



AMERICERT INTERNATIONAL

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Guidance on Completing Handler Organic System Plan Modules:

Module 6 Recordkeeping and Labels

03/10/24

Module H6 covers an operation's recordkeeping practices. Depending on whether operations are Processors or not, the operation will complete either Module H6A or Module H6B.

Module H6A is to be completed by operations that are Nonprocessors. Nonprocessors are operations that do not produce, pack, label, or otherwise process organic items. Examples of such operations are sellers, brokers, traders, distributors, brand owners, and storage facilities. Section 2 below covers recordkeeping for Nonprocessors.

Module H6B is to be completed by operations that are Processors. Processors engage in activities such as cooking, baking, heating, drying, mixing, grinding, churning, separating, extracting, cutting, fermenting, eviscerating, preserving, dehydrating, freezing, or otherwise manufacturing, and includes packaging, canning, jarring, or otherwise enclosing food in a container. For purposes of Americert's Modules, it also includes operations that pack, label, or relabel. Section 3 below covers recordkeeping for Processors.

Operations must describe their recordkeeping system that has been implemented to comply with the requirements established in §205.103. (§205.201(a)(4)). General requirements for recordkeeping that are applicable to both Processors and Nonprocessors are covered in Section 1 below.

§ 205.103 of the USDA National Organic Program regulations describes the general requirements for recordkeeping under the USDA National Organic Program Regulations:

§ 205.103 Recordkeeping by certified operations.

(a) A certified operation must maintain records concerning the production, harvesting, and handling of agricultural products that are or that are intended to be sold, labeled, or represented as "100 percent organic," "organic," or "made with organic (specified ingredients or food group(s))."

(b) Such records must:

- (1) Be adapted to the particular business that the certified operation is conducting;
- (2) Fully disclose all activities and transactions of the certified operation, in sufficient detail as to be readily understood and audited; records must span the time of purchase or acquisition, through production, to sale or transport and be traceable back to the last certified operation;
- (3) Include audit trail documentation for agricultural products handled or produced by the certified operation and identify agricultural products on these records as "100% organic," "organic," or "made with organic (specified ingredients or food group(s))." or similar terms, as applicable;
- (4) Be maintained for not less than 5 years beyond their creation; and
- (5) Be sufficient to demonstrate compliance with the Act and the regulations in this part.

(c) The certified operation must make such records available for inspection and copying during normal business hours by authorized representatives of the Secretary, the applicable State program's governing State official, and the certifying agent.

Section 1: General Principles

A. §205.103(b)(1): Records to be Adapted to Particular Business Being Conducted.

These requirements are broad. Because of the breadth of these requirements, operations may need more guidance on how to effectively implement these requirements and what the certifying agent is looking for.



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Given the variations between operations and different types of production and handler systems, it is impossible to give a specific, detailed explanation of how each operation can demonstrate compliance with the regulation. In reviewing records, and thinking about recordkeeping systems, the certifying agent and the certified operation must remember that function controls over form. This means that a recordkeeping system which fully documents all transactions and activities in sufficient detail as to be readily understood and audited by the certifying agent AND which demonstrates compliance with the other requirements of the regulations will meet the requirements of § 205.103, even if they don't meet the specific requirements laid out in this guidance document. Assuming the recordkeeping system meets all § 205.103 requirements and provides for full traceability (spanning from the time of purchase or acquisition, through production, to sale or transport and being traceable back to the last certified operation) and mass balance exercises described in below, it will be considered compliant.

That being said, there is a common set of core records that every operation should implement and which the certifying agent will expect to be maintained in most cases. This guidance document explains the common set of core records that each handler operation should consider implementing to meet § 205.103 requirements.

B. §205.103(b)(2): Guidance on Auditable Records, Traceability, and Mass Balance.

In general, an operation must be able to demonstrate compliance with §205.103, including §205.103(b)(2). In demonstrating compliance, functionality controls over form. This means that the recordkeeping system is sufficient if it:

- Can demonstrate that the operation has complied with the requirements of the USDA National Organic Program regulations; and
- Fully documents all activities and transactions in a manner which is readily understood and audited; and
- Spans the time of purchase or acquisition, through production, to sale or transport, such that the records allow full traceability of organic items back to the last certified organic source; and
- Allows a mass balance to be conducted of organic items.

1. *Traceability.*

Traceability examines the audit trail for an operation's organic products. It follows a product through the entire process at, with, or through the operation. A trace-back starts with one lot of finished products and follows it backwards through the entire chain of records to the product (or ingredient) purchased or received. Traceability may be conducted on any organic items brokered, traded, produced, or stored by this operation. Certified operations are responsible for traceability within their operation, back to their suppliers, and forward to their customers. Operations must have systems in place so that randomly chosen organic items brokered, traded, packed, sold, or distributed by this operation can be traced from sale or transport of organic items back through production to purchase or acquisition of organic items to determine the last certified organic source and date purchased or acquired.

Operations must have systems in place to enable traceability back to the last certified organic source and forward to the next step in the supply chain. Systems must be sufficient to trace through uncertified operations in supply chain, if any. Operations receiving/purchasing/brokering/distributing organic products from uncertified suppliers must keep records demonstrating how the uncertified operation maintained organic product integrity. This may require keeping records from several uncertified operations in sequence; in all cases, the records must show an audit trail back to the last certified operation. Operations can demonstrate an audit trail by using various types of documentation that are typically used during sale, purchase, and transfer, such as receipts, invoices, shipping, or receiving manifests, shipping logs, bills of lading, or transaction certificates.



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For Nonprocessors, trace-backs generally involve tracing a shipment of randomly selected product from this operation's end customer back to the warehouse where stored (if applicable) to the original copacker or supplier solely through the use of records obtained and maintained by this operation.

For Processors, trace-backs generally involve tracing a lot number of product produced, packed, labeled, or processed by this operation from date shipped and to whom sold/shipped back to the date it was packed/produced/labeled/processed, and back to the last certified organic source of a specific ingredient used in that product and the specific date that specific ingredient used in that specific product was received.

NOTE: While there is some overlap with product recall exercises, please note that **TRACEABILITY IS NOT THE SAME AS A PRODUCT RECALL**. While a recall focuses on consumer safety and recalling a product line(s), a successful traceability focuses on something else. For Nonprocessors, it requires the ability to successfully connect a specific product to a specific organic item purchased or received. For Processors, it requires the ability to successfully connect a specific product to a specific ingredient/product used in the specific production/pack/purchase event for that product and the date that specific ingredient/product was received.

Traceability requires the use of unique traceability identifiers to link steps of the supply chain from the end customer back through the audit trail to the original supplier/copacker and the date that organic item was purchased or received.

A **Traceability identifier** is an alphanumeric identifier that is unique to a specific sale or transaction, a specific ingredient received on a specific date from a specific supplier, a specific transaction of a specific product, or a specific product made, packed, or labeled on a specific date. It links one document in the audit trail to another document in the audit trail. It is a unique code or number that allows the specific lot of products (or a box containing multiple products) to be traced from the date shipped and delivered to buyer back to the date packed by the grower or handler or produced/processed, back to the date received/purchased by the handler. Unique identifiers should connect the outgoing finished product, internal production, and incoming ingredients. Examples include the supplier lot number, unique internal raw material lot number, bill of lading number, trip ticket number, receiving ticket number, product lot number, container number, purchase order number, sales invoice number, production batch number, shipping identification number or information, harvest date, pallet tag number, receiving number, bin number, packaging date/time, lot codes, or work order numbers.

2. *Mass Balance.*

Mass balance audits evaluate whether this operation received, purchased, or produced enough organic items or ingredients to support the amount of organic product manufactured, produced, shipped, and/or sold.

For Nonprocessors, mass balances require the ability to demonstrate sales, purchases, or receipts over a given period balance with the amount of product shipped by the supplier, copacker, or warehouse during that same time period. Americert (or its Inspectors) may conduct an exercise on amounts physically received, amounts this operation has on hand in offsite storage, and/or amounts purchased and distributed during a specific time period to verify amounts purchased/received against amounts shipped and amounts sold.

For Processors, mass balances require balancing inventory amounts of raw materials and product against amounts of ingredients used in production, amounts of products made, amounts of ingredients received, and amounts of product shipped and sold during a given time period. Americert (or its Inspectors) may conduct an exercise on amounts of raw materials on hand, amounts of raw materials received, and amounts of raw materials consumed in production/pack/process/label events. Americert (or its Inspectors) may also conduct an exercise on amounts of product on hand, amounts of product made in production/pack/process/label events, amounts of product shipped, and amounts of product sold. These exercises verify whether enough product was produced for the amount of



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finished product shipped and sold and whether enough ingredients were on hand (and purchased) to produce the amount of product made.

C. §205.103(b)(3): Guidance on Organic Status

Audit trail documents must identify organic items as “100% Organic,” “Organic,” or “Made with Organic (Specified Ingredients or Food Groups).” Such identification may be by use of abbreviations or acronyms.

This requirement applies to all EXTERNAL records such as receipts, invoices, shipping or receiving manifests, shipping logs, bills of lading, trip tickets, transaction certificates, receiving reports, purchase orders issued by this operation to supplier, purchase orders received from customers, etc. Generally, external records are those records that communicate something between this operation and another operation.

For operations that conduct nonorganic handling (such as brokering, trading, distributing, or receiving nonorganic versions of its organic items), have nonorganic versions of organic ingredients, or nonorganic versions of organic products, Americert also requires some method of identifications of “organic” or “made with organic” status (such as by identifying the status or by using an inventory management system of lot codes, batch numbers, or other designation systems that indicate organic status) on INTERNAL records (such as receiving and production records). Generally, internal records are those records that communicate something between staff within this operation.

D. §205.103(b)(4): Document Retention.

Operations must have a plan and policy to maintain all records related to certification for five (5) years after their creation. Once certified, operations should be able to produce a requested record if it was created after their date of certification and within the past five years. This would include any record created during certified activities in the previous five years, including pest control service reports, sample analysis results, and cleaning logs or records.

E. § 205.103(b)(5): Guidance on Ensuring that Records Demonstrate Compliance.

Records must be sufficient to demonstrate compliance. If an aspect of the regulation is documentary in nature or has a documentary component, there should be a corresponding record which demonstrates compliance with that requirement. While it is impossible to provide a complete list of all the records or documents that would be needed to demonstrate compliance given the variety of operations which seek certification, a good starting point for documenting compliance is to follow the recordkeeping guidance described in this document. Some examples of these additional records are as follows:

- Uncertified Operation Affidavits for subcontracted warehouses, subcontracted transporters that transport unpackaged organic items, or other uncertified operations which are exempt but nonetheless take physical possession of organic items.
- Phytosanitary documents for unpacked raw crops imported into the United States showing organic crops were not treated with prohibited substances in transit.
- NOP Import Certificates.
- Equipment cleaning records.
- Documentation for allowed nonorganic processing aids and materials.
- Pest control application records which record the date of the application, where the substance was applied, and why the substance was applied.
- Pest observation records to support the use of allowed synthetic pest control products (level 3 pest control products) or other synthetic pest control products (level 4 pest control products).
- Documentation that organic contact surfaces are free of quat residues (through the record of a 0 ppm test strip evaluation post quat removal) for operations which use quat products on organic contact surfaces.



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- Specific ingredient or food contact substance annotations as listed in § 205.605 or 205.606 of the regulations.
- Commercial availability search supporting the use of certain nonorganic ingredients as listed in §205.605 and 205.606 (e.g., certain nonorganic colors, flavors, yeast, etc.).
- Non-GMO, Non-Irradiation, Non-Biosolids documentation for any nonorganic agricultural ingredients listed in § 205.605 or 205.606.

F. § 205.103(c): Guidance on Making All Records Available During Onsite Inspections

All documentation must be maintained and made available for review by the certifying agent upon request.

During the inspection, you can expect that the inspector will ask to review all of the types of records described in this guidance. They will attempt to conduct one or more exercises such as a traceability exercise and mass balance exercise as described above. They will also request to review other documentation as described in this document.

It is this operation's responsibility to make these records available for review, auditing, and copying during the onsite inspection. Such records must be provided to the inspector within a reasonable time after the request, during the inspection, and at the site of the inspection. It is solely within the inspector's discretion to determine when the operation has been given a reasonable amount of time to provide a document or record and to conclude that the record is not available or not easily auditable because it cannot be provided in reasonable time. Providing the records after the inspection has concluded is not sufficient to demonstrate compliance. If records will not be at the primary site, and the auditor will need to visit another site to view any records, it is the operation's responsibility to explain this to the certifying agent and the inspector in the submitted application at the time of applying for organic certification so appropriate time and logistics management can be conducted to include the records location in the inspection process.

Section 2: Recordkeeping for Nonprocessors

Operations that do not process (but may or may not physically receive organic items) generally maintain the following documentation:

- Supplier Documentation.
- Purchase/Acquisition Records.
- Inbound Shipping Records.
- Receiving Records.
- Outbound Shipping Records and Delivery Confirmation.
- Sales Records.
- Periodic Physical Inventories.
- Records of Additions and Deductions from Inventory.

A. Supplier Documentation

1. *Organic Certificates*. This operation must maintain a current (issued within recent 12-month period) organic certificate on hand for the last certified organic source listing the product brokered or ingredient purchased or acquired by this operation. The copacker is considered the last certified organic source for distributed copacked product.

The **Last Certified Organic Source** is the company in this operation's supply chain just prior to this operation that was certified organic for the specific organic item purchased, brokered, traded, received, or distributed. There is no need to always go back to the manufacturer of the organic item, merely go back to the Last Certified Organic



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Source just prior to this operation purchasing, brokering, trading, receiving, or distributing the organic item. The Last Certified Organic Source must be certified to either USDA NOP standards or certified under a recognized foreign certification which is the subject of an organic equivalency arrangement with the USDA National Organic Program (such as the US-EU Organic Equivalency; US-Canada Organic Equivalency; or other). The Last Certified Organic Source is frequently thought of as the certified organic supplier to this operation of an organic item.

A **Vendor** is the company or business from which this operation purchases, brokers, trades, receives, or distributes organic items. A Vendor is the company that is ordered from, received from, or named on the Purchase Order to that Vendor or the Supplier Invoice from that Vendor. For wholesale bulk organic items, all Vendors **must also** be the Last Certified Organic Source **for the specific product** purchased, brokered, traded, received, or distributed by this operation. For retail organic items, the Vendor may or may not be the same company that is the Last Certified Organic Source, and these types of Vendors may or may not be certified organic.

2. *Uncertified Operation Affidavits.* If uncertified operations (other than retail establishments) are in this operation's purchasing supply chain (such as a Vendor), this operation must maintain a current Uncertified Operation Affidavit for each such entity.

3. *Retail Establishments.* If retail establishments are in this operation's purchasing supply chain, this operation must maintain the following for trace-back purposes:

- Purchase receipts or invoices noting the date purchased, amount purchased, product purchased, and some indication (such as abbreviation "OG") of the organic status of the product.
- Photographs of a representative unit of each product purchased (such as one carton of milk from twelve cartons purchased on a specific date) that clearly shows the front label and the back label, including a clear image of the identification of the handler/distributor and COB statement;
- Photographs of a representative unit of each product purchased (such as one carton of milk from twelve cartons purchased on a specific date) showing the product is sealed in a tamper-evident way such that it was not produced or processed by the exempt operation;
- A receiving log or other methods of recording the supplier lot numbers for the items purchased/brokered; and
- A method of assigning a unique internal lot number to the items purchased/brokered.

B. Purchase/Acquisition Records.

Records must be maintained of all purchases/acquisitions of organic items. Purchase documents could also be a document from or to the supplier showing purchase or other payment arrangements, fees, commissioned sales, product transactions, etc. Examples of such records include purchase orders, purchase invoices, or notification from the ingredient sourcer, contracted party, or organic item broker/distributor that notifies this operation of the pending inbound load.

Purchase/Acquisition Records must include these mandatory elements:

- Amount purchased (or to be received)
- Product purchased (or to be received)
- Date purchased (or date this operation was notified or that this operation was expected to receive the inbound load)
- Organic status
- From whom/where purchased or to be received
- A traceability identifier

It is this operation's responsibility to ensure that any shipment received is accompanied by documentation which contains all the necessary information. If the document lacks the required information, it is this operation's



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responsibility to proactively reach out to the supplier or handler and obtain this shipment specific information and to maintain such documentation.

C. Inbound Shipping Records.

Records (such as BOL, trip tickets, manifest detail, packing slip) must be maintained about the incoming/initial transport of all organic ingredients, crops, products, or materials received, brokered, traded, or distributed from the last certified organic source. If offsite storage is utilized, such records may include bills of lading or receiving records (such as receiving report or invoice or bill issued by warehouse/storage facility) of products received by the storage facility or warehouse.

Inbound Shipping Records must include these mandatory elements:

- Organic status of product shipped
- Name of product shipped
- Amount shipped
- Date shipped
- Identification of Destination (where shipped to)
- Identification of Origination (where shipped from)
- A unique traceability identifier

It is this operation's responsibility to ensure that any shipment received is accompanied by documentation which contains all the necessary information. If the document lacks the required information, it is this operation's responsibility to proactively reach out to the supplier or handler and obtain this shipment specific information and to maintain such documentation.

D. Receiving Records.

If this operation receives organic items physically or on their behalf at offsite storage, records must be maintained documenting the receipt of organic items by this operation at their physical location or received at contracted offsite storage on behalf of this operation. These records must be maintained in a contemporaneous manner (e.g., entries are made on or about the time the shipment is received).

If this operation only receives organic items at a contracted offsite storage, this operation must maintain notifications that the contracted storage or warehouse has received the load. This could be a receiving notice or receipt from the offsite storage to this operation or a bill of lading showing the offsite storage as the receiving entity.

If organic items are physically received at this operation's location, this operation must maintain a receiving log, records, or notifications of organic items received at this operation's location.

Whether physically received or not, such receiving records must note the following:

- Amount received
- Product received
- Date received
- Organic status
- From whom/where received
- Destination received at
- The supplier's traceability identifier
- This operation's (or the storage location's) unique internal traceability identifier. A unique internal traceability identifier is a unique non-repeated lot number, order number, or transaction ID number



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assigned by this operation (or the storage location) which is distinct and different from the lot number assigned by the supplier (e.g., it includes an additional suffix or prefix which is not repeated).

Please see Americert's "Guidance on the Use of Internally Assigned Lot Numbers for Received Products and Ingredients" (v. 081722) for additional guidance regarding unique internal lot numbers.

It is this operation's responsibility to ensure that any shipment received is accompanied by documentation which contains all the necessary information. If the document lacks the required information, it is this operation's responsibility to proactively reach out to the supplier or handler and obtain this shipment specific information and to maintain such documentation.

E. Outbound Shipping Records and Delivery Confirmation.

If product is not shipped directly from last certified organic source to buyer/customer, outbound shipping records (such as BOL, trip tickets, manifest detail, shipping logs, packing list) must also be maintained. In some cases, such as internal transfers from one packer owned facility to another, this may take the form of a log. All organic handlers must maintain records of products shipped from their facility, their contracted storage facility (or copacker), or their supplier (if brokering, distributing, trading) that is made contemporaneously with the shipping event. Such records must link back towards the receiving at the warehouse/storage (if used) and to the supplier and incoming/initial transport, as well as forward to arrival at the customer.

Outbound Shipping Records must include these mandatory elements:

- Organic status of product shipped
- Name of product shipped
- Amount shipped
- Date shipped
- Identification of Destination (where shipped to)
- Identification of Origination (where shipped from)
- A unique traceability identifier

In addition, some form of delivery confirmation should be maintained. Delivery confirmation is something that documents the customer receiving shipment (such as delivery tracking confirmation, payment of invoice used as proof of delivery, or signature on outbound BOL). Delivery confirmation can be documentation the final customer received the shipment, a signature of receiver on BOL, or by using the invoice payment as proof of delivery.

F. Sales Records.

All organic handlers must maintain records of amounts sold, serviced, or distributed (such as Sales Invoice, Sales Order, Outbound Shipping Log, or Customer Purchase Order) from their facility, their contracted storage facility, or their supplier (if brokering, distributing, trading) that is made contemporaneously with the sales event. Such records must link back towards the receiving at the warehouse/storage (if used) and to the supplier and incoming/initial transport, as well as forward to arrival at the customer.

Sales Records must include these mandatory elements:

- Organic status of product sold/serviced/purchased/distributed
- Name of product sold/serviced/purchased/distributed
- Amount sold/serviced/purchased/distributed
- Identification of buyer (or who is having product serviced)
- Identification of this operation
- A unique traceability identifier



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- Date sold/serviced/purchased/distributed

G. Periodic Physical Inventories.

Operations must generally maintain product inventories, conducted at least twice a year, of product on hand at this operation's physical location **or at the offsite storage used by this operation**. An actual physical count at least twice per year of inventory (product and amounts) held at the warehouse on an operation's behalf must be conducted and documented.

An actual periodic physical inventory means that at least twice per year, this operation (or storage facility used by this operation) goes in and actually observes and records the amount of product which is on hand. The actual physical inventory means a count of what is actually there. It is not a generated report of what "should" be on hand; rather, it is an actual count of what IS on hand. Periodic means this inventory must be conducted at least twice per year for most operations. The inventory must be accurate and it must be recorded. The record should include: the date the inventory was conducted, the products inventoried (listed by product name and presentation size), and the amount of each on hand.

If this operation does not store organic items (either offsite or onsite), there is no requirement for period inventories. This may happen in situations where organic items received or purchased are only to meet specific customer orders and distributed/sold in full prior to next receipt or purchase of organic products. This may also happen in situations where there is a limited activity period each year that begins with zero inventory and returns to zero inventory at the end of the season or production event.

H. Additions and Deductions from Inventory

This operation must maintain records of all additions to and removals from inventory for all organic products. All organic handlers receiving organic items (physically or at an offsite warehouse) must record all additions to and removals from the product inventory. Additions to inventory may be from receiving products or from returns added back to inventory. Deductions from inventory may be from products sold, shipped, destroyed, donated, given as samples or promotional giveaways, taken for personal or other in-house uses, employee comps, discarded, expired, or diverted to use in nonorganic production or sales. These records must note the date removed/added, the product (and presentation size) removed/added, organic status of product removed/added, and the amount removed/added.

Section 3: Recordkeeping for Processors

Operations that process generally maintain the following documentation:

- Supplier Documentation.
- Purchase/Acquisition Records.
- Inbound Shipping Records.
- Receiving Records.
- Production/Pack/Label/Process Records.
- Outbound Shipping Records and Delivery Confirmation.
- Sales Records.
- Periodic Physical Inventories.
- Records of Additions and Deductions from Inventory.

A. Supplier Documentation



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1. *Organic Certificates.* This operation must maintain a current (issued within recent 12-month period) organic certificate on hand for the last certified organic source listing the product brokered or ingredient purchased or acquired by this operation. The copacker is considered the last certified organic source for distributed copacked product.

The **Last Certified Organic Source** is the company in this operation's supply chain just prior to this operation that was certified organic for the specific organic item purchased, brokered, traded, received, or distributed. There is no need to always go back to the manufacturer of the organic item, merely go back to the Last Certified Organic Source just prior to this operation purchasing, brokering, trading, receiving, or distributing the organic item. The Last Certified Organic Source must be certified to either USDA NOP standards or certified under a recognized foreign certification which is the subject of an organic equivalency arrangement with the USDA National Organic Program (such as the US-EU Organic Equivalency; US-Canada Organic Equivalency; or other). The Last Certified Organic Source is frequently thought of as the certified organic supplier to this operation of an organic item.

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2. *Uncertified Operation Affidavits.* If uncertified operations (other than retail establishments) are in this operation's purchasing supply chain (such as Vendors), this operation must maintain a current Uncertified Operation Affidavit for each such entity.

3. *Retail Establishments.* If retail establishments are in this operation's purchasing supply chain, this operation must maintain the following for trace-back purposes:

- Purchase receipts or invoices noting the date purchased, amount purchased, product purchased, and some indication (such as abbreviation "OG") of the organic status of the product.
- Photographs of a representative unit of each product purchased (such as one carton of milk from twelve cartons purchased on a specific date) that clearly shows the front label and the back label, including a clear image of the identification of the handler/distributor and COB statement;
- Photographs of a representative unit of each product purchased (such as one carton of milk from twelve cartons purchased on a specific date) showing the product is sealed in a tamper-evident way such that it was not produced or processed by the exempt operation;
- A receiving log or other methods of recording the supplier lot numbers for the items purchased/brokered; and
- A method of assigning a unique internal lot number to the items purchased/brokered.

B. Purchase/Acquisition Records.

Records must be maintained of all purchases/acquisitions of organic items. Purchase documents could also be a document from or to the supplier showing purchase or other payment arrangements, fees, commissioned sales, product transactions, etc. Examples of such records include purchase orders, purchase invoices, or notification from the ingredient sourcer, contracted party, or organic item broker/distributor that notifies this operation of the pending inbound load.

Purchase/Acquisition Records must include these mandatory elements:

- Amount purchased (or to be received)
- Product purchased (or to be received)



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- Date purchased (or date this operation was notified or that this operation was expected to receive the inbound load)
- Organic status
- From whom/where purchased or to be received
- A traceability identifier

It is this operation's responsibility to ensure that any shipment received is accompanied by documentation which contains all the necessary information. If the document lacks the required information, it is this operation's responsibility to proactively reach out to the supplier or handler and obtain this shipment specific information and to maintain such documentation.

B. Inbound Shipping Records.

Records (such as BOL, trip tickets, manifest detail, packing slip) must be maintained about the incoming/initial transport of all organic ingredients, crops, products, or materials received, brokered, traded, or distributed from the last certified organic source. If offsite storage is utilized, such records may include bills of lading or receiving records (such as receiving report or invoice or bill issued by warehouse/storage facility) of products received by the storage facility or warehouse.

Inbound Shipping Records must include these mandatory elements:

- Organic status of product shipped
- Name of product shipped
- Amount shipped
- Date shipped
- Identification of Destination (where shipped to)
- Identification of Origination (where shipped from)
- A unique traceability identifier

It is this operation's responsibility to ensure that any shipment received is accompanied by documentation which contains all the necessary information. If the document lacks the required information, it is this operation's responsibility to proactively reach out to the supplier or handler and obtain this shipment specific information and to maintain such documentation.

C. Receiving Records.

Records must be maintained documenting the receipt of organic items by this operation at their physical location or received at contracted offsite storage on behalf of this operation. These records must be maintained in a contemporaneous manner (e.g., entries are made on or about the time the shipment is received).

If this operation receives organic items at a contracted offsite storage, this operation must maintain notifications that the contracted storage or warehouse has received the load. This could be a receiving notice or receipt from the offsite storage to this operation or a bill of lading showing the offsite storage as the receiving entity.

For organic items that are physically received at this operation's location, this operation must maintain a receiving log, records, or notifications of organic items received at this operation's location.

Whether physically received or not, such receiving records must note the following:

- Amount received
- Product received
- Date received
- Organic status



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- From whom/where received
- Destination received at
- The supplier's traceability identifier
- This operation's (or the storage location's) unique internal traceability identifier. A unique internal traceability identifier is a unique non-repeated lot number, order number, or transaction ID number assigned by this operation (or the storage location) which is distinct and different from the lot number assigned by the supplier (e.g., it includes an additional suffix or prefix which is not repeated).

Please see Americert's "Guidance on the Use of Internally Assigned Lot Numbers for Received Products and Ingredients" (v. 081722) for additional guidance regarding unique internal lot numbers.

It is this operation's responsibility to ensure that any shipment received is accompanied by documentation which contains all the necessary information. If the document lacks the required information, it is this operation's responsibility to proactively reach out to the supplier or handler and obtain this shipment specific information and to maintain such documentation.

D. Production/Pack/Label/Process Records.

Organic handlers that physically receive organic items and also engage in labeling, relabeling, processing, packing, or production activities must maintain records for any processing, handling, production, labeling, or packing event, such as packaging bulk ingredients into another packaging, combining or processing ingredients to make a product, or relabeling or repackaging of already packaged products. Production records must be generated at or around the time of the packing/production/labeling/processing event.

Production Records must include the following mandatory elements:

- Amount of product packed/produced/labeled/processed
- Identity of product packed/produced/labeled/processed
- Date packed/produced/labeled/processed
- This operation's unique internal traceability identifier for raw material used in this pack, production, process, or label event
- Amount of raw material used, packed, consumed in this pack, process, label, or production event. Amount of raw material used may be noted or determined by standard amount via the Module H9 Multi-Ingredient Product Profile. Amount of raw material is not required for single ingredient, non-processed, repacking from bulk to retail where the amount used equals the amount packed.
- Identity of ingredients used
- Organic status of organic ingredients used
- Organic status of organic products packed, labeled, processed, or produced
- Product lot number (batch number, best by date, expiration date) unique to this product and to this pack/production/label/process event date.

E. Outbound Shipping Records and Delivery Confirmation.

If product is not shipped directly from last certified organic source to buyer/customer, outbound shipping records (such as BOL, trip tickets, manifest detail, shipping logs, packing list) must also be maintained. In some cases, such as internal transfers from one packer owned facility to another, this may take the form of a log. All organic handlers must maintain records of products shipped from their facility, their contracted storage facility (or copacker), or their supplier (if brokering, distributing, trading) that is made contemporaneously with the shipping event. Such records must link back towards the receiving at the warehouse/storage (if used) and to the supplier and incoming/initial transport, as well as forward to arrival at the customer.

Outbound Shipping Records must include these mandatory elements:



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- Organic status of product shipped
- Name of product shipped
- Amount shipped
- Date shipped
- Identification of Destination (where shipped to)
- Identification of Origination (where shipped from)
- A unique traceability identifier

In addition, some form of delivery confirmation should be maintained. Delivery confirmation is something that documents the customer receiving shipment (such as delivery tracking confirmation, payment of invoice used as proof of delivery, or signature on outbound BOL). Delivery confirmation can be documentation the final customer received the shipment, a signature of receiver on BOL, or by using the invoice payment as proof of delivery.

F. Sales Records.

All organic handlers must maintain records of sales or distributions (such as Sales Invoice, Sales Order, Outbound Shipping Log, or Customer Purchase Order) from their facility, their contracted storage facility, or their supplier (if brokering, distributing, trading) that is made contemporaneously with the sales (or service) event. Such records must link back towards the receiving at the warehouse/storage (if used) and to the supplier and incoming/initial transport, as well as forward to arrival at the customer.

Sales Records must include these mandatory elements:

- Organic status of product sold/serviced/purchased/distributed
- Name of product sold/serviced/purchased/distributed
- Amount sold/serviced/purchased/distributed
- Identification of buyer (or who is having product serviced)
- Identification of this operation
- A unique traceability identifier
- Date sold/serviced/purchased/distributed

G. Periodic Physical Inventories of Products and Raw Materials.

Operations must generally maintain product and raw material inventories, conducted at least twice a year, of product and raw material on hand at this operation's physical location **or at the offsite storage used by this operation**. An actual physical count at least twice per year of inventory (raw materials and amounts and products and amounts) held at the warehouse on an operation's behalf must be conducted and documented.

An actual periodic physical inventory means that at least twice per year, this operation (or storage facility used by this operation) goes in and actually observes and records the amount of raw materials and product which is on hand. The actual physical inventory means a count of what is actually there. It is not a generated report of what "should" be on hand; rather, it is an actual count of what IS on hand. Periodic means this inventory must be conducted at least twice per year for most operations. The inventory must be accurate and it must be recorded. The record should include: the date the inventory was conducted, the raw materials inventoried, the products inventoried (listed by product name and presentation size), and the amount of each on hand.

If this operation does not store organic items (either offsite or onsite), there is no requirement for period inventories. This may happen in situations where organic items received or purchased are only to meet specific customer orders and distributed/sold in full prior to next receipt or purchase of organic products. This may also happen in situations where there is a limited activity period each year that begins with zero inventory and returns to zero inventory at the end of the season or production event.



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H. Additions and Deductions from Inventory

This operation must maintain records of all additions to and removals from inventory for all organic ingredients and organic finished product. All organic handlers receiving organic items (physically or at an offsite warehouse) must record all additions to and removals from the ingredients and finished product inventory. Additions to inventory may be from receiving products or ingredients, from producing products or ingredients, or from returns added back to inventory. Deductions from inventory may be from products or ingredients sold, shipped, destroyed, donated, given as samples or promotional giveaways, taken for personal or other in-house uses, employee comps, discarded, expired, diverted to use in nonorganic production or sales, or used in organic production. These records must note the date removed/added, the product (and presentation size) removed/added, organic status of product removed/added, and the amount removed/added.