

2006 IOIA ANNUAL REPORT
Respectfully submitted by Luis Brenes, IOIA Chair

IOIA's mission is to address issues and concerns relevant to organic inspectors, to provide quality inspector training, and to promote consistency and integrity in the organic certification process. The BOD has decided that the annual report should be an evaluation of yearly accomplishments under the light of our mission. And, in the Santa Cruz strategic planning retreat in October 2005, IOIA identified the priorities for the coming years. Both our mission and our strategic planning retreat will be the frame for this Annual Report.

How can I summarize a year full of challenges in a short statement? A record year in trainings, the second best financial year in IOIA's history (2005 was the best), and while keeping this growing activity, our staff was able to start our curriculum upgrade dedicating much energy to the Crop Inspection course. The challenges identified in Santa Cruz in 2005 have kept the Board busy. We still need to implement a strong accreditation program that is linked with our continuous education activities and we need to promote consistency and integrity in the certification process working with and training other players like certified parties, certifiers, government staff, etc.

A. ADDRESS ISSUES AND CONCERNS RELEVANT TO ORGANIC INSPECTORS:

New efforts: How do we add value to IOIA membership through a more meaningful recognized and demanded inspector accreditation program? The final goal is to make it a real advantage to be an IOIA accredited member with a win-win approach: the inspector is recognized, preferred and selected by certifiers; and certifiers get a thorough and professional inspection that meets or exceeds the regulation requirements and expectations. A dialogue was initiated with RABQSA about the possibilities of external accreditation for inspectors. An Organic Inspection Guideline was drafted. We are still working on this issue and all suggestions are welcomed.

Maintaining our membership services: During 2006, IOIA again printed the mini-Membership Directory as an insert in the IOIA newsletter, *The Inspectors' Report*. IOIA provides *The Inspectors' Report* to all categories of members. The on-line, real-time, version has replaced the hard copy for most members. IOIA continues to maintain the Inspector member discussion group (IOIA Forum), which is widely acknowledged as one of the most valuable benefits of membership. IOIA continues to maintain membership in Grolink AB and the agreement that makes *The Organic Standard* electronic newsletter available to our members for a nominal fee. More than 25% of inspector members subscribe. If you are not among them, ask our office to send you a sample issue.

Upgrading our membership qualifications: Due to strong demand and excellent comments on our first ISO training, IOIA cosponsored with AQS a second ISO 9001:2000 Lead Auditor Training in La Crosse, WI. A total of five advanced inspector trainings were held, including two in Latin America. And the new model for simultaneous topics - "serve yourself" - Advanced training that our staff has prepared for us together with this AGM promises to set up a higher standard for what our experienced members need.

B. PROMOTE CONSISTENCY AND INTEGRITY IN THE ORGANIC CERTIFICATION PROCESS:

IOIA continued its links with the organic world through membership and subscriptions in IFOAM, OMRI, COG, Coop America, OTA and the Montana Nonprofit Association. IOIA is a partner with the National Campaign for Sustainable Agriculture. IOIA continued to support the development of Canadian organic standards development work through the Canadian Committee budget. The 2006 year closed with the publication of long-awaited Canadian organic regulations.

IOIA attended three major organic events in the US and Canada with our booth display: the Guelph Organic Conference in Ontario in January; "All Things Organic", the Organic Trade Association show in Chicago in May; and Natural Product Expo East in Baltimore in October. Our Executive Director was an invited speaker at the Stockman Grass Farmer Organic Grassfed Beef Production School, the MOSES Conference in Wisconsin, and the Montana Organic Association Conference last year. She also attended the first IFOAM Conference on Animals in Organic Production in Minnesota.

New challenges: In the BOD retreat in 2005 it was decided that IOIA will train other audiences as part of integrity and consistency promotion. We envisioned training government officers, farmers, extension agents, community grower groups, certifiers' staff (including reviewers), and food processors. As part of this effort, IOIA worked through a grant with the Alternative Energy Resource Organization (AERO) to provide organic training for Natural Resources

Conservation Services (NRCS) personnel and advised the development of their web-based organic resources. We also trained - in-house – the Colorado Department of Agriculture and the Dairy Marketing Services in New York. The BOD is currently discussing how to fully implement and accomplish this goal through trainings that are tailored for these other audiences that urgently need to understand the regulations, and need to be trained on risk assessment and the requirements for creating and implementing an organic system plan through a quality management system approach.

C. PROVIDE QUALITY INSPECTION TRAINING:

Moving forward to remain being the best training organization for organic inspectors:

One of the primary objectives identified at the 2005 Board Retreat was reconstruction of training curriculum. Recognizing the need for increased consistency in the training program and copyrighted ownership of training materials, IOIA embarked on this major curriculum project in 2006, beginning with the Crop Inspection course. A Curriculum Advisory committee was struck, including experienced inspectors and academics. Work was completed primarily by IOIA staff. With a proposed 2006 budget with a net of \$0, and the need for timely starting this project, the IOIA Board committed up to \$12,000 from cash reserves for this project. However, due to strong training income in 2006, and excellent administration by our Executive Director this was accomplished without tapping reserves and with just \$7,000 spent. The new curriculum was piloted in New York and California and is under revision for the 2007 season. Livestock and Processing curricula are next.

Better trainers and consistent trainings:

IOIA delivered the first ever Train the Trainer Workshop for IOIA Trainers in La Crosse, WI. Also, International Training Manager Lisa Pierce visited the office of Japan Organic Inspectors Association (JOIA) on an official visit and provided a Train the Trainer workshop for Japanese Trainers.

And in the meanwhile: a record year for training:

Interest in IOIA inspector training is stronger than ever. Mark Bradley, Deputy Administrator of the USDA National Organic Program, gave IOIA an extra boost when he stressed at 2006 certifier trainings the importance of training, education, and experience for all personnel involved in certification. He noted that IOIA training was “excellent”. In 2006, IOIA basic training drew unprecedented numbers of participants from the certification agencies, as many certifiers prepared for their renewal accreditation with USDA in 2007. IOIA and our team of Trainers led IOIA inspector trainings around the world including Japan, Korea, Costa Rica, Ecuador, El Salvador, Mexico, Jamaica, Manitoba, Minnesota, New York, California, and Colorado with 468 persons trained. IOIA cosponsored nine trainings in Latin America (a record number) including two Spanish language advanced trainings. IOIA collaborates with Assiniboine Community College in Manitoba and provided both Farm and Livestock inspector training courses in 2006 using distance learning.

THE PEOPLE AND RESOURCES THAT MADE IT POSSIBLE:

STAFF

Margaret Scoles continues full-time as Executive Director. This year’s accomplishments were possible not only for her dedication and hard work but also for her incredible skills in relating with other organizations and collaborators. Thanks Margaret! IOIA also gives special thanks and recognition to the work of Lisa Pierce for the past four years as she developed and supported IOIA’s training program globally in her role as International Training Manager (ITM). Lisa will not continue as ITM but remains a valuable trainer and active IOIA member. Diane Cooner continues to do a super job as Newsletter Editor and Website Manager. In 2006, Diane spent many extra hours to give the IOIA website a new look. Increasingly, the website is IOIA’s ‘face’ to the public.

The office has been assisted by two excellent ladies working part time: Judy Hessong, in charge of Member Services and Sacha Draine, in charge of Training Services. Sacha completed her first year in December. Her fluency in four languages is a help as she stepped up to take on much of the work of administration of IOIA’s international trainings. In response to the growth in demand for IOIA’s services, IOIA added once again to our staff. We welcome Lynell Denson, Office Assistant, and Ben Brewer as Administrative Assistant, new additions in January 2007.

COMMITTEES

Sandra Conway stepped up to chair the Membership Committee. Thank you--outgoing Chair David Dahmen. IOIA's Inspector member category stayed about the same this year, but Supporting membership increased by 17. The Membership Committee Chair doubles as Chair of the Nominations Committee Chair, so Sandra's first and daunting task was to coordinate the development of a slate of candidates to replace four outgoing Board members.

The Training Advisory Committee, under the oversight of the IOIA BOD, is still under construction. The Scholarship Committee, chaired by Margaret Weigelt, this year reviewed applicants for our inspector scholarship and the Organic Community Initiative Scholarship. Congratulations to this year's Andrew Rutherford Scholarship winner, John Caputo of Oregon, and to OCIS Scholarship winner, Efrén A. Tórrez Fuentes of Nicaragua. IOIA extends a special thank you to new Chair, Margaret Weigelt, and this hard working committee. The Ethics Committee, chaired by Joyce Ford, had another quiet year with no formal inspector complaints. The Accreditation Committee, with Chair Jake Lewin, oversees the IOIA inspector accreditation program. The Accreditation Review Panel reviewed 5 applications for crops, livestock and/or processing accreditation. Twenty-one IOIA members are accredited. Special thanks are due Stephen Grealy, ARP Chair, and the other ARP members (Ami Greenberg, John McKeon, Linda Kaner, and Monique Scholz). The Latin American Committee lacks a Chair. However Carlos Escobar of Colombia wrote a regular Spanish column for each issue during 2006 in The Inspectors' Report and agreed to do so again in 2007. Thanks Carlos! The Canadian Committee, currently co-chaired by Janine Gibson and Leanne McCormick, participated in development of the Canadian Standards and staffed the Guelph Organic Conference booth. The Bylaws Committee, Chaired by Arthur Harvey, proposed no Bylaws Amendments in 2006. The Communications and Marketing Committee Chair is Bob Howe. Bob is looking for ways to yield more benefits from the discussions we have in our Forum. Joe Montecalvo chairs the Editorial Advisory Board. Dr. Montecalvo received support from IOIA in updating his sanitation and food science manuals, which he allows IOIA to reproduce for sale. The new food science manual was ready for publication in time for the early 2007 trainings.

The Board recognizes the need to work closer and more intensively with and through the Committees. This must be a focal issue for 2007 and 2008. The Board has recommended a decrease in Board size. This will make the Board meetings more efficient and will save some money in our budget. Last but not least, it will also free some leadership that can surely contribute through the Committees work.

IOIA BOARD

In 2006, the Board met before and after the Annual Meeting in Wisconsin and then by frequent conference calls. IOIA was proud to host our Annual Meeting in La Crosse, Wisconsin in 2006. This event provided networking opportunities with OCIA (Annual Meeting and JAS Training) and the Midwest Organic and Sustainable Education Service (MOSES) Upper Midwest Organic Farming Conference.

This BOD remains a very international Board. Luis Brenes, Chair for the past year, is from Costa Rica. Marina Sexty Buchan and Garry Lean are from Canada. Newly elected Maarten Samsom resigned in late 2006 and John Trinterud, First Alternate, was appointed to fill the vacancy. Second Alternate, Maheswar Ghimire of Nepal, was appointed to the First Alternate Position. Former Chair Brian Magaro (6 years on the BOD and the last 3 as Chair) and Jack Reams (4 years as Treasurer) were honored at the 2006 AGM. Board members who will not be running in the 2007 election are Luis Brenes - who has served the BOD for the last 4 years (for Chair as the past year); Ann Baier (4 years); Marina Buchan (2 years); and Ann Lameka (appointed to complete one term).

FINANCES

In 2006, the Board proposed a balanced budget (net income = \$0) and approved the development of new curriculum funded with \$12,000 from reserves. I am glad to report today that IOIA celebrated the best two financial years in history. IOIA operated within the expenses budget; developed new crop inspection curriculum without using reserves; established a Cash Reserve Fund; added staff and expanded the office space; added to our training program new digital equipment (laptop, camera, video, projector), and still ended with a net income of over \$22,000. The year began with the sobering news that IOIA's budget would need to accommodate doubled rent and utilities, which were previously included in the rent. The year ended with a bottom line that allowed for higher rent, utilities, and expanded office space, as well as the realization that IOIA needed the space and the staff to fill it. We are pleased to report that our landlord is in the process of gifting IOIA the office building. This gift will give IOIA its first real equity, as well as a secure home for our current office. During 2006, IOIA sought legal counsel to clarify our incorporation as a non-profit association in the state of Minnesota. We confirmed that incorporation in Minnesota is preferable to moving to Montana. Gene Prochaska, Treasurer and Chair of the Finance Committee, will present a detailed budget for 2007 at our AGM.