



Accredited Certifiers Association, Inc.

*Accredited certifying agents working together to ensure
the integrity of organic certification in the United States*

October 26, 2016

Ms. Michelle Arsenault, Special Assistant
National Organic Standards Board
USDA-AMS-NOP
1400 Independence Ave. SW.,
Room 2648-So., Mail Stop 0268
Washington, DC 20250-0268;

Docket Number: AMS-NOP-16-0049; NOP 16-07
Certification, Accreditation & Compliance Subcommittee Discussion
Document on Personnel Performance Evaluations of Inspectors

Dear Ms. Arsenault:

Thank you for the opportunity to provide comments to the National Organic Standards Board Certification, Accreditation & Compliance Subcommittee Discussion Document on Personnel Performance Evaluation of Inspectors. The Accredited Certifiers Association (ACA) is a non-profit educational organization and our membership includes 51 USDA Accredited Certification Agents. We convened a Working Group from our membership to develop our comments; additional comments were also solicited from all of our members.

As stated in the Discussion Document, ACA has communicated with the National Organic Program on several occasions regarding the NOP 2027 Performance Evaluation Instruction, and the impacts of the new requirement.

Our responses to the CACS questions are:

1. **For certifiers:** To date, what have you observed about the benefits, costs and logistics of meeting this requirement?

Benefits

ACAs support the field evaluation concept, and identify many benefits to their agencies. These evaluations provide a picture of the overall process used by the inspector which may not be reflected in the inspection report. The field evaluation concept also identifies whether the inspector training was effective, and if there are additional areas of training needed.

Costs

The evaluations are costly to an ACA, essentially doubling the cost of the inspection for a particular operation. The time involved with organizing an evaluation is also can be substantial and adds to overall totals for the cost of the evaluation. While certifiers are attempting to manage these costs currently, the cost of the evaluation will eventually drive up certification costs for operators.

Our members note that the costs for an individual evaluation can vary widely due to factors such as whether the evaluation was based upon sharing, whether IOIA conducted the Peer Evaluation, and whether the operation is in an international location. Not including administrative costs related to scheduling and other logistics, examples include:

\$125 – 250 for a shared evaluation
\$500 for an IOIA Evaluation
\$1,000+ for international operation evaluations

ACA conducted a survey of its members in July 2016 regarding the Field Evaluation process, including costs associated for the agencies. The results of this survey are attached in Appendix A.

Costs vary depending upon type of agency and whether operations are scattered or grouped together. State agencies generally have inspectors available from other parts of their agency to evaluate the organic inspectors; some even have inspectors based in various parts of their states. If you are an agency that has scattered and / or isolated operations, the evaluations are costlier.

There is a disincentive to hire a contract inspector to do a handful of inspections, who then must be evaluated. Some agencies believe that a staff inspector should just do the inspection and not contract out the work. There can also be a disincentive to accept applications if there are no inspectors in an area.

The allowance to share evaluations helps with costs and ability to complete field evaluations.

Logistics

The logistics of organizing the evaluations to coordinate with another inspector and the operation being inspected are adding another staff position in many agencies. For an agency contracting with the IOIOA Peer Evaluation Program, there are still logistical considerations.

The following scenarios are very problematic for completing an evaluation on every inspector every year:

- if an inspector begins work late in the year and in remote location it may be difficult to complete an evaluation

- if an evaluator has an emergency (illness, travel problems) and cannot be present for the scheduled evaluation, and if the inspector has completed all inspections for the year

There needs to be flexibility built into the system to cover these issues. We do not know if this is the case with the NOP. Will noncompliances be issued for examples such as those above?

2. **For certifiers:** Have you been able to meet this requirement for inspectors in overseas locations?

International inspector evaluations are very difficult to coordinate and complete. Local international staff is evaluating other staff, but may not be evaluated on a NOP certified operation, so some specifics are not gathered. The quality of the evaluation may be a question.

3. **For certifiers:** If given an option to present alternative evaluation plans to the *every inspector, every year*, what would these look like? If a risk-based approach, how do you define risk?

Some ACAs attempted to submit alternative plans to NOP, but they did not receive a response to their plan.

We requested that NOP permit certifiers to develop a plan to conduct field evaluations of inspectors that work for them and are unique to their business size and scale by allowing a plan over a specified period of time (2 – 3 years) or over a number of inspections.

A risk-based approach to conducting annual field evaluations could provide the needed oversight of inspectors new to the field, or who routinely submit poor reports, while at the same time not overburden experienced inspectors who consistently provide complete, well substantiated reports. ACAs already identify these issues based on the annual performance evaluation of inspectors.

Risk Assessment

Certifiers develop systems to determine the number and frequency of witness audits required for individual inspectors based on assessment of the following risk factors:

- number of inspections conducted annually
- performance reliability of the inspector based on certifier's review of inspection work
- high risk factors such as being new to inspecting or new to specific scopes
- whether an inspector is new to the agency is a reason to conduct a field evaluation; even an inspector with a good deal of experience would not necessarily know agency policies/procedures.

The development of a plan that works for the individual situation and inspector allows for a more sound and sensible approach to resolving any concerns and we believe this flexibility will provide more value in the long term.

4. For certifiers and inspectors:

What has been your experience sharing evaluation forms and processes? What have been the challenges associated with this sharing?

Sharing has generally been a good experience, although sharing an evaluation does not generally provide feedback on the inspectors' familiarity with the agency policies and procedures.

- 5. For inspectors:** To date, what are the concerns and benefits that you have observed? Staff inspectors have been evaluated as part of their regular annual review. Agency staff conducting field evaluations can use the evaluation as training opportunity. Many inspectors have voiced displeasure with the multiple evaluations annually when working for multiple certification agencies, indicating that the time for these multiple evaluations is not well spent. Multiple evaluations of an inspector are not a good use of anyone's time or funds.

6. For organic operators:

To date, what are the concerns and benefits that you have observed or experienced during in-field audits conducted on your operation?

No Comment.

7. For all stakeholders:

What mechanisms are in place to ensure that client files being shared between evaluators and inspectors are taking place on completely secure computer systems?

Confidentiality agreements are a part of the evaluation process. The computer systems used are likely the same as those used for transferring inspection reports.

File security can be a concern in the following situations:

- In the IOIA process of an inspector conducting a "peer" evaluation; and
- Where an agency is contracting with an inspector to evaluate another contract inspector.

However, it is noted that the agency is generally supplying client file information directly to those evaluating the inspector.

8. For all stakeholders:

What are the in-field audit requirements for auditors of other inspection or certifications schemes such as GFSI, Global Gap, SQF, etc.?

Global G.A.P - witness inspection once every four years; pg. 29 Global G.A.P. General Regulations, Part III Certification Body & Accreditation Rules

Summary

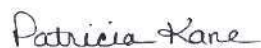
The ACA again shares the following concerns with the NOP 2027 Performance Evaluation Instruction:

- a) The lack of a formal public comment opportunity at the time of the initial publication of this Instruction. NOP has not solicited public comment on this Instruction to date.
- b) The lack of information from the NOP regarding identified deficiencies in the inspection process, or in inspector education, training and selection. NOP should put forth the appropriate education (including continuing education) and training criteria expected for organic inspectors. We understand that IOIA submitted specific inspector education and training requirements to NOP in 2011, but no NOP follow-up to this has yet been published. A publicly available resource on this subject would be beneficial to all.
- c) The lack of consistent use of the terms *should* and *must*. NOP Instruction 2027 indicates that *Inspectors should be evaluated during an onsite inspection by a supervisor or peer (another inspector) at least annually*. However, NOP is issuing Notices of Noncompliance to ACAs that have not conducted a field evaluation on all of their inspectors, essentially making the “should” a “must.”

ACAs support the field evaluation process. The IOIA Peer Evaluation Program and the sharing of evaluations among ACAs are positive steps in the process, however, flexibility in the development of a plan which works for each agency, whether it be annual field evaluations, or a risk-based approach to conducting field evaluations should be permitted. The simple requirement of an annual field evaluation will not elevate the inspector pool. It will lead to certifiers reducing the number of inspectors used in order to reduce costs which will hinder the growth of the organic industry. We also believe that the NOSB 2011 Recommendation for Inspector Qualifications provides an excellent starting point for improvements in inspector qualifications.

Thank you to the Compliance, Accreditation and Certification Subcommittee for taking up this discussion again.

Respectfully submitted,



Patricia Kane
Coordinator

Appendix A - ACA Inspector Evaluation Information

Survey Respondents: 23

	1. What is the number of inspectors your agency uses on an annual basis?		2. What is your annual cost to conduct an annual on-site field evaluation of all inspectors?	3. If your agency utilized an alternative approach to the field evaluation, such as a risk-based approach or shared evaluations with other certification agencies, what percent reduction in cost would your agency realize?
	23 Responses		22 Responses	21 Responses
Participant #	Staff Inspectors	Contract Inspectors		
1	5	2	The salary cost of the person conducting the observation: about \$30/hour. Inspections are between 2-8 hours long, depending on size and complexity.	NA
2	3	0	Minimal. Head of our government agency has required us to use only staff inspectors so the typical cost is a day's wages (or less) to the evaluator.	Minimal
3	2	11	\$6,500	skipped
4	6	6	Undetermined. Consists of in state travel and managers time for 11 evaluations. Sometimes grouped with other inspections.	Cost reduction would be negligible because only two of those contractors work for other certifiers.
5	12	0	No additional cost; part of annual evaluation required by state regulations.	No alternative approach

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	4. As a result of the annual on-site field evaluation for every inspector, do you plan to reduce the number of inspectors utilized by your agency?		5. By what percentage do you plan to reduce your pool of inspectors?	6. General Comments (include suggestions, impacts on your organization due to this requirement, impacts on the inspection process, etc.)
	23 Responses		19 Responses	17 Responses
Participant #		Comments		
1	No		skipped	skipped
2	No		NA	NA
3	Yes		up to 20%	We have many ways of monitoring our inspectors performance such a reviewer feedback on each inspection done for areas of improvement or strength. We also welcome feedback from our producers at anytime including an annual survey. Since most of inspectors have years of experience it seems like overkill to do a field evaluation each year. Field evaluations are beneficial for new inspectors.
4	No		0%	This requirement has a positive impact on the inspection process as it increases proficiency and knowledge of each inspector. It allows for discussion on how to be a better inspector. It is a building block and not viewed as a grade although each specific component is evaluated.
5	No	State agency using staff inspectors; the requirement is a non-issue for our agency	0%	skipped

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6	2	14	Still determining cost. Some inspectors have their field eval and can share at no cost while others (due to location) are over \$1,000 to pay another inspector to go out with the first. Inspectors are booked sometimes for months and not easy to schedule one, let alone two. When one factors in office time to co-ordinate inspector evals and procurement from those who already have one it's somewhere between painful and just-shoot-me.	It's unclear if NOP will approve an alternative but we would love the option. Going out to evaluate an inspector we use only a few times a year is not feasible.
7	5	1 - 2	\$3,000	25 - 50%
8	8 - 10, US 10 - 15 International	12 - 20	In 2015 it was approximately \$1000 in actual costs plus \$1500 in staff time for 6 contract inspectors. The others we shared or did not conduct. It was another \$1000 for US staff inspectors. This does not include costs for international inspectors. 2016 is projected to be about the same.	We are already relying heavily on shared evaluations and offering them to other ACAs at no charge. The most expensive inspector evals are the ones who live far away and have been inspection for ages (lowest risk).
9	2	14	\$10,000 (AUD)	
10	4	8	\$6,000	30%

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6	Yes	If an ACA can't use regional inspectors the end cost of certification skyrockets due to travel time and expenses. It may well end organic certification to some areas. And; some inspectors feel their "peer" insert local competition gave them unfair evaluations, and there is no way to clear their name. As a certifier who finds the inspectors work to be above average, it's also unclear how we must digest or rectify a bad report. So far, we've found the program to be a poor use of resource and staff.	By a half dozen at least. More than dumping inspectors, we will likely need to inform clients that we can not provide certification services to their area.	A quality control system for inspectors is already in place. New inspectors must shadow and be shadowed with qualified inspectors. All inspectors need to show ongoing training and are only as good as their reports. If an inspector has poor people skills, the ACA hears about it from the clients. There is a limit on how many years in a row an inspector can inspect a single operation before a different inspector needs to be used. And; part of the ACA's audit includes shadowing an assortment of its inspectors while inspecting different scopes of certification (Crop, Livestock, Handling). -No matter how it is explained we find that clients seem uncomfortable and less open with two inspectors. -Suggestion- Think Sound and Sensibly. Provide a waiver to the audit requirement for inspectors used less than 6 times a year. Go with annual training, with a field audit every third year. >>>To date this program has not offered any useful results for our our operation. It has increased cost and stress for our inspectors, clients and staff.
7	Yes	We cannot afford to witness subcontractors in remote areas where they may only cover 1-2 inspections per year. As a result, some of our clients pay greater travel expenses where inspectors have to travel from afar.	We would utilize 25% more contract inspectors if we did not have to witness every one every year	It would be highly beneficial if witness audits in other scopes (Global GAP, Fair Trade, etc.) could count towards organic witness audits for inspectors working in multiple scopes.
8	No	That was the plan. We have found our needs to be greater this year. Instead we are getting creative and sharing.	NA	Very difficult to plan inspections around this. When recruiting a new inspector the first question is always "do you have a field eval completed"?
9	No	If anything we need more inspectors to meet demand of our growing client base.	0%	This requirement takes a certification staff member out of the office which equates to lost time. This also requires extra planning and resources for audit coordination staff to arrange the inspections. Some clients/operators also do not wish to have an additional person accompany the inspectors.
10	No		0%	Field evaluations are very important. The cost is not an impediment.

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Participant #	Staff Inspectors	Contract Inspectors		
11	6	50	We budget 20K a year to get them all done. In previous years we have been able to do half of them for a little over 10K	Probably 30-50%. The risk based approach being the key as most of our inspectors would be low risk. We have found very little success in sharing evals with other certifiers although we are really trying this year. It just affects a small few of them though.
12	8	35	approximately \$17,500	1/3 to 1/2 reduction anticipated
13	4	1	part of our budget, not itemized	skipped
14	4	0	< \$1,500	0%
15	part of their job - 6	11 - 12	Unknown- how do you evaluate the time management part of all this- and the time and effort and hassel required to negotiate with inspectors who don't want to work with you for only a few jobs if they have to be audited again.	I'm hoping it saves time. To me that is more important than money. We are small and the staffing time needed to implement this is awful.

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11	Yes	We already have removed 2 from our list and plan to remove even more next year.	Small percentage, but key inspectors in target areas to reduce costs to operators. We are looking at less than 10% reduction.	It has added little value with a high cost. Implementing a risk assessment based would be of higher value with less cost.
12	Yes	We have already stopped working with several low-volume, specialist inspectors.	10%	We believe strongly that field evaluations are a positive for our organization and the industry and that doing them ourselves carries a high value. Evaluations received from other sources vary in quality and do not cover adherence to our policies and "soft" skills we feel are essential to good inspections. That said, the cost-benefit just doesn't work out for every inspector every year. A risk-based approach would be more effective and efficient at achieving the desired results.
13	No		na	skipped
14	No		skipped	skipped
15	No	It was our plan to reduce the number of inspectors but the number of organic farms and businesses continues to grow so we've had to start using some of the people we were not going to in order to cover inspections here and there where our current inspectors are maxed out. So we are now back in the position of hiring some inspectors who only do a couple of inspections for us. Inspectors have turned us down because they don't want to be witness audited again in order to only do a couple of inspections. This whole thing is making inspection planning a real time burden.	Unknown- it seems the whole program is in flux and unpredictable	I don't think anyone predicted the number of new applicants we'd be getting this year. We've had to find new inspectors. I thought we were pretty set, but everyone is growing so our inspectors are maxed out. Everyone is stressed by workloads. I haven't even thought about the money. It's the logistics. We are trying sharing, we'll probably have to buy some IOIA evaluations, but the whole process is time consuming for everyone and makes it really hard to bring on new inspectors in a marketplace that is absolutely going to need them.

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16	10 - 12	40 - 45	2015: upwards of \$25,000 now that we can share evaluations, cost will be cut by at least 1/2	We are sharing with other agencies, and this looks like it will cut our costs in half, or even better! If we could implement a risk based approach they would be cut further, depending on how that was implemented.
17	4	35	\$20,000 - \$25,000	50% or greater
18	10	60	\$35,000	We are currently conducting a shared evaluation of inspectors utilizing IOIA
19	0	15	\$3,000 we are estimating 6 - 7 hrs. per eval.	Maybe depending upon the situation.
20	0	5	\$2,875	I'm not sure.
21	3	45	skipped question	na

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16	Yes	We would have greater flexibility to work with new inspectors (who only do a small number of inspections to test the waters) and inspectors in faraway locations (whose numbers are few based on local need) if it weren't for the annual field eval requirement.	5 - 10%	It's especially difficult to schedule these for inspectors in remote locations who don't work for other agencies, and who have small numbers of inspections to perform. (Fewer inspections equals fewer opportunities to line up a time that work for the evaluator, the inspector, and the certified operation.) The dollar cost isn't the only cost; the "time cost" involved in setting these up is significant as well.
17	Yes	We eliminated all inspectors who do only a few each year for us.	30% or more	Field evals on every inspector every year is onerous. An enormous amount of staff time and resources are required to make this happen with very little tangible evidence that it has improved quality of inspections.
18	Yes	For those inspectors who we do not utilize much we will be removing them from the inspector list.	25%	Cost wise very expensive to the company to comply with this new requirement. Time to conduct these is an issue. Would prefer it to be a % of the inspector pool that is rotated out each year.
19	No		skipped	skipped
20	No	Since we are small certification agency, 5 inspectors take care of all of our annual on-site inspections at this time.	0	I think that it's just not fair to the inspector's that inspect for say, 3 different ACA's to have to be witness audited 3 separate times.
21	No	na	na	skipped

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22	5 One FT; 4 who inspect occassionally	70	Including program management, logistics and actual performing the evaluation, each evaluation equates to 1.2 days of staff time. Costs: Labor: \$40,500 Expenses: \$13,925 Total cost to organization: \$53,925.	50% This would be a wide range but we estimate anywhere from 35-65% reduction respectively, depending on whether we shared evaluations with other agencies or were approved to use a risk-based approach of 30-35% inspectors evaluated each year.
23	123	43	\$85,000	50%

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22	Yes		5 - 10%	<p>Comments: At 53k this takes up about one FTE of capacity and budget. • The cost of implementing field evals of 100% of our inspectors every year will result in a reduction in the number of active inspectors on our list. This will be especially challenging as it reduces our available pool of inspectors, particularly in more remote areas. We will also most likely move towards a requirement for inspectors to complete a minimum number of inspections annually in order to stay active on our list. This will result in fewer inspectors on our list. • The rejection of our proposal by NOP was untimely in its delivery mid-year of the budget cycle causing further challenges as we have had to re-direct staff time and resources to this effort. • This will inevitably increase costs to organic producers around the country due to increased costs of administering this program and the subsequent reduction in our pool of available inspectors. • Sharing evals with other certifiers will help offset some of the costs but is functionally not a good solution. We actually have seen the immediate benefits of the field eval program and embraced it early in its inception. We would like to use our own staff to see our contracted inspectors, firsthand, using our systems with our clients. The benefits are tremendous in educating our staff and inspectors, as well as for troubleshooting and improving our systems of information capture and delivery. The 2027 revision b ii. offering the concept of trading evaluations is helpful in meeting the 100% goals. However, it also undermines our ability/incentive to use our own discretion to determine whether an inspector falls under a certain risk category and therefore needs further evals and or training. Further, the prospect that certifiers now must ensure that the other certifiers conducted a complete and thorough evaluation will simply add to the burden and workload of unrealistic goals to evaluate every inspector every year. Finally, it is unclear what to do with staff and other individuals who may or may not perform an inspection annually.</p>
23	Yes	We will qualify less inspectors for NOP regulation and each of them will do more NOP inspections, instead of qualifying more inspectors doing a few inspections.	25%	We would suggest a supervision once every 2 years, but allowing a supervision on another standard, for instance EU (the inspection method is the same, whatever the standard). Thus, the supervision will allow to check the inspectors have good auditing methods, and a training on NOP regulation can be done regularly to ensure the inspectors have a good knowledge of the regulation.