

CHANGE TRANSMITTAL SHEET

DIRECTIVE
 REVISION
 AMENDMENT
 OTHER

VOLUNTARY REIMBURSABLE INSPECTION SERVICES	12,600.1 Revision 1 Amend 1	1/18/07
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I. PURPOSE

This transmittal issues an amended FSIS Directive 12,600.1, Revision 1, Voluntary Reimbursable Inspection Services, to address questions FSIS has received regarding this directive. The new questions and answers are in Attachment 2.

II. CANCELLATION

This transmittal is cancelled when the contents have been incorporated into FSIS Directive 12,600.1, Revision 1, Amendment 1.



Assistant Administrator
Office of Policy, Program, and Employee Development

FILING INSTRUCTIONS

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Offices

OPI: OPPED

FSIS DIRECTIVE

12,600.1
Revision 1
Amendment 1

1/18/07

VOLUNTARY REIMBURSABLE INSPECTION SERVICES

I. PURPOSE

This directive addresses non-mandatory inspection services for which the Agency receives reimbursement -- voluntary reimbursable services.

Key Points Covered

- *Guides FSIS employees who need to determine whether voluntary inspection facilities meet the requirements to receive the requested services*
- *Guides FSIS employees on application, approval, and withdrawal procedures for voluntary reimbursable services*
- *Instructs inspection program personnel on what to inspect when providing voluntary reimbursable services*

II. CANCELLATIONS

FSIS Directives 5110.1 Revision 1 and 12,600.1

III. REASON FOR REISSUANCE

This revision updates and combines information from FSIS Directive 5110.1, Revision 1, Reimbursable Services Reference Guide and FSIS Directive 12,600.1, Voluntary Reimbursable Inspection Services.

IV. REFERENCES

Agricultural Marketing Act of 1946, as amended (7 U.S.C. 1621, et seq.); Federal Meat Inspection Act (21 U.S.C. 601, et seq.); Poultry Products Inspection Act (21 U.S.C. 451, et seq.); Egg Products Inspection Act (21 U.S.C. 1031, et seq.)
9 CFR 307.4, 307.5, 307.6, 307.6(a), 307.6(b), 311.23 (a)(2), Part 318, Part 320, Part 322, 325.11, 350.3, 350.6, Part 351, Part 352, Part 354, Part 355, Part 362, 381.10 (c)(2), 381.37, 381.38, 381.39, 381.39 (a), 381.39 (b), 381.65, 381.66, 381.111,

DISTRIBUTION: Inspection Offices; T/A Inspectors;
TRA;TSC; Import Offices

OPI: OPPED

381.148, subpart O, 391.1-391.4, 416.1 – 416.6, 416.11 - 416.16, Part 417, 590.136, 590.200, Part 592, 9 CFR 307.4, 307.5, 307.6, 307.6(a), 307.6(b), 311.23 (a)(2), Part 318, Part 320, Part 322, 325.11, 350.3, 350.6, Part 351, Part 352, Part 354, Part 355, Part 362, 381.10 (c)(2), 381.37, 381.38, 381.39, 381.39 (a), 381.39 (b), 381.65, 381.66, 381.104 - 381.111, 381.148, subpart O, 391.1-391.4, 416.1 – 416.6, 416.16, Part 417, 590.136, 590.200, Part 592

FSIS Directives 5000.1, Revision 2, 5400.5, 8410.1, Revision 2, 9000.1, 9010.1, and 9040.1, Revision 2

FSIS Forms 5110-1, 5200-4, 5200-6, and 5400-4

V. BACKGROUND

A. The Federal Meat Inspection Act (FMIA), the Poultry Products Inspection Act (PPIA), and the Egg Products Inspection Act (EPIA) set forth inspections that FSIS performs to ensure that meat, poultry and egg products are not adulterated and are properly labeled. FSIS does not collect fees for these mandatory inspection services at official establishments, except for holiday and overtime pay.

B. In addition to mandatory inspection, FSIS provides inspection services to accommodate business needs, such as obtaining certifications necessary to meet requirements of importing countries or the inspection of nonamenable products. FSIS collects fees from all facilities (including official establishments) that request inspection and certification services that are not required by the statutes. The Agricultural Marketing Act (AMA) through 7 CFR 218 and Subpart H authorizes these types of inspection services, called voluntary reimbursable services. FSIS conducts voluntary reimbursable services only when they are requested by the facility. Facilities apply for these services through the FSIS District Office (DO) in the district where the facility is located. Facilities requesting voluntary reimbursable inspection services are to complete FSIS Form 5200-6, Application/Approval for Voluntary Reimbursable Inspection Service, in Outlook:

Public Folders/All Public Folders/Agency Issuances/Forms/FSIS 5000 Series

C. FSIS requires all facilities where it provides voluntary reimbursable services to maintain themselves, at a minimum, in accordance with 9 CFR 416.1 - 416.6. The facilities may also have to meet other regulatory requirements (e.g., voluntary inspection requirements for rabbits). Non-official facilities are not required to comply with the requirements of Sanitation SOPs and HACCP, and although a non-official facility voluntarily may choose to have Sanitation SOPs and HACCP plans, inspection program personnel are not to perform any of the Sanitation SOP or HACCP verification activities found in FSIS Directive 5000.1, Revision 2.

VI. TYPES OF VOLUNTARY REIMBURSABLE SERVICES

This section describes the various types of voluntary reimbursable services that are available and identifies the applicable regulations for each type of service.

A. Identification Service (ID Service) - 9 CFR 350.3(a) and 362.2(c)

1. ID Service is provided to ensure that the identity of federally-inspected and passed meat and poultry product is maintained throughout the division of such meat and poultry product into smaller portions, its combination into larger units, or its repackaging and relabeling. Product units and portions are officially marked to identify them as inspected and passed.

2. The regulations do not permit product reconditioning, "ice glazing," or other types of further processing operations, such as cutting, boning, or trimming, with only ID service. These operations require a grant of inspection.

NOTE: A warehouse or freezer that only stores frozen or refrigerated, properly packaged, marked, and labeled meat, poultry, or egg products, and does not repackage or otherwise handle exposed product, does not require FSIS inspection coverage.

B. Export Certification Service - 9 CFR 350.3(b) and 362. 2(b)

1. When performed in official establishments, the issuance of export certificates that are required by 9 CFR Part 322 and 381.104 through 381.111, and as described in FSIS Directives 9000.1, Revision 1 and 9040.1, Revision 3, are not reimbursable services. Only the execution of certifications that are in addition to FSIS regulatory requirements, (e.g., additional certifications that are required by the importing country and the transferring of products for export as described in 9 CFR 322.3) are considered reimbursable services.

2. When performed at non-official establishments, the issuance of export certificates as set out in FSIS Directives 9000.1, Revision 1 and 9040.1, Revision 3, are reimbursable services.

3. Facilities where FSIS conducts *import* inspection services are not official establishments, and inspection operations other than those directly related to import reinspection (such as export certification) conducted at such facilities are reimbursable services.

C. Freezing Pork for Trichinae Certification

FSIS will certify the destruction of live trichinae in pork by refrigeration at non-inspected facilities as a reimbursable service. Facilities are required to effectively treat and handle the pork in accordance with 9 CFR 318.10(c)(2). Facilities are to maintain documentation to demonstrate that the procedures followed for each lot of pork certified meet the time, temperature, and handling requirements of the regulations.

D. Refrigerating Beef for Cysticercus Certification - 9 CFR 311.23(a)(2)

FSIS may certify that beef with lesions of cysticercus bovis was (following removal and condemnation of the lesions and surrounding tissue) held in cold storage under a “U.S. Retained” tag for the proper time, based on the product type, as specified in 9 CFR 311.23(a)(2) at non-inspected facilities as a reimbursable service.

E. Off-Premises Freezing Service for Poultry - 9 CFR 381.66 (f) and 381.148

Inspection service to verify that raw or processed poultry frozen at a non-inspected facility meets a label claim regarding freezing and is handled in the same manner as product frozen at an official establishment in accordance with the requirements specified in 9 CFR 381.66(f) and 381.148 is provided as a reimbursable service.

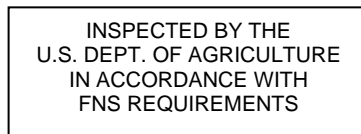
F. Food Inspection Service- 9 CFR 350.3(c) and 9 CFR 362.2(a)

1. Processing of certain food articles not covered by the FMIA or PPIA (e.g., products containing only nonamenable amounts of meat or poultry) is permitted in establishments under USDA inspection as a reimbursable service.

2. FSIS provides voluntary inspection services to ensure the wholesomeness of a nonamenable food article(s). The time required for FSIS personnel to provide the service is reimbursable.

3. For purposes of voluntary reimbursable services, a food article is an item containing meat, poultry, meat byproducts, or a meat or poultry food product for which an applicant requests and pays for inspection, but for which the FMIA and PPIA do not require inspection. The AMA authorizes inspection of these products, and when FSIS finds these products to be wholesome, FSIS grants the mark of inspection.

NOTE: Nonamenable, Child Nutrition (CN) products that do not contain meat or poultry (e.g., “Cheese Pizza”) do not bear the mark of inspection, but FSIS grants the following mark:



FSIS does not require products produced under food inspection to be produced in accordance with 9 CFR Part 417 and 416.11-17.

G. Certified Product for Dogs, Cats, and Other Carnivora – 9 CFR Part 355

Inspection, certification, and identification of products for dogs, cats, and other carnivora are reimbursable services provided to applicants. The product labeling bears an inspection legend (depicted in 9 CFR 355.32 (a)(4)) signifying certified products for consumption by carnivorous animals.

H. Certification of Technical Animal Fats for Export - 9 CFR Part 351

This part provides for the certification of technical animal fat for exportation or storage for exportation in accordance with 9 CFR 325.11.

In order to be certified, technical animal fats must originate from animals slaughtered under federal inspection. The product labeling does not bear the mark of inspection but conspicuously labels the product as "Technical Animal Fats."

I. Voluntary Inspection Service

The regulations provide for the service of voluntary inspection and certification service for the following:

1. 9 CFR Part 352, Exotic Animals; Voluntary Inspection

This part provides for the voluntary inspection and certification service for wholesomeness relating to the slaughter and processing of bison, cattalo, deer, elk, and other exotic animals and the application of a triangular shaped mark of inspection depicted in 9 CFR 352.7.

2. 9 CFR Part 354, Voluntary Inspection of Rabbits and Edible Products Thereof

This part provides for the voluntary inspection of domestic rabbits and parts for condition and wholesomeness and the application of a mark of inspection.

3. 9 CFR Part 362, Voluntary Poultry Inspection Regulations

This part provides for the voluntary inspection of any migratory waterfowl or game bird for wholesomeness and the application of a mark of inspection. This part also provides for export certification and identification service (as discussed above).

4. 9 CFR Part 592, Voluntary Inspection of Egg Products

This part provides for the voluntary services for the inspection of the processing in official plants of products containing eggs, sampling of products, and quantity and condition inspection of products.

NOTE: The issuance of certificates for the export of egg products is a voluntary inspection service. Therefore, the execution of export certificates for egg products, whether performed at official establishments or at off-premise freezers, is a reimbursable service.

VII. GRANTING VOLUNTARY INSPECTION SERVICES

This section describes the procedural steps that FSIS follows when evaluating facilities requesting voluntary reimbursable services, and the actions FSIS takes in agreeing to provide the service(s) or in denying the application for service.

A. When a facility submits FSIS Form 5200-6, the District Manager (DM) will instruct a designee to visit the facility to determine whether it meets the general requirements for the service requested. The visit includes verifying that the facility meets the sanitation performance standards and the applicable the regulatory requirements for the service in the area of the facility where FSIS will perform the voluntary inspection service. The designee will evaluate the facility only for meeting the requirements for the type of service(s) requested.

B. If the facility fails to meet the requirements for the service(s) requested, FSIS will not provide the service. The designee will document his or her findings on FSIS Form 5200-4, Recommendation on Application for Inspection.

C. If the facility meets the requirements for the requested service(s), the DM will request the next available number through the Resource Information System segment of the Performance Based Inspection System (PBIS) system, assign the number to the facility, and agree to furnish the requested service by signing FSIS Form 5200-6.

D. Once the application process is complete, on each occasion that the facility requires voluntary inspection services, the management of the facility is to request inspection coverage from the FSIS DO.

NOTE: The DM may deny service for administrative reasons, (e.g., the no availability of FSIS personnel to perform the service or the applicant's reimbursable services account is delinquent) until the condition justifying such denial is alleviated.

VIII. GENERAL INSPECTION PROGRAM PERSONNEL RESPONSIBILITIES

A. FSIS inspection program personnel will record inspection procedures as unscheduled activities in PBIS for each visit. Inspection program personnel verify that the facilities meet applicable requirements by performing the appropriate procedures under Inspection System Procedure codes 04 and 06 using the inspection methodology outlined in FSIS Directives 5400.5, and 5000.1, Revision 1. The verification activities for each inspection procedure only apply to the areas, rooms, or departments where FSIS conducts the voluntary reimbursable service and any surrounding areas that affect the areas identified for voluntary reimbursable services. Inspection personnel will perform and record PBIS Procedure 06A01 as described in FSIS Directive 9000.1 for reimbursable exports whether at inspected establishments or non-inspected facilities.

B. When there is reason to believe that product in a voluntary inspection facility is adulterated or misbranded; inspection program personnel should *detain* the product as outlined in FSIS Directive 8410.1, Revision 2.

C. When there is reason to believe that product in an official establishment is adulterated or misbranded, inspection program personnel should *retain* the product as outlined in 9 CFR 318.2.

NOTE: Inspection program personnel should report conditions that could adulterate product or affect product usability that they discover in any other area of the facility to the DO through their Frontline Supervisor (FLS).

D. Inspection program personnel charge fees for all reimbursable services for the time required to render such service, including travel time used in connection with providing the service. In addition, inspection program personnel may charge to cover the cost of other expenses incurred by FSIS in connection with the furnishing of the service (See 9 CFR 350.7). Inspection program personnel will record reimbursable charges on FSIS Form 5110-1, Services Rendered by the FSIS employee. Fees to be charged and collected for service are at the rates specified in 9 CFR 391.2 -391.4 and 592.510 - 592.530. (See attachment for additional information about charging for reimbursable services).

IX. INSPECTION PROGRAM PERSONNEL VERIFICATION ACTIVITIES FOR SANITATION AT ALL REIMBURSABLE OPERATIONS

This section sets out the applicable regulations regarding sanitary requirements for facilities where voluntary reimbursable services are furnished and describes the facility operator's responsibility.

A. As described in FSIS Directive 5000.1, Revision 2, inspection program personnel are to perform ISP code 06D01 when verifying compliance with the sanitation performance standard regulations. FSIS will not provide reimbursable services to facilities that do not meet the requirements of the sanitation performance standards.

B. Inspection program personnel are to:

1. Verify compliance with the requirements of 9 CFR 416.1 - 416.6 or Part 592 (for egg products) at all facilities requesting reimbursable services. Facilities have a responsibility to ensure that they conduct operations in a manner that does not lead to product adulteration or the creation of insanitary conditions. Since the facilities are, in many cases, not official establishments, they are not required to meet the written Sanitation SOP requirements of 9 CFR 416.11 – 416.16.

2. Make observations and review records to verify regulatory requirements for each type of service requested.

3. Document noncompliance with meat and poultry regulations using a Noncompliance Record (NR) (FSIS Form 5400-4) with the appropriate trend indicator. Inspection program personnel are not to certify product until the facility corrects any noncompliances (9 CFR 350.6, 351.20, 352.6, 354.45).

4. Record noncompliance with egg products regulations in the Remarks Section of the

“Daily Report of Plant Operations” (PY-203 for liquid egg products and PY-159 for dried egg products).

C. Inspection program personnel are to notify the DO when:

1. the facility does not comply with the requirements of 9 CFR 416.1 through 6 resulting insanitary conditions such that products in the facility are or would be rendered adulterated; or
2. the facility does not have sufficient equipment to fulfill the requirements for the requested service.

The DO may take the actions set out in Section XI of this directive.

X. SPECIFIC VERIFICATION ACTIVITIES IN PERFORMING REIMBURSABLE SERVICES

This section sets out applicable regulations and describes some specific verification activities inspection program personnel will perform to verify regulatory compliance for the various types of voluntary reimbursable services FSIS provides.

In addition to the activities described in Section IX of this directive, FSIS personnel are to perform the following verification activities using the appropriate 04 ISP code and instructions found in FSIS Directive 5400.5 in performing specific types of reimbursable services:

A. Identification Service (ID Service) - 9 CFR 350.3(a) and 362.2(c)

1. Inspection program personnel are to review records and observe the handling of product to verify that the facility maintains product identity and are to verify that the facility handles the product in a manner that prevents product adulteration.
2. Inspection program personnel will verify that facilities are using approved labels, wrappers, or containers bearing the official mark of inspection. When facilities label or relabel product at an ID warehouse, freezer, cold storage, or dry storage facility, either the originating official establishment number or the official warehouse number may be used. Facilities may label product with the inspection legend provided they apply the label under FSIS supervision.
3. Whenever labeling with the originating official establishment number is used by an ID facility (i.e., labeling depicting the official number of the establishment that produced the product), inspection program personnel will verify that the ID facility code marks the product in a manner that will clearly indicate that the product was last handled and labeled at the ID facility. The ID facility must maintain records of label transfers and records of products labeled or relabeled at the facility to identify properly the product origin in the event of a product control problem, (e.g., voluntary product recall).

B. Export Certification Service - 9 CFR 350.3(b) and 362.2(b)

Inspection program personnel are to verify that the information on the export certificate and related documents is accurate and are to carry out export certification activities as set out in FSIS Directive 9000.1 and other applicable instructions.

C. Freezing Pork for Trichinae Certification

Inspection program personnel are to verify the facility's procedures and controls through records review and direct observation to ensure compliance with 9 CFR 318.10 (c) (2), Refrigerating, and that the product undergoing certification has been kept identified, separated, and secured.

D. Refrigerating Beef for Cysticercus Certification - 9 CFR 311.23(a)(2)

Inspection program personnel are to maintain positive control by placing a "U.S. Retain" tag on product from which lesions of cysticercus bovis have been removed and are to verify compliance with the appropriate time and temperature combination set out in 9 CFR 311.23(a)(2) through records review and direct observation. Inspection program personnel are to remove the tag after the facility has held the product in cold storage for the required time and temperature combination specified in the above regulation for the type of product held under refrigeration (i.e., carcasses or boxed product.)

E. Off-Premises Freezing Service for Poultry - 9 CFR 381.66 (f) and 381.148

Inspection program personnel are to perform reviews of records and make necessary observations to verify compliance with 9 CFR 381.66(f), *Freezing*, for ready-to-cook poultry, and 9 CFR 381.148, *Processing and handling requirements for frozen poultry products*.

a. Inspection program personnel will verify that facilities freezing ready-to-cook poultry are meeting the label claim for freezing as provided in 9 CFR 381.66(f):

- (1) capability of lowering the internal product temperature in the warmest part of the package to 0° F. within 72 hours of entering the freezer, and
- (2) ability to maintain poultry in a solidly frozen state.

b. As specified in 9 CFR 381.148, a facility freezing processed poultry product to meet a label claim regarding freezing shall operate in a manner to ensure that the product does not become adulterated.

F. Meat and Other Products Food Inspection Service- 9 CFR 350.3(c) and Poultry Inspection Service - 9 CFR 362.2(a)

For nonamenable meat and poultry products produced under Food Inspection Service and Poultry Inspection Service, inspection program personnel will verify, through direct observation of processes, examination of product, and review of records, that the preparation and labeling of the products complies with the applicable provisions of 9 CFR Chapter III.

G. Certified Product for Dogs, Cats, and Other Carnivora – 9 CFR Part 355

Inspection program personnel are to perform inspections, review records, and make direct observations to verify that facilities and operations comply with the requirements in 9 CFR Part 355. These verifications include, but are not limited to:

1. verifying that facilities are adequate to accomplish storage of material used in the production of certified products and the holding of products prepared for certification;
2. verifying that incoming materials are properly marked;
3. reviewing labeling records and observing of product labeling;
4. supervising processes such as canning operations in the production of certified products, and
5. verifying the composition of certified products.

H. Certification of Technical Animal Fats for Export - 9 CFR Part 351

Inspection program personnel are to verify that facilities and operations comply with the requirements in 9 CFR Part 351. These verification activities include, but are not limited to:

1. verifying that facilities and equipment are adequate to maintain the identity of certified animal fats and the materials used in their preparation;
2. reviewing of records substantiating that the technical animal fats originated from animals which were slaughtered under federal inspection;
3. supervising all processes used in the preparation of technical animal fats;
4. verifying, through observation of labeled product, that the product labeling does not bear the mark of inspection and is conspicuously labeled as “Technical Animal Fats”; and,
5. the execution of export certifications as set out in 9 CFR Part 322 and FSIS Directive 9000.1.

I. Voluntary Inspection Service - 9 CFR Part 352, Exotic Animals; Voluntary Inspection:

1. 9 CFR Part 352, Exotic Animals; Voluntary Inspection:

Inspection program personnel are to perform inspections relating to the slaughter and processing of exotic animals and exotic animal products. They are to review records and are to make observations to verify that facilities and operations comply with the requirements of 9 CFR Part 352 (e.g., the condition and wholesomeness of edible product of exotic animals, and the preparation, labeling, marking and separation of such products to

prevent commingling with products of other species).

2. 9 CFR Part 354, Voluntary Inspection of Rabbits and Edible Products Thereof:

Inspection program personnel are to perform inspections relating to the slaughter and processing of rabbits, review records, and make observations to verify that facilities and operations comply with the requirements of 9 CFR Part 354, e.g.,

(1) performing ante-mortem and post-mortem inspection activities verifying the condition and wholesomeness of rabbits and any edible products manufactured from rabbits;

(2) verifying that facilities and equipment are in compliance with applicable regulations, observing of the labeling and marking of rabbits and rabbit products, and issuing rabbit inspection certificates and export certificates.

3. 9 CFR Part 362, Voluntary Poultry Inspection Regulations:

Inspection program personnel are to perform inspections, review records, and make observations to verify that facilities and operations are in compliance with the requirements of 9 CFR Part 362, e.g.,

(1) performing inspection and certification activities relating to the slaughter, processing, condition, and wholesomeness of nonamenable poultry and poultry products; and

(2) performing Export Certification Service and Identification Service, to verify that product is sound, wholesome, and fit for human food at the time service is furnished.

NOTE: Voluntary Poultry Inspection Service is available only on premises other than those of an official establishment.

4. 9 CFR Part 592, Voluntary Inspection of Egg Products:

Inspection program personnel are to perform sampling as directed; to make such observations, inspections and records reviews as they deem necessary to enable them to determine the class, quality, quantity, and condition of egg products; and to certify that products have been prepared, processed, stored, and handled in compliance with the requirements of 9 CFR Part 592.

XI. DENIAL/WITHDRAWAL OF AGREEMENT TO FURNISH VOLUNTARY REIMBURSABLE INSPECTION SERVICES

This section sets out reasons why FSIS may suspend or withdraw an agreement to provide services and describes the method of notification to the facility of such actions.

The DM may deny or withdraw the agreement to furnish services for any of the following reasons:

A. insanitary conditions found in the facility would render the product unwholesome;

B. improper records or certificates are found;

C. management or employees of the facility fail to comply with any conditions of the FSIS agreement to furnish voluntary reimbursable inspection services, or they violate the applicable FSIS regulations, or the FMIA, PPIA, or EPIA; or

D. the facilities reimbursable services account is delinquent.

When violations, as described above, have been noted, the DO will notify the facility in writing that due to the noncompliances, the agreement to furnish voluntary reimbursable inspection service is denied or withdrawn pending final determination (7 CFR 1.133, 9 CFR 350.6, 351.20, 352.6, 354.45).

After the DM has given the management of the facility an opportunity to present their views, the DM may notify the facility in writing that he or she is denying or withdrawing the agreement to furnish voluntary reimbursable inspection based on the authority granted by the applicable regulation for the service provided.



Assistant Administrator
Office of Policy, Program, and Employee Development

Attachment 1

Reimbursable Services Questions and Answer

1. What are the regulatory or statutory references for approval/denial of voluntary reimbursable inspection services?

Statutes that require mandatory inspection:

Federal Meat Inspection Act (FMIA)
Poultry Products Inspection Act (PPIA)
Egg Products Inspection Act (EPIA)

Statutes allowing USDA, FSIS to perform certain voluntary reimbursable inspection and certification services in order to promote the marketing of U.S. agricultural products:

The Agricultural Marketing Act of 1946, as amended (AMA)
Title 9 Code of Federal Regulations (9 CFR)

Regulations providing for various voluntary inspections:

311.23 (a)(2) Refrigerating Beef for Cysticercus Certification
Part 320 Records, Registration, and Reports
Part 322 Exports
Part 350 Special Services Relating to Meat and Other Services
Part 351 Certification of Technical Animal Fats for Export
Part 352 Exotic Animals: Voluntary Inspection
Part 354 Voluntary Inspection of Rabbits and Edible Products
Part 355 Certified Product for Dogs, Cats, and Other Carnivora
Part 362 Voluntary Poultry Inspection Regulations
Subpart C 381.10(c)(2) Poultry Exemptions
Subpart I 381.65, 381.66 Operating Procedures
Subpart M 381.111 Export Certificates; Certification Procedures
Subpart O 381.148 Entry of Articles into Official Establishments
Part 391 Fees and Charges for Inspection Services
Part 590.136 & 590.200 Rules of Practice
Part 592 Voluntary Inspection of Egg Products

2. When are inspection services reimbursable?

Inspection services are reimbursable when the FSIS provides the services during overtime, premium, and holiday periods, or as voluntary reimbursable inspection services. Reimbursable overtime periods are times when an establishment works outside of its approved operating schedule and the inspection program personnel work outside of their regular tour of duty and are entitled to premium pay.

3. Is there a minimum charge for reimbursable services?

Yes, there is a ¼ hour minimum charge for reimbursable services. Reimbursable charges are rounded to the nearest quarter hour (9 CFR 307.6(a) & 381.39(a)). For example, round more than seven minutes but less than 22 minutes of reimbursable services to a ¼ hour, or round more than 22 minutes but less than 37 minutes to a ½ hour, and so on.

NOTE: Generally, overtime work of less than seven minutes' duration immediately following the official tour of duty, is not charged to the plant.

4. Is there a minimum charge to establishments or facilities for work performed by inspection program personnel when they are required to return to, or travel to, an establishment or facility after completing their tour of duty (including contiguous overtime) and have traveled home? FSIS refers to this as a call back.

Yes, there is a 2-hour minimum charge for a call back to perform inspection services, including reimbursable inspection services. (9 CFR 307.6(b) & 381.39(b)).

5. How do inspection program personnel document charges for reimbursable services performed for a call back?

Inspectors record reimbursable services performed for a call back on the FSIS Form 3530-5, Time and Attendance Report (T&A) and FSIS Form 5110-1, Services Rendered. The inspector will record the reimbursable services performed during a call back on a separate line of the T&A with a transaction code of "21." The inspector will complete a Form 5110-1 recording the time involved with providing the reimbursable services. The inspector is to record the time under the "Voluntary Inspection Program" section of the Form 5110-1 in the overtime/holiday time column. The inspector is to contact the DO for the proper management codes to use for documentation and charging plants for reimbursable services.

6. Can the Agency deny a request for reimbursable services, including overtime due to limited resources/personnel?

Yes, the Agency can deny any additional inspection services beyond the mandatory inspection services provided for by statute when resources are not available. However, the Agency will make a reasonable effort to provide all requested reimbursable services. Refer to 9 CFR 350.6, 352.6, 354.26, 362.4, and 592.22

7. How does FSIS define "supervised" for pet food inspection or any other reimbursable services?

“Supervised by FSIS” means that the inspection program personnel will verify compliance with appropriate regulations by observing production, reviewing plant records, performing sampling when directed, and documenting noncompliances.

8. Can FSIS charge for voluntary reimbursable services during inspection personnel’s regular tour of duty? What is the basis for the charges?

Yes, inspection program personnel can charge for voluntary reimbursable inspection services rendered during their official tours of duty for services that are not mandatory under the FMIA, PPIA, or EPIA but that the AMA authorizes as reimbursable services. Examples of such services include Identification Service, Certification Service, exotic species slaughter, or Food Inspection Service.

9. How does FSIS charge for reimbursable services performed during inspection personnel’s regular tour of duty?

These charges should include all of the actual time spent performing the reimbursable services, including the time to travel to and from a facility where the reimbursable service is rendered. (See Questions 11 & 12 for instructions on calculating and reporting the prorated amounts.)

10. How does FSIS charge for overtime on patrol assignments?

Charges for overtime, premium time and holiday time worked are pro-rated among the various establishments receiving the services. (See Questions 11 & 12 for instructions on calculating and reporting the prorated amounts.)

11. How do inspection program personnel calculate the prorated charges for reimbursable services performed?

The inspector will first determine the total amount of time spent performing the reimbursable services. This takes two calculations. The first calculation is to determine the amount of time required to provide the reimbursable services at the facility or establishment. The second calculation is to determine how much of the travel time (if any) is reimbursable. The following scenarios illustrate how to prorate the reimbursable service charges between or among two or more facilities or establishments.

Scenario 1

Reimbursable services performed at official establishments with equal time spent at each establishment

Two official establishments need export certificates issued, including the issuance of additional certifications that are required by the importing country (a reimbursable service). The inspector spends the entire day performing inspection duties in these two plants and needs to charge each plant the amount of reimbursable work performed that day. During the day, two hours were spent performing the reimbursable services; two hours were spent driving between the two plants; and four hours were spent performing other mandatory (nonreimbursable) inspection duties. The inspector performed reimbursable services for approximately the same amount of time at each of the two plants.

Calculation 1: Calculate the total reimbursable time.

Step 1 - The first step is straightforward, (i.e. the inspector will charge for the two hours (120 minutes) of reimbursable services performed at the plants.)

Step 2 - The second step, to determine the amount of travel time between the plants that is reimbursable, is a little more complex. First, the inspector determines the portion of the total services performed during the day that were reimbursable. Two hours spent performing reimbursable inspection services, and four hours spent performing mandatory inspection services, equals a total of six hours spent performing inspection services. That means that 2 hours of the 6 total hours ($2/6\text{ths}=1/3\text{rd}$) of inspection services provided were reimbursable.

Step 3 - The inspector spend two hours, or 120 minutes, on travel between the two plants. Keeping consistent with $1/3$ of the time being reimbursable, of the two hours travel time, the amount of reimbursable travel time between the two plants is $1/3$ of 120 minutes, or 40 minutes.

Step 4 - The total reimbursable time is 120 minutes (2 hours), plus 40 minutes travel time, or 160 minutes.

Calculation 2: Calculate the prorated amount to charge each plant

Step 5 - In this example (as indicated above), the inspector performed reimbursable services for approximately the same amount of time at each of the two plants. Therefore, the inspector charges each plant for $1/2$ of the total time spent performing reimbursable services, (i.e., charge $1/2$ of 160 minutes, or 80 minutes, to each plant.)

Step 6 - Round the charge to the nearest $1/4$ hour. Charge each plant for 75 minutes, or 1 & $1/4$ hours.

Scenario 2

Reimbursable services performed at official establishments with time spent at each establishment not equal

Two official establishments need export certificates issued, including the issuance of additional certifications that are required by the importing country (a reimbursable service). The inspector spends the entire day performing inspection duties in these two plants and needs to charge each plant fairly for the reimbursable work performed that day. During the day, two hours were spent performing the reimbursable services; two hours were spent driving between the two plants; and four hours were spent performing other mandatory (nonreimbursable) inspection duties. The inspector spent twice as much time in the first plant than in the second plant performing reimbursable services.

Calculation 1: Calculate the total reimbursable time (Steps 1-4 are the same as in Scenario 1)

Step 1 - The first step is straightforward, (i.e., the inspector will charge for the two hours (120 minutes) of reimbursable services performed at the plants.)

Step 2 - The second step, to determine the amount of travel time between the plants that is reimbursable, is a little more complex. First, the inspector determines how much of the total services performed during the day were reimbursable. Two hours spent performing reimbursable inspection services, and four hours spent performing mandatory inspection services, equals a total of six hours spent performing inspection services. That means that 2 hours of reimbursable services divided by the 6 total hours of total inspection services ($2/6\text{ths}=1/3\text{rd}$) of the total hours provided were reimbursable.

Step 3 - The inspector spent two hours, or 120 minutes, on travel between the two plants. The amount of reimbursable travel time between the two plants is $1/3$ of 120 minutes, or 40 minutes.

Step 4 - The total time that is reimbursable is 120 minutes (2 hours), and 40 minutes travel time, or 160 minutes.

Calculation 2: Calculate the prorated amount to charge each plant

Step 5 - The inspector spent twice as much time in the first plant than in the second plant performing reimbursable services. This equals three equal units of time. Two of these units are spent at plant one and one unit is spent at plant two.

The inspector will charge the first plant $2/3$ of 160 minutes, or 107 minutes and will charge the second plant for $1/3$ of 160 minutes, or 53 minutes.

Step 6 - Round the charge the nearest $\frac{1}{4}$ hour. Therefore, charge the first plant 105 minutes, or 1 & $\frac{3}{4}$ hours, and charge the second plant for 60 minutes, or 1 hour.

Scenario 3

Reimbursable services provided during the inspector's regular tour of duty that is not on the patrol assignment

An inspector is on a patrol assignment consisting of three plants. While at the first plant visited for the day, the DO assigns the inspector to travel to a pet food manufacturer to certify its pet food (a reimbursable service). The inspector completes the scheduled work at the first plant and decides to stop at the pet food manufacturer before inspecting at the second establishment because the pet food manufacturer is between the first and second establishments on the assignment. The pet food manufacturer is a 10-minute driving time off the route between the two official establishments. The inspector spends 1 & $\frac{1}{2}$ hours at the pet food manufacturer certifying the pet food before continuing on to the second establishment on the patrol assignment. The pet food manufacturer will produce certified pet food the entire 8-hour day.

Calculation 1: Calculate the total reimbursable time

Step 1 - The first step is straightforward, (i.e. the inspector will charge for the one and a half hours (90 minutes) of reimbursable services performed at the pet food manufacturer.)

Step 2 - In this case, the second step is also straightforward. The driving time to the pet manufacturer is 10 minutes each way, for a total of 20 minutes.

Calculation 2: Calculate the prorated amount to charge the plant

Step 3 - Because there is only one plant receiving the reimbursable service, the inspector charges all of the time spent traveling to and from the plant the time spent performing the service to the plant. The inspector will charge the pet food plant 90 minutes + 20 minutes, or 110 minutes.

Step 4 – Round the charge to the nearest $\frac{1}{4}$ hour. Therefore, charge the pet food plant for 105 minutes, or 1 & $\frac{3}{4}$ hours.

Scenario 4

Charging for voluntary inspection of exotic animals

An inspector works in a livestock establishment that slaughters and processes. The establishment slaughters cattle five days a week. Occasionally, on Fridays after completing the slaughter of cattle, the establishment slaughters buffalo (a reimbursable service). One Friday, the establishment informs the inspector that it will slaughter buffalo much of the day. After slaughtering cattle in the morning, the

establishment slaughters buffalo after lunch for four hours. The inspector spends the afternoon (four hours) inspecting buffalo.

Calculation 1: Calculate the total reimbursable time

Step 1 - The first step is straightforward, (i.e. the inspector will charge for the four hours of reimbursable services performed at the establishment.)

Step 2 - In this case, the second step is also straightforward. There is not any driving, walking, or any additional time spent on reimbursable services.

Calculation 2: Calculate the prorated amount to charge the plant

Step 3 - Because there is only one plant receiving the reimbursable service and there is not any travel time to consider, the inspector charges all of the time providing the reimbursable services to the establishment. The inspector will charge the establishment for 4 hours of services.

Step 4 - In this example, do not round the charge because it falls on the $\frac{1}{4}$ hour exactly. Therefore, charge the plant 4 hours of reimbursable services.

Scenario 5 Callback charges

An inspector arrives home after working his regular tour of duty to find a message from the DO need him or her at a nearby warehouse to certify product for export (a reimbursable service). The inspector drives 15 minutes to the warehouse to perform Export Certifications in accordance with Directives 9000.1 and 9040.1, Revision 2. It takes the inspector 30 minutes to perform the requested services and sign the certificates.

Calculation 1: Calculate the total reimbursable time

Step 1 - The first step is straightforward, (i.e. the inspector will charge for the 30 minutes of reimbursable services performed at the warehouse.)

Step 2 - In this case, the second step is also straightforward. The driving time to the warehouse is 15 minutes each way, for a total of 30 minutes.

Calculation 2: Calculate the prorated amount to charge the plant

Step 3 - Because there is only one warehouse receiving the reimbursable service, all of the time spent traveling to and from the warehouse and the inspector charges; the time spent performing the service to the plant. The total time to perform the reimbursable service is 30 minutes + 30 minutes, or 60 minutes (1 hour).

Step 4 - In this example, the charge must be at least 2 hours for a call back. Therefore, charge the warehouse for 2 hours for the reimbursable services.

Scenario 6

Overtime performed at official establishments on a patrol assignment with equal time spent at each establishment

Three official establishments plan to work past their regularly- scheduled hours of operation (a reimbursable service, see 9 CFR 307.5, 307.6, 381.38 and 381.39.). The inspector spends the entire day performing inspection duties at two of these establishments. The Frontline Supervisor assigns the inspector to another establishment working past its approved operating schedule (9 CFR 381.37 and 307.4) because its operating hours coincide with those of the two other establishments and it is in close proximity to them. Each plant works two hours past its approved operating schedule. The inspector's tour of duty corresponds with the three establishments' approved operating schedules. The inspector performs verification activities at each of the three establishments for approximately the same amount of time. The inspector spends ½ hour traveling among the establishments to perform the inspection activities. The inspector needs to charge each plant the reimbursable overtime services performed that day.

Calculation 1: Calculate the total reimbursable time

Step 1 - The first step is straightforward, (i.e. the inspector will charge for the 1 & 1/2 hours (90 minutes) of reimbursable overtime services performed at the establishments.)

Step 2 - The second step is also straightforward. Charge one-half of an hour, or 30 minutes, spent traveling among the plants.

Step 3 - The total time that is reimbursable is 90 minutes (1 & ½ hours), plus 30 minutes' travel time, or 120 minutes.

Calculation 2: Calculate the prorated amount to charge each plant

Step 4 – Charge each plant for 1/3 of the total time spent performing reimbursable services. Therefore, charge 1/3 of 120 minutes, or 40 minutes, to each plant.

Step 5 - Round the charge to the nearest ¼ hour. Charge each plant 45 minutes, or ¾ of an hour.

NOTE: The inspection program employee will document, on their T & A, two hours of overtime coded as "21." The total that the establishments are charged is 2 & ¼ hours because of rounding, and this amount is prorated among the three establishments.

Scenario 7

Overtime performed at official establishments on a patrol assignment with time spent at each establishment not equal

Three official establishments plan to work past their regularly- scheduled hours of operation (a reimbursable service, see 9 CFR 307.5, 307.6, 381.38 and 381.39.) The inspector spends the entire day performing inspection duties at two of these establishments. The Frontline Supervisor assigns the inspector to another establishment working past its approved operating schedule (9 CFR 381.37 and 307.4) because its operating hours coincide with those of the two other establishments and it is in close proximity to them. Each plant works two hours past its approved operating schedule. The inspector's tour of duty corresponds with the three establishments' approved operating schedules. The inspector performs verification activities for twice as much time at the first establishment than at the other two establishments. The inspector spends $\frac{1}{2}$ hour traveling among the establishments to perform the reimbursable services. The inspector needs to charge each plant for the reimbursable services performed that day.

Calculation 1: Calculate the total reimbursable time (Steps 1-4 are the same as in Scenario 1)

Step 1 - The first step is straightforward, (i.e., the inspector will charge for the 1 & $\frac{1}{2}$ hours (90 minutes) of reimbursable overtime services performed at the establishments.)

Step 2 - The second step is also straightforward. Charge one-half of an hour, or 30 minutes, spent traveling among the plants.

Step 3 - The total time that is reimbursable is 90 minutes (1 & $\frac{1}{2}$ hours), plus 30 minutes travel time, or 120 minutes.

Calculation 2: Calculate the prorated amount to charge each plant

Step 4 - The inspector spent twice as much time at the first plant than at the second and third plant performing reimbursable overtime services. This equals four equal units of time. Two of these units are spent at establishment one, one unit is spent at establishment two, and one unit is spent at establishment three.

The inspector will charge the first establishment ($\frac{2}{4} = \frac{1}{2}$ of 120 minutes), or 60 minutes.

The second establishment will be charged for ($\frac{1}{4}$ of 120 minutes), or 30 minutes.

The third establishment will be charged for ($\frac{1}{4}$ of 120 minutes), or 30 minutes.

Step 5 - In this example, do not round charges because they all fall on the $\frac{1}{4}$ hour exactly.

12. How do inspection program personnel document charges for reimbursable services performed during their regular tour of duty?

Reimbursable services performed during inspection program personnel's regular tour of duty are recorded on both the T&A and FSIS Form 5110-1. The inspector will record the reimbursable services performed during his or her regular tour of duty on a separate line of the T&A with a transaction code of "01." The inspector will complete a Form 5110-1 recording the time involved with providing the reimbursable services. The inspector is to his or her under the "Voluntary Inspection Program" section of the Form 5110-1 in the base time column. The inspector is to contact the DO for the proper management codes to use for documentation and charging plants for reimbursable services.

Attachment 2

Additional Questions and Answers Related to Reimbursable

Overtime Inspection Services

1. Under what circumstances does FSIS charge establishments for overtime inspection services?

FSIS charges for overtime services during periods when an establishment decides to work outside of its approved operating schedule, and as a result, an inspector needs to work outside of his/her regular tour of duty (either 8 hours in a day or 40 hours in a week). In this situation, the inspector is entitled to premium pay to provide the inspection services to the establishment.

9 CFR 307.4 and 9 CFR 381.37 provide that FSIS District Managers (DMs) are to take into account the efficient and effective use of inspection program personnel when approving establishments' operating schedules. FSIS expects Field Managers to make a reasonable attempt to provide coverage to establishments in the most efficient way possible. During overtime, weekend, or holiday periods, to the extent possible, field managers should create temporary overtime assignments in order to have an inspector on duty to verify operations at establishments that are conducting operations that require inspection. Inspectors prorate the time charged, including time to travel among establishments on patrol, on a fair basis to the individual establishments that work. Inspectors charge each establishment for the amount of time that they spend performing verification activities or other administrative duties at that establishment.

2. What specific operations or activities require inspection coverage during overtime periods and which do not?

If an establishment requests overtime inspection services in accordance with 9 CFR 307.4(d)(3) or 381.37(d)(3), FSIS inspection program personnel are to provide inspection coverage during the overtime period when:

- an establishment will be preparing meat or poultry for packaging or for further processing into meat or poultry food products. Examples of activities include boning, cutting, slicing, grinding, injecting, pumping, adding ingredients through other mechanical means, formulating, labeling, or assembling, packaging and labeling of non-labeled meat or poultry components of meat or poultry food products; or
- an establishment verifies a critical control point (CCP) that it has established in its Hazard Analysis Critical Control Point (HACCP) plan; or
- the establishment is requesting that the mark of inspection be applied to any product during the overtime period.

The following types of activities would not require the presence of inspection program personnel if performed outside the regular hours of operation when they are the only ones that the establishment is performing at that time:

- receiving meat or poultry, spices, or ingredients from other establishments;
- receiving and sorting returned products that it had produced;
- shipping inspected and passed, properly labeled products;
- moving product within the plant in order to physically position it for further processing or storage;
- performing sanitation procedures in accordance with its Sanitation Standard Operating Procedures (SSOPs);
- performing its monitoring procedures in accordance with its SSOP;
- performing a monitoring function that it has established in its HACCP plan (for example, monitoring the chilling of slaughtered carcasses or calibrating process monitoring instruments);
- performing its pre-shipment records review as set out in its HACCP plan;
- performing corrective actions in accordance with its HACCP plan or SSOPs that do not include any of the activities noted above that require inspection coverage;
- cooking, chilling, or otherwise processing products through a continuously monitored operation, but it does not verify a CCP during the period. For example, if an establishment cooks products overnight by placing product in a smokehouse equipped with a continuous monitoring device, and the establishment verifies its lethality CCP the next morning after the start the establishment's approved operating hours, an inspector would not need to be on duty during the entire cooking/smoking cycle. For another example, an establishment chills carcasses it has slaughtered, monitors the cooling temperatures, and then verifies the chilling CCP the next morning during its approved operating hours; or
- collecting or testing samples of its products.

NOTE: The above is a comprehensive, but not an all-inclusive, list of activities that an official establishment can conduct without an inspector on duty. If inspection program personnel have questions regarding whether a particular activity not on the above list requires inspection under the Act, they are to contact the Technical Service Center.

Occasionally, FSIS Field Managers will direct inspection program personnel to verify through observation an establishment's monitoring of a CCP that occurs during periods outside of an establishment's approved operating schedule. If the activity occurs outside of the inspector's tour of duty as well, FSIS will charge the establishment for the cost of the overtime service. If the activity occurs at a time that is not contiguous with the inspector's tour of duty, FSIS may charge the establishment for a call-back service as set out in 9 CFR 307.6(b).

3. **If an establishment is operating past its approved operating schedule, does the inspector that is designated to work the overtime need to remain at that one establishment during the entire overtime period?**

No, an inspector may have more than one establishment operating in overtime status and cover the establishments working reimbursable overtime on a patrol basis. Inspection coverage is required when an establishment prepares product, verifies a CCP it has established in its HACCP plan, or the mark of inspection is to be applied. However, FSIS Field Managers will make reasonable efforts to combine inspection assignments during overtime periods in order to reduce the amount of reimbursable charges to individual establishments.

However, there may be times when an inspector covers overtime worked by a number of establishments on a patrol basis but must deal with emergent inspection concerns at one particular establishment. In such limited circumstances, the inspector may not be able to visit each establishment during the overtime period. The other establishments assigned to the inspector during the overtime patrol, however, still would be “covered” by the assigned inspector, (i.e., an establishment may continue to prepare and label product even if the inspector does not visit the establishment.) The inspector would charge the reimbursable time to the establishments based on the guidance provided for prorating overtime charges set out in Question 11 of Attachment 1. If an inspector needs to spend the bulk of his/her time dealing with an emergent inspection concern at one establishment during the overtime period, that establishment should expect to be charged the proportionate share of overtime charges.

- 4. If, on a given day, an inspector works overtime at a number of establishments on a patrol basis, how does the inspector charge the establishments for the reimbursable overtime?**

Charges for overtime, premium time and holiday time worked are prorated among the various establishments receiving the services. (See guidance and example scenarios provided in FSIS Directive 12,600.1, Revision 1, Attachment 1, “Reimbursable Services Questions and Answers.”)

- 5. If an inspector in premium pay status provides inspection coverage to only one establishment, how does the inspector charge the establishment?**

As stated in 9 CFR 307.4(a) and 381.37(a), “No operations requiring inspection shall be conducted except under the supervision of a program employee (Inspection Service employee).” Therefore, when inspection program personnel provide inspection coverage to only one establishment operating in overtime or premium time status, the establishment will be charged for the entire time period during which operations requiring inspection coverage were conducted.

- 6. What is an overtime callback situation? Can an inspector on his/her own discretion perform overtime callbacks and charge establishments for the time?**

Overtime callbacks are specifically defined in 9 CFR 307.6(b), which states: “Official establishments, importers, or exporters requesting and receiving the services of a Program employee after he has completed his day’s assignment and left the premises, or called back to duty during any overtime or holiday period, shall be billed for a minimum of 2 hours overtime or holiday inspection service at the established rate.” So, a callback situation occurs when an inspector has completed his/her tour of duty, has left the establishment, and then the establishment or facility requests additional inspection services. Establishments may request inspection callbacks directly to Inspectors-in-Charge (IIC), or his/her supervisors. Individual inspectors do not have the authority to decide on his or her own when and where to perform callback inspections as reimbursable services to establishments.

7. Is there a minimum charge for overtime callbacks?

Yes, there is a 2-hour minimum charge for a callback to perform inspection services in accordance with 9 CFR 307.6(b) and 381.39(b).

8. Must an inspector that works in an overtime callback situation remain at the establishment for the entire time that the establishment operates?

Yes, during overtime callback situations, an inspector is required to remain at the establishment for the entire time that the establishment conducts operations that require inspection coverage. However, even if the establishment completes its operations in less than 2 hours, there is a minimum 2-hour charge as discussed above.

9. Are establishments subject to overtime callbacks during smoking, cooking, or chilling operations?

It depends on the establishment’s processing schedule. Inspection coverage is required when an establishment monitors or verifies a CCP that it has established in its HACCP plan, or if the mark of inspection is applied. If a plant’s monitoring or verification of its CCPs occurs after the assigned inspector has completed his/her tour of duty, and there is no other inspector on duty providing inspection coverage for the plant, a smoking, cooking, or chilling operation may result in an overtime callback situation. If an establishment knows that it will need inspection coverage to verify a CCP after the assigned inspector has completed his/her tour of duty, it should inform the IIC as early as possible.

10. If an establishment cooks or chills products outside of its approved hours of operation, is it subject to overtime charges for the entire cooking or chilling cycle?

No. As stated in Question 2 above, inspection coverage is required when an

establishment verifies a CCP that it has established in its HACCP plan. Thus, if a plant's production schedule causes an FSIS inspector to work beyond his/her scheduled tour of duty, the plant is subject to billing by FSIS for services rendered that resulted in the inspector being in overtime status. Conversely, if a plant schedules its processing so that it verifies its CCPs during assigned inspectors' tours of duty, no overtime charges would accrue. In some cases, FSIS supervisors are able to combine inspection assignments during overtime periods in an effort to accommodate establishments' production schedules while utilizing inspection resources in the most efficient and effective way possible. The decision to conduct operations outside of the approved operating schedule is the plant's decision. Plants should request overtime services to the IIC as early in the day as possible for overtime to be performed during that workday, or prior to the end of the day if overtime services are requested for before the start of the next workday as set out in 9 CFR 307.4(d)(3) and 381.37(d)(3).

- 11. If an establishment cooks, chills, or otherwise processes products through a continuously monitored operation outside of its approved hours of operation, is the entire process subject to overtime charges?**

No, operations such as cooking or chilling where a plant uses continuous monitoring equipment, and the use is documented in its HACCP plan and records, the entire time the process takes is not subject to overtime charges. However, inspection coverage is required when an establishment verifies a CCP that it has established in its HACCP plan. Thus, for example, if an establishment chills cooked products overnight using an automated monitoring device and verifies the chilling CCP the next morning, an inspector would need to be on duty when the plant verifies the CCP and have an opportunity to verify the CCP in accordance with 9 CFR 417.8. In this example, the inspector would not need to be on duty the entire time that the product is chilling, only when the CCP is to be verified.

- 12. Is preoperational sanitation inspection a required reimbursable overtime activity? Under what circumstances would an establishment be charged for preoperational sanitation inspections?**

9 CFR 307.4 and 9 CFR 381.37 outline requirements for up to 8 hours of inspection service without charge. The establishment is entitled to prepare product anytime within the 8 hours of provided inspection. Normally, inspectors would not start their verification activities before the start of the establishment's approved operating schedule. Consequently, establishments are not charged overtime for preop verification if the inspector performed this during the approved 8 hours of inspection. However, in many instances, inspection program personnel perform the preop verification procedures before the start of the establishment's approved schedule because the establishment wants time to react to any findings and correct any noncompliances before the start of its production. In such cases, the establishment will be charged overtime on those days that the preoperative sanitation verifications are scheduled and performed

because the inspector is working outside of his/her tour of duty, and the plant is choosing to operate outside of its approved operating schedule.

13. On Federal holidays, is travel time to and from the inspectors' homes charged to the establishments that work? Is it considered administrative time?

No, when inspectors are required to work on Federal holidays to perform reimbursable overtime inspection services, the travel time to and from the assigned establishments are neither charged to the establishments, nor considered administrative time. When FSIS employees work on Federal holidays, the Agency expects them to travel to and from the work site on their own time.

14. Is travel time related to some other reimbursable services charged to facilities that request the service?

Yes, fees shall be charged for the time required to furnish certain voluntary reimbursable inspection services, including the travel time required to provide the service, (for example, fees charged including travel time in accordance with 9 CFR 350.7(c), 352.5(c), and 362.5(c)).

15. Is overtime addressed in the contract between FSIS and the National Joint Council of Food Inspection Locals (the Union)?

Yes, the Labor-Management Agreement between FSIS and the National Joint Council of Food Inspection Locals does discuss overtime issues in Article 23. It states in part that if overtime is required, it is the responsibility of the inspector covering the assignment. However, the Agreement does not establish an expectation of overtime (OT) for employees, nor are FSIS employees guaranteed a certain amount of overtime. Overall, every effort is made to ensure that OT is assigned in a "fair and equitable" manner among eligible, qualified inspectors. There is not a certain amount of OT specified in the Agreement.

16. If an establishment has an approved second shift contiguous to its first shift, is the inspector that worked the first shift entitled to remain at the establishment and charge overtime until the operations that the establishment started during his/her tour of duty are completed?

No, the requisite inspection coverage will be provided by the inspectors assigned to work the approved second shift.

17. Why, sometimes, is an establishment charged reimbursable overtime when it has not operated a full 8-hour day, or 40-hour week?

As stated above, FSIS charges for overtime services during periods when an

establishment decides to work outside of its approved operating schedule, and, as a result, an inspector needs to work outside of his/her regular tour of duty, either 8 hours in a day or 40 hours in a week, and is entitled to premium pay, to provide inspection services to the establishment. 9 CFR 307.4 provides that FSIS DMs take into account the efficient and effective use of inspection program personnel when approving establishments' operating schedules and establishing inspectors' tours of duty. FSIS expects Field Managers to make a reasonable attempt to provide coverage to establishments in the most efficient and effective way possible. There are times, however, when an establishment chooses for its own business reasons to work outside of the customary operating hours for establishments in the locale. In such cases, if an establishment requests approval of an operating schedule that is outside of the local custom, the DM in considering the efficient use of inspection resources may not be able to approve the request. Furthermore, to ensure the efficient and effective use of inspection program personnel as directed by 9 CFR 307.4, the DM may, after giving prior notice to the establishment that explains the basis for his/her action, rescind approved operating schedules and request that establishments resubmit operating schedules for approval. The DM usually will approve operating schedules for establishments that are reasonably close to the schedules of other establishments in the local area (for example within one hour), thus ensuring the efficient and effective use of inspection program personnel. There may be times, however, when an establishment has not worked 8 hours in a day or 40 hours in a week, yet works outside of its approved operating schedule. The establishment should be charged reimbursable overtime if the assigned inspector also works outside of his/her tour of duty.

18. If an establishment believes that it has been unfairly or incorrectly charged for overtime inspection services, can it appeal the inspector's decision?

Yes. FSIS regulations 9 CFR 306.5 and 381.35 provide establishments with the opportunity to appeal any inspection decisions. If an establishment believes that it has been unfairly charged for overtime inspection services, it should make an appeal to the inspector's immediate supervisor.