

## **FOG/QCS Backgrounder**

Florida Certified Organic Growers and Consumers Inc. (FOG), DBA Quality Certification Services (QCS)

5700 SW 34th Street, Suite 349, Gainesville, FL 32608 Gainesville, FL 32608<sup>1</sup>

Tax-exempt status: 501(c)(3)

Quality Certification Services is the certification program of FOG, a nonprofit organization that began certifying organic growers in 1989 and received its USDA accreditation in 2001.

In addition to its certification program, QCS, FOG carries out its mission by providing the community with programs and resources that promote and support organic and sustainable agriculture, as well as healthy living.

QCS is a USDA, COR, EU and ANAB ISO/IEC 17065 accredited certification body that offers a wide array of certification options for farming of crops, livestock, *hydroponics*, *aquaponics*, *aquaculture*, apiculture, animal feed manufacturing, packing, handling and processing, and wild harvest operations.

QCS has clients in 39 states and 20 countries; full-time staff inspectors in Georgia, Ohio, Pennsylvania, North Carolina, and Maryland; and subsidiary offices in Ecuador and the Dominican Republic.<sup>2</sup>

#### Contact:

 FOG
 QCS

 (352) 377-6345
 (352) 377-0133

 <a href="https://foginfo.org/">https://foginfo.org/</a>
 <a href="https://qcsinfo.org/">https://qcsinfo.org/</a>

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#### **FOG Board of Directors (3 Voting Members)**

 Logan Petrey – President and Chair of the Board (Ranch Manager-Organics, Grimmway Farms, North Florida), currently serves on the National Organic

<sup>1 (</sup>source: https://projects.propublica.org/nonprofits/organizations/593006664/202333129349300528/full)

<sup>&</sup>lt;sup>2</sup> (source: <a href="https://qcsinfo.org/about-us/">https://qcsinfo.org/about-us/</a>)

### Standards Board (NOSB), her term: 2021-2026

Ms. Petrey is the organic ranch manager of 9,000 acres at Grimmway Farms located in Georgia and Florida. She is a fourth-generation farmer with experience in produce, corn, cotton and peanuts and has previous experience as an agronomist and organic farm manager with Generation Farms and as a field technician for Robinson Fresh, where she was exposed to farms in the Southeastern and Midwestern United States. Ms. Petrey has served on the Board of Directors for FOG and is currently a member of the United Fresh Working Group. She has a Bachelor of Arts in Biology from Valdosta State University and a Master of Plant Protection and Pest Management from the University of Georgia.

- Jesse Haskins Treasurer (Principal attorney of J Haskins Law, a law firm focused on agriculture and defamation); Total Compensation: \$3,380<sup>3</sup>
- Teresa Pemberton-Jouany Secretary (a Florida native from generations of cattle ranchers and citrus growers)
- Franklin Quarcoo, PhD, Board Member, also serves on the NOSB, his term: 2023-2028 – Assistant Research-Extension Professor of Entomology at Tuskegee University<sup>4</sup>

Ms. Petrey, President and Chair of the FOG Board, and Dr. Quarcoo, FOG Board Member, currently serve overlapping terms on the *National Organic Standards Board (NOSB)*.<sup>5</sup>

#### **FOG STAFF**

 Ramkrishnan (Ram) Balasubramanian, PhD – Executive Director (Total Compensation: \$203,842)<sup>6</sup>

Ramkrishnan (Ram) Balasubramanian earned his Ph.D. in Crop Sciences, Master's in Agricultural Engineering, and Master's in Ecological Agriculture. He also holds a Master's in Business Administration.

Mr. Balasubramanian is an ISO 9001 Lead Auditor with extensive food safety/GAP and organic auditing experience. Additionally, he specializes in organic aquaculture standard and curriculum development. He has collaborated with the Produce GAP Harmonization Initiative, Global Food Safety Initiative, and GLOBALG.A.P. scheme training material and small holder guides.

Mr. Balasubramanian is a FSPCA Lead Instructor for the Foreign Supplier Verification Program and Lead Certified Trainer for the Produce Safety Rule. He has served on numerous boards of directors, including serving as the Organic Material Review Institute Board Chair.<sup>7</sup>

<sup>&</sup>lt;sup>3</sup> (source: https://projects.propublica.org/nonprofits/organizations/593006664/202333129349300528/full)

<sup>&</sup>lt;sup>4</sup> (source: https://foginfo.org/about/fog-board-minutes/)

<sup>&</sup>lt;sup>5</sup> https://www.ams.usda.gov/rules-regulations/organic/nosb/current-members

<sup>&</sup>lt;sup>6</sup> (source: https://projects.propublica.org/nonprofits/organizations/593006664/202333129349300528/full)

<sup>&</sup>lt;sup>7</sup> (source: <a href="https://qcsinfo.org/staff/">https://qcsinfo.org/staff/</a>)

- Brian Rakita Chief Operating Officer (Total Compensation: \$110,267)<sup>8</sup>
- Veronica Morrison Finance Director
- Marielle Mackin Human Resource Manager
- Dr. Juan C. Rodriguez Education & Outreach Specialist
- Kyndra Love SE TOPP Project Manager
- Joy Cullinan Local Nutrition and Outreach Coordinator
- Kathy Anderson Event Coordinator
- Connie Maxwell Virtual Market Coordinator
- Alicia O'Meara Marketing & Communications Specialist
- Lana Chehabeddine Local Food Project Coordinator & Assistant Programs Manager
- Amanda Rose Newton SE TOPP Technical Assistance Specialist
- Emily Deruelle SE TOPP Program Specialist

## **Key QCS Staff Members**

Ramkrishnan (Ram) Balasubramanian, Chief Executive Officer (see bio above)

# Beth Rota, Organic Program Director at Quality Certification Services (QCS)

Ms. Rota serves as the technical lead for QCS' certification teams in the US and Latin America. According to FOG, her experience includes policy, compliance and accreditation across multiple organic standards and all scopes of production and handling.<sup>9</sup>

## FOG/QCS 2022 Financials (most recent publicly available)

FOG is a 501(c)(3) non-profit organization. QCS is a program operated and promoted by FOG, not an independent business enterprise. All financial reporting is by FOG.<sup>10</sup>

Although the USDA National Organic Program (NOP) requires nonprofits that have formed certification arms to divest their interest in the certification operations to prevent conflict of interests in organizations that are doing advocacy work as well as certification, the program has, obviously, never enforced this provision when periodically auditing FOG/QCS.

2022 Revenue: \$4,255,588

Contributions, including government grants: \$683,118 (16%)
Program Services – including Certification Services: \$3,572,165 (84% of total revenue)

Certification Fees: \$2,507,088Inspection Fees: \$954,511

<sup>8 (</sup>source: https://projects.propublica.org/nonprofits/organizations/593006664/202333129349300528/full)

<sup>&</sup>lt;sup>9</sup> https://qcsinfo.org/staff members/beth-rota/

<sup>10</sup> https://projects.propublica.org/nonprofits/organizations/593006664/202333129349300528/full

• EBT Program: \$93,105

• Training & Service Fees: \$16,919

• Assessment Fees: \$284

• All other program service revenue: \$258

Expenses: \$4,362,460

Executive compensation: \$334,023 Other Salaries and Wages: \$2,100,177

Net Income: -\$106,872

#### 2022 Assets and Liabilities

#### Assets

Cash-non-interest-bearing: \$207,181

Other Assets: \$9,993 Total: \$217,174

#### Liabilities

Other liabilities (including federal income tax, payables to related third parties, and other liabilities: \$187,740

• Payroll Liabilities: \$691

• Credit Cards Payable: \$35,939

• SBA Loan: \$151,110

Net Assets: \$29,434

## Employee Count - FOG/QCS<sup>11</sup>

Total number of employees: 59

## Related Organizations<sup>12</sup>

Name, address organization	<b>(b)</b> Primary activity	(c) Legal domicile	(d) Direct controlling entity	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership
(1) Quality Certification Services Thomas Chariove N49-37 Manuel Valdiviezo	Certification	Ecuador	FOG	\$49,100	\$273,346	98.0%
(2) QCS Caribe Srl Local 2-A Condiminia Del Sol-Melia	Certification	Dominican Republic	FOG	\$53,210	\$454,570	90.0 %

<sup>11</sup> https://projects.propublica.org/nonprofits/organizations/593006664/202333129349300528/full

<sup>12</sup> https://projects.propublica.org/nonprofits/organizations/593006664/202333129349300528/full

Name, address organization	<b>(b)</b> Primary activity	(c) Legal domicile	(d) Direct controlling entity	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership
Santiago Camalleros 13-1430988						

## FOG Transactions with Related Organizations<sup>13</sup>

These reimbursements were paid by the related organizations to QCS for expenses paid by QCS.

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Name of related organization	Transaction type	Amount involved	Method of determining amount involved
QCS Caribe SRL	Reimbursement of paid expenses	\$176,553	CASH
Quality Certification Services	Reimbursement of paid expenses	\$60,000	CASH

# Areas of particular interest<sup>14</sup>:

Soilless Production: Hydroponics, Aquaponics, Aquaculture

# Types of operations certified<sup>15</sup>:

- Grower
- Grower Group
- Wild Harvest
- Livestock
- Processor/Handler
- Simple Handler (brokers, traders, exporters)
- Restaurant-Handler
- Aquaponics
- Hydroponic
- Aquaculture
- Apiculture (beekeeping)
- Retail

#### **QCS and Sunrise Foods International**

 $<sup>\</sup>frac{13}{https://projects.propublica.org/nonprofits/organizations/593006664/202333129349300528/full}{\frac{14}{https://qcsinfo.org/certifications/usda/}}$ 

<sup>15</sup> https://qcsinfo.org/certifications/usda/

Why would a Canadian company use a US-based certifier (with a Florida HQ) to certify Turkish companies?

QCS has offices in the US, Ecuador, and the Dominican Republic, but none in Turkey. Yet they have certified eight operations under the name Sunrise Foods International in Turkey, under the scope labeled *Handling*. Two of those operations surrendered their certificates on January 26, 2024.

QCS' **Organic Program Director**, **Beth Rota**, is the technical lead for all the organization's certification teams. She is assumed to have a close working relationship with Sunrise Foods, especially since the company acquired Port of Giresun, Turkey, in 2018, turning it into what Sunrise claims is "**the world's only port dedicated to organic goods**." <sup>16</sup>

The business relationship could very well be legitimate. However, Turkey has in the past been in the middle of controversy concerning the shipment of non-organic soybeans bearing fraudulent organic certificates.<sup>17</sup>

It now appears that many of the 75%<sup>18</sup> of Black Sea Region operations that surrendered or lost their NOP organic certificates in recent years are still shipping products to the US under the EU equivalency agreement. Some Turkish organizations have an ongoing business relationship with Sunrise.

In addition, Miles McEvoy, former director of the NOP, has been retained as a consultant to Sunrise Foods. Mr. McEvoy retired from his position with the USDA not long after OrganicEye's Executive Director filed an ethics complaint regarding his relationship with some certifiers and other entities he was, directly or indirectly, charged with overseeing.

The Sunrise Foods' Organic Integrity & Fraud Prevention Program<sup>19</sup> states that "Our Compliance team worked with Miles McEvoy, former Director of the USDA National Organic Program, to develop the Organic Integrity Program. Mr. McEvoy (now) serves as Organic Integrity Advisor to Sunrise Foods and has assessed many growers and facilities in the Black Sea region as part of Sunrise Foods' supplier verification system."

# Conflicts of Interest FOG Sponsorship and Donation Programs<sup>20</sup>

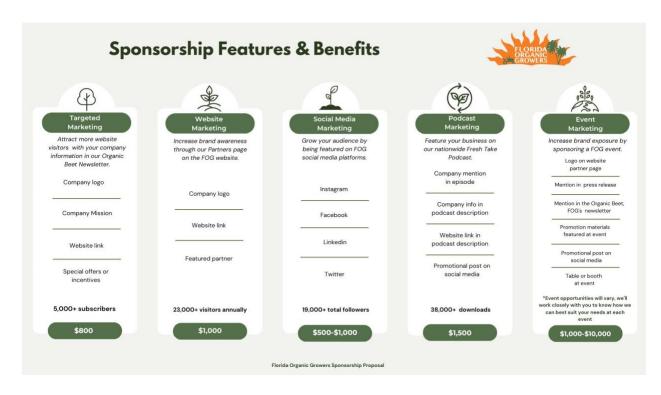
<sup>16</sup> https://www.sunrisefoods.com/our-company/our-history/

<sup>&</sup>lt;sup>17</sup> https://www.justice.gov/opa/pr/multinational-corporation-and-several-individuals-charged-multimillion-dollar-organic-grain

<sup>&</sup>lt;sup>18</sup> Per Dr. Jennifer Tucker, Deputy Administrator, National Organic Program, USDA Agricultural Marketing Service

<sup>19</sup> https://www.sunrisefoods.com/isl/uploads/2023/11/Sunrise-Organic-Integrity-Program-2023.pdf

<sup>&</sup>lt;sup>20</sup> (source: https://foginfo.org/wp-content/uploads/2024/02/PDF-FOG-Sponsorship-Opportunities-.pdf)



#### **FOG Partners/Donors**

The following operations certified by QCS and companies marketing OMRI-listed inputs are published as FOG "Partners:"<sup>21</sup>

Uncle Matt's (juices): QCSFrog Song Organics: QCS

Sweetwater Organic Coffee: QCS

Orlando Brewing Partners: QCS (Suspended)

Everlizer: OMRI listed fertilizer

Nature Safe Fertilizer: OMRI listed fertilizer

Ag Nutrients: OMRI listed nutrient inputs

ICL Group, a leading global specialty minerals company: OMRI listed fertilizer

## **Organic Trade Association and FOG/QCS**

- FOG and QCS are both members of the OTA.<sup>22</sup>
- FOG is a member of the OTA Farmers Advisory Council.<sup>23</sup>
- Marty Mesh helped form FOG in 1989 and served as its executive director from 1995 through 2018. He was a longtime member of OTA's Board of Directors.
- Mr. Mesh was also a charter board member with the Organic Materials Review Institute (OMRI).<sup>24</sup>
- While he was FOG Executive Director, Mr. Mesh also served on the Board of Directors for The Organic Center. The Organic Center, founded as an

<sup>&</sup>lt;sup>21</sup> (source: <a href="https://foginfo.org/about/our-partners-2/">https://foginfo.org/about/our-partners-2/</a>)

<sup>&</sup>lt;sup>22</sup> https://ota.com/membership/ota-members

<sup>&</sup>lt;sup>23</sup> https://ota.com/FAC

<sup>&</sup>lt;sup>24</sup> https://ota.com/marty-mesh

independent organization by OTA leadership, combined efforts with the Organic Trade Association (OTA). After failing to successfully raise sufficient funds from the industry to support an independent non-profit, tax-exempt 501(c)(3) organization, it was absorbed as a direct operating unit of the OTA.

- The 2015 OTA Growing the Organic Industry Award was awarded to Mr. Mesh while he led FOG.<sup>25</sup>
- In 2019, Mr. Mesh suddenly disappeared from any professional involvement in the organic industry. He left the OTA board and does not appear to have had any relationship or responsibilities with the organization since then.

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<sup>&</sup>lt;sup>25</sup> https://ota.com/marty-mesh