



# PCO Fees & Finance FAQ

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## Guidance

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PCO envisions a world where agriculture systems prioritize health, ecological balance, fairness and care. We support this vision by providing service-oriented organic certification with highly-trained staff who can answer your questions. Finances are an important part of your certification and below are some frequently asked questions to help you understand the fees you will encounter while working with us.

### How much will it cost?

- The cost of certification differs depending on your certification service, your type of operation (i.e., farmer, processor, etc.) and your certified organic product sales.
- PCO provides an annual fee schedule to outline the costs of certification. This document can be found on PCO's website within the certification section or by request.
- A cost estimate can be calculated by utilizing the table located within the certification fee schedule.

### How many invoices can I expect to receive?

- There are three to four main invoices issued throughout the year:
  - 1) Basic Certification Fee**
    - This fee is due each year with your Organic System Plan or Annual Update. It covers your basic certification services for the upcoming certification season, including review of your certification documents for compliance with regulations.
    - Invoices are typically issued in January and due in February.
  - 2) Sales Assessment**
    - The sales assessment fee is calculated on your annual gross organic sales for farming, or handling and processing sales in the previous year. Operations that broker (simply buy/sell - no repackaging, processing or handling) products are charged the difference of the purchase and sales price for the organic product. For those that copack, handle and/or produce organic products and do not "sell" products but are paid a fee for the service, this fee is assessed on the gross income obtained from handling or processing organic products.
    - Operations provide their gross organic sales information on their annual update paperwork and invoices are typically issued between April-June.
  - 3) Type of Operation Fee, Other**
    - The type of operation fee covers the additional time and expertise required to certify operations that are more complicated than those with only crops or land, including if your operation plans to export products outside of the United States.
    - This information is provided to PCO on your application (if newly applying), or Annual Update paperwork. Once your Annual Update paperwork has been returned and reviewed, your invoice will typically be issued by June.
  - 4) Inspection**
    - We work hard to minimize costs for inspection whenever possible. In general, the inspection fee includes the inspector's time preparing, reviewing and completing the inspection report, and travel time. In addition to the time, inspection fees will include any travel expenses such as mileage, hotels, meals, etc.

- Part of the variance is based upon the complexity of the operation inspected, the ability to group with other nearby inspections, the individual inspector assigned, and how long the inspection takes. Operation complexity may consist of things like operation size, length of time certified, number of certified products, international equivalencies, parallel uncertified production, on-farm post-harvest handling, past noncompliance, past inspection length, etc.
- This invoice will be issued after the inspector submits their bill and inspection reports to PCO. When you are invoiced depends on your inspection date.

#### **How do I pay my invoice?**

- Payments can be made through our [website](#), by mailing a check, or calling into the office to pay over the phone.

#### **What if I can't pay my invoice on time?**

- PCO assesses finance charges on past due invoices. A 1.5% interest charge will be added to all invoices over 30 days past due.
- Paying fees is a requirement of certification, and not doing so could jeopardize your certification. Once an invoice becomes greater than 60 days past due, it will result in a Non-Compliance. If the Non-Compliance is not resolved, a Notice of Proposed Suspension would be issued. If you are issued a Notice of Proposed Suspension for late payment of fees, you may not correct the issue by simply paying the past due balance. Additional paperwork and information will be required in order to avoid suspension of your certification.
- **PCO certified operations that are experiencing financial hardship are encouraged to contact our office and discuss payment plans for certification costs.**

#### **Are there options to help fund organic certification?**

- The Organic Certification Cost Share Program (OCCSP) provides financial relief to certified organic producers and handlers. Organic operators can be reimbursed on an annual basis as much as 50 percent of their certification costs, up to a maximum of \$500 per scope of certification. PCO wants to ensure that all clients are supported in submitting their application as soon as possible since these limited funds are available on a first come, first served basis. PCO provides [cost share information](#) to our members each year.
- Where possible, PCO provides information on additional funding opportunities that may arise through our online newsletter, E-news, and our quarterly newsletter publication, Organic Matters, both of which our clients receive unless otherwise requested.