




THE OFFICIAL GRAIN INSPECTION SYSTEM

National Grain and Feed
Association


Safety/Grain Quality Conference



Dave Reeder
President and Owner
Fremont Grain Inspection Department
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Today

- What is the Official Inspection System?
 - Can the inspection procedures be tailored to my needs?
 - What makes the official system different?
 - What If I don't like my results?
 - Where can I find these Official Inspection people?
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The Official Inspection System Sanctioned by USDA - GIPSA

- 35 Private Agencies
- 12 State Agencies
 - 5 State Agencies Designated for export ship inspection
- Inspections Performed 2015 Fiscal Year
 - Official Agencies 3,453,880 97 %
 - GIPSA Employees 90,068 3 %
- Volume of Grain Inspected
 - Official Agencies 222.9 MMT 73 %
 - GIPSA Employees 82.4 MMT 27%

Over 2,000 Official Agency Licensed Personnel

How Agencies are Approved

GIPSA “**Designates**” States and private organizations to provide domestic grain inspection and weighing services.


Designations are for up to 5 years

GIPSA “**Delegates**” qualified States to provide export vessel grain inspection and weighing in specific export port areas.

Reviewed every 5 years



Designation Process

- Inspection agencies apply to GIPSA for specific geographic areas announced in the Federal Register
 - The public is provided opportunity to comment
 - If more than one party applies, GIPSA issues a second Federal Register soliciting additional public comments
 - GIPSA selects the “ONE” applicant best able to provide service
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Official Agency Requirements

- Adequate Facilities and Qualified Personnel
- Provide Periodic Rotation of Personnel to Preserve Official Service Integrity
- Meet Training Requirements and Personnel Standards
- Conduct Training and Provide Supervision of Personnel
- Charge Official Inspection Fees That are Not Discriminatory or Unreasonable
- State Agencies Will Not Use Any Moneys Collected from Fees for Any Purpose Other Than the Maintenance of the Official Inspection Operation
- Agency Persons Must Not Have Conflict of Interest
- Maintain Complete and Accurate Records of its Organization, Staffing, Official Activities, and Fiscal Operations, and Other Required Records
- State Agencies Employ Personnel on Basis of Job Qualifications Rather Than Political Affiliations
- Comply With All Provisions of the USGSA, Regulations, and Instructions
- Meet Other Criteria Established in Regulations Issued Under the USGSA

Integrity Requirements

- Official Agencies can only provide service In their designated area
 - Limited exceptions
- “All” employees must be free of conflicts of interest
- Fees must be reasonable and uniform to all
- Employees must be rotated among facilities
- Records must be kept on all activities for GIPSA review



Accuracy & Consistency Requirements

- Standardized equipment and personnel aligned to GIPSA'S central reference laboratory
- All inspectors and technicians trained and tested before being licensed by GIPSA
- Results subject to daily monitoring
- Recognized as the authoritative inspection by the National Grain and Feed Association's Trading Rules




Geographic Boundary Exceptions

- **Timely Service:** If the assigned agency cannot provide service within 6 hours of request, service may be provided by another agency if GIPSA Approves
- **Barge Probe Service:** Any official agency can provide barge probe service
- **Written Agreement:** If an applicant request an adjacent agency, and both agencies agree in writing the exception shall be granted





Submitted Sample Exception

- **Submitted Samples:** Applicants can submit samples to any Official Agency in the Official System
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Flexibility to Meet Your Needs

- Official Commercial Inspections
 - At your request
 - Modified sampling and inspection procedures
 - Certain equipment must be used
 - File samples may, or may not be maintained
 - Certificates may, or may not be issued
- Fees can be negotiated under contract agreements as long as they are available to all customers

41 % of inspections performed are Official Commercial
1,397,349 inspections to meet customer needs



How is the Official System Different

- Only official agencies and GIPSA can provide Service Under the United States Grain Standards Act (USGSA)
 - Warehouse inspections do not provide the quality and integrity of USGSA inspections
 - Unofficial inspection companies are not required to follow any USDA requirements
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USGSA vs. Warehouse Act

USGSA	Warehouse Act
Designed to Facilitate Grain Marketing	Designed to Facilitate Warehousing
Provide for Establishment of Official Grain Standards, and Official Inspection System System	Provide System to Protect Customers from Losses Due to Shortages or Deterioration
Assure Certificates Provide Prima Fascia Evidence in Court of Grain Quality for Basis of domestic and International Trade	Assure Integrity of Warehouse Receipts as Documents of Title to be Used as Collateral for Loans
Extensive Monitoring of Inspectors and Equipment	No Monitoring of Inspectors and Equipment
Mandatory Use of Specific Equipment and Procedures Approved by GIPSA	Recommend use of Equipment and procedures Used by GIPSA
Inspector License Must be Renewed Every 5 Years, Provided the Person Meets All Competency Requirements	Inspector license valid as long as the Warehouse's License is in effect

Not Agreeing With The Results

- Reinspections
 - Conducted by the Official Agency conducting the original inspection
- Appeal Inspection
 - Conducted by the GIPSA Field Office supervising the Official Agency
- Board Appeal Inspection
 - Conducted by GIPSA's Board of Appeal and Review

Reinspections

- Any interested party can request a reinspection
- Provided by the Official Agency that provided the original inspection
- Only one reinspection can be provided
- Can be provided on a single factor, grade, or official criteria, such as protein
- Can be performed on the file sample or a new sample
 - New samples must be obtained by the same method
 - Unless the lot was sampled during loading. Then the lot may be probed, for condition factors

Reinspections (Continued)

- Lot must be at the same location where originally inspected
 - Unless all parties agree in writing
- Requests must be made by the end of the next business day after the original service was provided
- Must be performed by another person, if available
- Certificates must show what was reinspected, and that the original certificate is superseded
- Original inspection certificates cannot be used
 - Violation of the USGSA

Appeal Inspections

- Any interested party can request an appeal
- Performed by the GIPSA field office supervising the official agency that performed the original inspection
- Reinspections are not required to have an appeal
- Only one appeal can be provided
- Can be provided on a single factor, grade, or official criteria, such as protein
- Can be performed on the file sample or a new sample
 - New samples must be obtained by the same method
 - Unless the lot was sampled during loading. Then the lot may be probed, for condition factors

Appeal Inspections (Continued)

- Lot must be at the same location where originally inspected
 - Unless all interested parties agree in writing
- Requests must be made by the end of the second business day following the last inspection (original or reinspection)
- Must be performed by another person when GIPSA performed the original inspection, if available
- Certificates must show what was appealed and that the original or reinspection certificate is superseded
- Original and/or reinspection certificates cannot be used
 - Violation of the USGSA

Board Appeal

- Any interested party can request a Board Appeal
- Board Appeals are provided by GIPSA's Board of Appeals and Review in Kansas City
- An appeal inspection is required to have a Board Appeal
- Only one board appeal can be provided
- Can be provided on a single factor, grade, or official criteria, such as protein
- Only performed on file samples




Board Appeal (Continued)

- Lot must be at the same location where originally inspected
 - Unless all interested parties agree in writing
- Requests must be made by the end of the second business day following the appeal inspection
- Board Appeal certificates must show what was Board Appealed and that the appeal certificate is superseded
- Original, reinspection, and appeal certificates cannot be used
 - Violation of the USGSA
- Board Appeals are final



New Inspections

- Identity of lot lost
 - A new original inspection can be performed
 - Identity not lost
 - A new original inspection can only be performed once 5 business days after the last inspection have lapsed
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Help Is Available

- Contact Your Local Official Agency for assistance
- GIPSA Directive 9170.15
 - Review Inspection of Grains and Commodities

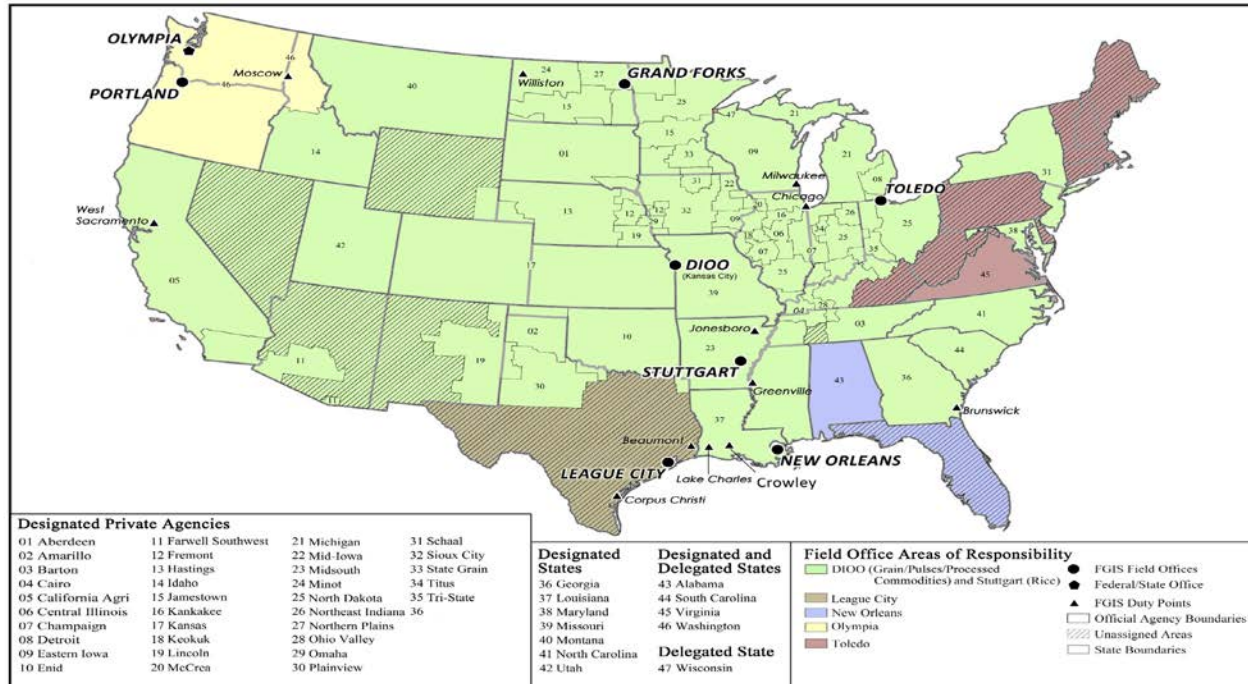
Found on the GIPSA website

Which Agencies are Official

Official Agencies can be found on GIPSA's Website

www.gipsa.usda.gov

OFFICIAL AGENCY GEOGRAPHIC AREAS AND FGIS FIELD OFFICES U. S. Grain Standards Act



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QUESTIONS?

Dave Reeder
402-721-1270
fgid@neb.rr.com

