



United States Department of Agriculture  
Office of Inspector General





United States Department of Agriculture  
Office of Inspector General  
Washington, D.C. 20250



DATE: April 30, 2012

AUDIT  
NUMBER: 24601-11-Hy

TO: Alfred V. Almanza  
Administrator  
Food Safety and Inspection Service

ATTN: William C. Smith  
Assistant Administrator  
Office of Program Evaluation, Enforcement and Review

FROM: Gil H. Harden  
Assistant Inspector General for Audit

SUBJECT: Assessment of FSIS Inspection Personnel Shortages in Processing  
Establishments

This report presents the results of the subject audit. Your written response to the official draft report, dated April 3, 2012, is included in its entirety at the end of the report. Excerpts from your response and the Office of Inspector General's position are incorporated into the relevant sections of the report.

Based on your response, we accept management decision on all recommendations. Please follow your agency's internal procedures in forwarding documentation for final action to the Office of the Chief Financial Officer. Also, Departmental Regulation 1720-1 requires that Final Action be taken within 1 year of management decision to prevent being listed in the Department's annual Performance and Accountability Report.

We appreciate the courtesies and cooperation extended to us by members of your staff during our audit fieldwork and subsequent discussions.



## **Table of Contents**

<b>Executive Summary .....</b>	<b>1</b>
<b>Background and Objectives .....</b>	<b>3</b>
<b>Section 1: Findings and Recommendations.....</b>	<b>5</b>
<b>Finding 1: FSIS Lacked Mitigating Procedures for Missed Inspections .....</b>	<b>5</b>
<b>Recommendation 1 .....</b>	<b>7</b>
<b>Recommendation 2 .....</b>	<b>8</b>
<b>Recommendation 3 .....</b>	<b>8</b>
<b>Finding 2: Controls to Prevent Misreporting of Results by Inspectors Need Improvement.....</b>	<b>9</b>
<b>Recommendation 4 .....</b>	<b>11</b>
<b>Recommendation 5 .....</b>	<b>11</b>
<b>Scope and Methodology.....</b>	<b>13</b>
<b>Abbreviations .....</b>	<b>15</b>
<b>Agency’s Response .....</b>	<b>17</b>



# **Assessment of Food Safety and Inspection Service Inspection Personnel Shortages in Processing Establishments (24601-0011-Hy)**

---

## **Executive Summary**

We initiated this audit to determine if the Food Safety and Inspection Service (FSIS) had sufficient inspection personnel to adequately monitor establishments that process meat and poultry products.<sup>1</sup> To accomplish our objective, we attempted to evaluate the impact of inspection personnel shortages on the agency's ability to accomplish its mission of protecting consumers. We planned to use the number of missed inspections to determine the average number of establishments not inspected on a daily basis because an inspector was unavailable. However, FSIS was unable to provide the information requested because it did not track this as a reason for missing scheduled procedures.<sup>2</sup> Thus, we were unable to reach a conclusion on the sufficiency of FSIS' inspection staff level. This also applied to our ability to determine if inspector vacancies impaired the agency's ability to issue noncompliance records.<sup>3</sup> We also examined FSIS' recruitment and retention plans. Our examination disclosed that the plans generally met the Office of Personnel Management's guidelines.

FSIS, in response to statutory requirements,<sup>4</sup> implemented a policy to visit processing establishments at least once per day, and at least once per operating shift. We noted during our audit that inspectors were not always able to comply with this policy. The reasons were generally due to events such as inclement weather, traffic delays, inspector delays at prior establishments, and unscheduled leave by inspectors. We acknowledge that these events do occur and we are not critical of FSIS' inability to meet its policy when these situations arise.

However we noted that when unexpected events occurred, which prevented inspectors from making scheduled visits, FSIS had not established mitigating procedures for inspectors to use during the next scheduled visit to ensure that meat and poultry products were processed on the missed date in a safe and sanitary manner. The lack of mitigating procedures increases the risk that unsafe meat and poultry products will reach the public. FSIS officials agreed with our concern, but stated that there was no need to establish mitigating procedures because prudent inspectors would take such action during subsequent inspections of establishments.

FSIS also lacked management controls to deter inspectors from misreporting their actions during inspections. We found that inspectors were able to misstate the satisfactory completion of procedures in the agency's data systems, including that they had inspected an establishment

---

<sup>1</sup> We did not assess the sufficiency of inspector staff levels for slaughter and egg establishments. Those establishments require the continuous presence of an inspector during production.

<sup>2</sup> FSIS used other factors to assess sufficiency of its inspection staff levels, such as: number of plants approved for processing, size and processes within each plant, and driving distances between plants.

<sup>3</sup> FSIS inspectors prepare noncompliance records to report instances where establishments have not adhered to agency processing regulations.

<sup>4</sup> The Federal Meat Inspection Act of 1906, Poultry Products Inspection Act of 1957 and the Egg Products Inspection Act of 1970 require FSIS to protect consumers by ensuring that meat, poultry, and processed egg products are safe, wholesome, and accurately labeled for public consumption.

when in fact they had not actually done so, with little risk of detection by agency officials. FSIS officials said that establishments would often report such instances because they would be subject to enforcement action, such as suspension of the grant of inspection allowing them to operate, if uninspected products were released into commerce. There is little incentive for establishments operating at marginal or lower sanitation standards to report such instances, especially if they are not in compliance with all of the agency's requirements.

FSIS had not implemented controls, such as unannounced supervisory reviews and requirements for inspectors to document specific information about inspections into the agency's Public Health Information System (PHIS), to deter inspectors from misstating inspection results. FSIS officials generally agreed with our concern. On December 2, 2011, FSIS notified its inspectors that PHIS had been modified to allow inspectors to record a task as "not performed" in the system. The FSIS notice also stated that inspectors were required to make the designation and to select the reason from a list of options in PHIS.

## **Recommendation Summary**

We recommended that FSIS: (1) develop mitigating procedures for inspectors to perform when they miss scheduled inspections at processing establishments; (2) create additional categories to track reasons for missed procedures and require supervisors to analyze data from follow-up visits to establishments; (3) require supervisors to periodically perform unannounced visits of inspectors; and (4) create data fields in the PHIS for inspectors to record the lot number of product processed by the establishment.

## **Agency Response**

In its response dated April 3, 2012, FSIS generally agreed with all of the findings and recommendations in the report. We have incorporated excerpts of the response, along with our position, in the applicable sections of this report. FSIS' response to the official draft is included in its entirety at the end of this report.

## **OIG Position**

Based on FSIS' response, we have accepted management decision on all the recommendations in this report.

# Background and Objectives

---

## Background

The Food Safety and Inspection Service (FSIS) is responsible for ensuring that the nation's commercial supply of meat, poultry, and egg products is safe, wholesome, and correctly labeled and packaged for public consumption. FSIS employs about 7,800 in-plant inspection personnel to inspect more than 6,200 slaughter and processing establishments.<sup>5</sup> The processing establishments are located throughout the United States and its territories.

FSIS' inspection activities at processing establishments are generally guided by the Federal Meat Inspection Act of 1906 (FMIA). The FMIA requires inspectors to examine and inspect all meat food products prepared for commerce in any slaughtering, meat-canning, salting, packing, rendering, or similar establishment. FSIS, in response to these requirements, implemented a policy to visit processing establishments at least once per day, and at least once per operating shift. FSIS classified establishments involved in the processing of meat and poultry products into the following eight categories:

- raw product that is not ground, such as steak, roasts, chops, and poultry parts;
- raw product that is ground, such as ground beef, hamburger, and fresh sausage;
- heat treated but not fully cooked (not shelf stable) product, such as bacon and cold smoked sausage;
- fully cooked but not shelf stable (ready-to-eat) product, such as hot dogs, and cooked and smoked sausage;
- product with secondary inhibitors (not shelf stable), such as country-style ham;
- not heat treated and shelf stable product, such as salami, pepperoni, and prosciutto;
- heat treated and shelf stable product, such as summer sausage, jerky, and pickled sausages; and
- product that is thermally processed and commercially sterile, such as canned products.

FMIA does not require the continuous physical presence of an inspector at processing establishments. However, FSIS does require a daily visit of all processing establishments to fulfill the agency's 'once per day, per shift' policy.<sup>6</sup> Inspections include, but are not limited to, reviews of the sanitary conditions of the processing areas before and during operations, reviews of the establishment's records, and reviews of the establishment's Hazard Analysis and Critical Control Point (HACCP) plans.<sup>7</sup> FSIS inspections generally consist of: (1) pre-operational and operational sanitation inspection (e.g., cleanliness of processing equipment and operating area); (2) pathogen reduction/testing activities (e.g., *Escherichia coli* - "E. coli"); and (3) HACCP verification procedures (e.g., product temperatures at specified points during processing).<sup>8</sup>

---

<sup>5</sup> These establishments range in size from establishments that employ hundreds of employees to establishments that employ less than ten.

<sup>6</sup> Slaughter and egg establishments require the continuous presence of FSIS inspectors to be able to operate.

<sup>7</sup> Federal Meat Inspection Act, Title 21, Chapter 12 Sections 602 and 603.

<sup>8</sup> HACCP is a systematic preventive approach to food and pharmaceutical safety that addresses physical, chemical, and biological hazards as a means of prevention rather than finished product inspection.



FSIS uses a data system to record the results of the procedures performed during an inspection, and to detect and respond to food borne hazards. During our audit, FSIS used the Performance Based Inspection System (PBIS) to perform these functions. However, the agency was transitioning to the Public Health Information System (PHIS), which was designed to integrate data from all agency systems and program areas for use as a tool in making the most informed decisions about inspection, sampling, policy, and other food safety activities to protect public health.<sup>9</sup>

Historically, FSIS has had difficulty maintaining sufficient inspection staff to accomplish its mission. In August 2010, and again in August 2011, the Office of Inspector General issued its United States Department of Agriculture Major Management Challenges, which identified FSIS' staffing shortages as a management challenge. It stated that members of Congress had recently questioned whether FSIS had sufficient inspection staff to meet its mission. FSIS officials have publicly acknowledged that they have difficulty hiring and retaining inspection staff due to the high-cost of living in major metropolitan areas such as Boston, New York City, San Francisco, and Los Angeles. The overall vacancy rates for processing establishment inspectors was slightly over 6 percent in July 2011. However, that vacancy rate does not reflect the agency's recruitment and retention challenges. For example, the Albany District, which manages the Boston and New York areas, had an average vacancy rate of 10 percent during July 2011.

## Objectives

The overall audit objective was to determine if FSIS had sufficient inspection personnel to adequately monitor establishments that process meat and poultry products, and to evaluate the impact that any inspection personnel shortages were having on FSIS' ability to accomplish its mission of protecting consumers.<sup>10</sup> During our audit, we determined, or attempted to determine, whether: (1) inspection personnel were visiting processing establishments on a daily basis; (2) inspection personnel shortages, if any, were impairing the issuance of noncompliance records; and (3) FSIS had adequate plans to ensure that there were sufficient inspection personnel to accomplish the agency's mission.

---

<sup>9</sup> PHIS became operational for domestic in-plant inspections on January 2, 2012.

<sup>10</sup> We did not assess the sufficiency of inspector staff levels for slaughter and egg establishments. Those establishments require carcass-by-carcass inspection and continuous inspection, respectively, in order to operate.

## Section 1: Findings and Recommendations

---

### Finding 1: FSIS Lacked Mitigating Procedures for Missed Inspections

FSIS had reduced assurance that processing establishments operated in a sanitary manner when inspectors missed scheduled inspections at those facilities. This occurred because FSIS had not developed mitigating procedures for inspectors to use during subsequent inspections to ensure that meat and poultry products were processed in a safe and sanitary manner on the missed date. As a result, FSIS had not fully met its responsibility to ensure establishments sufficiently mitigated the risk that the public could be exposed to unsafe meat and poultry products.

The FMIA states that it is essential for the public interest that meat and meat food products are wholesome, unadulterated, properly marked, labeled, and packaged.<sup>11</sup> As such, the FMIA requires that FSIS inspect all meat and poultry products processed for public consumption. To ensure that food produced at processing establishments meets FMIA requirements, FSIS implemented a “once per day, per shift” inspection policy. According to FSIS officials, inspectors are expected to inspect processing establishments on a daily basis and complete certain tasks such as: reviewing the sanitary conditions of the processing areas before and/or during operations, and reviewing the establishment’s processing records.<sup>12</sup>

We observed that inspectors were not always able to comply with the agency’s “once per day, per shift” policy. The reasons for the noncompliance included: adverse weather conditions; unscheduled leave; traffic delays; complications noted during the inspection of a prior establishment; and establishments that had finished operations for the day. In fact, 4 of the 15 inspectors we accompanied to establishments missed scheduled inspections for these reasons. For instance, one inspector missed a scheduled inspection because it was snowing and we were unable to travel safely to the establishment. On two occasions, the establishments had already finished processing prior to our arrival at the site. In another instance, an inspector was unable to complete a scheduled inspection because he had to attend a meeting regarding unsanitary conditions reported previously at another establishment. The inspectors we accompanied to establishments, as well as several supervisors, confirmed that inspections were missed on a regular basis.

Based on our observations, as well as inspector and supervisor statements regarding missed inspections, we asked FSIS national officials for the number of missed inspections that occur each day. We also questioned them about the procedures used to verify that meat and poultry products were processed under sanitary conditions on days when inspectors missed scheduled inspections. They stated that there were no procedures to mitigate the risk that establishments operated under unsanitary conditions on those days because inspectors rarely missed scheduled

---

<sup>11</sup> Section 601(m) of the FMIA includes the entire definition of adulterated product. The definition focuses on added substances, such as *Listeria monocytogenes* (*Lm*) and *E. Coli*, that are considered adulterants in meat products.

<sup>12</sup> Inspectors are assigned a number of processing establishments to visit within an area (circuit) using a formula that includes factors such as: the size of an establishment; inspection tasks to be performed at an establishment; and travel time between establishments.

inspections. However, they were unable to provide us with a figure because the agency's information system did not track the number of missed inspections.

FSIS national officials did agree with our concern, but stated that a written policy for mitigating procedures was unwarranted because an inspector with good judgment would perform additional procedures to mitigate the risk associated with the rare instances of missed inspections. However, just as with the unknown number of missed inspections, they could not provide any evidence that inspectors had performed additional procedures during subsequent inspections. We contend that without a stated policy that requires the use of mitigating procedures, it is unlikely that inspectors would consistently and uniformly perform the work necessary to ensure that establishments operated under sanitary conditions on the days of missed scheduled inspections. During our visits with inspectors we observed that they focused on the day's activities especially if they were on a tight schedule.

To decrease the risk of establishments processing products under unsanitary conditions, FSIS officials should develop and implement mitigating procedures to be used during the next scheduled inspection of an establishment. The mitigating procedures should be designed to examine evidence of sanitation conditions during the day of the missed scheduled inspection. For instance, inspectors could: review the missed day's production records related to the establishment's HACCP plan; physically examine product that was still on-site; and review pre-operation sanitation inspection reports. These procedures would provide some assurance that the establishment followed its HACCP plan that day and operated under sanitary conditions.

We also identified another related issue during our review of missed inspections. That issue involved the coding of procedures into PBIS by inspectors. The agency used one code to record missed procedures due to the following causes: 'not operating,' 'no processing,' or 'not performed.' This code included numerous situations and was not descriptive enough to evaluate the true causes for missed procedures. FSIS should refine and further clarify the options in the agency's new information system, PHIS, to allow supervisors and managers to determine the reasons for missed procedures. It should include events that are outside the inspectors' control, such as inclement weather and travel delays.

Based on our discussions, FSIS national officials stated they planned to expand the options in PHIS for missed procedures from 3 to 24 as part of their agreement with the inspectors' union. They proposed causes such as "double covered assignment," "computer issues," "traffic related delays," and "team meetings." According to those officials, the new options were approved for use but have not been added to PHIS because they are currently writing the system codes. After our discussions, on December 2, 2011, FSIS notified its inspectors that PHIS had been modified to allow inspectors to record a task as "not performed" in the system. The FSIS notice also stated that inspectors were required to make the designation and to select the reason from a list of options in PHIS.

However, tracking the different types of causes, without further analysis, would not be sufficient to allow the agency to take appropriate action, if necessary. Agency officials should analyze the causes for the missed procedures. This analysis will show when inspectors missed procedures because they were unable to arrive at the establishment to conduct the inspection. For example,

if an inspector continuously misses procedures at an establishment because of traffic related delays, the supervisor could require the inspector to change the driving route or the timing of the inspection. Also, if procedures are missed regularly because an inspector covered two assignments and did not conduct an inspection, the supervisor could request relief inspectors from the area.

Establishing mitigation procedures for missed inspections, as well as tracking and analyzing the causes for these occurrences, will help the agency meet its goal to inspect all establishments once per shift, per day. It will also provide the agency with sufficient information to determine the type of actions to take to reduce the number of missed inspections.

### **Recommendation 1**

Develop and implement mitigating procedures for inspectors to use when they miss an inspection. The procedures should be designed to provide assurance that establishments were operating according to their HACCP plans on the date of the missed inspection.

### **Agency Response**

In its April 3, 2012 response to our report, FSIS agreed that reviewing previous days' Sanitation Standard Operating Procedure (SSOP) and HACCP records was an effective and important way to determine establishments' adherence to regulatory requirements. As corrective action the agency has agreed to issue a FSIS Notice that will specifically instruct IPP to review the previous "missed" day's SSOP records and to perform a HACCP verification task through records review to mitigate those occasions when an inspection shift is missed. This action will be completed by September 2012.

### **OIG Position**

We accept management decision for this recommendation.

## **Recommendation 2**

Create additional categories used in PHIS to track the reasons for missed procedures at processing establishments.

### **Agency Response**

In its April 3, 2012, response to our report, FSIS concurred with this recommendation and stated that corrective action had been implemented. Specifically, FSIS stated that they implemented an expanded list of 24 available choices in the PHIS system for IPP to use when they cannot perform all scheduled inspection tasks. This action was completed on January 3, 2012.

### **OIG Position**

We accept management decision for this recommendation.

## **Recommendation 3**

Periodically analyze data of the establishments not inspected to: (1) determine the causes for missed inspections, (2) identify the magnitude and frequency of the problem, and (3) take action as needed.

### **Agency Response**

In its April 3, 2012, response FSIS concurred with this recommendation. FSIS stated that FSIS Notice 70-11 directed the Data Analysis and Integration Group (DAIG), on a bi-annual basis, to review PHIS data on inspection tasks being designated as “Not Performed.” The DAIG will review the frequency of the type of tasks not performed and the reasons cited by IPP to determine whether potential trends exist and to inform decisions about allocation and prioritization of inspection work. FSIS plans to use these analyses to adjust inspection assignments, when warranted, to help ensure adequate inspection coverage. This action will be completed by September, 2012.

### **OIG Position**

We accept management decision for this recommendation.

## **Finding 2: Controls to Prevent Misreporting of Results by Inspectors Need Improvement**

Inspectors are able to misreport the satisfactory completion of inspection procedures in PBIS and PHIS without detection by supervisors and managers. This action was feasible because FSIS lacked adequate oversight controls to discourage the misreporting and relied on establishments to report such instances. FSIS did not require inspectors to include specific information that could be verified by supervisors, such as the lot number of product processed that day, in its systems to deter them from misstating results. Further, it did not require supervisors to perform unannounced visits to monitor inspector activities. By improving the data captured in the agency's information system, FSIS officials will have more robust data for assessing the operating conditions at processing establishments.

We questioned FSIS national officials about the agency's internal controls designed to prevent and detect inspectors who misreported their actions regarding the inspection of establishments. They stated that inspectors were required to record the results of all completed inspection procedures into PBIS.<sup>13</sup> This included recording the general results of pre-operational sanitation reviews, operational sanitation reviews, microbial<sup>14</sup> sampling, reviews of product labels, and several other food safety tasks. The national officials stated that, in their opinion, inspector misrepresentations occurred rarely and were only a minor problem. Thus, they had not developed and implemented procedures to detect the issue. However, they had no evidence to support their conclusion that it happened rarely and was only a minor problem.

The officials said that establishments often will report instances where inspectors were not actually conducting inspections. Establishments would be subject to enforcement action, such as the suspension of the grant of inspection allowing them to operate, if uninspected products were released into commerce. Thus, the establishments had an incentive to ensure that inspectors examined the operating process at some time during the operation shift. We disagree with their position that establishments will report missed inspections, and consider reliance on establishments to report missed inspections to be a weak control. We base this conclusion on the premise that establishments, especially those operating at marginal or lower sanitation standards, do not have a vested interest in reporting a missed inspection and accurate inspection results. Also, in processing establishments, the USDA mark of inspection can be placed on product even though the inspector missed the inspection, when the plant is operating within its normal hours of operation.

FSIS national officials also stated that supervisors are required to conduct on-site reviews twice a year to evaluate how inspectors performed scheduled tasks.<sup>15</sup> Therefore, the agency contends it is adequately monitoring inspectors for misrepresentation of inspection results. However, these reviews were designed to evaluate the quality of work performed. We believe they were not designed to verify that inspectors actually performed the work, thus we questioned the

---

<sup>13</sup> User Guide for Inspectors, Version 2011-02\_v2.1, dated March 12, 2011, requires inspectors to record results of completed inspections in PBIS.

<sup>14</sup> A microbe is a microorganism (bacteria) that causes disease.

<sup>15</sup> These assessments are termed In-Plant Performance System reviews.

sufficiency of those reviews. The reviews would also not detect missed inspections because they are announced in advance. Thus, inspectors know when supervisors will be visiting and have time to direct the establishment to correct obvious deficiencies that had not been addressed because they were not properly performing inspections. To us, periodic unannounced supervisory visits would be a better procedure to detect inspectors who are not accurately performing and recording their work.

We discussed the issue with four supervisors. Two of the four supervisors had identified inspectors who had misreported inspection procedures as performed in PBIS, even though the inspectors had not actually inspected the establishment. They discovered the misreporting through unannounced visits conducted on their own accord.

We also questioned district officials about instances of inspector misrepresentation. Those officials confirmed the supervisors' statements, and informed us there were other instances where inspectors had reported inspections as performed when, in fact, they had not inspected an establishment. The officials did not track the occurrences and, therefore, were unable to provide us with a specific number of instances. One official informed us that an inspector had reported for several months that he had performed assigned tasks even though he had rarely inspected the establishment during that time period. The agency became aware of the misrepresentation when the establishment changed its days of operation, but the inspector continued to report inspections on the prior schedule.<sup>16</sup> The supervisors' and district officials' statements provided credible testimonial evidence to us that the control deficiency was being exploited by inspectors.

We also noted that 6 of the 15 inspectors we accompanied on field inspections stated they frequently had insufficient time to perform all required inspection procedures. Thus, they would perform as many procedures as possible before departing the establishment. The inspectors would not say whether they recorded all scheduled tasks as completed in PBIS. The inspectors also stated that supervisors occasionally told them to record the performance of scheduled tasks as completed in PBIS, even though the tasks were not actually performed by the inspector.

According to the inspectors, supervisors, and union representatives we interviewed, this occurred because national officials expected district offices to perform an established percent of specific food safety procedures scheduled every month.<sup>17</sup> Therefore, to minimize questions raised by national officials when goals were not met, some supervisors asked inspectors to record tasks as completed in PBIS when they were not actually performed by the inspector.<sup>18</sup> District and national officials stated that they had not taken any action against supervisors because inspectors would not provide specific names and information.

FSIS national officials agreed with our concern, but were reluctant to require unannounced supervisory visits because of insufficient resources. The officials proposed performing analysis of PHIS data, such as the number and significance of non-compliance records and the number of procedures not performed by inspectors during inspections, to detect suspicious activities. They

---

<sup>16</sup> The inspector resigned and the agency did not take any action.

<sup>17</sup> For example, districts were expected to perform at least 64 percent of scheduled HACCP procedures.

<sup>18</sup> On December 1, 2010, union officials met with FSIS and officially requested them to address the issue. FSIS agreed with the union's request and subsequently prohibited district officials from taking such action in the future.

added that requiring supervisors to conduct unannounced visits when they identify suspicious activity would be a better option for the agency. However, since the supervisors we interviewed stated that they regularly visited inspectors for reasons other than the two mandatory reviews, we believe that other visits could be conducted in an unannounced manner. Given FSIS officials' concern about resources, the agency should formally analyze its ability to have supervisors conduct unannounced visits and document the basis for the policy decision made.

FSIS national officials stated that the new information system, PHIS, requires inspectors to record detailed information about inspection results such as the Federal regulation used during the inspection and a brief description of the operating conditions. Thus, it would provide sufficient assurance that inspections were being performed and in an accurate manner. However, the requirements did not include information such as the lot number of products processed by the establishment, which could be verified independently by a supervisor. We believe that this type of information would help deter inspectors from misstating activities at establishments.

#### **Recommendation 4**

Require inspectors to record in PHIS the lot number of products processed by the establishment. Also, require supervisors to verify this information while conducting supervisory reviews or when suspicion arises that an inspector is misreporting inspection activities.

#### **Agency Response**

In its April 3, 2012, response FSIS disagreed with our recommendation. FSIS does not believe it is practical for inspectors to collect and record lot numbers for all products produced at inspected establishments due to the time and effort it would take from performing essential food safety inspections. In addition, FSIS stated this option does not provide the assurances intended because an individual could record lot numbers after reviewing production records a day or more after it occurred.

Instead, FSIS agreed to instruct frontline supervisors, through the In-Plant Performance System (IPPS) Supervisory Guide and an FSIS Directive to periodically review the data generated by PHIS for trends that indicate that inspections are not being performed in an appropriate manner, or indication that data is being entered fallaciously. This action will be completed by September, 2012.

#### **OIG Position**

We accept management decision for this recommendation.

#### **Recommendation 5**

Formally analyze FSIS' ability and resources to have supervisors conduct unannounced visits at processing establishments and document the basis for the policy decision made.



## **Agency Response**

In its April 3, 2012, response FSIS generally agreed with this recommendation. FSIS will ensure that the IPPS Directive will make clear that supervisory visits are not to be limited to formal IPPS visits, and that supervisors are to periodically make unannounced visits to establishments. This action will be completed by September, 2012.

## **OIG Position**

We accept management decision for this recommendation.

## Scope and Methodology

---

We performed our assessment of inspection personnel in processing establishments at FSIS' Headquarters in Washington, D.C., and at three district offices located in Alameda, California; Albany, New York; and Beltsville, Maryland. In addition, we visited 60 processing establishments located within the three districts and observed 15 inspectors performing their daily inspections. The 60 processing establishments we visited were located in California, Maryland, Massachusetts, New York, and Virginia.

Our audit fieldwork was performed from October 2010 through July 2011. We judgmentally selected 3 of 15 district offices based on the vacancy rates and shortages in inspection staff at those offices. We judgmentally selected 15 of 615 inspectors in those districts based on the size and number of establishments assigned to them.<sup>19</sup>

At the end of FY 2010, FSIS had an overall vacancy rate for processing establishment inspectors of approximately 6 percent.<sup>20</sup> FSIS inspectors were required to visit 6,178 processing establishments across the nation on a daily basis, and provide relief, when needed, at other slaughter establishments. We determined the current level of inspection personnel and evaluated how it impacted FSIS' ability to ensure that the nation's meat and poultry products were safe.

We specifically evaluated whether: FSIS inspection personnel were inspecting processing establishments on a daily basis as required; inspection personnel shortages were impairing the issuance of noncompliance records; and if FSIS had adequate plans to address personnel shortages.

To accomplish our objectives we:

- Interviewed FSIS officials at the national, district, and field level, who were involved in the selection, oversight, and management of inspection personnel.
- Interviewed inspectors and front line supervisors responsible for the performance of inspection activities.
- Interviewed bargaining unit leaders.
- Reviewed agency policies and procedures including: Directive 5000 Series: Program Services, and Directive 7000 Series: Processed Products.
- Reviewed applicable laws and regulations such as the Federal Meat Inspection Act of 1906, Poultry Products Inspections Act of 1957, and Egg Products Inspection Act of 1970.
- Reviewed FSIS plans for recruitment and retention, and use of new technology.

---

<sup>19</sup> We observed 6 inspectors at the Beltsville District Office, 5 at the Albany District Office, and 4 at the Alameda District Office.

<sup>20</sup> In FY 2010, FSIS was authorized to employ 3,619 full time inspectors to inspect processing establishments. There were 3,399 inspectors actually employed during that time period.

- Analyzed the PBIS and PHIS fact sheet and reviewed PHIS' system handbook to determine whether FSIS' data system contained fields that could enable inspectors to accurately complete and record inspection results.<sup>21</sup>
- Reviewed non-compliance records and food safety assessments to determine if persistent serious food safety problems existed at the establishments we visited.

We used information from FSIS' information system, PBIS, to select our judgmental sample of inspectors and review of non-compliance records. However, we did not review, analyze, or verify the system's general and application controls because FSIS was in the process of transitioning into its new information system, PHIS. Thus, we make no representation as to the adequacy of the system or the information generated from it.

We conducted this audit in accordance with *generally accepted government auditing standards*. Those standards require that we plan and perform the audit to obtain sufficient appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

---

<sup>21</sup> PBIS was the system in use during our fieldwork; however, PHIS replaced PBIS domestic in-plant inspections module in January 2012. Therefore, we also reviewed PHIS.

## Abbreviations

---

FMIA.....	Federal Meat Inspection Act of 1906
FSIS.....	Food Safety and Inspection Service
HACCP .....	Hazard Analysis and Critical Control Point
PBIS .....	Performance Based Inspection System
PHIS .....	Public Health Information System



**USDA'S  
FOOD SAFETY AND INSPECTION  
SERVICE'S  
RESPONSE TO AUDIT REPORT**





United States  
Department of  
Agriculture

Food Safety and  
Inspection Service

Washington, D. C.  
20250

**TO:** Gil Harden  
Assistant Inspector General for Audit  
Office of Inspector General

**FROM:** Alfred V. Almanza /s/ April 3, 2012  
Administrator  
Food Safety and Inspection Service

**SUBJECT:** Office of Inspector General (OIG) Official Draft Report – Assessment of  
Inspection Personnel Shortages in Processing Establishments  
(Audit 24601-0011-HY)

We appreciate the opportunity to review and comment on this official draft report. The Food Safety and Inspection Service (FSIS) has carefully reviewed the official draft report, and has provided a general comment and responses to OIG's recommendations.

### **General Comment**

The Agency considers a "missed inspection" as an event when Inspection Program Personnel (IPP) do not visit an establishment at all within its approved operating hours during a shift on which it operates. However, there are occasions when IPP plan their days to visit establishments later in the operating day within the approved hours, but after establishments have ended product production. Therefore, we want to emphasize that IPP can and do still conduct inspection verifications, e.g. sanitary performance standards verifications, net weight verifications, or Hazard Analysis and Critical Control Point (HACCP) records reviews, even though the establishment is not producing product during the visit.

### **Responses to Recommendations**

#### Recommendation 1:

Develop and implement mitigating procedures for inspectors to use when they miss an inspection. The procedures should be designed to provide assurance that establishments were operating according to their HACCP plans on the date of the missed inspection.

#### FSIS Response:

FSIS agrees that reviewing previous days' Sanitation Standard Operating Procedure (SSOP) and HACCP records is one component of verification that is an effective and important way to determine establishments' adherence to regulatory requirements. IPP are instructed through FSIS Directive 5000.1 to use a combination of direct observation, as well as records review when performing Public Health Information System (PHIS) tasks. However, the Agency will issue a FSIS Notice by September 2012, that will specifically instruct IPP to review the previous "missed" day's SSOP records (both pre-op and operational), and to perform a HACCP



verification task through records review on a product lot that was produced on the previous “missed” shift to mitigate those occasions when an inspection shift is missed.

Estimated Completion Date:

September 30, 2012

Recommendation 2:

Create additional categories used in PHIS to track the reasons for missed procedures at processing establishments.

FSIS Response:

FSIS has created additional categories for use in PHIS to track the reasons for missed procedures at processing establishments. FSIS implemented, in January 2012, an expanded list of 24 available choices in the PHIS system for IPP to use when they cannot perform all scheduled inspection tasks. FSIS Notice 70-11, Recording Inspection Tasks as Not Performed in the Public Health Information System (PHIS), dated December 2, 2011, and implemented on January 3, 2012, informed IPP of the expanded list of reasons and provided instructions for how to designate an inspection task as not performed. Therefore, because FSIS has implemented these additional categories in PHIS, we have met the requirements of this recommendation.

Estimated Completion Date:

Recommendation implemented January 2012

Recommendation 3:

Periodically analyze data of the establishments not inspected to: (1) determine the causes for missed inspections, (2) identify the magnitude and frequency of the problem, and (3) take action as needed.

FSIS Response:

FSIS issued FSIS Notice 70-11 (discussed in our response to Recommendation 2) which established 24 available choices in the PHIS system for IPP to use when they cannot perform all scheduled inspection tasks. The Notice also directs the Data Analysis and Integration Group (DAIG) within the Office of Data Integration and Food Protection, on a bi-annual basis, to review PHIS data on inspection tasks being designated as “Not Performed,” including the frequency of the type of tasks not performed and the reasons cited by IPP, to determine whether potential trends exist and to inform decisions about allocation and prioritization of inspection work. The DAIG plans to complete the initial analysis by September 2012. FSIS plans to use these analyses to adjust inspection assignments, when warranted, to help ensure adequate inspection coverage.

Estimated Completion Date:

September 30, 2012

Recommendation 4:

Require inspectors to record in PHIS the lot number of products processed by the establishment. Also, require supervisors to verify this information while conducting supervisory reviews or when suspicion arises that an inspector is misreporting inspection activities.

FSIS Response:

FSIS does not believe it is practical for IPP to collect and record lot numbers for all products produced at inspected establishments. The amount of time and effort needed to do so would clearly sacrifice time needed to perform essential food safety inspection verifications that IPP are expected to perform. In addition, this option does not provide the assurances that it intends because an individual could record lot numbers after reviewing production records a day or more after it occurred.

Instead, FSIS will instruct frontline supervisors, through the In-Plant Performance System (IPPS) Supervisory Guide and an FSIS Directive to be issued September 2012, to periodically review the data generated by PHIS related to the variation and frequency of tasks performed, as well as non-compliance records. PHIS was developed to be a tool to evaluate establishments' compliance and to manage the effectiveness of the program overall. However, if trends develop that indicate that inspections are not being performed in an appropriate manner, or if there is an indication that data is being entered fallaciously by IPP, the Agency will investigate.

Completion Date:

September 30, 2012

Recommendation 5:

Formally analyze FSIS' ability and resources to have supervisors conduct unannounced visits at processing establishments, and document the basis for the policy decision made.

FSIS Response:

Currently, twice yearly on-site reviews are conducted as part of the formal supervisory IPPS reviews associated with FSIS' performance management system. FSIS supervisors have the authority to make unannounced visits to establishments and often do. The IPPS Directive will make clear that supervisory visits are not to be limited to formal IPPS visits, and that supervisors are to periodically make unannounced visits to establishments. FSIS believes that these unannounced visits in conjunction with review of the task data from the PHIS; the analyses that the DAIG performs, as described in FSIS Notice 70-11; and the Office of Field Operations management controls that will be included in the new FSIS IPPS Directive, which will be published in September 2012, will provide assurance that employees are not fallaciously documenting inspection task results.

Estimated Completion Date:

September 30, 2012

Informational copies of this report have been distributed to:

Government Accountability Office (1)

Office of Management and Budget (1)

Office of the Chief Financial Officer (1)  
Director, Planning and Accountability Division

To learn more about OIG, visit our website at  
[www.usda.gov/oig/index.htm](http://www.usda.gov/oig/index.htm)

## How To Report Suspected Wrongdoing in USDA Programs

### Fraud, Waste, and Abuse

In Washington, DC 202-690-1622

Outside DC 800-424-9121

TDD (Call Collect) 202-690-1202

### Bribes or Gratuities

202-720-7257 (Monday–Friday, 9:00 a.m.– 3 p.m. ET)



The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex (including gender identity and expression), marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). USDA is an equal opportunity provider and employer.