and copying during normal business hours by authorized representatives of the Secretary and the applicable State organic program's governing State official;”

**Comments:** *WFCFO did not make their most current certifier records available to the NOP prior to the audit. The auditors requested current operator files to review prior to the audit, however the labels that were a part of the OSPs submitted by WFCFO were not the current versions and had been superseded by more current versions. As a result, the auditors reviewed information that was not current and spent time to re-review the most current information during the audit. The records requested by the NOP were all documents that should have been readily available for review.*

**Corrective Action:** WFCFO updated its SOW Organic online database to include a product matrix that is visible to the operation and WFCFO staff where the current label is uploaded and marked as either “Approved” or “Not Approved (and the reason).” WFCFO held a team meeting in September 2020 about managing client data and OSP approvals in SOW Organic and conducted training on the label matrix in October 2020. WFCFO also provided their handling clients a guidance for adding new products and the use of the SOW worksheet H3.2. This guidance was submitted to NOP. WFCFO submitted the training, attendance list, and an example of the product matrix to the NOP.

## NATIONAL ORGANIC PROGRAM: CORRECTIVE ACTION REPORT

### AUDIT AND REVIEW PROCESS

The National Organic Program (NOP) conducted a pre-decisional on-site assessment of the A Bee Organic, A Division of Where Food Comes From (ABO) organic program on August 28-31, 2018. The National Organic Program (NOP) reviewed the auditor's report and corrective actions to assess ABO's compliance to the USDA organic regulations. This report provides the results of NOP's assessment.

### GENERAL INFORMATION

<b>Applicant Name</b>	A Bee Organic, A Division of Where Food Comes From (ABO)
<b>Physical Address</b>	202 6 <sup>th</sup> Street, Suite 400, Castle Rock, CO 80104
<b>Mailing Address</b>	202 6 <sup>th</sup> Street, Suite 400, Castle Rock, CO 80104
<b>Contact &amp; Title</b>	Sarah Costin, Director
<b>E-mail Address</b>	<a href="mailto:admin@abeeorganic.org">admin@abeeorganic.org</a>
<b>Phone Number</b>	760-731-0155
<b>Reviewer &amp; Auditors</b>	Penny Zuck, NOP Reviewer Rebecca Claypool, Onsite Auditor Miguel Caceres, Witness Auditor
<b>Program</b>	USDA National Organic Program (NOP)
<b>Review &amp; Audit Date(s)</b>	Corrective action review: March 27, 2019 and April 12, 2019 NOP assessment review: February 5, 2019 Onsite audit: August 28-31, 2018
<b>Audit Identifier</b>	NOP-9-18
<b>Action Required</b>	None
<b>Audit &amp; Review Type</b>	Pre-decisional Assessment
<b>Audit Objective</b>	To evaluate the conformance to the audit criteria; and to verify the implementation and effectiveness of ABO's certification system.
<b>Audit &amp; Determination Criteria</b>	7 CFR Part 205, National Organic Program as amended
<b>Audit &amp; Review Scope</b>	ABO's certification services in carrying out the audit criteria.

A Bee Organic, A Division of Where Food Comes From (ABO) has applied for USDA-National Organic Program accreditation for the scopes of crops, wild crops, livestock, and handling.

ABO was recently purchased by a For-Profit public company, Where Food Comes From. This Pre-Decisional Assessment is due to the ownership change as Accreditation cannot be transferred. The main office is in Castle Rock, Colorado where the Pre-Decisional Assessment took place.

ABO currently certifies 133 operations including 62 Crops, 1 Wild Crops, 4 Livestock, and 71 Processor/Handlers. No grower groups are certified at this time. ABO certifies operations in the USA, Indonesia, Serbia, and United Arab Emirates. ABO employs two certification staff, two administrative staff, and contracts with 12 inspectors (three of which conduct some reviews). Three witness audits were conducted at the time of the on-site Pre-Decisional audit in California to the scopes of crops, wild crops, livestock and handling. A witness audit was performed at a crops and wild crops operation; at a poultry livestock operation; and at a multi-ingredient product processor operation.

## **NOP DETERMINATION:**

NOP reviewed the onsite audit results to determine whether ABO's corrective actions adequately addressed previous noncompliances. NOP also reviewed any corrective actions/rebuttals submitted as a result of noncompliances issued from Findings identified during the onsite audit.

### **Non-compliances from Prior Assessments**

Any noncompliance labeled as "**Cleared**," indicates that the corrective actions for the noncompliance are determined to be implemented and working effectively. Any noncompliance labeled as "**Outstanding**" indicates that either the auditor could not verify implementation of the corrective actions or that records reviewed and audit observations did not demonstrate compliance. Any noncompliance labeled as "**Accepted**" indicates acceptance of the corrective actions and verification of corrective action implementation will be conducted during the next onsite audit.

**NOP-66-17.NC1 – Cleared**

**NOP-66-17.NC2 – Cleared**

**NOP-66-17.NC3 – Cleared**

**NOP-66-17.NC4 – Cleared**

### **Non-compliances Identified during the Current Assessment and Corrective Actions**

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

**NOP-9-18.NC1 – 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." 2001 National Organic Standards Board (NOSB) Recommendation which provides the criteria for the mushroom practice standards, states "Agricultural materials including grain and straw that are used in production substrate must be organically produced..."

**Comments:** *ABO allows the use of nonorganic agricultural substrate (pecan hulls) to produce organic mushrooms.*

**Corrective Actions:** ABO is requiring mushroom producers to test non-organic agricultural substrates for prohibited substances to document contamination prevention.

**NOP-9-18.NC2 – Accepted.** 7 C.F.R. §205.402(a)(1 - 2) states, “ Upon acceptance of an application for certification, a certifying agent must: Review the application to ensure completeness pursuant to §205.401...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;...”

**Comments:** *ABO is not reviewing applications for completeness. Organic System Plans reviewed by the auditor contained unanswered questions that pertain to the operation’s activities.*

**Corrective Actions:** ABO’s online system, Sow Organic, marks “no answer” in areas that do not apply to the operation, which appears to make the application seem incomplete. ABO is working with the developer to correct this to “not applicable.” This change is currently in beta testing and will then be implemented.

**NOP-9-18.NC3 – 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:** *A review of ABO’s label review process found the following issues:*

- *For a handler file producing bread, all agricultural ingredients were not identified as organic in the ingredient statement on the label.*
- *During the on-site review of files and for inspectors conducting witness audit inspections, it was unclear which labels in the file had been approved by ABO.*

**Corrective Actions:** ABO implemented the following changes:

- All labels, except livestock feed are reviewed by the customer certification specialist assigned to handlers.
- All livestock feed labels are reviewed by the customer certification specialist assigned to livestock.
- The ABO certification procedures manual §2.6 Label Review was revised to include specific instruction to verify all components of the product and compare with the label.
- All approved labels are included on the label approval in the operation’s file tagged “Product-Label.” Older versions are marked as “Retired.”
- Label review staff have been trained on these procedural changes.

**NOP-9-18.NC4 – Accepted.** 7 C.F.R. §205.501(a)(21) states, “A private or governmental entity accredited as a certifying agent under this subpart must:... Comply with, implement, and carry out any other terms and conditions determined by the Administrator to be necessary.” NOP Instruction 2601 The Organic Certification Process section 3.4, states “The inspection includes...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.”



**Comments:** *Trace/balance audits are incomplete and do not contain enough information in the inspection reports to verify the operator's recordkeeping system is compliant to track products and ingredients.*

**Corrective Actions:** ABO conducted inspector training in November 2018 including audit activities. For inspectors who were not in attendance, trainings are available online through the Mindflash system. The inspectors review the trainings and complete exercises and quizzes as applicable. An additional training was held at the home office in Colorado in March 2019 that included audit procedures review. Instructions for completing the traceback and in/out balance audit activities are a part of each inspection report form. ABO implemented a policy to no longer contract with inspectors who submit reports with incomplete audit trace. When a report is submitted without the traceback and in/out balance audit information, ABO will contact the operation and either accept electronic audit documents for a desk audit or conduct an additional onsite inspection.

**NOP-9-18.NC5 – Accepted.** 7 C.F.R. §205.403(d) states, “The inspector must conduct an exit interview with an authorized representative of the operation who is knowledgeable about the inspected operation to confirm the accuracy and completeness of inspection observations and information gathered during the on-site inspection. The inspector must also address the need for any additional information as well as any issues of concern.”

**Comments:** *During a witness audit of a Crops and Wild Crop operation, the inspector did not identify that an unapproved label was on-site during the exit interview. The label viewed during the inspection was a new label.*

**Corrective Actions:** ABO conducted inspector training in November 2018 including labels and what is expected to be reviewed at the inspection. For inspectors who were not in attendance, trainings are available online through the Mindflash system. The inspectors review the trainings and complete exercises and quizzes as applicable. An additional training was held at the home office in Colorado in March 2019 including label verification. The inspector procedure manual was revised to include more specific instructions on label verification. Instructions for completing label comparisons are a part of each inspection report form.

**NOP-9-18.NC6 – Accepted.** 7 C.F.R. §205.663 states, “The parties to the mediation shall have no more than 30 days to reach an agreement following a mediation session...Any agreement reached during or as a result of the mediation process shall be in compliance with the Act and the regulations in this part. The Secretary may review any mediated agreement for conformity to the Act and the regulations in this part and may reject any agreement or provision not in conformance with the Act or the regulations in this part.”

**Comments:** *ABO did not conclude mediation within 30 days after beginning the mediation process, and ABO entered into a settlement agreement with the operation without signing a settlement agreement.*

**Corrective Actions:** ABO revised the mediation procedures in the Certification Policies and Procedures Guide-VER 8.0-03-10-19; developed a settlement agreement template; and created a Notification of Mediation Failure to inform the operation of its rights to appeal within 30 days. ABO plans to train staff who issue noncompliance notices on the revised procedure for mediation and settlement agreements. ABO submitted a recently executed settlement agreement to the NOP.

**NOP-9-18.NC7 – Accepted.** 7 C.F.R. §205.662(c) states, “When rebuttal is unsuccessful or correction of the noncompliance is not completed within the prescribed time period, the certifying agent...shall send the certified operation a written notification of proposed suspension or revocation of certification...”

**Comments:** *ABO is not consistently issuing notices of proposed suspension or issuing the notices timely. In one case, ABO did not issue a notice of proposed suspension to an operation that failed to respond to a notice of noncompliance. In another case, ABO issued the notice of proposed suspension approximately eight months after issuing the notice of noncompliance.*

**Corrective Actions:** The root cause of this noncompliance was determined to be the result of inadequate staff to complete certification processes consistently in a timely manner and insufficient tracking of noncompliance timeframes. ABO’s parent company, Where Food Comes From, Inc. has hired two part-time employees to assist with certification processes. One of the new employees is moving to full-time final review, noncompliance issuance, and noncompliance monitoring. Additionally, two more full-time employees will be hired to assist. A worksheet for tracking timeframes of noncompliances, responses, and adverse actions was developed and is currently in use.

**NOP-9-18.NC8 – Accepted.** 7 C.F.R. §205.662(a) states, “When an inspection, review, or investigation of a certified operation by a certifying agent or a State organic program's governing State official reveals any noncompliance with the Act or regulations in this part, a written notification of noncompliance shall be sent to the certified operation.” And §205.406(a)(1) states, “To continue certification, a certified operation must annually pay the certification fees and submit ... An updated organic production or handling system plan...”

**Comments:** *ABO does not promptly issue notices of noncompliance to operations.*

- *There are approximately 15 operations late in submitting their annual renewal applications and fees. None were issued a notice of noncompliance.*
- *ABO has communicated with a certified co-packer regarding noncompliant labels for nine months and has not issued a notice of noncompliance.*

**Corrective Actions:** The root cause of this noncompliance was determined to be the result of inadequate staff to complete certification processes consistently in a timely manner and insufficient tracking of noncompliance timeframes. ABO’s parent company, Where Food Comes From, Inc. has hired two part-time employees to assist with certification processes. One of the new employees is moving to full-time final review, noncompliance issuance, and noncompliance monitoring. Additionally, two more full-time employees will be hired to assist. A worksheet for tracking timeframes of noncompliances, responses, and adverse actions was developed and is currently in use. The new compliance reviewer is also responsible for annual update reminders and monitoring for issuing notices of noncompliance.

**NOP-9-18.NC9 – Accepted.** 7 C.F.R. §205.501(a)(4) states, “A private or governmental entity accredited as a certifying agent under this subpart must:...Use a sufficient number of adequately trained personnel, including inspectors and certification review personnel, to comply with and implement the organic certification program established under the Act and the regulations in subpart E of this part;”

**Comments:** *ABO is not maintaining their material review documents.*

- *ABO’s material review procedure does not include how to conduct reviews, what documents to complete and records to save for verification.*

- *Product labels and ingredient verification documents were not available for all inputs reviewed.*
- *ABO conducts reviews of materials not OMRI or WSDA listed, but their internal list is not updated regularly, and there is no policy addressing when ABO re-reviews materials.*

**Corrective Actions:** ABO's material review procedure includes the process for determining the status of substances used in production or handling of organic products. ABO contracted with Pennsylvania Certified Organic (PCO) for material review service and subscribed to the PCO Approved Materials List which will constitute the ABO internal materials list. ABO will follow the PCO timeline for re-review of materials every three years.

**NOP-9-18.NC10 – Accepted.** 7 C.F.R. §205.403(a)(1) states that "...An on-site inspection shall be conducted annually... for each certified operation that produces or handles organic products for the purpose of determining... whether the certification of the operation should continue."

**Comments:** *In two cases reviewed by the auditor, ABO did not conduct the 2017 annual inspection of the certified operations. In one case the operation cancelled the inspection the day it was scheduled, and in another case the inspector had to cancel the scheduled inspection.*

**Corrective Actions:** The operation that cancelled was issued a notice of noncompliance and was suspended. ABO understands this was not completed in a timely manner, however, with additional staff and a staff person monitoring the noncompliance and adverse actions (as identified in corrective actions for NC7), this will be prevented from happening in the future. The inspector who cancelled the inspection was not a regular ABO inspector. ABO has limited its inspection staff to qualified, reliable, known individuals that it uses regularly. ABO revised the inspector procedures manual with allowable reasons for postponement/cancellation by the inspector and if the inspector cancels without cause, that inspector will be removed from the ABO inspector list.

**NOP-9-18.NC11 – 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."

**Comments:** *ABO did not conduct annual personnel evaluations in 2017 and has not yet completed any 2018 evaluations.*

**Corrective Actions:** ABO's Administrative Policy and Procedures Guide was revised to include the requirement of annual performance evaluations. To monitor the evaluation process, ABO created an evaluation schedule that includes all current ABO employees and contractors. Several completed evaluations were submitted, and all others are on the schedule to be completed by September 2019 or early 2020 (for new personnel who started in 2019).

**NOP-9-18.NC12 – 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:** *ABO is not following their Certification Policies and Procedures Guide which states inspector field evaluations will be conducted annually. ABO plans to conduct inspector field evaluations every third year but has not updated this section (2.5) of their policy or submitted a plan to the NOP.*

**Corrective Actions:** ABO's revised policies and procedures for conducting field evaluations of inspectors every three years includes criteria for a risk-based approach for the selection of inspectors for field evaluations. ABO is contracting in 2019 with IOIA's peer evaluation program to complete some field evaluations. ABO submitted the 2019 inspector field evaluation schedule.

**NOP-9-18.NC13 – Accepted.** 7 C.F.R. §205.501(a)(21) states, “A private or governmental entity accredited as a certifying agent under this subpart must:… Comply with, implement, and carry out any other terms and conditions determined by the Administrator to be necessary.” NOP 5022 Wild Crop Harvesting guidance section 5.2 Organic System Plan.

**Comments:** *ABO's Wild Crop Organic System Plan (OSP) does not include all the required OSP questions listed in NOP 5022 Wild Crop Harvesting. Specifically, in NOP 5022 section 5.2 questions 3-8 are not included in the ABO Wild Crop OSP.*

**Corrective Actions:** ABO's Wild Crop Organic System Plan was revised to include the requirements of NOP 5022.

**NOP-9-18.NC14 – Accepted.** 7 C.F.R. §205.504(b)(1,2,6) states, “A copy of the procedures to be used to evaluate certification applicants, make certification decisions, and issue certification certificates; A copy of the procedures to be used for reviewing and investigating certified operation compliance with the Act and the regulations in this part and the reporting of violations of the Act and the regulations in this part to the Administrator;… A copy of the procedures to be used for sampling and residue testing pursuant to §205.670.”

**Comments:** *ABO does not have the following procedures in their quality manuals:*

- *Residue sampling procedure for inspectors.*
- *Training procedure for new employees.*
- *Procedure for investigating certified operations when complaints or concerns arise.*

**Corrective Actions:** ABO's revised inspector procedures manual includes residue sampling procedures. A description (Employee Training Flow) of the organic certification training provided by ABO has been added to the Administrative Policies and Procedures Guide. ABO's complaint and investigation procedures are included in the ABO Certification Policies and Procedures Guide. ABO maintains a complaint log with complaint statement, activities involved in the investigation, and resolution.

**NOP-9-18.NC15 – Accepted.** 7 C.F.R. §205.670(d) states, “A certifying agent must, on an annual basis, sample and test from a minimum of five percent of the operations it certifies, rounded to the nearest whole number.” And §205.501(a)(21) states, “A private or governmental entity accredited as a certifying agent under this subpart must:… Comply with, implement, and carry out any other terms and conditions determined by the Administrator to be necessary.” NOP 2609 Unannounced Inspections states, “certifying agents conducted unannounced inspections of 5 percent of their total certified operations…”

**Comments:** *ABO did not conduct sample testing or unannounced inspections from five percent of their certified operations in 2017. ABO has conducted five of the seven sample tests required for 2018, and two of the seven unannounced inspections required for 2018.*

**Corrective Actions:** ABO plans to schedule unannounced inspections and residue sampling above 5% of the total operations. Operations will be selected by January 31<sup>st</sup> of each year. The

inspections and sampling will be scheduled during the first 9 months of the year to allow additional time for rescheduling, if needed. The 2019 schedules submitted to the NOP comply with the 5% requirement.

**NOP-9-18.NC16 – Accepted.** 7 C.F.R. §205.501(a)(8) states, “A private or governmental entity accredited as a certifying agent under this subpart must:...Provide sufficient information to persons seeking certification to enable them to comply with the applicable requirements of the Act and the regulations in this part;”

**Comments:** *ABO’s crop Organic System Plan used for operations that only have pasture, does not ask questions about seeding practices, soil fertility, or pest management.*

**Corrective Actions:** ABO’s online organic system plan includes worksheets for livestock that have questions specific to pasture and outdoor access (section 6.1) that directs the operation to additional worksheets which ask about crop practices. ABO has also added specific questions about hay, pasture, and outdoor access to both the crops and livestock sections of the Activities List that generates the applicable worksheets.

## NATIONAL ORGANIC PROGRAM: CORRECTIVE ACTION REPORT

### AUDIT AND REVIEW PROCESS

The National Organic Program (NOP) conducted a renewal assessment of A Bee Organic, LLC (ABO). The NOP has reviewed ABO's application for renewal of accreditation, conducted an audit, and reviewed the audit report to determine ABO's capability to operate as a USDA-accredited certifier. This report provides the results of the review of ABO's corrective actions.

### GENERAL INFORMATION

<b>Applicant Name</b>	A Bee Organic, LLC (ABO)
<b>Physical Address</b>	40707 Daily Road, De Luz, CA 92028
<b>Mailing Address</b>	40707 Daily Road, De Luz, CA 92028
<b>Contact &amp; Title</b>	Sara Costin, Administrator Director
<b>E-mail Address</b>	<a href="mailto:sarah@abeeorganic.com">sarah@abeeorganic.com</a>
<b>Phone Number</b>	760-731-0155
<b>Reviewer(s) &amp; Auditor(s)</b>	Penny Zuck, NOP Reviewer; Robert Yang, Nikki Adams, and Jason Lopez, Onsite Auditors.
<b>Program</b>	USDA National Organic Program (NOP)
<b>Review &amp; Audit Date(s)</b>	Corrective Action review: May 16, 2016 – October 14, 2016 NOP assessment review: March 11, 2016 Onsite audit: Witness inspections - July 28, 2015; September 3, 2015 Office audit - August 17-19, 2015
<b>Audit Identifier</b>	NP5229RYA
<b>Action Required</b>	No
<b>Audit &amp; Review Type</b>	Renewal Assessment
<b>Audit Objective</b>	To evaluate the conformance to the audit criteria; and to verify the implementation and effectiveness of ABO's certification system.
<b>Audit &amp; Determination Criteria</b>	7 CFR Part 205, National Organic Program as amended
<b>Audit &amp; Review Scope</b>	ABO's certification services in carrying out the audit criteria during the period May 10, 2012 through August 19, 2015.

A Bee Organic, LLC (ABO) is a for-profit Member-Managed Limited Liability Corporation that has been accredited by the USDA National Organic Program (NOP) since April 28, 2010 to certify crops, wild crops, livestock, and handling operations. ABO currently certifies 103 operations, which include 48 crops, 2 wild crops, 2 livestock, and 54 handling operations. ABO does not certify grower groups.



## **NOP DETERMINATION:**

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

### **Non-compliances from Prior Assessments**

Any noncompliance labeled as "**Cleared**," indicates that the corrective actions for the noncompliance are determined to be implemented and working effectively. Any noncompliance labeled as "**Outstanding**" indicates that either the auditor could not verify implementation of the corrective actions or that records reviewed and audit observations did not demonstrate compliance.

**NP2128ADA.NC1 – Cleared**

**AIA14244RKA.NC1 – Cleared**

### **Non-compliances Identified during the Current Assessment**

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

**NP5229RYA.NC1 – Accepted.** 7 CFR § 205.662(c)(1)-(4) states, "When correction of a noncompliance is not possible, the notification of noncompliance and the proposed suspension or revocation of certification may be combined in one notification. The notification of proposed suspension or revocation of certification shall state: The reasons for the proposed suspension or revocation; the proposed effective date of such suspension or revocation; the impact of a suspension or revocation on future eligibility for certification; and the right to request mediation pursuant to § 205.663 or to file an appeal pursuant to § 205.681."

#### **Comments:**

- *ABO issued two combined notices of noncompliance and proposed suspension that stated the operation's right to rebut or correct the noncompliance. The notifications also did not state the proposed effective date of such suspension; the impact of a suspension or revocation on future eligibility for certification; and the right to request mediation pursuant to § 205.663 or to file an appeal pursuant to § 205.681. One notification was incorrectly titled, "Combined Notification of Noncompliance with Proposed Suspension of Certificate."*
- *ABO's Certification Policies and Procedures Guide (version 2, October 2014) incorrectly allows for the review of rebuttal or corrections of noncompliances after the issuance of a notification of proposed suspension or proposed revocation.*

**2016 Corrective Action:** ABO will have an additional staff person, other than the one writing the notice, review the notices prior to sending. The notifications of Proposed Suspension and Proposed Revocation have been revised and no longer include the operation's right to rebut or correct the noncompliance(s) and include two signature lines to verify the second staff person is reviewing the notice to avoid the recurring of this noncompliance. ABO revised the Certification



Policies and Procedures Guide (Version 4, April 2016) to remove the references to rebuttal or correction when referring to proposed suspension (with or without Notification of Noncompliance), suspension, proposed revocation (with or without Notification of Noncompliance), or revocation. ABO submitted copies of the revised Notification of Proposed Suspension, Notification of Proposed Revocation, and Certification Policies and Procedures Guide.

**NP5229RYA.NC2 – 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.” NOP 2027 Instruction Performance Evaluations states, “Certifying agents conducting performance reviews should use the following kinds of evaluation criteria .... Inspectors should be evaluated during an onsite inspection by a supervisor or peer (another inspector) at least annually.”

**Comments:** *ABO does not conduct field evaluations of its inspectors annually; only when there are concerns with an inspector’s performance.*

**2016 Corrective Action:** ABO revised the Administrative Policies and Procedures Guide – Performance Evaluation section to state “*Staff inspectors are evaluated per job at review. Field evaluations of staff inspectors will be completed annually. Field evaluations of contracted inspectors are requested by A Bee Organic from the individual inspector. If the inspector has not been field evaluated during the current year, A Bee Organic will work with other certifiers through the Accredited Certifiers Association to complete field evaluations and share the results. IOIA accreditation witness audits are accepted by A Bee Organic as field evaluations.*” Changes to the Administrative Policies and Procedures Guide will be reviewed at the 2016 trainings for staff and inspectors. The staff and inspector training agendas were submitted to the NOP and ABO will collect signatures of attendees.

**NP5229RYA.NC3 – 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 that it has filed with the Administrator.”

**Comments:** *At the time of the office audit, ABO was charging applicants and certified operations according to its updated 2015 Organic Certification Fee Schedule, which ABO had not filed with the Administrator.*

**2016 Corrective Action:** ABO submitted the 2016 fee schedule in January 2016 and a revised fee schedule in April 2016. ABO submitted copies of the emails sent to the NOP with these fee schedules. ABO submitted a copy of the new policy adopted and included in the Certification Policies and Procedures Guide to prevent the reoccurrence of this noncompliance. The new policy outlines the process of new fee schedules being approved and submitted to the NOP. This new policy is included on the agenda for the 2016 staff training.

**NP5229RYA.NC4 – Accepted.** 7 CFR § 205.406(d) states, “If the certifying agent determines that the certified operation is complying with the Act and the regulations in this part and that any of the information specified on the certificate of organic operation has changed, the certifying



agent must issue an updated certificate of organic operation pursuant to § 205.404(b).” NOP 2603 Instruction Organic Certificates states, “3.4 Organic certificates should be updated at least annually -- Certifying agents should issue a new organic certificate each year.... These updated certificates may be issued after reviewing the annual update or after the annual inspection is completed.”

**Comments:** *ABO's practices do not comply in the following manner:*

- *ABO issued a certified operation an updated certificate on July 30, 2013 and subsequently on March 24, 2015. An interview with certification staff indicated that the operation was in the process of applying for an additional certification scope, and therefore ABO decided not to issue an updated certificate until the operation was certified for the additional scope. In lieu of an updated certificate, ABO issued the operation a letter on October 14, 2014 stating that the operation had “completed their annual audit for continuation in organic certification on September 15, 2014 and continues in good standing.”*
- *ABO's Notice of Noncompliance Resolution states, “When A Bee Organic has received the signed contract and payment, your operation will be issued your Organic Certificate and Certificate Addendum.” An interview with certification staff indicated that in lieu of issuing a certified operation a notification of noncompliance for nonpayment of certification fees, ABO does not issue the certified operation its updated certificate until the fees are received.*

**2016 Corrective Action:**

- ABO revised the policy on issuing certificates located in the Certification Policies and Procedures Guide. The revised policy indicates ABO will issue certificates when an operation annually updates its OSP, regardless of new scopes being requested. This revised policy is included on the agenda for the 2016 staff training.
- ABO revised the “Notification-Corrections Accepted” template. The revised notice indicates the client's updated certificate and addendum is issued with the notice. The notice was also revised to include a statement requiring payment of fees to avoid further noncompliance. This document revision is included on the agenda for the 2016 staff training.

**NP5229RYA.NC5 – Accepted.** 7 CFR § 205.501(a)(21) states, “A private or governmental entity accredited as a certifying agent under this subpart must: ... implement, and carry out any other terms and conditions determined by the Administrator to be necessary.”

**Comments:** *ABO's process for verifying certified organic products exported/imported under an equivalency or export arrangement and applicable documents do not comply in the following manner:*

- *ABO uses a label review checklist when verifying whether a product label is compliant. The checklist does not include verification of whether the labeling of product exported under an equivalency meets the requirements of the country the product is being exported to (i.e. EU, Canada, Korea, and Japan). Additionally, it could not be determined whether the product labels ABO had on file for products exported to the EU, Canada, and Korea under the equivalency arrangements were reviewed and approved because the review and the results of the review were not documented.*
- *For certified operations that use organic product imported under an equivalency arrangement to produce/handle organic products, ABO does not verify whether the*



operation has an NOP import certificate for the imported product. For organic products imported under the US-EU Equivalency Arrangement, ABO only requires the operations to submit a valid EU organic certificate. During the witness inspection of a handling operation that was using EU-certified products imported under the US-EU Equivalency Arrangement, it was observed that the inspector only verified whether valid EU organic certificates were on-file.

- ABO's handling organic system plan does not require an operation to provide information regarding whether the operation is using/plans to use certified organic products imported under an equivalency arrangement to produce certified organic products.
- ABO's Certification Policies and Procedures Guide incorrectly states:
  - In the requirements for export of U.S. organic products to the European Union section, "Handlers may verify compliance: ... With documentation of compliance to European or IFOAM standards."
  - In the requirements for export of U.S. organic products to the Canada section, "Handlers may verify compliance: ... With documentation of compliance to European or IFOAM standards."
  - In the requirements for export of U.S. organic products to Japan section, "A Bee Organic requires documentation that these products have been produced in accordance with the Japanese organic standards."
  - In the requirements for export of U.S. organic products to Taiwan section, "A Bee Organic requires documentation that these products have been produced in accordance with the Taiwanese organic standards."
- ABO does not maintain a log for export certificates issued for products exported to Taiwan or Japan.

#### **2016 Corrective Action:**

- ABO submitted a copy of their revised label review worksheet which includes verification questions regarding labels for export. This corrective action is accepted.
- Results of the label reviews for products being exported according to trade arrangements will be documented on the revised label review worksheet, which will be stored in the applicable online client files. This corrective action is accepted.
- ABO will inform all handlers that maintenance of import certificates for equivalency arrangements will be verified at annual onsite audits. A copy of the email notification that was sent to the handlers was submitted to the NOP.
- ABO submitted the revised Certification Policy and Procedure Guide which includes an import section including requirements for importing and exporting organic products. This corrective action is accepted.
- ABO has revised its requirements to include NOP import certificates for products being imported under the US-EU Equivalency Arrangement. ABO submitted revised inspection report templates for handlers and traders which now include the requirement to verify import certificates. This corrective action is accepted.
- ABO created a Handler Import/Export Guide, which was provided to all handlers, both certified and in the application process, on May 27, 2016.
- ABO submitted the revised Certification Policy and Procedure Guide with incorrect statements removed. All incorrect statements have been replaced with language copied from the NOP international directives for each country.



- ABO submitted the revised Certification Policy and Procedure Guide which includes procedures for creating and maintaining export certificate logs. ABO also submitted copies of the export certificate logs to the NOP. The revised procedures are included on the agenda for the 2016 staff training.

**NP5229RYA.NC6 – Accepted.** 7 CFR § 205.660(d) states, “Each notification of noncompliance, rejection of mediation, noncompliance resolution, proposed suspension or revocation, and suspension or revocation issued pursuant to § 205.662, § 205.663, and § 205.665 and each response to such notification must be sent to the recipient's place of business via a delivery service which provides dated return receipts.”

**Comments:** *ABO sends all notifications of noncompliance, rejection of mediation, noncompliance resolution, proposed suspension or revocation, and suspension or revocation to its clients via email, either using Microsoft Outlook or Google Mail, which do not provide dated return receipts.*

**2016 Corrective Action:** ABO has subscribed to a registered email service which provides time date stamped proof of delivery and delivery audit trail for notices sent via this service. The delivery audits will be kept in the clients’ online files. ABO submitted copies of receipts being obtained for notices that were sent to clients. This new procedure is included on the agenda for the 2016 staff training.

**NP5229RYA.NC7 – Accepted.** 7 CFR § 205.662(a)(1)-(3) states, “When an inspection, review, or investigation of a certified operation by a certifying agent or a State organic program's governing State official reveals any noncompliance with the Act or regulations in this part, a written notification of noncompliance shall be sent to the certified operation. Such notification shall provide: a description of each noncompliance; the facts upon which the notification of noncompliance is based; and the date by which the certified operation must rebut or correct each noncompliance and submit supporting documentation of each such correction when correction is possible.”

**Comments:** *ABO issued a certified operation a “Notification Potential Noncompliance” to inform the operation that there was not enough information to determine whether the material the operation had used without pre-approval from ABO could be allowed for use, and to request additional information regarding the material. The notification additionally informed the operation to “not package or sell the olive oil or olives as organic until further notice.”*

**2016 Corrective Action:** ABO informed all certification staff that only approved current versions of notifications may be used. ABO will include the proper use of all forms, letters, and notifications on the agenda for the 2016 staff training.

**NP5229RYA.NC8 – Accepted.** 7 CFR § 205.403(a)(2)(iii) states, “Additional inspections may be announced or unannounced at the discretion of the certifying agent.” NOP 2609 Instruction Unannounced Inspections states, “An unannounced inspection should not include prior notification of the inspector’s arrival. However, there may be special cases where extenuating circumstances make it impossible to conduct an unannounced inspection of the operation without prior notification (e.g. biosecurity issues). In such cases, the certifying agent may notify the operation up to four (4) hours prior to the inspector arriving on-site to ensure that appropriate representatives are present.”



**Comments:** ABO's Certification Policies and Procedures Guide states, "A Bee Organic will call the operation prior to the inspector's arrival. The timing of the call will be specific to the operation." This does not fully meet the requirement. Unannounced inspections should not include prior notification of the inspector's arrival. However, if required, notification should not occur more than four (4) hours prior to the inspector arriving on-site. ABO's procedure both requires a phone call, and does not specify when it will occur.

**2016 Corrective Action:** ABO submitted the revised Certification Policies and Procedures Guide which states, "A qualified inspector is assigned to perform unannounced inspections. If extenuating circumstances make it impossible to conduct an unannounced inspection of the operation without prior notification, A Bee Organic may notify the operation up to four (4) hours prior to the inspector arriving on-site to ensure that appropriate representatives are present." ABO will include unannounced inspections training on the agendas for the 2016 staff training and 2016 inspector training.

**NP5229RYA.NC9 – Accepted.** 7 CFR § 205.642 states, "The certifying agent shall provide each applicant ... an estimate of the annual cost of updating the certification."

**Comments:** ABO does not currently provide its certified clients with an estimate of the annual cost of updating the certification. ABO issues its certified clients a Renewal Application Invoice. However, the invoice does not provide the operation with an estimate of the annual cost of updating the certification.

**2016 Corrective Action:** ABO has revised its accounting procedure to send a total cost estimate to renewal operations 2 months before the anniversary date. An invoice will follow 1 week after the estimate. Estimates and invoices are uploaded to the operation's online file and will be available for view.

**NP5229RYA.NC10 - Accepted.** 7 CFR § 205.501(a)(4) states, "A private or governmental entity accredited as a certifying agent under this subpart must: Use ... adequately trained personnel, including inspectors ... to comply with and implement the organic certification program established under the Act and the regulations in subpart E of this part."

**Comments:** During the witness inspection of a split handling operation, the following was observed:

- The operation was labeling a non-certified Organic Raw Blue Agave Nectar product as certified organic and also having its certified organic products relabeled at an uncertified, offsite storage company. The inspector did not address the operation's noncompliant practices as issues of concern.
- The operation was repackaging EU-certified organic products imported under the US-EU Equivalency Arrangement. The inspector did not verify whether NOP import certificates for the imported products were on-file.

**2016 Corrective Action:**

- ABO has included this scenario on the agenda for the 2016 inspector training to educate inspectors on the need for clear, documented information in reports. "Issues of Concern" will be reviewed along with the difference between observing and reporting or making certification decisions onsite.
- ABO submitted the revised Certification Policies and Procedures Guide which includes the addition of import procedures for ABO, clients, and verification by inspectors. ABO submitted the revised handler inspection report which includes questions to be asked by



the inspector and a directive to verify import and export documents and to perform an audit of product to include import/export documents as applicable. The revised procedures and forms will be on the agenda for the 2016 inspector training.

**NP5229RYA.NC11 – Accepted.** 7 CFR § 205.501(11)(v) states, “A private or governmental entity accredited as a certifying agent under this subpart must:… prevent conflicts of interest by … requiring 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 all parties responsibly connected to the certifying agent to complete an annual conflict of interest disclosure report.”

**Comments:** *Of the seventeen personnel files reviewed, five were missing a 2015 conflict of interest disclosure report. Three were Administrative Council members and two were contracted inspectors.*

**2016 Corrective Action:** ABO revised the ABO Administrative Policies and Procedures Guide to include an annual review to check that all signed, dated conflict of interest and confidentiality statement for ABO personnel and independent contractors are provided annually and that new personnel and /or independent contractors sign these documents prior to accessing client files. The revised guide with this information was submitted to the NOP.

**NP5229RYA.NC12 – Accepted.** 7 CFR § 205.501(a)(9) states, “A private or governmental entity accredited as a certifying agent under this subpart must: Maintain all records pursuant to § 205.510(b) and make all such records available for inspection.”

**Comments:** *All records pursuant to § 205.510(b) were not available for inspection during the office audit. The following are examples of records that were not available:*

- *The inspection report, a record of the inspection report review, and notification of ABO’s findings to an operation ABO conducted an additional inspection of as part of a pesticide residue investigation.*
- *Cost estimates provided to two new applicants and one certified operation continuing certification.*
- *Emails sent to four certified operations in which ABO provided the operations with a copy of their analysis results.*
- *Email communication with two certified operations to whom ABO issued notices of noncompliances.*
- *An applicant’s request to withdraw its application for certification.*

**2016 Corrective Action:** ABO informed the auditor they suffered a loss of documents at the end of June, 2015. The documents had all been backed up on dropbox but not all were restored prior to the audit. All files have since been restored. Prior and current year documents have been moved to ABO’s new online database system and older files have been backed up to hard copy and are stored in dropbox. This implemented action is proving effective in preventing a reoccurrence as the system can be audited on request.

**NP5229RYA.NC13 – Accepted.** 7 CFR § 205.403(a)(1) states, “A certifying agent must conduct an initial on-site inspection of each production unit, facility, and site .... An on-site inspection shall be conducted annually thereafter for each certified operation that produces or



handles organic products for the purpose of determining whether to approve the request for certification or whether the certification of the operation should continue.”

**Comments:** *ABO's Certification Policies and Procedures Guide states, "1.4 Onsite Inspections. Handlers- Brokers/Distributors/Traders who do not take possession of product and conduct their business and store records electronically i.e. do not have a physical place of business may be inspected via conference sharing of all relevant documents and records necessary to verify compliance. Applicants will be instructed to have an authorized representative who is knowledgeable of the operation available for the onsite or conferencing inspection." An interview with certification staff revealed that for annual inspections of handling operations that do not take possession of product and conduct their business and store records electronically, ABO does not always conduct an onsite inspection. ABO's inspector may meet the operator at a location that is different from the certified operation's and conduct an inspection of the operation's electronic records on the representative's laptop.*

**2016 Corrective Action:** ABO revised its Certification Policies and Procedures Guide to include *"Handlers-Brokers/Distributors/Traders who do not take possession of product and conduct their business and store records electronically, i.e. do not have a physical place of business, will be inspected at their site that is included in the operation for which certification is requested."* This procedure change is on the agenda for the 2016 staff and inspector trainings.

**NP5229RYA.NC14 – 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:** *The procedures and documents ABO submitted as demonstration of its ability to fully comply do not comply in the following manner:*

- *ABO's unannounced inspections policy does not fully demonstrate how it will meet the requirement to conduct a minimum of five percent of ABO's total certified operations per year. ABO's Certification Policies and Procedures Guide states, "Unannounced inspections will be performed in each category unless there is a category with two or less certified operations, resulting in continuing unannounced inspections of these operations."*
- *ABO's Notice of Noncompliance template for certified operations incorrectly cites 7 CFR § 205.405(b) as the operation's rights upon receiving such notice.*
- *ABO's certification contract template incorrectly states, "Rights and Responsibilities. Withdrawal of Application: The Operation may withdraw from the certification process at any time, unless there is a current investigation of a certified operation." Pursuant to 7 CFR § 205.402(c), an applicant for certification may withdraw its application at any time.*

**2016 Corrective Action:**

- ABO submitted the revised Certification Policies and Procedures Guide which states, *"An annual minimum of 5% of certified operations, based on number of clients at end of November of the current year, will be subject to unannounced inspections."* ABO has implemented a practice of assigning unannounced inspections and residue testing during the first quarter of the year based on 5% of the expected total certified operations at the end of the year. This revised procedure is on the agenda for the 2016 inspector training.

- ABO submitted the revised Notice of Noncompliance template. The revised template no longer cites 7 CFR § 205.405(b).
- ABO submitted the revised Notice of Noncompliance template which states, *CFR 7 §205.402 (c) states that* " *The applicant may withdraw its application at any time. An applicant who withdraws its application shall be liable for the costs of services provided up to the time of withdrawal of its application. An applicant that voluntarily withdrew its application prior to the issuance of a notice of noncompliance will not be issued a notice of noncompliance. Similarly, an applicant that voluntarily withdrew its application prior to the issuance of a notice of certification denial will not be issued a notice of certification denial.* "

#### AUDIT INFORMATION

<b>Applicant Name:</b>	A Bee Organic, LLC
<b>Est. Number:</b>	N/A
<b>Physical Address:</b>	40707 Daily Road, De Luz, CA 92028
<b>Mailing Address:</b>	40707 Daily Road, De Luz, CA 92028
<b>Contact &amp; Title:</b>	Sarah Costin, Member Partner; Ro Elgas, Member Partner
<b>E-mail Address:</b>	<a href="mailto:sarah@abeeorganic.com">sarah@abeeorganic.com</a> ; <a href="mailto:ro@abeeorganic.com">ro@abeeorganic.com</a>
<b>Phone Number:</b>	(760) 731-0155
<b>Auditor(s):</b>	Lars Crail, NOP AIA Accreditation Manager
<b>Program:</b>	USDA National Organic Program (NOP)
<b>Audit Date(s):</b>	June 15, 2012
<b>Audit Identifier:</b>	NP2128ADA
<b>Action Required:</b>	No
<b>Audit Type:</b>	Correct Action Review - Initial Assessment
<b>Audit Objective:</b>	To review certifying agent submitted noncompliance corrective actions and determine if the measures should be accepted by the NOP.
<b>Audit Criteria:</b>	<i>7 CFR Part 205 National Organic Program, Final Rule</i> , dated December 21, 2000; updated March 15, 2012. NOP 2608, Instruction – Responding to Noncompliances.
<b>Audit Scope:</b>	ABO submitted corrective actions corresponding to the noncompliances issued on May 24, 2012.
<b>Location(s) Audited:</b>	Desk

A Bee Organic, LLC (ABO) was originally accredited as a NOP certifying agent on April 28, 2010 for crops, wild crops, livestock, and handling. ABO is currently certifying 29 operations in the United States (CA, AZ, UT, and VA). On May 7 – 10, 2012, NOP conducted an onsite audit of ABO to fulfill the requirement of a NOP Initial Accreditation Assessment.

On May 24, 2012, ABO was issued a Notice of Noncompliance for one noncompliance (NP2128ADA.NC1) identified during the onsite audit. ABO submitted corrective actions to the NOP on June 8, 2012.



## **FINDINGS**

The corrective actions submitted by ABO are accepted and will be verified for implementation and effectiveness during the next onsite assessment.

**NP2128ADA.NC1 – Accepted** - NOP §205.663 states, "...If the certifying agent rejects the request for mediation, the certifying agent shall provide written notification to the applicant for certification or certified operation. The written notification shall advise the applicant for certification or certified operation of the right to request an appeal, pursuant to §205.681, within 30 days of the date of written notification of rejection of the request for mediation." A review found that while ABO does have a form in place, the *"Notification of Rejection of Mediation Request"* form, it was not used to reply to the client denying the request for mediation. Therefore, the right to appeal and timeline were not addressed. **Corrective Actions:** ABO conducted a review of its adverse action procedures and corresponding forms on June 8, 2012 and provided NOP with a record of the event. ABO will perform additional training of adverse action procedures and forms prior to its annual reporting date. The corrective actions submitted for NC1 by ABO are accepted.