



## Basin and Range Organics

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## 2019 Certification Fee Schedule

### Application Fee - \$300

The process of certification begins with submission of a complete certification application including an Organic System Plan. The application fee is a non-refundable, one-time fee.

*The USDA Farm Service Agency administers the Organic Cost Share Program. The cost share is a reimbursement of 75% of certification expenses up to a maximum of \$750. BARO staff is prepared to help you apply for the annual cost share reimbursement.*

**Continuing Annual Fees and Charges** - All BARO certified operations are responsible to pay annual fees and charges as a condition of certification. Generally, annual charges are comprised of three components:

#### 1) **Annual Renewal Fee**

- a. Crop or Livestock Operations - **\$300**
- b. Multi-scope Crop/Livestock/Handler/Processor Operations - **\$500**
- c. Small-Scale Processor/Handler (net sales <\$50K) - **\$500**
- d. Processor/Handler (net sales >\$50K) - **\$1000**

**If you are a start-up or a small operation, please review our money-saving combination packages on pg. 3!**

**2) Annual Sales Assessment** – Fees are based on an estimate of **current year** sales. Estimate is based on sales projections for the current year or a review of two most recent years of sales. Fees are subject to a mid-year correction if estimates are substantially adjusted. **Each operation must complete a BARO Fee Worksheet annually to establish sales level and associated fee.**

- a. For Crop operations – fee is assessed on all sales of organic production. **Use the fee chart on pg. 2 to identify your fee based on sales level.**
- b. For Multi-scope operations – fee is assessed on the combination of all sales of organic crops, livestock and livestock production, and associated income of handling/processing organic commodities. **Use the fee chart on pg. 2 to identify your fee based on sales level.**
- c. For Handler/Processors – fee is assessed on **net sales**. Net sales are established as total sales reduced by the cost of organic inputs. For handlers/brokers, net sales are based on the margin between value of goods acquired and total gross sales. **Use the fee chart on pg. 2 to identify your fee based on sales level.**

**BARO Annual Sales Assessment Fee Chart**

\$0.00 - \$5,000.00 *	\$0.00
\$5,000.00- \$10,000.00 *	\$300.00
\$10,001.00-\$20,000.00	\$350.00
\$20,001.00- \$50,000.00	\$500.00
\$50,001.00- \$100,000.00	\$700.00
\$100,001.00-\$200,000.00	\$850.00
\$200,001.00-\$300,000.00	\$1,250.00
\$300,001.00-\$400,000.00	\$1,500.00
\$400,001.00-\$500,000.00	\$1,750.00
\$500,001.00-\$600,000.00	\$2,100.00
\$600,001.00-\$700,000.00	\$2,450.00
\$700,001.00-\$1,000,000.00	\$3,500.00
\$1,000,001. 00-\$1,500,000.00	\$4,000.00
\$1,500,001.00-\$3,000,000.00	\$5,250.00
\$3,000,001.00-\$5,000,000.00	\$8,000.00
\$5,000,001.00-\$25,000,000.00	\$15,000.00
\$25,000,001.00-\$50,000,000.00	\$25,000.00
\$50,000,001.00-\$75,000,000.00	\$30,000.00
>\$75,000,001.00	\$35,000.00

*\*an alternative minimum fee applies to crop operations larger than five acres with sales below \$10,000. Please see information in the "Additional Fee Information" section on pg. 3.*

**3) On-Site Inspection Expenses**

Organic standards require an on-site inspection before certification of production. An annual on-site inspection is also required during each year of continuing organic certification. Inspection costs are billed to BARO by the independent inspectors that perform the visit and are the responsibility of the certified operation.

**Inspection Rates:**

Inspection Hourly Rate (includes inspection prep, on-site time, and inspection report writing).....**\$60/hr.**  
 Inspector travel time.....**\$35/hr.**  
 Mileage (calculated from our Reno, NV office to the inspection site and return).....**\$0.58/mi.**

**Inspection Cost Notes:**

- BARO charges a 10% administration fee on inspection invoices.
- For inspection locations outside of our driving radius, airfare, per diem, lodging, and vehicle rental costs are charged rather than mileage rates.
- All inspection preparation and travel costs are non-refundable once the inspector departs for the on-site inspection.
- The inspection fee will be billed to you after the inspection occurs

## Certification Packages for Small Farms and Start-Ups

Basin and Range Organics is proud to serve the organic production community with reasonably-priced certification services. The standards of the USDA National Organic Program specify that operations with less than \$5,000 annual sales are exempt from the requirement to gain certified status. However, many small operations and start-ups seek certification in order to gain access to the certified organic marketplace. We present the following Certification Packages to encourage these operations to pursue certification.

### **Micro-Farm Package – \$500\***

Micro-farm package is available for crop operations smaller than 2 acres located within 50 miles of our Reno, NV office. Annual sales must not exceed \$10,000.00. Includes annual renewal fee, annual sales assessment, and inspection fee. Application fee for first-time applicants still applies.

### **Small Farm Package - \$1000\***

Small Farm package is available to crop operations smaller than 5 acres located within 100 miles of our Reno, NV office. Annual sales must not exceed \$50,000.00. Includes annual renewal fee, annual sales assessment, and inspection fee. Application fee for first-time applicants still applies.

### **Small Handler/Processor Start-Up Package - \$1300\***

Small Handler/Processor Start-Up package is available to new and first-year applicants seeking certification of handling or processing operations with fewer than five distinct items in their Organic System Plan. Applicants must be a single-location entity located within 100 miles of our Reno, NV office. Annual sales must not exceed \$50,000.00. Includes application fee, annual certification fee, annual sales assessment, and inspection fee.

*\*subject to qualification after review of application and annual renewal information.*

## **Additional Fee Information**

- Crop operations larger than five acres with annual sales less than \$50,000 are subject to an “**alternative minimum fee**” based on their certified acreage. Client pays the greater of either their annual sales assessment or the minimum fee (based on the following criteria):
  - o Production area 5-10 acres.....**\$250**
  - o Production area 10.1-50 acres.....**\$500**
  - o Production area >50.1 acres.....**\$750**
- All operations are subject to a multi-site fee if they certify more than one location. The fee is **\$100** for one additional site and **\$250** for three or more total sites.
- Handler/Processor applicants are subject to a private label fee of **\$100** for each additional brand in their OSP.
- Handler/Processor applicants are subject to an additional fee for multiple specific items on their OSP based on the following criteria:
  - o up to 10 distinct labeled items.....no charge
  - o 11-20 distinct labeled items.....**\$200**
  - o 21- 50 distinct labeled items.....**\$300**
  - o More than 51 distinct labeled items.....fee will be determined upon review of the application
- Material reviews, acreage addition requests, item additions, and label reviews not submitted at the time of the annual renewal update are subject to fees based on complexity of the request.
- Applicants submitting annual applications for renewal must submit renewal applications by March 31st of the calendar year to which the certification applies. Annual renewal and annual income assessment fees are due at the time the renewal application is submitted. Applications and fees received after March 31st will be considered late and subject to a **\$250.00 late fee**.

***Please contact us for a no-obligation estimate of fees for BARO certification services prepared specific for your operation.***

# BARO 2019 Rate Calculator Worksheet

Please Consult the BARO 2019 Rate Schedule to Complete the Following:



## 1. Please Select the Annual Renewal Fee that Best Describes Your Operation:

- Application Fee (First-year applicants only)..... \$300
- Standard Annual Renewal Fee (Crop or Livestock)..... \$300
- Dual Scope (Crop/Livestock/Handler/Processor)..... \$500
- Small Handler/Processor (sales <\$50,000)..... \$500
- Handler/Processor (sales >\$50,000)..... \$1000
- Micro-Farm Package\*(qualifications on rate sheet)..... \$500
- Small Farm Package\*(qualifications on rate schedule)..... \$1000
- Small Handler/Processor Start-up Package\*(qualifications on rate schedule)..... \$1300

*\*package rates subject to qualification by review staff, include annual sales assessment and inspection costs*

**2. Annual Sales Assessment** - based on **Estimated Sales for 2019**. BARO encourages certified operations to use the easiest and most accurate method to estimate current year sales. Sales estimates are subject to verification at the on-site inspection. Each operation can file a mid-season adjustment in the fourth quarter of each year.

Please describe your method for estimating current year sales:

**For Example:**

1. 400 tons of expected hay yield at \$225/ton average = \$90,000 anticipated sales, or
2. 2018 sales of \$1.5M +10% anticipated growth=\$1.65M anticipated sales

**How Will You Estimate Your Fee?**

**ESTIMATED 2019 SALES** \$ \_\_\_\_\_

Use the BARO 2019 Rate Schedule to Calculate Your Annual Sales Assessment:

**Annual Sales Assessment** \$ \_\_\_\_\_

**Total Fees Included (Sum of 1. and 2.)** \$ \_\_\_\_\_

Additional fees and costs that may apply are billed after file review. Please review the fee schedule or ask BARO staff for an estimate. Inspection costs are billed after the inspection is complete.

**Operation Name:** \_\_\_\_\_

**Rate Calculator Completed by** \_\_\_\_\_ **Date** \_\_\_\_\_

*I am requesting application information and BARO staff assistance in applying for the annual Organic Certification Cost Share (program administered by USDA Farm Service Agency).*