

MONTANA ORGANIC COMMODITY ADVISORY COUNCIL
Business Meeting — January 15, 2003
Helena, Montana

CONFERENCE CALL ATTENDEES:

Council Members

- Judy Owsowitz, Producer
- Bob Quinn, Producer (absent)
- John Hoffland, Consumer
- David Oien, Producer (in and out of meeting)
- Nancy Matheson, Producer
- Mikel Lund, Producer
- Bob Boettcher, Producer

MDA Staff Members

- Greg Ames, ASD Administrator acting as chairperson on behalf of Ralph Peck, the MDA Director
- Doug Crabtree, Organic Certification Program Manager
- Debbie Stone, Administrative Assistant
- Steve Baril, FSB Chief

Greg Ames called the meeting to order at 8:50 am. Greg's opening comments expressed Director Peck's gratitude to everyone for the contributions they have made to the MDA Organic Certification Program.

Greg requested a formal approval of the December 4 and December 18, 2002 meeting minutes.

A motion was made by Nancy Matheson to approve the December 4 and December 18, 2002 meeting minutes.

Judy Owsowitz seconded the motion.

The motion to approve the December 4 and December 18, 2002 meeting minutes passed unanimously.

New Business

- Doug Crabtree presented scheduling and planning of the MOCAC's program review in accordance with the Organic Certification Program Quality Manual, Section 14.1. The council could pick a percentage of files and review each from the time of application submittal through final decision. They could also review budget information prepared by the department.

A motion was made by Judy Owsowitz to establish a program review subcommittee of two or more council members to review program files and program budget information. Upon completion of the review, the subcommittee will report the results to the full council.

Bob Boettcher seconded the motion.

The motion to approve establishing a program review subcommittee of two or more council members to review program files and program budget information and to report the results to the full council passed unanimously.

Greg asked if council members had any comments they would like to make.

Discussion consisted of cost share advertising; mailings to those who signed petitions and to those of the “historic” organic population; and news releases providing information about affordable certification, anticipated cost-share, and how to certify.

Greg stated he would discuss with Director Peck using the public information officer to prepare an information packet for news release and mailing.

Old Business

Review of Draft Administrative Rules

Rule IV. STATE SEAL

Steve stated that the MDA received a bid from the graphic artist of \$50.00 per hour with an estimation of 5 hours to complete the requested changes. Director Peck needs to approve the work before the graphic artist can proceed. Once the changes have been incorporated, the seal will be sent to the council members for approval.

Discussion of Rule VII. ANNUAL REPORT AND ASSESSMENT FEES:

David Oien was absent when this rule was presented for discussion. This rule was tabled until David could participate in the conference call.

Rule XI. RECORDS

A motion was made by John Hoffland to amend Rule XI, subsection (1) to read:

- (1) Certified operations must maintain records and make such records available to the department as set forth in 7 CFR 205.103. Records shall be sufficient to facilitate an audit trail to track the identity and movement of certified organic products. Such records must be adapted to the particular business that the certified operation is conducting.

Mikel Lund seconded the motion. **The motion to amend Rule XI subsection (1) to read:**

- (1) Certified operations must maintain records and make such records available to the department as set forth in 7 CFR 205.103. Records shall be sufficient to facilitate an audit trail to track the identity and movement of certified organic products. Such records must be adapted to the particular business that the certified operation is conducting.

was passed by a unanimous vote.

Rule XI subsection (2), no changes were made.

Rule XI subsection (3), was amended to read:

- (2) Certified organic producers, except producers of livestock, shall keep the following records for each crop produced:

Rule XI subsection (3) (e) and (f):

Judy Owsowitz will rewrite these subsections and present for discussion at a later date.

Rule XI subsection (4) (a), was amended to read:

- (a) All livestock must be individually identified or marked except poultry, bees and fish, which may be identified by production unit.

Rule XI subsection (4) (c) (iv), was amended to read:

- (iv) Sales records of all organic animal products sold including dates, quantities or weights. Sales records must include the purchaser's name and address where possible and transaction documentation form number when used.

Rule XI subsection (5), was amended to read:

- (5) Certified handlers must maintain records that track ingredients and certified organic products from receiving through distribution, shipping, or sale. Such records may include, as appropriate to the enterprise:

Greg stated that a motion to approve Rule XI will be made when all assignments are complete.

Greg presented the following budget information:

- Fiscal year 2004 — 2005 begins on July 2, 2003 and ends June 30, 2004
- Proposed budget is \$101,448 to run the organic program
 - ✧ Includes salaries, operating expenses (rent, heat, utilities, etc.), indirect charge to central management (computer, legal, etc.; and contract inspector costs)
- Need fee schedule to collect revenues to support the proposed budget

- Suggested that the program make more revenue so that extra money can be placed into an organic program revenue account for the operating budget during hard times
- The extra money should be $\frac{1}{2}$ to $\frac{3}{4}$ of the proposed budget (\$105,000 to \$110,000)
- The fees go into a bank account that draws interest
- All money goes back into the program
- Total funds collected as of January 15, 2003 is \$7,500.

The meeting was adjourned at 11:25 am.