

Quality Certification Services (QCS)

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QCS is the Certification Program of Florida Certified Organic Growers and Consumers, Inc. (FOG)

August 17, 2018

Dear QCS Certified Client:

Enclosed please find the Late Gross Sales Assessment Form for the current period - Period 1, 2018. Please review the Frequently Asked Questions as you complete the form and prepare your assessment payment.

This semi-annual assessment is a percentage (0.5%) of gross sales for all products that are certified by QCS, and is one of the fee components required to maintain organic certification.

Please note that the deadline for submitting the form with payment was July 31st 2018. A \$25 late fee has accrued, and Notice of Noncompliance will be issued in accordance with the requirements of the National Organic Program if you do not file by September 7, 2018. Please be aware that QCS does not want to issue a Notice of Noncompliance, which if unresolved, may result in suspension of your organic certificate. We urge you to take a moment and fill out the form and send in your payment promptly.

We require submission of the completed form even if your operation reports no organic sales in the second half of the year. All clients receiving this letter owe a late fee of \$25, in addition to assessments as calculated per enclosed instructions.

We value you as a client, and thank you for choosing QCS as your organic certifier. As a non-profit, our cash flow is dependent on these assessment revenues. We urge you to take a moment to fill out the form and send your payment promptly.

If you have any questions or need assistance completing the form, please do not hesitate to contact the QCS office.

Sincerely,

Quality Certification Services

COMPLETING THE LATE GROSS SALES ASSESSMENT FORM: FREQUENTLY ASKED QUESTIONS (FAQ)

What is my QCS Entity #?

This number can be found on your Organic Certificate. It is a 4-digit number, followed by letter(s) denoting what type of certified operation you are, such as: (G)rower (L)ivestock (P)rocessing (H)andling A(Q)uaculture.

What sales do I report (Box 1)?

Total dollar amount of gross sales of products that are certified organic by QCS for the period of January 1^t through June 30, 2018. These are the products listed on your Product Verification Form (PVF) sent with certificate.

<u>Gross sales</u> = total revenues from sales of products <u>before</u> any deductions.

Packers, warehouses, and other certified operations that do not produce products but only provide handling, storage, or processing services to other certified operations pay assessments on the amount charged for that service to certified operations.

What are inputs (Box 2 & 3)?

Processors / Handlers who produce products containing multiple organic ingredients may deduct from their gross sales the amount paid for *certified organic ingredients* incorporated into final organically certified products sold. This does not apply to Growers or Livestock operations.

What is the Annual Minimum (Box 5)?

The annual minimum for Growers and Livestock clients is \$150.00 per year. You are required to submit at least \$75 per assessment period to meet this.

Is there a cap on assessments?

Yes. The annual cap on assessments payable to QCS is \$10,000 for single site processors and handlers, \$20,000 for multi-site processors and handlers and \$6,000 for crop and livestock producers.

I completed my form. Now what?

All clients are required to submit this form to the QCS office, even if you report no sales. Please mail it to the address on the form, along with a check or money order, made **payable to QCS**. In addition to any assessment fee, a \$25 late fee is due (you will be invoiced if it is not submitted). You can also email the form to accounts@qcsinfo.org.

Can I pay with a credit card?

Yes, online via PayPal. Mark the box at the bottom of the form indicating that you intend to pay online with a credit card, and send the form to QCS (mail / fax / email to accounts@qcsinfo.org). Go to www.qcsinfo.org/payments/, enter the amount owed and select "Make a Payment" to proceed to the PayPal site, where you will complete your transaction. Please note your operation name and QCS Entity # in the "Special Instructions to Seller" section.