

# Baystate Organic Certifiers 2012 Fee Schedule

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## **In General**

Unlike many other certifying agents, for operations based in the Northeast United States, Baystate Organic Certifiers charges one all-inclusive application fee that combines the certification fee; and the cost of the annual certification inspection. Baystate Organic Certifiers does not charge an additional “gate fee” on shipments of organic products. For operations based outside the Northeast United States, Baystate Organic Certifiers does charge additional inspection costs. See below for an explanation of those charges.

## **Application Fees**

Each operation must pay an annual fee based on the projected gross value of the certified products produced and sold by the farm or processor. The gross value of a product is the full price of the certified product as it leaves the farm or processor, even if sold to a non-organic market. The fee schedule is as follows:

<u>Gross</u>	<u>Fee</u>
\$0 or more, but less than \$5,000	\$315
at least \$5,000, less than \$10,000	\$370
at least \$10,000, less than \$20,000	\$420
at least \$20,000, less than \$30,000	\$580
at least \$30,000, less than \$40,000	\$685
at least \$40,000, less than \$50,000	\$790
at least \$50,000, less than \$75,000	\$895
at least \$75,000, less than \$100,000	\$1080
at least \$100,000, less than \$125,000	\$1185
at least \$125,000, less than \$250,000	\$1290
at least \$250,000, less than \$500,000	\$1470
at least \$500,000, less than \$750,000	\$1970
at least \$750,000, less than \$2,000,000	\$1970 + 0.1% of gross sales above \$750,000
at least \$2,000,000, less than \$3,000,000	\$1970 + 0.15% of gross sales above \$750,000
at least \$3,000,000, less than \$5,000,000	\$1970 + 0.2% of gross sales above \$750,000
over \$5,000,000	Maximum fee of \$10500

No matter what the level of gross sales of organic product, organic certification fees are capped at no more than \$10,500 per year (note that the inspection fee and new operation fee are additional fees and not certification fees.)

Income documentation must satisfy our staff or inspector and all such information will be kept confidential. Operations that cannot provide adequate documentation to support their claimed gross sales figure will be assessed an annual fee based on a gross sales figure determined by Baystate Organic Certifiers.

## Baystate Organic Certifiers 2012 Fee Schedule

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*All checks must be made payable to Baystate Organic Certifiers or Massachusetts Independent Certification.*

### **New Operation Fee**

Operations that were not certified the previous year must pay a \$150 initial fee in addition to the certification fee. This is a one-time fee.

### **Late Fees**

Renewal operations are charged a late fee according to the following schedule if the renewing operation's application is submitted more than 21 days after its due date. These fees are non-negotiable.

Applications that are postmarked 1-21 days after their due date – no late fee.

Applications that are postmarked 22-30 days after their due date - \$50

Applications that are postmarked 31-59 days or more after their due date – \$100

Applications that are postmarked 60 days or more after their due date – \$200

### **Copying Fee**

Baystate is required to have two copies of every application. If an applicant does not submit the original and a copy the application, Baystate has to make one. In order to recover the cost of making copies of applications, Baystate has instituted a charge for copying applications according to the following schedule.

Application packets that are submitted by email – no charge.

Two hardcopies of the application packet submitted – no charge

One hardcopy of the application packet submitted - \$30

### **Schedule of Additional Fees**

#### *Inspections:*

Baystate Organic Certifiers reserves the right to charge any operation for additional inspection costs caused by an applicant's failure to appear at the time agreed upon for inspection, or for additional inspection costs caused by an operation submitting an incomplete Organic System Plan. Charges will be limited to no more than 100% of the inspection costs, and are usually much less.

Applicants are not charged if a responsible party is not available at the time of an unannounced inspection.

Farms, and Processing and handler applicants located in the Northeast United States do not pay an inspection fee for the annual inspection in addition to their normal certification fee. The Northeast United States is defined as follows: the states of CT, MA, ME, NH, NY, NJ, RI, and VT.

## Baystate Organic Certifiers 2012 Fee Schedule

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Farm or processing and handler operations in PA, DE, or MD will be charged 50% of their inspection costs in addition to their certification fee if they pay a certification fee less than \$1970. Operations in PA, DE, or MD that pay a fee of \$1970 or greater will not be charged an inspection fee.

Operations in all other states will be charged an inspection fee based upon the certification fee they pay as follows:

Operations that pay a certification fee of \$1970 or greater, cost of inspection is included in fee.

Operations that pay a certification fee between \$790-\$1470, will be charged 50% of the costs of the inspection.

Operations that pay a certification fee less than \$790, will be charged 100% of the cost of the inspection.

The inspection fee will be charged after the inspection takes place. Inspection costs include charges for travel, lodging, meals, rental car, and time spent inspecting the operation and preparing the inspection report.

Applicants headquartered in the Northeast United States, with facilities in other states, will be charged a separate inspection fee for each facility located outside of the Northeast United States. This fee will be limited to no more than 90% of the inspection costs, and is usually much less (around 40-50% of the inspection costs). Please call us for a quote on the cost of inspecting a second facility outside of the Northeast United States. The inspection fee will be charged after the inspection takes place. Valid inspection costs include charges for travel, lodging, meals, rental car, and time spent inspecting the operation and preparing the inspection report. Operations that pay a certification fee greater than \$5000 will not be charged an inspection fee for the first 2 facilities inspected. The inspection fee will begin with the third facility inspected.

If any operation certified by Baystate needs an additional inspection during the certification year because the operation expanded the scope of their certification, changed locations, or made significant changes to their System Plan after the renewal application for the year was submitted and the annual inspection was performed, then the operation is responsible for the cost of that additional inspection. This policy is only for additional inspections for changes to scope of operations or Organic System Plans, and is applicable to all operations including those in the Northeast United States. The cost of the inspection will be \$250 for crop and livestock farms and \$300 for handling operations. Baystate does not charge for unannounced inspections, follow-up compliance inspections, or pesticide residue sampling inspections.

### **Non-refundable Fees**

For new operations only, applications can be withdrawn and fees partially refunded only if the application is withdrawn before the inspection is performed. No fee will be refunded after the inspection is performed, or after certification is granted or denied. Fees are not refunded for renewal operations.

1. Application withdrawn after submission, but before the inspection has been performed. If an applicant has paid the total annual fee, 50% of the total annual fee to be refunded. If the

## Baystate Organic Certifiers 2012 Fee Schedule

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applicant has paid 50% of the annual fee, 25% of the annual fee will be refunded. The new operation certification fee will not be refunded.

2. Application withdrawn after the inspection has been performed, no refund will be issued.

### **Partial Payment of Certification Fees**

Baystate Organic Certifiers realizes that farming operations may not be able to afford the entire certification fee in the offseason. Therefore, growers have the option to defer paying up to 50% of their new or renewal certification fee until later in the year as long as they apply for one of the 4 spring application deadlines. Applicants applying after the June 15<sup>th</sup> deadline must pay the application fee in full when they submit their application unless the Executive Director allows them to split their fee payment.

For applications submitted for the February 15<sup>th</sup> deadline, the deferred balance is due on August 1<sup>st</sup>.

For applications submitted for the March 15<sup>th</sup> deadline, the deferred balance is due on September 1<sup>st</sup>.

For applications submitted for the May 1<sup>st</sup> or June 15<sup>th</sup> deadline, the deferred balance is due on October 1<sup>st</sup>.

If an operation does not pay their certification in full by the end of the calendar year, then they lose the right to defer 50% of their fee payment for the next two calendar years. The Executive Director may waive the penalty in the case of economic hardship.

### **Bank Fees**

Operations are responsible for any bank charges caused by checks that are returned for insufficient funds.

### **Fee Reimbursement**

Each state government has Federal money available to refund organic certification fees. Contact your Department of Agriculture for information on applying for this cost share reimbursement program. Under this program, applicants may recover 75% of certification fees up to \$750 total in any one year. The program is open to both farmers and processors. For the primary states we certify in, Massachusetts and Connecticut, the Massachusetts Department of Agricultural Resources and the Connecticut Department of Agriculture administer the cost share reimbursement program for organic certification fees. Ellen Hart is the contact person for Massachusetts and Rick Macsuga the contact for Connecticut. If you have any questions about this program or need application forms for the reimbursement, please contact the appropriate State Department of Ag. If your operation is headquartered in a state other than CT or MA, and you are having difficulty applying for the reimbursement, contact our office for help.