



## PCO Certification Fee Schedule- 2023

PCO envisions a world where agricultural systems prioritize health, ecological balance, fairness and care. We support this vision by streamlining the certification process and upholding our high level of customer service so your business can continue to grow and impact our communities.

The certification fees uphold our commitment to maintaining a simple fee schedule, expanding our service offerings to meet client requests, and to remain competitive within the industry. Transparency is important to us, so you will find that all fees related to certification are outlined below.

	Organic Certification Program Fee:	Amount:	Description
A. Program Fees	Basic Certification Fee	\$735	Annual fee which covers your basic certification services for the upcoming certification season
	Sales Assessment	see chart below	This fee is calculated on your annual gross organic sales for farming, handling and processing operations in the previous year.
	Type of Organic Operation/Scope Fee:	Amount:	Description
	Livestock	\$225	Applies to operations certifying any type of livestock
	Processor / handler / broker / distributor, A	\$100	Less than \$100,000 gross organic sales
	Processor / handler / broker / distributor, B	\$250	\$100,001 to \$1 million gross organic sales
	Processor / handler / broker / distributor, C	\$400	Over \$1 million gross organic sales
	Affiliated Livestock Operation	\$350	One central administration with sales exclusive to one operation
	Additional Organic System Plan (OSP)	\$300	Applies to operations with more than one OSP of the same scope
	International Export	\$250	Applies to operations exporting organic products or that request verification that organic products meet the terms of an equivalency arrangement
	Other Certification Program Fee:	Amount:	Description
	Organic Plus Trust (OPT) Certified Grass-fed Organic Livestock Program	\$300	Applies to operations requesting certification to the OPT Grass-fed Program
B. Inspection Fees	Fee:	Amount:	Description
	Farm / producer Inspections	\$58 / hour	Hourly rate includes time spent on and offsite
	Processor / handler / broker / distributor Inspections	\$65 / hour	Hourly rate includes time spent on and offsite
	Travel time	\$30 / hour	
	Inspection expenses	Actual cost	Examples include mileage, rental car, airfare, meals, overnight mail, and any other inspection related expenses
	Inspection cancelled by client	Expenses incurred up to the time it was cancelled plus \$100 administrative fee	Applies to inspections cancelled for non-justified reasons 5 days or less from the time of the scheduled inspection, or if a cancellation request is not communicated to the inspector
	Periodic pesticide residue testing / Unannounced (partial inspections)	No charge	Annual inspections conducted as unannounced inspections will be charged at the above specified hourly inspection rates
C. Administrative Fees	Fee:	Amount:	Description
	Application Forms	No charge	
	Application Fee (New Applicant)	\$100	Includes processing of application, Certification & NOP Manuals, Materials Lists and guidance documents.
	Expedited Application	\$1,500	Additional fee for top priority application processing; this includes new affiliate operations
	Expedited field/land addition, new site and/or new facility location	\$750	Additional fee for existing clients requesting top priority to add a field/land, new site, and/or new facility location
	Expedited Product Review	\$225 per product	Review within 5 business days
	Expedited Export Certificate	\$150 per certificate	Review within 2 business days
	Late Paperwork Submission	\$100	Annual Update more than 10 days past due date
	Late payment	1.5% interest per month	More than 30 days past due date
	Returned Check Fee	\$30 plus bank fees	For each time a check is returned as unpaid, for any reason
	Payment Plan	5% of balance	Assessed on balance to be paid over extended period
	Mediation	Informal: \$225 Formal: All costs assumed by applicant / certified client	For mediation resulting from a noncompliance; due upon PCO acceptance of request for mediation
	Reinstatement	\$375	For operations with suspended NOP organic certification who are requesting reinstatement
Circumstances not otherwise covered in this fee schedule	\$75 per hour		

### Pennsylvania Certified Organic (PCO)

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**Sales Assessment Tiers:** The sales assessment fee is calculated on your annual gross organic sales for farming, handling and processing operations in the previous year.

Tier	Gross Organic Sales	Fee	Tier	Gross Organic Sales	Fee
1	\$0 - \$5,000	\$0	11	\$400,001 - \$500,000	\$1,625
2	\$5,001 - \$25,000	\$55	12	\$500,001 - \$750,000	\$2,200
3	\$25,001 - \$50,000	\$175	13	\$750,001 - \$1,000,000	\$3,000
4	\$50,001 - \$75,000	\$325	14	\$1,000,001 - \$2,500,000	\$4,225
5	\$75,001 - \$100,000	\$450	15	\$2,500,001 - \$5,000,000	\$6,500
6	\$100,001 - \$150,000	\$600	16	\$5,000,001 - \$7,500,000	\$9,225
7	\$150,001 - \$200,000	\$750	17	\$7,500,001 - \$10,000,000	\$12,000
8	\$200,001 - \$250,000	\$925	18	\$10,000,001 - \$15,000,000	\$16,725
9	\$250,001 - \$300,000	\$1,075	19	\$15,000,001 - \$20,000,000	\$22,000
10	\$300,001 - \$400,000	\$1,300	20	\$20,000,001 and up	\$25,000

### Description of Fees and Refund Policy:

#### Organic Certification Program Fees:

- Basic 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 the regulations. It includes the PCO certification manual, material lists and review services, newsletter, and educational events & materials at no additional charge. You also have direct access to a certification specialist's expertise via phone, mail or email. Operations must inform PCO that they wish to surrender by the annual update paperwork due date to avoid fees.
- Sales Assessment:** The sales assessment fee is calculated on your annual gross organic sales for farming, handling and processing operations in the previous year. You will receive an invoice for these fees after we receive your application or annual update. The fee for broker/distributors and operations that only re-package organic products is calculated on the difference between the purchase and sale price of organic products. For those that copack, handle and/or produce organic product, 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. No sales assessment is charged to operations with \$5,000 or less of organic sales. Organic sales will be verified at the time of inspection. PCO reserves the right to adjust the sales assessment charge based on information gathered at the inspection.
- Type of operation:** Additional fees will be assessed for the type of operation (e.g. Livestock, Processor/Handler) if requesting certification in other scopes. These fees cover the additional time and expertise required to certify operations that are more complicated than those with only crops or land.

#### Inspection Fees:

- Annual Inspections:** Operations are required to have an annual inspection as part of their certification. The final cost for inspection can be highly variable from year to year. 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, whether any international equivalencies are requested, whether there's parallel uncertified production, whether there's any on-farm post-harvest handling, past noncompliances, past inspection length, etc. PCO works hard to coordinate inspections in geographic regions to minimize travel time. You can lower your costs by having records and materials close at hand and well-organized when the inspector arrives.

The inspection fee includes the inspector's time spent in preparation for, execution of, and final production of the inspection report. In addition, travel expenses including time, transportation costs, lodging, meals, etc. will be assessed. Inspections may be announced or unannounced. There is no charge for partial unannounced inspections (i.e. conducted outside of the annual inspection).

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To help provide an estimate for inspections, scope specific inspection averages are listed below. Note: that actual inspection time and travel expenses may be outside of the range due to the factors mentioned above.

Inspection Based on Type of Scope(s)	Average Inspection Range
Producer - Single Scope	\$350 - \$600
Producer - Multiple Scopes	\$425 - \$800
Processor/Handler - Single Scope	\$450 - \$1,000
Processor/Handler - Multiple Scopes	\$525 - \$1,200

- **Inspection Cancellations:** If you cancel a scheduled inspection with less than 5 days' notice (from the date of the scheduled inspection), you will be assessed the inspector's preparation time, reimbursable expenses (travel, lodging, etc.) that have been incurred for the planned trip, as well as an administrative fee of \$100 USD. If the inspector is en route, the client will be billed for travel time, in addition to the above listed costs.

#### Administrative Fees:

- **Expedited Certification:** PCO offers a nonrefundable expedited certification service for those operations who have critical timing needs. Applications or updates requiring inspection prior to approval (i.e. new land, facilities, scopes, etc.) received less than 60 days prior to the requested approval date must be expedited. While expedited services do not guarantee certification will be granted by a specified date, your certification request will receive priority processing and inspection assignment. The success of the expedited service lies in your ability to comply with the National Organic Program and your timely responses to requests for information. If you enroll in the expedited services program, PCO provides the following:
  - Application/Updated certification information receives expedited attention for initial review
  - Inspection will receive prioritized attention for assignment
  - The inspection report will be submitted within five (5) business days of the Exit Interview
  - PCO will review the inspection report within five (5) business days and identify any outstanding issues to grant certification
  - Expedited fee is per scope. Operations requesting expedited certification for multiple scopes would be charged for each scope.

Certification cannot be guaranteed by a certain date and PCO has the right to refuse service for expedited requests if we do not have the administrative capacity to do so. In some cases, requests for this service may be outside of a geographical area in which we normally do business or may be at a high-volume service period. In these cases, PCO will communicate if we are unable to meet your request of expedited service.

- **Expedited Product Review:** Rush review does not guarantee approval. PCO staff will review each product requested for review within five (5) business days. This fee is charged per product. A product review includes new products including labels and revisions to existing products including labels. Non-expedited product review requests are typically reviewed by PCO staff within ten (10) business days.,
- **Expedited Export Certificate:** Rush review does not guarantee approval. PCO staff will review your export certificate request within two (2) business days. This fee is charged per export certificate request. This includes EU COIs, Korea NAQS, Japan TM-11, Transaction Certificates, etc. Any product reviews needed for export certificate approval will also be charged an expedited product review fee. Non-expedited export certificate requests are typically reviewed by PCO staff within ten (10) business days.
- **Reinstatement Fee:** A reinstatement request often demands the dedication of considerable staff hours. Therefore, those operations who have been suspended from USDA NOP and are in need of reinstatement to the National Organic Program are assessed a Reinstatement Fee which covers staff time that is not considered part of a normal certification request. This fee is in addition to all other certification and inspection fees.

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**Refund Policy:** Currently certified operations wishing to surrender their certification or new applicants withdrawing their application may be eligible for a partial refund. Refunds for certified operations are based on fees paid in the current calendar year and due date of annual update paperwork. Refunds for new applicants are based on the initial review. After the annual update due date, Organic Certification Program fees (section A) may be eligible for a 50% refund. All Inspection fees (section B) and Administrative fees (section C) are non-refundable.

<b>Scenario:</b>	<b>Client / Applicant Refund:</b>
Surrender of Certification before March 1 and completed Annual Update paperwork was not submitted	100% of Organic Certification Program fees (section A)
Surrender of Certification before March 1 and completed Annual Update paperwork was submitted	50% of Organic Certification Program fees (section A)
Surrender of Certification after March 1 and Annual Update paperwork was not submitted	50% of Organic Certification Program fees (section A)
Surrender of Certification after March 1 and Annual Update paperwork was submitted	No refund
Withdraw of Application prior to initial review	50% of Organic Certification Program fees (section A)
Withdraw of Application after initial review	No refund
PCO unable to accept expedited request	PCO will keep payment as a credit and refund balance after inspection has been conducted or refund if applicant withdraws application.
Certification is Denied, Suspended, or Revoked	No refund

**Non-Payment of Invoices:** If an operation has an invoice that becomes greater than 60 days past due and has not arranged or is not abiding to a payment plan, the operation will be issued a noncompliance. 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 non-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 (e.g. Mediation Request Form to PCO or Appeal to NOP). PCO reserves the right to turn over uncollected fees to a third-party collection agency in the event of non-payment. The operation is responsible for any collection agency fees.

**Cost Estimate:** Using the information provided in this fee schedule, the below table can be used to create an estimate for your operation each year as required by regulation §205.642.:

<b>Fee Type:</b>	<b>Amount:</b>
Application Fee (New Applicant Only)	\$
Basic Certification Fee	\$
Sales Assessment (if previously or currently certified)	\$
Program Fee(s) if applicable (e.g. scope type, export, etc.)	\$
Inspection Fee (based on averages for similar operations)	\$
<b>Total</b>	<b>\$</b>

**Organic Certification Cost Share Program:** Certified clients are eligible for reimbursement of up to 50% of certification fees per each scope. For example: If certified for crops and dairy, each of which is considered a category (or scope) you would qualify for up to 50% reimbursement for each scope, not to exceed \$500 per category, per year. Contact your local FSA office or participating state agency to apply for the Organic Certification Cost Share Program.

This fee schedule is effective January 1, 2023 through December 31, 2023.

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