



United States
Department of
Agriculture

Grain Inspection,
Packers and Stockyards
Administration

Meeting Summary Grain Inspection Advisory Committee

**May 13-14, 2008
Minneapolis, Minnesota**

**GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION
GRAIN INSPECTION ADVISORY COMMITTEE MEETING MINUTES**

**MINNEAPOLIS MARRIOTT CITY CENTER – MINNEAPOLIS, MINNESOTA
MAY 13-14, 2008**

WELCOME

Jerry Gibson, Chairperson, opened the meeting with a welcome and introductions.

**ACCEPTANCE OF MEETING MINUTES FROM
NOVEMBER 28-29, 2007**

The Committee approved the minutes of the November 28-29, 2007, meeting as presented.

REVIEW AND ACCEPTANCE OF MAY 13-14, 2008, MEETING AGENDA

The Committee accepted the agenda after voting on and approving two changes. The first change moved the election of the vice-chair to the fall meeting when there would be full membership in attendance. The second change added discussion about the U.S. Standards for Sorghum to the agenda during the second day.

MEETING ATTENDEES

Committee Members

Chester Boruff, Chief Executive Officer, Association of Official Seed Certifying Agencies
William Crockett, Superintendent, Mound Bayou Public Schools
William Dumoulin, Producer, Illinois
Mark Fulmer, Agency Manager, Lincoln Inspection Service
Nicholas Friant, Grain Handling Coordinator, Cargill
Jerry Gibson, Regional Manager, Bunge North America
John Hewitt, Hewitt Ranch
Edgar Hicks, Grain Marketing Advisory, Hurley/FC Stone LLC

Alternate Members

Warren Duffy, Vice-President of Export Operations, Archer Daniels Midland
Thomas Fousek, Grain Merchant & Manager of Terminal Operations, Bartlett Grain, L.P.

GIPSA

James E. Link, Administrator, Grain Inspection, Packers and Stockyards Administration (GIPSA)
John Giler, Acting Deputy Administrator, Federal Grain Inspection Service (FGIS), GIPSA
John Sharpe, Director, Technical Services Division (TSD), FGIS, GIPSA
Pat Donohue-Galvin, Director, Budget and Planning Staff (BPS), GIPSA
Patrick McCluskey, Market and Program Analysis Staff, FGIS, GIPSA
John Pitchford, Director, Office of International Affairs, FGIS, GIPSA
Terri Henry, Management Support Staff, GIPSA

Susan Fall, Field Operations and Support Staff, FMD, FGIS, GIPSA
Ron Hill, Union Representative

Other Attendees

David Ayers, Champaign-Danville Grain Inspection
Kevin Schnieder, Lincoln Grain Inspection
Randy Deike, Washington State Department of Agriculture
Tom Dahl, Sioux City Inspection and Weighing Service Company
Anthony Goodeman, InterContinental Grain Inspection, Toledo, Ohio
Roger Hipwell, Minneapolis Grain Exchange

**ADMINISTRATOR'S WELCOME AND
RESOLUTIONS FROM NOVEMBER 2007 MEETING**

James E. Link, Administrator, GIPSA, welcomed the Committee and attendees. He gave a recap of the resolutions from the November 2007, Grain Inspection Advisory Committee meeting held in Denver. Mr. Link reported the following:

- **Resolutions 1 and 2** - Inspector training programs will be discussed by John Sharpe at this meeting.
- **Resolutions 3 and 9** – These resolutions called for GIPSA to continue the Farm Gate Assessments and offered specific recommendations about the soybean study and identifying weed seeds in assessment samples. Pat McCluskey will address the assessments at this meeting.
- **Resolution 4** - The contracting pilot program will be discussed by John Giler at this meeting.
- **Resolution 5** – The resolution called for conducting future customer surveys. Results of the most recent survey, which was conducted in 2007, are on GIPSA's website. GIPSA plans to conduct the next survey in FY 2010, and biannually after that. GIPSA is seeking Office of Management and Budget approval to administer future surveys electronically, which will streamline the process for us and our customers.
- **Resolutions 6** – GIPSA will continue working with the Animal and Plant Health Inspection Service (APHIS) to ensure the agencies' Memorandum of Understanding is meeting the needs of industry, and that there is a free flow of information and documentation between the two agencies.

GIPSA and APHIS technical staff continue to work closely to ensure GIPSA's sampling, inspection, and documentation that provides APHIS with the information they need to issue phytosanitary certification. The FGIS*online* aspect of certification will be discussed by Karen Guagliardo at this meeting.

Resolution 7 – In response to the recommendation that GIPSA continue making itself available to help the ethanol industry develop necessary analytical tools, Mr. Link reported that GIPSA completed its advance notice of proposed rulemaking and found that respondents clearly agreed that GIPSA should play a very limited role in standardizing the testing of ethanol inputs and outputs. GIPSA plans to publish a Notice in the *Federal Register* in upcoming months indicating that GIPSA will: (1) not initiate any rulemaking related to the issues presented in the ANPR; (2) continue to monitor the evolution and needs of the ethanol market; and (3) address concerns expressed regarding our certified rapid methods currently available for mycotoxin testing.

Resolution 8 – In response to the recommendation that GIPSA continue to explore ways to measure wheat functionality and develop, alone or in partnership with a 3rd party, rapid and repeatable test(s) for determining wheat functionality; this will be discussed by John Sharpe at this meeting.

Mr. Link closed by thanking the attendees for taking part in the Committee meeting.

FINANCIAL UPDATE

Pat Donohue-Galvin, Director, Budget and Planning Staff, GIPSA, provided an overview of the Agency's budget, which is comprised of both user-fee and appropriated fee programs.

Ms. Donohue-Galvin reported on the user-fee programs which includes the:

- Inspection and Weighing Program
- Supervision of Official Agencies Program
- Rice Inspection Program
- Commodities Inspection Program

Through April 2008, the Inspection and Weighing (I&W) program is currently running a 1.7M surplus. We estimate the program may realize a \$4M gain by the end of the fiscal year which includes \$400K in prior year account adjustments. This will bring the total account reserve to \$7.6M by the end of FY 2008 which is very close to our goal of maintaining a 3-month operating reserve or \$8M for the I&W program.

Through April 2008, the Supervision of Official Agencies program is currently running a \$300K surplus. We estimate the program may realize a total gain of \$500K by the end of the fiscal year. This will bring the total account reserve to \$2.5M which represents substantially more than the 3-month operating reserve. The Agency proposed and discussed with members in later discussions that a portion of the Supervision of Official Agencies account could be directed toward a training program operated from the new Kansas City for official agency personnel

Through April 2008, the Rice Inspection program is currently running in the black with a slight surplus of \$200K. We estimate the program may realize a total gain of \$700K by the end of the fiscal year which includes \$100K in prior year account adjustments. This will bring the total account reserve to \$100K by the end of FY 2008 which restores the account -- which started the

fiscal year in the red (-\$622K) -- to a positive position. While this is good news, the account will remain substantially below the 3-month target of \$1M for the Rice Inspection program. If future business demands remain in line with FY 2008 levels, we should be able to rebuild the program's financial reserve in a few years.

Through April 2008, the Commodity Inspection program is currently running a deficit of \$200K. We estimate the program will realize a total loss of \$200K by the end of the fiscal year which includes positive offsets of \$100K for prior year adjustments. The account has been running deficits for a number of years but it has a more than adequate reserve. The fee structure is currently under review and adjustments may be forthcoming next fiscal year.

The overview for the Appropriated Programs consisted of the year-to-date and end-of-year financial report as well as the FY 2009 Appropriation outlook.

In FY 2008, the Agency received a total of \$17.6 million for grain regulatory programs – Compliance, Methods Development, and Standardization. This funding level is even with the FY 2007 appropriated level. No proposed increases – including those for mandatory federal pay raises -- were provided in the FY 2008 appropriation which actually was just a year-long continuing resolution.

Through April 2008, the Agency has obligated \$9.4M -- or 53 percent -- of its available appropriated funds. We expect to obligate close to 100 percent of appropriated funds by the end of the fiscal year. We plan to obligate two large ticket items this summer – 1) for the new leased building in Kansas City, Missouri, which supports our centralized lab initiative; and 2) for the final phase of our electronic applications modernization initiative.

We have been advised by the Department and OMB that passage of a FY 2009 appropriation bill is unlikely until after the new Administration is onboard. We should expect to operate under another continuing resolution – level funding – at least through March 2009.

For additional details, please see the attached presentation, *Financial Update*.

CENTRALIZATION OF OVERSIGHT

John Sharpe, Director, Technical Services Division (TSD), FGIS, GIPSA, briefed the Committee on the centralization of GIPSA's oversight programs, as well as GIPSA's response to Resolutions 1 and 2 from the November 2007, meeting regarding our inspector training programs.

Mr. Sharpe first discussed the timeline for the construction of the GIPSA National Grain Center in Kansas City, Missouri, from its planning stage in FY 2003 to the projected occupancy date in FY 2009 for the new addition. The National Grain Center will be composed of an addition to the current Technical Center in Kansas City and renovation of the existing building. Completion of the National Grain Center will allow GIPSA to consolidate and centralize oversight of the official inspection program.

The National Grain Center will:

- Increase available space for GIPSA in the Kansas City area;
- Increase training and meeting space;
- Aggregate personnel that are now in multiple area facilities;
- Collocate staff from GIPSA's Compliance Division, Field Management Division, Information Technology Staff, and Market and Program Analysis Staff into a single location; and
- Provide the necessary space for GIPSA to oversee all inspection activity nationwide.

The Technical Center recently began analyzing supervision samples and equipment checktesting for all equipment for 15 of GIPSA's 55 official agencies and representing 38 percent of all inspections.

GIPSA plans to start bringing the remaining official agencies into the central oversight program once the FGISonline Quality Assurance and Control program is completed sometime in 2009.

For additional details, please see the attached presentation, *GIPSA Oversight Centralization*.

FGISonline

Karen Guagliardo, FGISonline Program Manager, FGIS, GIPSA, provided an update on FGISonline, a portfolio of online business applications that is changing the way FGIS does business, and bringing official inspection and weighing to the desktop; as well as GIPSA's response to Resolution 6 from the November 2007, meeting regarding the FGISonline aspect of certification.

These online business services are improving internal business operations, and better serving the customers of the official grain inspection and weighing service by providing integrated information technology programs and tools to deliver official services and data.

To date, the following FGISonline applications are in use:

- e-Authorization
- Issue Tracking
- Code Variable Maintenance
- Agricultural Product Standards
- Organization and Personnel

*These are foundation systems
internal to GIPSA.*

- Customer Information Management
- Delegation, Designation, and Exporter Registration
- Certificates
- Inspection Data Warehouse

*These are online applications
being used by GIPSA and our
customers.*

The following applications are in development:

- Inspection, Testing, and Weighing
- Equipment Check Testing
- Licensing
- Quality Assurance and Control

Visit GIPSA's website, www.gipsa.usda.gov, and click on *FGISonline* to learn more about the project and the specific applications.

For additional details, please see the attached presentation, *FGISonline*.

INTERNATIONAL TRADE AND OUTREACH ISSUES

John Pitchford, Director, Office of International Affairs, FGIS, GIPSA, discussed a variety of international trade and outreach issues.

StarLink Corn

- The U.S. Environmental Protection Agency (EPA) issued a White Paper that concluded that StarLink corn has disappeared and that no further testing is necessary.
- The U.S. Food and Drug Administration (FDA) rescinded its 2001 guidance to test inbound corn for the presence of StarLink at dry mills.

LLRice 601 Update

- The European Union (EU) accepted GIPSA's protocol of sampling, sealing, testing, and reporting for LLRice.
- An EU team will tour the United States to audit U.S. implementation of the new protocol from June 4-12, 2008. GIPSA will participate on this tour.
- The Russian market is now open to U.S. rice.
- There is a new Memorandum of Understanding between the Animal and Plant Health Inspection Service (APHIS), Agricultural Marketing Service (AMS), and GIPSA that establishes the groundwork for future collaboration on market issues such as the LLRice situation.

"Event 32"

- In January 2008, an unapproved biotech event was reported in corn but found to have no food or feed safety or environmental concerns. The protein produced by this plant is identical to other, approved types.
- There was an extremely low level in 3 Herculex seed lines.
- It was planted in '06 – '07, so the 2008 corn crop is not affected.
- GIPSA verified the analytical method, so testing could be conducted for markets requiring it, but GIPSA has not provided testing services.

Mexico Outreach

- Several Mexican wheat millers have complained about protein levels being a few tenths of a percent different than what they specified in the contract. These mills use Kjeldhal to test for wheat protein.
- We suggested that the mills join GIPSA's wheat protein collaborative study. TSD sent seven protein sample sets to Mexican mills. Two mills are now participating. One mill's results were pretty close to TSD results, the other one was not. We have invited those mills to continue their participation in the next wheat protein collaborative.
- One of Mexico's largest feed manufacturers is complaining to U.S Grains Council/Mexico (USGC) about the quality of corn and sorghum they received from the United States, particularly broken kernels and damage. An FGIS inspector will go to their training seminar in June to speak on FGIS export inspection procedures. While in Mexico our inspector will provide one-on-one corn and sorghum training at four different importer labs.
- Our overall strategy with Mexico is to continue consultation and information sharing between our two Governments, in conjunction with official agencies and our industries.

Asia Collateral Duty Assignment

- GIPSA's collateral duty officer in Asia, currently stationed in Kuala Lumpur, has visited seven countries and made three trips to China to foster trade by building relationships with area grain industry and government representatives.
- During the next rotation, a GIPSA representative will be stationed in Hong Kong. His itinerary includes planned visits to six countries, conducting grading seminars and a compliance investigation; and working with Korea to address new pesticide requirements.

Wheat to Iraq

- In calendar year 2007, GIPSA contributed to the shipment of 1.6 mmt of U.S. wheat to Iraq.
- In the first quarter of calendar year 2008, we facilitated the shipment of 757,000 mt of wheat.
- GIPSA currently is training Iraqi Grain Board inspectors.

U.S. – China Soybean Study

- Our officer in Asia, in 2006, met with China's State Administration for Quality Supervision, Inspection and Quarantine (AQSIQ) to discuss an alleged pesticide residue complaint. Chinese authorities claimed the beans were treated. The beans were tested by TSD, and the red coloring was from pokeberry juice, not a fungicide treatment for seed beans. In 2007, AQSIQ reported finding treated soybeans in two other soybean shipments. To address these concerns and build positive relationships with our Chinese counterparts, we have proposed conducting a study on a single shipment of U.S. soybeans from loading to destination in China.
- The Foreign Agricultural Service (FAS) has spoken with AQSIQ about this project, and the proposal has now evolved to include FAS, Animal and Plant Health Inspection Service (APHIS), North American Export Grain Association (NAEGA) and the American Soybean

Association International Marketing (ASAIM). GIPSA is drafting a project protocol for the study which will likely include a visit to production areas, a barge loading facility, and TSD. We anticipate the project will commence in October 2008.

Ethiopia Commodity Exchange

- GIPSA has helped Ethiopia set up central grain inspection lab, and provided sampling and inspection training.
- GIPSA also worked with Ethiopia to clarify their grain and commodity standards.

Cartagena Protocol on Biosafety

- There will be a Meeting of the Parties (MOP-4) in May 2008.
- Liability and redress will be the focus of this session. They will also consider standardization of sampling and testing methodologies.

For additional details, please see the attached presentation, **International Trade and Outreach Issues**.

WHEAT FUNCTIONALITY INITIATIVES

John Sharpe, Director, Technical Services Division, FGIS, GIPSA, provided an update on GIPSA's wheat functionality initiatives, as well as GIPSA's response to Resolution 8 from the November 2007, meeting which recommended that GIPSA continue to explore ways to measure wheat functionality and develop, alone or in partnership with a third party, rapid and repeatable test(s) for determining wheat functionality.

Mr. Sharpe said that GIPSA is working to standardize the various Farinograph models in the marketplace. C.W. Brabender, a manufacturer of Farinograph equipment, is actively supporting GIPSA in this endeavor.

Mr. Sharpe also reported that GIPSA is continuing to collaborate with Cornell University to develop a prototype rapid Viscoelastic Tester.

For additional details, please see the attached presentation, **Wheat Functionality Initiatives**.

FARM GATE ASSESSMENTS

Patrick McCluskey, Agricultural Marketing Specialist, Market and Program Analysis Staff, FGIS, GIPSA, discussed the Farm Gate Quality Assessments, as well as GIPSA's response to Resolutions 3 and 9 from the November 2007, meeting that called for GIPSA to continue the Farm Gate Assessments and offer specific recommendations about the soybean study and identifying weed seeds in assessment samples.

GIPSA captures great deal of data on the quality of grain that moves from elevator to export. The assessments will provide data that allows for verification of the quality of inbound grain delivered

into the system. This data will also allow GIPSA to better determine needed changes to the standards.

The assessments are designed to:

- Provide a baseline of grading quality data;
- Capture inspection data for grain that producers bring to market;
- Capture statistically representative quality data at the beginning of the supply chain; and
- Use a statistically derived experimental design using National Agricultural Statistics Service (NASS) production data.

Sorghum

The assessment on sorghum began in 2006

- 2006 – 1036 samples gathered from 11 states
- 2007 – 1069 samples gathered from 17 states
- 2008 – GIPSA will discontinue sample collection in States where production does not go to market.

Soybeans

The assessment on soybeans began in 2007

- 2007 -- 1112 samples gathered from 27 states
- The Agricultural Marketing Service analyzed 250 subset samples for weed seeds.

Wheat: Weed Seeds

- Weed seeds can be a phytosanitary barrier.
- Some non-Federal entities are involved in annual U.S. wheat sample collections to assess weed seeds.
- APHIS can only recognize Federal sample collection entities.
- Results could not be used for discussion purposes with other countries.
- APHIS is not interested in collaboration on weed seed analysis.

Corn

- GIPSA is not undertaking a corn assessment in light of a lack of interest on the part of the current market participants.

For additional details, please see the attached presentation, ***Farm Gate Assessments.***

The full Farm Gate Quality Report can be found on GIPSA's website at:

<http://www.gipsa.usda.gov/GIPSA/webapp?area=home&subject=eo&topic=rs-farmgate>

INSPECTOR TRAINING

John Sharpe, Director, Technical Services Division, FGIS, GIPSA, briefed the Committee on GIPSA's inspector training program, as well as GIPSA's response to Resolutions 1 and 2 from the November 2007 meeting regarding our inspector training programs.

GIPSA's inspector training program has been of keen interest, especially in light of GIPSA and official agency attrition; limited resources; and a need to better educate the industry about the official inspection process.

GIPSA maintains training and informational material on its public website including:

1. The U.S. Grain Standards Act and regulations thereunder;
2. Sampling; and
3. Basic inspection procedures.

GIPSA is pursuing initiatives to:

- Increase its digital learning library;
- Increase training space to accommodate expanded inspector training;
- Make personnel available to proctor tests at Agency locations; and
- Cooperate with the Grain Elevators and Processors Society (GEAPS) and Kansas State University (KSU) to provide a basic grain inspection course via the GEAPS-KSU Distance Learning program

For additional details, please see the attached presentation, *Inspector Training*.

EXPORT SERVICES CONTRACTS PILOT UPDATE

John Giler, Director, Field Management Division, FGIS, GIPSA, briefed the Committee on GIPSA's export services contracts, as well as GIPSA's response to Resolution 4 from the November 2007, meeting regarding the contracting pilot program.

He reminded the Committee that the pilots were initiated to explore the use of contractors at export in response to discussions during the reauthorization of the United States Grain Standards Act in 2005. Congress sent the message that contracting provisions were already included in the Act and GIPSA should explore the use of contractors within the official system under that existing authority. In 2006, GIPSA initiated the pilot project and began to establish contract service providers in Milwaukee, California, and South Texas. In January 2007, GIPSA also implemented contract service providers in the Toledo Field Office circuit. GIPSA has also instituted contract service providers at 12 export facilities.

The pilot project was designed to learn and better understand the use of contractors at export ports. Specifically, GIPSA is interested in assessing if there are qualified private companies interested in providing export grain services, how best to select and use private companies at export, how best to

oversee the performance of private companies at export, and whether the use of contractors will improve the efficiency and cost-effectiveness of official export inspections.

Mr. Giler presented a summary of the export activity for the contractors then updated the Committee on recent pilot activities. He indicated that GIPSA posted a Request for Information (RFI) in April 2007, to identify potential contract companies. The RFIs covered New Orleans, League City, and Portland, and solicited information from potential contractors about their interest in providing full services at export and labor assistance. The request focused primarily on how the companies would obtain and maintain qualified staff to support the services required of a contractor. The RFI closed on May 7, 2008. Additionally, Mr. Giler reported the pilot project is collecting information on direct service costs to the grain industry, including hours worked, unit charges for tests, travel expenses, and the cost of direct oversight. In addition, GIPSA hired an independent contractor to analyze potential administrative cost savings (local and national) from reducing Federal staff due to contracting. He indicated the cost analysis project is scheduled for completion by July 2008.

In closing, Mr. Giler indicated GIPSA will continue the pilot projects through the 2008 shipping season in the Great Lakes, that GIPSA will continue to measure the service costs for vessels, and that GIPSA will evaluate the program support cost savings associated with using contractors. Mr. Giler also reminded the Committee that service integrity is an essential component of official inspection and weighing services at export.

For additional details, please see the attached presentation, *Export Services Contracts – Pilot Update.*

COMMITTEE DISCUSSION

Jerry Gibson presented a letter for the record. The letter, dated May 8, 2008, was addressed to James E. Link from the National Grain and Feed Association, (NGFA), the National American Export Grain Association (NAEGA), and the Grain Elevator and Processing Society GEAPS) requesting that the revised United States Standard for Sorghum be added to the agenda. In the letter, the signators object to the June 1, 2008, effective date of the revisions to the standards for sorghum. The letter reads, in part,

Contrary to past, recognized, commercially practical and accepted practice this change is planned to be made effective during a crop marketing year rather than at the end of the crop marketing year. Crop marketing years as recognized and long established by USDA, for Corn, Sorghum, Soybeans and Sunflower begin on September 1. Implementing revisions to standards for annual crops at the end of rather than sometime during a crop marketing year facilitates the common practice of contracting for grain and oilseeds. The timing of the current implementation of revisions (June 1 rather than September 1) promises to be unnecessarily disruptive to some commercial transactions. Such precedent is not in the interest of producers or marketing of U.S. grains and oilseeds.

We urge you to reconsider the implementation date for the sorghum grade revisions, and as we had thought was well established and standard

practice, make future revisions to any crop standards effective for the beginning of the crop marketing year.

The Committee and attendees discussed the standards revision and its implementation date, contracts on old crops, carry-over to new crop year, and the Grain Standards Act allowing for the 1-year change period. The implementation date of June 1, 2008, will remain effective for the sorghum standards.

Please see, *Sorghum Standards Letter*, to read the entire contents of the letter.

RESOLUTIONS

Following discussions, the Committee resolved the following:

1. The Grain Inspection Advisory Committee recommends that GIPSA continue to develop new methods of training agency and GIPSA personnel and to develop a proposed funding mechanism from user-fee based programs.
2. The Grain Inspection Advisory Committee recommends that GIPSA solicit industry and commodity organizations to provide support for Appropriated funding that will be used to advance the wheat functionality project, with the end goal of developing rapid and repeatable test(s) for determining wheat functionality.

ELECTION OF VICE-CHAIRPERSON

The election of the Vice-Chairperson will be held at the fall meeting when the full membership would be in attendance.

NEXT MEETING

The next meeting of the Grain Inspection Advisory Committee is tentatively scheduled for early December 2008, in Kansas City, Missouri.

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GIPSA Financial Update

Pat Donohue-Galvin, Director
Budget and Planning Staff
May 2008





Agenda

- User Fee Programs
 - Year-to-Date Financial Status
 - Projected End-Of-Year Balances
 - Comparison to FY 2007 Year-End Report

- Appropriated Programs
 - Year-to-Date & End-Of-Year Financial Report
 - FY 2009 Appropriation Outlook





Inspection and Weighing Program (Dollars in Millions)

	<i>April 08</i>	Sept 08	Sept 07	Delta
Reserve - BOY	<i>\$ 3.6</i>	\$ 3.6	\$ 2.3	\$ 1.3
Revenue	<i>\$ 22.0</i>	\$ 35.3	\$ 31.4	\$ 3.9
Expenses				
Agency Support	<i>\$ 1.6</i>	\$ 2.9	\$ 2.9	\$ -
Central Charges	<i>\$ 1.7</i>	\$ 2.4	\$ 2.3	\$ 0.1
Program Support	<i>\$ 0.8</i>	\$ 1.2	\$ 1.4	\$ (0.2)
Program Delivery	<i>\$ 16.2</i>	\$ 25.2	\$ 23.9	\$ 1.3
Total Expenses	<i>\$ 20.3</i>	\$ 31.7	\$ 30.5	\$ 1.2
Gain/Loss	<i>\$ 1.7</i>	\$ 3.6	\$ 0.9	\$ 2.7
Prior Year Activity	<i>\$ 0.4</i>	\$ 0.4	\$ 0.4	\$ -
Reserve - EOY	<i>\$ 5.7</i>	\$ 7.6	\$ 3.6	\$ 4.0





Supervision of Official Agencies Program (Dollars in Millions)

	<i>April 08</i>	Sept 08	Sept 07	Delta
Reserve - BOY	\$ 2.0	\$ 2.0	\$ 1.4	\$ 0.6
Revenue	\$ 1.3	\$ 2.3	\$ 2.3	\$ -
Expenses				
Agency Support	\$ 0.1	\$ 0.2	\$ 0.2	\$ (0.0)
Central Charges	\$ 0.1	\$ 0.1	\$ 0.1	\$ (0.0)
Program Support	\$ 0.3	\$ 0.6	\$ 0.4	\$ 0.2
Program Delivery	\$ 0.5	\$ 0.9	\$ 1.0	\$ (0.1)
Total Expenses	\$ 1.0	\$ 1.8	\$ 1.7	\$ 0.0
Gain/Loss	\$ 0.3	\$ 0.5	\$ 0.6	\$ (0.0)
Prior Year Activity	\$ 0.0	\$ 0.0	\$ 0.0	\$ (0.0)
Reserve - EOY	\$ 2.3	\$ 2.5	\$ 2.0	\$ 0.5





Rice Inspection Program (Dollars in Millions)

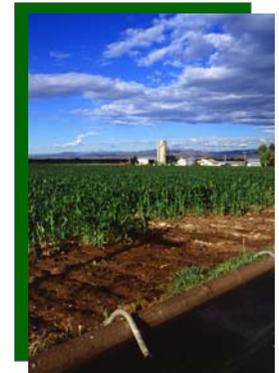
	<i>April 08</i>	Sept 08	Sept 07	Delta
Reserve - BOY	<i>\$ (0.6)</i>	\$ (0.6)	\$ (0.1)	\$ (0.5)
Revenue	<i>\$ 2.7</i>	\$ 4.5	\$ 3.4	\$ 1.1
Expenses				
Agency Support	<i>\$ 0.2</i>	\$ 0.4	\$ 0.4	\$ -
Central Charges	<i>\$ 0.2</i>	\$ 0.3	\$ 0.3	\$ -
Program Support	<i>\$ 0.1</i>	\$ 0.1	\$ 0.1	\$ -
Program Delivery	<i>\$ 2.0</i>	\$ 3.1	\$ 3.2	\$ (0.1)
Total Expenses	<i>\$ 2.5</i>	\$ 3.9	\$ 4.0	\$ (0.1)
Gain/Loss	<i>\$ 0.2</i>	\$ 0.6	\$ (0.6)	\$ 1.2
Prior Year Activity	<i>\$ 0.1</i>	\$ 0.1	\$ 0.1	\$ 0.0
Reserve - EOY	<i>\$ (0.3)</i>	\$ 0.1	\$ (0.6)	\$ 0.7





Commodities Inspection Program (Dollars in Millions)

	<i>April 08</i>	Sept 08	Sept 07	Delta
Reserve - BOY	<i>\$ 1.8</i>	\$ 1.8	\$ 1.9	\$ (0.1)
Revenue	<i>\$ 1.3</i>	\$ 2.2	\$ 1.9	\$ 0.3
Expenses				
Agency Support	<i>\$ 0.1</i>	\$ 0.2	\$ 0.3	\$ (0.0)
Central Charges	<i>\$ 0.1</i>	\$ 0.2	\$ 0.2	\$ 0.0
Program Support	<i>\$ 0.2</i>	\$ 0.3	\$ 0.2	\$ 0.1
Program Delivery	<i>\$ 1.1</i>	\$ 1.8	\$ 1.7	\$ 0.1
Total Expenses	<i>\$ 1.5</i>	\$ 2.5	\$ 2.4	\$ 0.2
Gain/Loss	<i>\$ (0.2)</i>	\$ (0.3)	\$ (0.5)	\$ 0.2
Prior Year Activity	<i>\$ 0.1</i>	\$ 0.1	\$ 0.4	\$ (0.3)
Reserve - EOY	<i>\$ 1.7</i>	\$ 1.6	\$ 1.8	\$ 0.1





Grain Appropriated Programs

- Compliance (\$6.5M)
- Methods Development (\$6.7M)
- Standardization (\$4.4M)





Grain Appropriated Programs (Dollars in Millions)

	<i>April 08</i>	Sept 08	Sept 07	Delta
Appropriation	\$ 17.6	\$ 17.6	\$ 17.6	\$ -
Expenses				
Agency Support	1.1	1.9	1.9	\$ -
Central Charges	0.7	0.9	0.9	\$ -
Program Support	5.6	9.9	9.9	\$ -
Program Delivery	2.0	4.8	4.8	\$ -
Total Expenses	9.4	17.5	17.5	\$ -
Balance	8.2	0.1	0.1	\$ -





FY 2009 Appropriations Outlook (Dollars in Millions)

- **President's Budget Proposes:**
 - +317K for Pay Costs
 - +823K for New Grain Testing Measures
 - +400K for Permanent International Presence

- **No Funding Decisions Expected Until Mid-Fiscal Year.**



GIPSA

Oversight Centralization

John Sharpe

Advisory Committee Meeting

May 13, 2008

Minneapolis, Minnesota



Grain Inspection, Packers and Stockyards Administration

Centralization of Domestic Oversight and General FGIS Operations in Kansas City

- National Grain Center
- Centralization of Oversight
- Next Steps



National Grain Center

- Fiscal Year 2003
 - GIPSA began planning consolidation of activities to Kansas City
 - Additional space would be needed
- Fiscal Year 2006
 - GIPSA opted to contract with the General Services Administration (GSA) to find a new facility
- Fiscal Year 2007
 - GSA released a solicitation for offer for a new facility
 - Selected current facility with renovations and new addition
- Fiscal Year 2008
 - Construction beginning
 - Targeted occupancy
October-December for new addition



National Grain Center

- Space increase from 34,832 to 47,050 SF
- Increased training and meeting space
- Personnel increase from 70 to 110
- Will include representatives from
 - Compliance Division
 - Field Management Division (FOSS, QAC)
 - Information Technology Staff
 - Market and Program Analysis Staff

CENTRALIZATION OF GIPSA OVERSIGHT PROGRAMS

TECHNICAL SERVICES DIVISION		FIELD MANAGEMENT DIVISION	
BOARD OF APPEALS AND GRADING SERVICES	EQUIPMENT TESTING SERVICES	QUALITY ASSURANCE AND CONTROL STAFF	FIELD OPERATIONS AND SUPPORT STAFF
<p>Board of Appeals</p> <ul style="list-style-type: none"> • Directly monitor field office and agency QASs. • Provide opinion services to official service providers. • Directly monitor the Grading Services Laboratory. • Provide technical training when required. • Analyze foreign complaint samples • Approve all interpretative line prints. • Perform Board Appeals <p>Grading Services</p> <ul style="list-style-type: none"> • Inspect and input data for limited and targeted selected samples from service locations as a means to monitor performance of local quality plans. • Prepare testing and training materials for the official system. • Grade and score practical exam separations returned after tests are taken. • Provide appeal inspection services. • Provide opinion services to official service providers. 	<ul style="list-style-type: none"> • Develop, implement, and administer the equipment checktesting program. • Provide equipment checktesting for all GIPSA and Official Agencies. • Provide guidance to field offices and the Field Operations Staff regarding Diverter Type (DT) Samplers. • Maintain the DT sampler database. • Approve equipment types for use in the official inspection system. 	<ul style="list-style-type: none"> • Develop, implement, and oversight of the quality assurance and control process. • Review adequacy of local quality control processes and monitor conformance of the local plans. • Analyze quality assurance data and, working with other internal and external groups, recommend action to resolve issues regarding the performance of the official system. • Adjust monitor sample selections based on performance information. Default sample selections should be generated by IDW and QAQC data based on rules developed by GIPSA. • Troubleshoot quality issues. • Assure accuracy of periodic and annual reports of performance measures. 	<ul style="list-style-type: none"> • Administer the licensing program. • Administer the FGISonline applications assigned to FMD. • Administer financial aspects for FMD (official agency billing, budget preparation and execution, monitor revenue/costs and prepare reports for FMD, administration of purchases and payments, and serve as liaison with the Budget and Planning Staff and other associated activities). • Coordinate and manage Resident Agents in the grain program. • Provide policy and procedural support to official service providers. • Provide support for human resources in the field. • Review and respond to compliance reviews and coordinate actions in response to these reports. • Serve as primary contact for official service providers.

Grading Services Lab

- Fiscal Year 2007
 - Hired 6 inspectors with experience and located at the old Kansas City Field Office
 - BAR and the 6 inspectors monitored 38% of inspections (15 Agencies in the Wichita circuit)
- Fiscal Year 2008
 - Began enhanced training inspectors with BAR members
 - Moved inspectors to the Technical Center in May
 - Providing training grading and get acquainted seminars to all Agency Quality Assurance Specialists in affected agencies.



Equipment Checktesting

- Fiscal Year 2007
 - Hired Agency Equipment Specialist
 - TSD Assumed the Equipment Checktesting Program from FMD
- Fiscal Year 2008
 - Began Checktesting equipment from the Wichita Circuit
 - Will be hiring an assistant



Next Steps

- Utilize existing Wichita Field Office Agencies to determine efficient
 - Supervision selection rates (QAC)
 - Equipment checktesting procedures (TSD)
- Addition of other agencies
 - Prefer to have the FGIS-online Quality Assurance and Control operational (Target 2009)



United States Department of Agriculture
Grain Inspection, Packers & Stockyards Administration



FGIS *online*

Karen Guagliardo
Program Manager

Grain Inspection Advisory Committee Meeting

Minneapolis, MN

May 13, 2008



Modernization of business practices

FGISonline

- A portfolio of online business applications
 - Changing the way FGIS does business,
 - Improving internal business operations, and
 - Better serving the customers of the official grain inspection and weighing service
 - Program-wide involvement

Bringing official inspection and weighing to the desktop!



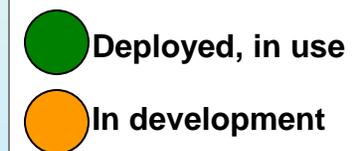
FGIS *online*

Foundation
Applications

e-Authorization
Issue Tracking
Code Variable Maintenance
Agricultural Product Standards
Organization & Personnel
Customer Information Management

FGIS Business
Applications

Delegation, Designation, and Exporter Registration
Certificates
Inspection Data Warehouse
Inspection, Testing, and Weighing
Equipment Check Testing
Licensing
Quality Assurance and Control





FGISonline

- **Delegation, Designation & Exporter Registration**
 - Deployed September 2006
 - Designations
 - 51% applied online
 - Exporter Registrations
 - 2007 – 10% applied online
 - 2008 – 45% applied online





FGISonline

- **Delegation, Designation & Exporter Registration**

Benefits

- Retrieve previous application
- update information
- resubmit



FGISonline

- **Certificate Program (CRT)**
 - Deployment began March 2007
 - Current Status
 - All FGIS field offices
 - 19+ official agencies
 - 180,000+ certificates issued

The screenshot shows the FGISonline web application interface. At the top, there is a search bar and a navigation menu. Below the search bar, there is a section titled "View a List of Certificates" with a filter search box for "Agency/Field Office". Below this, there is a table of certificate records.

Action	Status	Certificate Number	Date of Service	Identification	Applicant Name	Inspection Type	Print
[View] [View PDF]	Transmitted	USANFD-5-13837-3	11/1/2007	MY EMMIKA NAREE	CHS, Inc	Original	<input type="checkbox"/>
[View] [View PDF]	Transmitted	USANFD-5-13837-4	11/1/2007	MY EMMIKA NAREE	CHS, Inc	Original	<input type="checkbox"/>



FGISonline

- **Certificate Program (CRT)**

Benefits

- Eliminates re-keying of data
- Information fed into IDW
- Improve data integrity



FGISonline

- **Inspection Data Warehouse (IDW)**
 - 180,000+ records transmitted to IDW
 - All FGIS field offices, contractors, and 19 official agencies using CRT to generate IDW records
 - OA records begin Jan 2008
 - Transitioning customers from NQDB to IDW

s.gipsa.usda.gov/F_IDW/F_IDW_CertificateSearch.aspx

USDA United States Department of Agriculture
Grain Inspection, Packers & Stockyards Administration

Home | About GIPSA | Help | Contact Us | Logoff

You are here: IDW Home / Certificate Search

GIPSA Certificate Search

Search Certificate Data

Agency or Field Office:

Certification Location:

Analysis Weighing Location:

Factor Test Location:



FGISonline

- **Inspection Data Warehouse (IDW)**

Benefits

- Single repository for inspection/weighing data
- Will include AMA data
- View Individual Certificate Data
- Third Party Access
- Allow better reporting/analysis



FGISonline

- **Inspection Data Warehouse (IDW)**

View Individual Certificate Data



Search

Browse by Subject

- > [Login](#)
- > [View an Individual Record](#)
- > [Third Party Access Login](#)

You are here: IDW Menu / GIPSA Public Certificate Search

GIPSA Public Certificate Search Search Public Certificate Data

Certificate Number:

Date of Service:

Identification of Carrier, Lot, or Sample:



You are Here: [IDW Home](#) / [GIPSA Certificate View Screen](#)

GIPSA Certificate View Screen

[Return to list](#)

US-NOFO-1-04240

ISSUED AT
 DESTREHAN, LA

DATE OF SERVICE
 May 1, 2008

Official Sample-Lot

TYPE OF MOVEMENT
 In

LEVEL OF SERVICE
 Original

QUANTITY
 1 Barge/lot

IDENTIFICATION
 ABC-123

LOCATION
 Nine Mile
 New Orleans, Louisiana

DATE SAMPLED
 May 1, 2008

METHOD OF SAMPLING
 Probe

GRADE/KIND
 2

Yellow Corn

RESULTS

Broken Corn And Foreign Material	2.6	%	
Damaged Kernels Total	3.1	%	
Heat Damage	0.1	%	
Moisture	14.5	%	
Test Weight Per Bushel	55.0	lb/bu	

REMARKS

Top 10 Feet sampled. Bottom not sampled.

APPLICANT
 Customer Name

INSPECTOR
 Karen W. Guagliardo



FGISonline

- **Inspection Data Warehouse (IDW)**
Third Party Access



Search

Browse by Subject

- [Login](#)
- [View an Individual Record](#)
- [Third Party Access Login](#)

You are here: [IDW Home](#) / [Third Party Access Login](#)

Inspection Data Warehouse System 3rd Party Access Login

Please enter your access code:

Submit

Cancel



United States Department of Agriculture

Grain Inspection, Packers & Stockyards Administration



FGISonline

- **Inspection, Testing, and Weighing (ITW)**
 - Cu-Sum, Single lot, Submitted, Supervision
 - Will interface with CRT and IDW
 - Eliminating re-keying of data
 - Replacing three stovepipe applications (Cu-Sum, EGIS, GIWIS)
 - Working with APHIS to interface with phyto-sanitary certificates



FGISonline

- **Equipment Check Testing (ECT)**
 - Streamlined process, enhanced recordkeeping, improved performance (reduces layering of tolerances)
 - Official Inspection System includes 559 active service locations
 - 91 FGIS locations
 - 468 State and private locations
 - 38% of equipment testing scheduled for centralization is currently centralized in KC. 100% scheduled for centralization by 2009



FGISonline

- **Quality Assurance and Control (QAC)**
 - Brings data to OSP, interfaces with IDW, ECT and Licensing
 - Official Inspection System includes 876 authorized or licensed grain graders
 - 231 FGIS
 - 645 State and Private
 - Monitoring the performance of all graders
 - Each service location will maintain quality assurance programs
 - Central KC facility will monitor overall performance
- **Licensing (FOL)**
 - Streamlined process to improve efficiency, on-line testing, enhanced recordkeeping, interfaces with ITW, CRT and QAC



FGISonline

- **e-Authentication**

- FGIS partnered with Department on e-authentication
- Access to most of FGISonline requires level 2
- GIPSA has 15+ LRA's that can e-authenticate people for a level 2
- Level 2 user can create and manage own customer number



FGISonline

- **Promotional Efforts**

- During design and development stages, held meetings with users and customers to keep them informed and to solicit feedback.
- Updated official service providers in the monthly GIPSA newsletter.
- Created FGISonline CD for distribution to the public.
- Staffed booths at national trade shows for past 2 years.
- Promoted by Upper Management and other FGIS personnel while speaking at national and international trade meetings.

Grain Inspection, Packers & Stockyards Administration

International Trade and Outreach Issues

***FGIS Advisory Committee
Minneapolis, Minnesota***

May 13, 2008



John B. Pitchford
Director of International Affairs

Current International Trade and Outreach Issues

- 
- StarLink Corn
 - LLRICE 601
 - “Event 32”
 - Mexico Outreach
 - Asia Collateral Duty Assignment

...(continued)

Current International Trade and Outreach Issues

- 
- Wheat to Iraq
 - China Soybean Project
 - Ethiopia Commodity Exchange
 - Cartagena Protocol on Biosafety

StarLink Corn

- April 25 *Federal Register* Notices
 - ✓ EPA White Paper concluded StarLink has disappeared; further testing not necessary
 - ✓ FDA rescinded its 2001 guidance to test inbound corn at dry mills
- Current objectives:
 - ✓ Discontinue testing corn in food aid
 - ✓ Discontinue testing in commercial markets

LLRICE 601 Update



➤ European Union

- ✓ Protocol accepted

- Sampling, sealing, testing, reporting

- ✓ EU audit of U.S. biotech controls

- June 4-12

➤ Russia

- ✓ Market opened

➤ New MOU: APHIS, GIPSA, AMS

“Event 32”

- Unapproved biotech corn reported 1/08
 - No food or feed safety or environmental concerns
 - Extremely low levels in 3 Herculex seed lines
 - Proteins identical to approved product
 - Planted in '06–'07: '08 seed not affected
 - GIPSA verified analytical method
 - Little market reaction
 - Japan requires testing

Mexico Outreach

- 
- Wheat millers join protein collaborative
 - Continue training in Mexico
 - ✓ Grading corn and sorghum
 - ✓ Seminar on U.S. export inspections

Asia Collateral Duty Assignment

- Completed 4 months – Oct '07–Apr '08 (Kuala Lumpur)
 - ✓ 7 countries visited
 - ✓ 3 trips to China
 - ✓ “treated” beans
 - ✓ improved relations with plant quarantine officials
 - ✓ Centralized theme – containers

Asia Collateral Duty Assignment

➤ Next assignment – May – Sep '08
(Hong Kong)

- 6 country visits already planned
- Grading seminars
- Compliance investigation – altered certs
- New pesticide requirements – Korea
- Containers

Wheat to Iraq

- CY '07 – 1.6 mmt of wheat shipped
- CY '08 (Q1) – 757,000 mt of wheat shipped
- FGIS monitoring sampling in UAE
 - ✓ Training new Iraqi Grain Board inspectors

U.S. – China Soybean Study

➤ U.S. – China Soybean Shipment Study

- ✓ Outgrowth of “treated” soybean issues
- ✓ AQSIQ and NAEGA, ASAIM, FAS, APHIS, GIPSA as cooperators
- ✓ Study to begin in October 2008

Ethiopia Commodity Exchange

- 
- Ethiopia – Commodity Exchange
 - ✓ Helped clarify grain and commodity standards
 - ✓ Set up central inspection lab and provided sampling and inspection training
 - ✓ Additional technical support requested

Cartagena Protocol on Biosafety

- Meeting of the Parties MOP-4
 - ✓ May 2008
- Liability and Redress – biggest issue
- Also to consider standardization of sampling, testing
- Documentation: Next reviewed at MOP-5

Wheat Functionality Initiatives

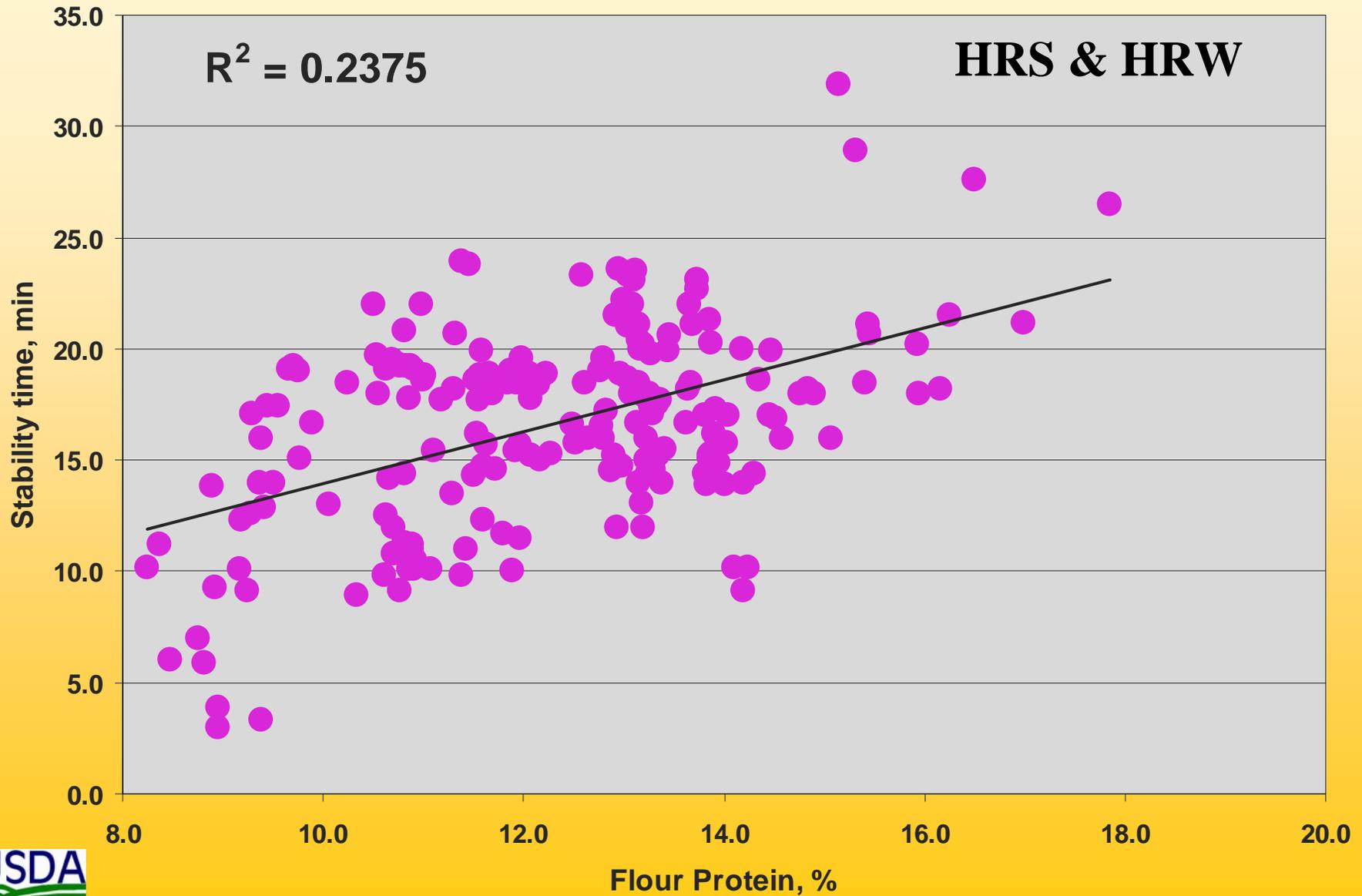
John Sharpe, Director
Technical Services Division

USDA-GIPSA
Grain Advisory Committee Meeting
May 13, 2008

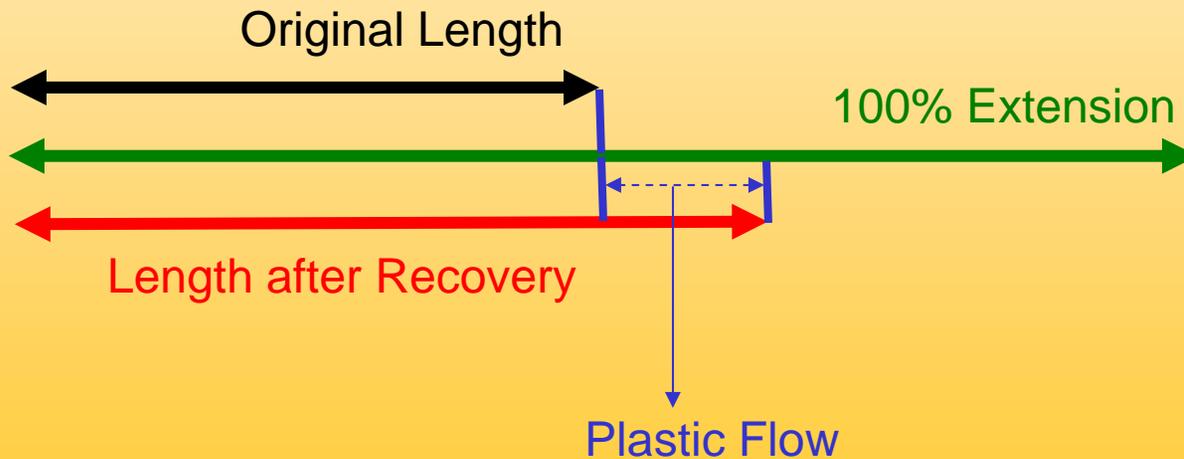


Grain Inspection, Packers and Stockyards Administration

Is Protein Enough? – GIPSA-ARS Study

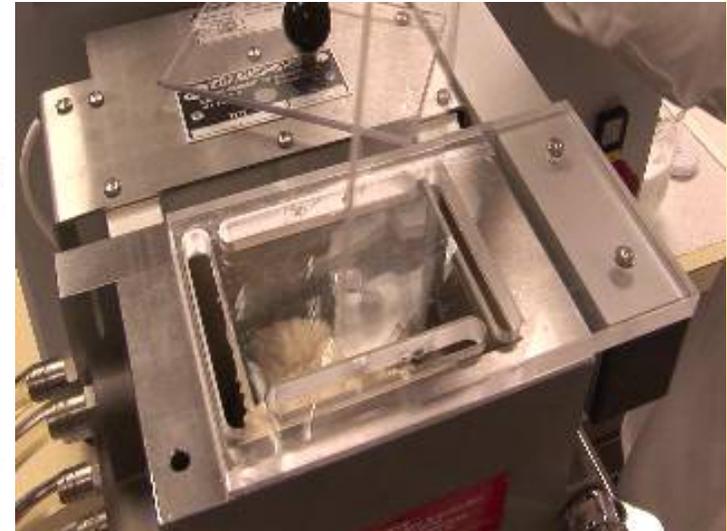
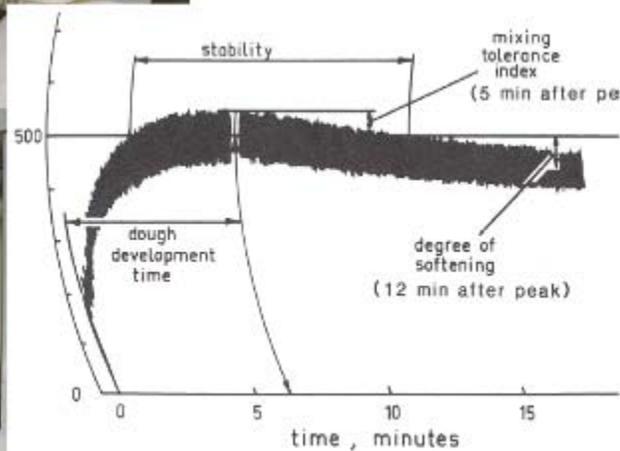


Viscoelasticity: A blend of plasticity and recoverable elasticity





Farinograph



Most popular international rheological method

Measure of the viscoelastic properties of dough

visco – resistance to deformation or “plasticity”

elastic – recoverable “stretch ability”

Farinographs in Marketplace



Original Farinograph
Dough mixing properties
Brass mixer
Open mixer

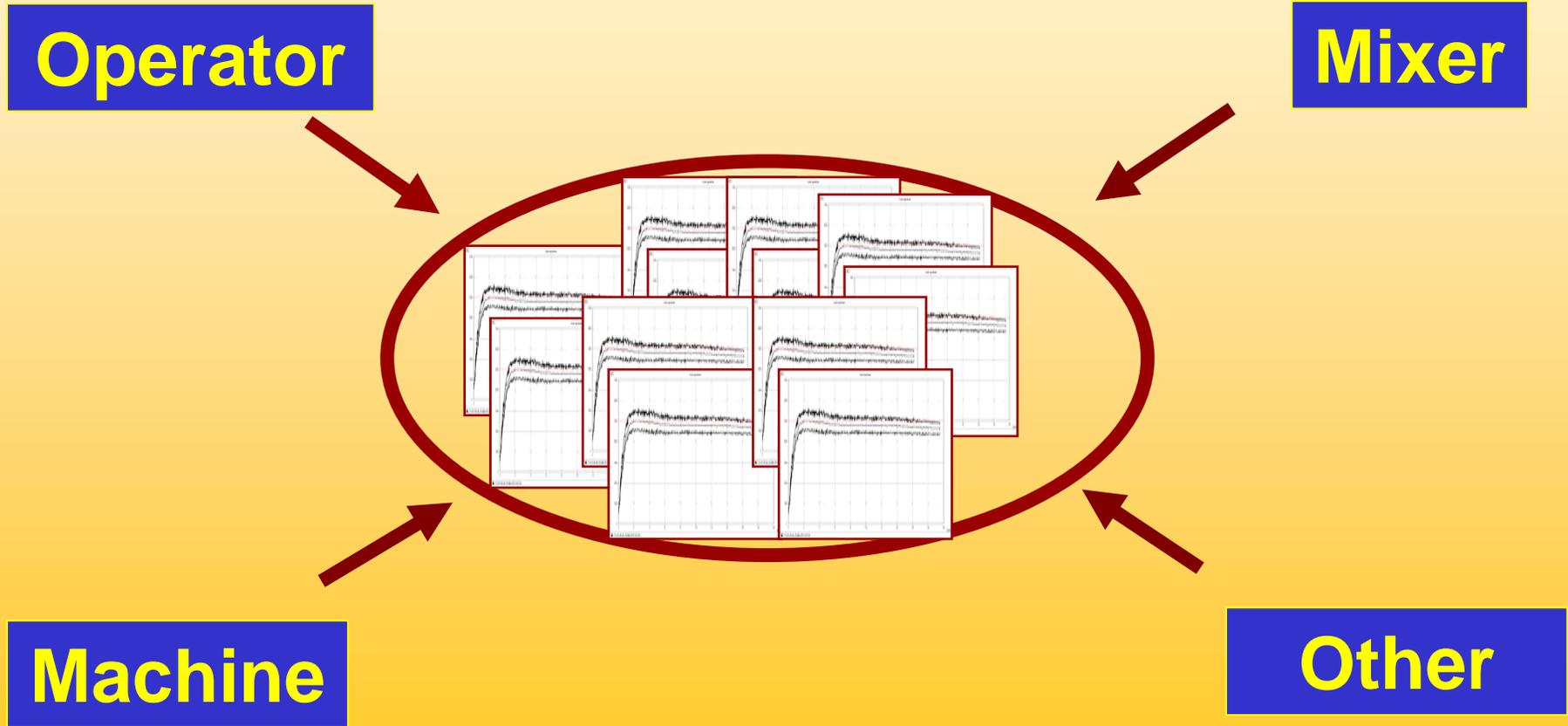


Resistograph
Potentiometer for digital data
Stainless steel mixer
Closed mixer



Farinograph E
Digital dynamometer
Advanced software
Safety switch on mixer

Variables



Farinograph Standardization

- First Steps
 - Involve limited number of labs
 - Focus on a single model
 - Engage C.W. Brabender (manufacturer)
 - Define protocols & develop strategies

Farinograph Standardization Update

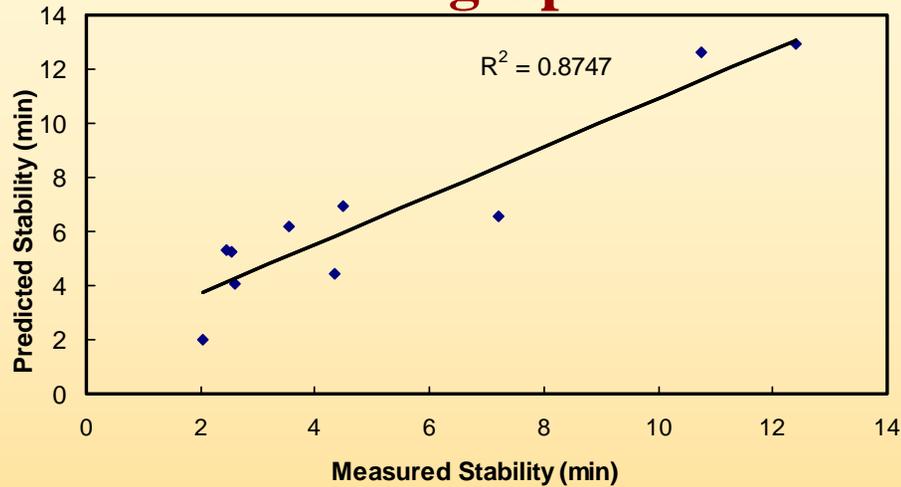
- Enlisted support of C.W. Brabender
- Purchased and received “reference” mixer
- Met with key cooperators to plan test strategies
- Participated in PNW Wheat Quality Council – new variety assessment

Rapid Viscoelastic Tester Status (Cornell Project)

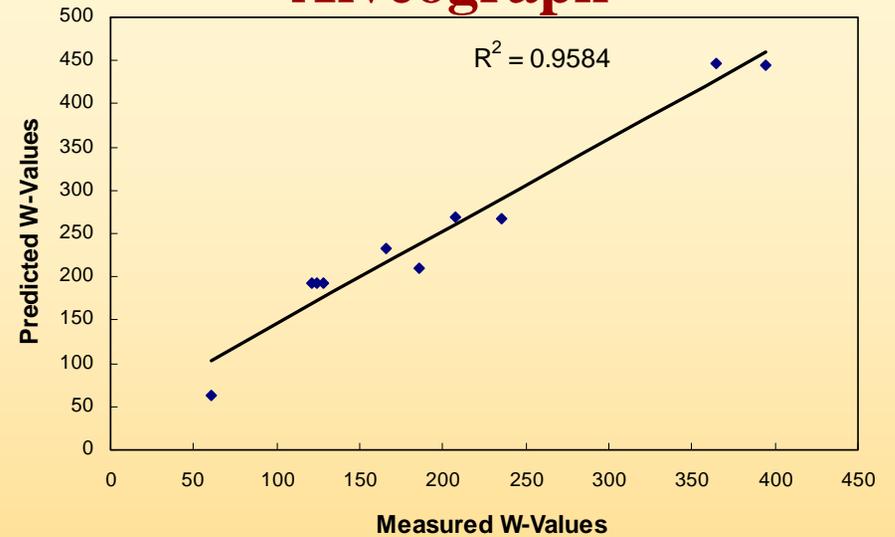
- 18 cultivars individually milled
- Tested 10 flour blends for linear response
 - Tested dough and gluten properties for each cultivar
 - Created blends of 2 to 18 different cultivars
 - Compare predicted properties (calculated from blend proportions) to measured values for flour blends
 - Empirical dough tests
 - Gluten viscoelastic tests
- Continued collaboration in prototype development

Flour Blends: Linearity of dough properties

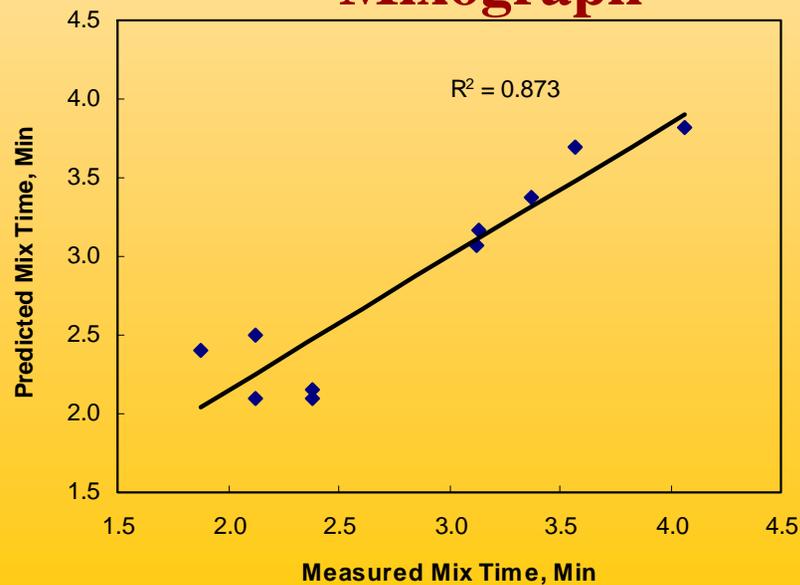
Farinograph



Alveograph

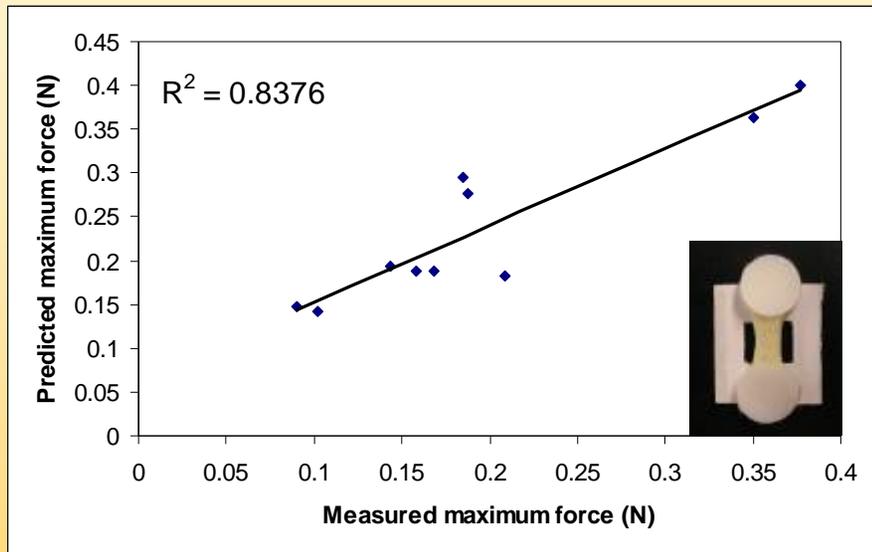


Mixograph

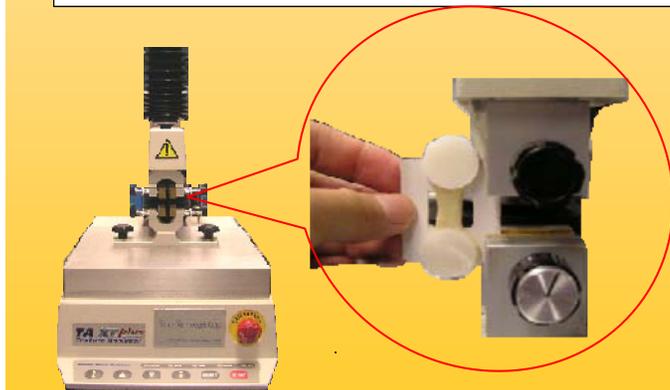
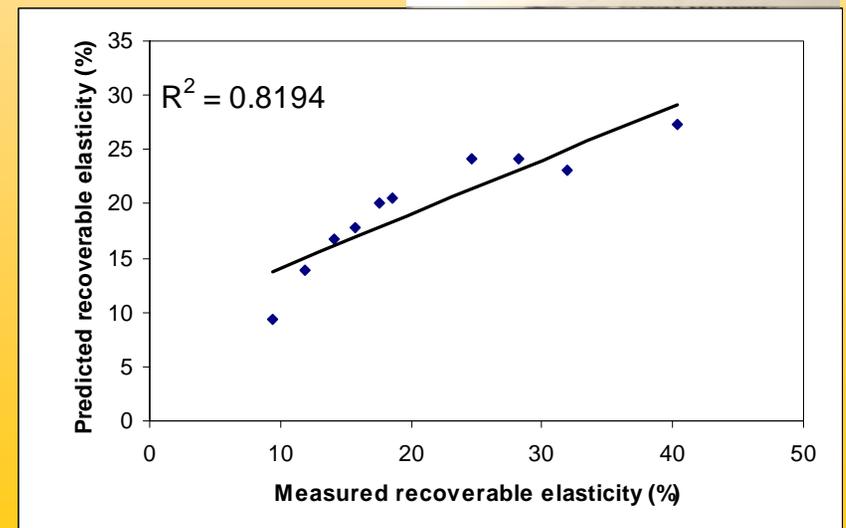


Flour Blends: Linearity of gluten properties

Extension



Recovery



Farm Gate Assessments



Grain Inspection Advisory Committee
May 14, 2008
Minneapolis, MN



Farm Gate Quality Assessments

OBJECTIVE

- A baseline of grading quality
- Capture inspection data for grain which producers bring to the market
- Statistically representative data at the beginning of the supply chain

Farm Gate Quality Assessments

RATIONALE

- GIPSA has mountains of data on grading quality of grain as it moves thru system
- Not certain whether data is statistically representative of what is delivered into the system.
- Data is useful when amending standard
 - to determine effect of grade limit changes
 - On grain handlers
 - On grain producers
 - to support/defend decision making

Farm Gate Quality Assessments

SORGHUM

Progress to date:

- Commenced in 2006
 - 2006:1036 samples gathered (67%) from 11 states
 - 2007:1069 samples gathered (68%) from 17 states
- Planning phase for 2008 collection
 - Drop states where production doesn't go to market
 - Improve mailing materials
 - Plead with senior management of large grain handling companies to get elevators to send samples after agreeing.
 - Handout farm-gate results at 2009 Commodity Classic



Farm Gate Quality Assessments

SORGHUM

OIA contacted the US Grains Council who queried their overseas staff.

Weed seeds in sorghum are not viewed as an international trade issue.

Accordingly, as no one expressed interest in adding identification of weed seeds to the sorghum farm gate assessment, we will not initiate it on our own.



Farm Gate Quality Assessments

SOYBEANS

- **Soybean: commenced in 2007**
 - Gathered 1112 samples (67%) from 27 states
- **Grade Factors Other Factors**
 - Protein, oil, TW
 - FM composition: fine, coarse, dirt, pods, plant parts
- **Subset of ~250 samples analyzed by AMS for weed seed identification**
 - Partnership with APHIS to pay for analysis



Farm Gate Quality Assessments

SOYBEANS

Quality in “export” channels.

Commencing October, 2008

- **Field offices: 250 samples**
 - LC, NOLA, OLY, TOL
- **Official Agencies: 150 samples**
 - IA, KS, MO, NE

Grade & FM characterization, protein, oil

(Don't call us—we will call you!)



Farm Gate Quality Assessments

WHEAT: WEED SEEDS

- **U.S. Wheat Associates (USWA) conducts a broad survey of quality of 6 classes wheat at harvest;**
- **Multiple means of gathering samples-Federal, private, and non-profit entities involved;**
- **Extensive analysis of grading and end use quality;**
- **Annual brochure: a market development tool for international customers**

Farm Gate Quality Assessments

WHEAT: WEED SEEDS

- **Weed seeds are a phyto-sanitary barrier;**
- **FM and weed seeds not specifically assayed in USWA program;**
- **APHIS not interested in collaboration on weed seed analysis of USWA samples;**
 - **Non-Federal entities not recognized by APHIS collect samples- thus could not use results in discussion with other countries.**

Farm Gate Quality Assessments

CORN

- Numerous unsuccessful attempts to contact NCGA to discuss corn farm gate assessment;
- No other group expressing interest in a national level corn farm gate assessment;
- Assume lack of interest due to renewable fuel;

GIPSA will not undertake a corn assessment until it makes “market” sense

Farm Gate Quality Assessments

COST

Costs include:

- Per sample charge for grading & extra factors
- FEDEX charges to ship samples from elevators to agency
- FEDEX charges to send shipping materials to elevators
- Shipping materials (bags, zip ties)
- GIPSA staff time

Farm Gate Quality Assessments

COST by YEAR

	SORGHUM	SOYBEAN	TOTAL
CY 2006	\$27,916.00	no survey	\$ 27,916.00
CY 2007	\$27,361.00	\$ 32,742.00	\$ 60,103.00
CY 2008	\$30,036.00	\$ 36,610.00	\$ 66,646.00
CY 2009	\$31,087.00	\$ 37,462.00	\$ 68,549.00
CY 2010	\$32,184.00	\$ 38,349.00	\$ 70,533.00
CY 2011	no survey	\$ 39,271.00	\$ 39,271.00

Farm Gate Quality Assessments

GIPSA - Education and Outreach - Windows Internet Explorer provided by USDA GIPSA OA ITS NTB

File Edit View Favorites Tools He >> Address <http://www.gipsa.usda.gov/GIPSA/webapp?area=home&subject=eo&topic=rs-farmgate>

USDA United States Department of Agriculture
Grain Inspection, Packers & Stockyards Administration



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Farm Gate Quality Reports

In 2006, the Grain Inspection, Packers and Stockyards Administration (GIPSA) launched a pilot program to capture inspection data for grain that producers bring to the market. We are sampling at the first-point-of-sale (when producers deliver grain to the elevator) as a proxy for collecting samples at the farm gate. The objective is to gather extensive data at the input terminus of the value chain to facilitate objective decision making and support data-driven rationale regarding grain standards changes. Having a baseline of first-point-of-sale grading quality will allow GIPSA to better evaluate the potential impact on the marketplace from proposed changes to the grain standards. GIPSA intends to gather first-point-of-sale grading data on major grains for a 5-year period.

- [Grain Sorghum Study](#)
- [Soybean Study](#)

Contact:
Patrick McCluskey
816-823-4639

Last updated 01/18/2008

Related Topics

- [Overview](#)
- [Educational Materials](#)
- [eLearning](#)
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Inspector Training

John Sharpe
May 13, 2008
GIPSA Advisory Committee
Minneapolis, Minnesota



Grain Inspection, Packers and Stockyards Administration

Resolutions

The Committee recommends that GIPSA continue to explore new methods of training and licensing official personnel for inspector licenses.

The Committee recommends that GIPSA explore the possibility of joining efforts with GEAPS and Purdue, through their distance learning programs, to promote education related to the U.S. Grain Standards and grain grading procedures.



Drivers

- GIPSA and Official Agency attrition
- Limited human resources for training
- Industry need to understand the inspection process



Training Methods

- **Distance Learning**
 - General Understanding
 - Grain Standards Act
 - Regulations
 - Sampling
 - Basic Procedures
 - Basic Grading Concepts
- **One-on-One**
 - Fine Tuning Inspector Interpretations



Actions

- Increasing our digital library of damage images to enhance our online trainers
- Increasing training space in our new facility to provide training
- Planning to have personnel available to proctor tests at Agency locations



Actions

- Presented the concept to the GEAPS Distance Learning Committee February 23, 2008
- Committee approved concept, and authorized GEAPS and Purdue (Kansas State) staff to further investigate cooperation



Actions

- GEAPS, Kansas State and GIPSA met April 22, 2008
 - Determined need for basic information and specific grading curriculum
 - Agreed to form a working committee to determine
 - Where material gaps exist
 - Resources need by each party
 - Timeline to produce introductory course
 - Cost recovery options



Export Services Contracts Pilot Update

Grain Inspection Advisory Committee Meeting

Minneapolis, MN

May 13, 2008

Export Service Contracts

Background Review:

- *2005 – USGSA Reauthorization*
- *2006 – Initiate contracts at 12 export facilities*
 - *Milwaukee/California/Texas*
 - *2007 - Illinois/Indiana/Ohio/New York*
- *Evaluate Contracts for 2 shipping seasons*

What We are Learning

1. Are qualified private companies interested in providing export grain services?
2. What is the best way to select and use private companies at export?
3. How best to oversee performance of private companies?
4. Are real efficiencies gained through use of private companies?

Status of Export Port Contracts

1. *California – no export activity*
2. *Milwaukee – 25 vessels (May 2006-Jan 2007)*
22 vessels (April 2007 – Dec 2007)
3. *Toledo/Portage – 74 vessels (Jan 2007 – Dec 2007)*
4. *Chicago – No Contracts (Jan 2007 – October 2007)*

Evaluating Export Port Contracts

Evaluation Concerns:

- Contractor availability and ability
- Direct Service Costs
- Administrative cost savings due to reduced Federal staff

Export Port Contracts

Contractor Availability:

- GIPSA posts RFI (Request for Information) in April 2007 FBO (Federal Business Opportunities)
 - Covers New Orleans, League City, and Portland
 - Full Service and Labor Assistance
 - Staffing Plans (time needed to source, train, license)
- RFI closes May 7, 2008

Export Port Contracts

Direct Service Costs:

- Collecting information on each vessel to compare contractor costs to GIPSA costs.
 - Hours worked
 - Unit rates
 - Travel expenses
 - Cost of direct oversight

Export Port Contracts

Administrative Cost Savings:

- Independent company (Paradigm Technologies, Inc.) hired to complete a cost analysis.
 - Local Field Office Cost Analysis
 - National Support Cost Analysis
 - Develop a model for use at all export offices
- Analysis planned for completion by July 2008.

Export Port Contracts

Project Plan:

- GIPSA will continue contract projects through the 2008 shipping season in the Great Lakes.
- Service costs are measured on each vessel.
- Program support costs will be evaluated in 2008.
- Integrity of service and certification is important.



National Grain
and Feed
Association



North American
Export Grain
Association



Grain Elevator
and Processing
Society

May 8, 2008

Mr. James E. Link
Administrator
GIPSA, U.S. Department of Agriculture
1400 Independence Avenue, SW
STOP 3601, Washington, DC 20250-3601
Fax: (202) 690-2173

Dear Mr. Link:

The National Grain and Feed Association (NGFA), National American Export Grain Association (NAEGA) and the Grain Elevator and Processing Society (GEAPS) request that the revised United States Standard for Sorghum be added to the agenda and further discussed at the upcoming USDA Grain Inspection, Packers and Stockyards Administration's (GIPSA) Grain Inspection Advisory Committee meeting on May 13-14, 2008, in Minneapolis, Minnesota.

The NGFA, established in 1896, is the U.S.-based nonprofit trade association that consists of approximately 900 grain, feed, processing and grain-related firms comprising more than 6,000 facilities that handle more than 70 percent of U.S. grains and oilseeds. With about 350-member companies with feed manufacturing operations at commercial feed mills and integrated livestock- and poultry-feeding operations, the NGFA is the nation's largest trade association representing feed manufacturing interests. Affiliated with the NGFA are 35 state and regional grain and feed associations. The NGFA also has strategic alliances with Pet Food Institute, GEAPS, and NAEGA.

The North American Export Grain Association (NAEGA), a not for profit trade association, established in 1912, consists of private and publicly owned companies and farmer-owned cooperatives that are involved in and provide services to the bulk grain and oilseed exporting industry. NAEGA's mission is to promote and sustain the development of commercial export of grain and oilseed trade from the United States. NAEGA acts to accomplish this mission from its office in Washington D.C., and in markets throughout the world.

GEAPS is a not-for-profit professional association dedicated to advancing leadership, innovation and excellence in grain handling and processing industry operations. There are currently some 2,500 GEAPS members in 17 countries. The majority of members is employed in North America and is responsible for the operation of more than 10,000 grain handling facilities worldwide. The GEAPS organization comprises 31 local chapters in North America – 28 in the United States and three in Canada.

Recently GIPSA reminded interested parties that revisions to the United States Standards for Sorghum will become effective on June 1, 2008.

Contrary to past, recognized, commercially practical and accepted practice this change is planned to be made effective during a crop marketing year rather than at the end of the crop marketing year. Crop marketing years as recognized and long established by USDA, for Corn, Sorghum, Soybeans and Sunflower begin on September 1. Implementing revisions to standards for annual crops at the end of rather than sometime during a crop marketing year facilitates the common practice of contracting for grain and oilseeds. The timing of the current implementation of revisions (June 1 rather than September 1) promises to be unnecessarily disruptive to some commercial transactions. Such precedent is not in the interest of producers or marketing of U.S. grains and oilseeds

We urge you to reconsider the implementation date for the sorghum grade revisions, and as we had thought was well established and standard practice, make future revisions to any crop standards effective for the beginning of the crop marketing year. We urge you to include a discussion on when, is the least disruptive, to implement revisions to the Standards at the upcoming GIPSA Advisory Committee meeting.

Sincerely,



Kendell Keith
President, National Grain and Feed Association



Gary Martin
President and CEO
North American Export Grain Association



David Krejci
Executive Vice President
Grain Elevator and Processing Society

CC: American Soybean Association
Foreign Agricultural Service
National Association of Wheat Growers
National Corn Growers Association
National Sorghum Producers
United States Grain Council
US Soybean Export Council
US Wheat Associates