OSP Supplement - Vertically Integrated Poultry Handlers

Vertically integrated poultry systems are made up of an Umbrella Company, certified to the Handling and Livestock scopes, and contracted Producers. The Umbrella Company controls production stages and supply chains across a network of contracted businesses. Poultry farmers, or Producers, are independently-certified businesses contracted to produce poultry products according to the decisions the Umbrella Company establishes for practices, procedures, and inputs used in organic production.

As a vertically integrated poultry business, additional verification steps are required to ensure that PCO has adequate understanding of your business structure. Not disclosing all aspects of your business structure could lead to inadequate certification of your business.

To answer questions below, you may attach SOPs, forms, or other existing documents.

PART 1: Organizational Structure 205.201

1. Business Name:

2. Attach a schematic or flow chart to describe all business entities within your operation's vertically integrated production system. Include all separate legal entities within the business umbrella that support the organic supply chain (i.e. suppliers of feed, chicks, pullets/poults, finished product processors, consultant agencies, etc). Identify certification status of each entity. 205.201 (a)(1) & (a)(6)
   - ☐ Attached or previously provided.

3. Does your company have a written contract with each farm that produces poultry products for your operation? Attach a current copy of the blank contract used for new Producer (farmer) arrangements. Include one copy for each type of poultry producer within your business structure. 205.201(a)(6)
   - ☐ No.
   - ☐ Attached or blank contract previously provided.

4. How are Producers compensated for their work? (i.e. per barn square footage, per unit of production, per period of time). Include each type of poultry producer within your business structure.

5. Which entity or entities within your business structure pays each type of Producer listed in question 4 above?

6. Does your operation use a consultant or consulting group to manage organic certification activities or act on your behalf? §205.201(a)(6), §205.2

   ☐ Yes. Attach a signed agreement or other documentation describing the consultant's responsibilities and authority to act on behalf of your operation.

   ☐ No.

7. Describe each type of personnel (e.g. service technicians, livestock production managers, etc.) from your operation that participates in oversight and management of on-farm organic livestock production. 205.201 (c)(1) & (a)(6), 205.2

Role/Job title	Responsibilities	Frequency of on-farm visits

8. Does your business have an internal control, audit, or quality management system that evaluates organic compliance at producer farms? Check one.
   - ☐ No.
   - ☐ Yes. Please complete the following:
     - Attach a copy.
     - Describe how your business monitors internal controls to ensure they are working effectively and in accordance with OSPs, SOPs, and all other business practices?

PART 2: Supply Chain Management 205.201

1. List all third party entities your business contracts with for the production or oversight of feed, live birds, or other inputs or services used in your organic supply chain. Include the name of all contracted business entities and describe the services provided. PCO may request contracts to verify supply chain relationships.

Contracted entity name	What is the service they provide?

2. List all third party entities that contract with your business to produce or oversee feed, live birds, or other inputs or services for their supply chain. Include the name of all contracted business entities and describe the services you provide. PCO may request contracts to verify supply chain relationships.

Name of entities that contract your business	What is the service you provide for them?

3. Describe how your operation verifies that all organic inputs (feed, chicks, pullets, etc.) are purchased through compliant sources.

4. Attach a flow chart to describe the process of chick production from procurement through onsite delivery to company or contracted facilities.
   - ☐ Attached.
   - ☐ Not applicable. Explain:

5. Attach a flow chart to describe the process of pullet or poult production from procurement through production and onsite delivery to company or contracted facilities.
   - ☐ Attached.
   - ☐ Not applicable. Explain:

6. Attach a flow chart to describe the process of feed ingredient delivery to company or contracted facilities through distribution. Describe all steps of procurement, storage, production, distribution, and delivery.
   - ☐ Attached
   - ☐ Not applicable. Explain:

7. Attach a flow chart to describe the process of finished feed production and delivery to company or contracted facilities. Describe all steps from procurement through all production, distribution and delivery stages. If unused feed is picked up from farms for further redistribution, include those steps.

☐ Attached

☐ Not applicable. Explain:

8. Attach a flow chart to describe all steps in organic product distribution (eggs, chicks, pullets/poults, broilers) from production farms to handling facilities for further processing and product distribution.

☐ Attached

☐ Not applicable. Explain:

9. Describe your practices and procedures to manage supplies of chicks, pullets/poults, feed ingredients or finished feed when your supply chains are insufficient or interrupted.

PART 3: Roles and Responsibilities 205.201

1. Provide details about the following practices and procedures in your business structure. List N/A for options that don't apply to your business. 205.201 (a)(1)

   List which legal entity or entities control and arrange procurement for:

   - Feed ingredient purchases:

   - Finished feed purchases:

   - Chick purchases:

   - Pullet/poult purchases:

   - Livestock healthcare supply purchases:

   - Veterinary services procurement and contracting:

   - Transportation of chicks (selecting and contracting with transport providers):

   - Transportation of pullets/poults (selecting and contracting with transport providers):

   - Disposition of broilers or spent hens:

- Management of live animals:

List which legal entity or entities owns and pays for:

- Feed ingredients:
- Finished Feed:
- Chicks:
- Pullets / poults:
- Veterinary services:
- Producer/farmer compensation:

List which legal entity or entities determine practices and procedures for:

- Feed ingredient sourcing:
- Feed formulations

- Feed rations

- Chick transportation and delivery (including establishing practices to meet applicable organic livestock handling requirements)

- Pullet/poult transportation and delivery (including establishing practices to meet applicable organic livestock handling requirements)

- Poultry living conditions

- Onsite poultry healthcare management

- Veterinary services

2. Are there any other types of procurement, payment, or management arrangements within your vertically integrated system that are not captured above?
   - ☐ No
   - ☐ Yes - Describe:

PART 4: Fraud Prevention in Vertically Integrated Systems 205.201

1. Provide a detailed fraud prevention plan for your complete vertically integrated business structure and affiliate poultry production system, including steps taken for assessing and managing risk, monitoring for effectiveness, and documentation practices at all stages of the business structure you oversee. 205.201(a)(3)

2. Describe how your operation verifies exempt and uncertified entities within your vertically integrated supply chain meet exemption requirements at 205.101.

3. How do you ensure that your employees, any consultants, and contracted Producers understand the requirements of certified organic production and the content in individual Organic System Plans? Describe all steps taken, including training practices, training requirements, documentation, etc.