

2018 President's Budget
Grain Inspection, Packers and Stockyards Administration

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GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Purpose Statement

The Grain Inspection, Packers and Stockyards Administration (GIPSA) was established October 20, 1994, under the authority of the Agriculture Reorganization Act of 1994 (P.L. 103-354), to administer the programs and functions of the former Federal Grain Inspection Service (FGIS) and the Packers and Stockyards Administration. The mission of the agency is to facilitate the marketing of livestock, poultry, meat, cereals, oilseeds, and related agricultural products, and to promote fair and competitive trading practices for the overall benefit of consumers and American agriculture. GIPSA is composed of three major activities: (1) Packers and Stockyards Program (P&SP), (2) Grain Regulatory Program (GRP), and (3) Inspection and Weighing Services.

P&SP activities are authorized by the Packers and Stockyards Act of 1921 (P&S Act), as amended, and Section 1324 of the Food Security Act of 1985. These activities are currently funded through appropriations. GIPSA's P&SP is responsible for administering the P&S Act, which prohibits unfair, deceptive, and fraudulent practices by market agencies, dealers, packers, swine contractors, and live poultry dealers in the livestock, poultry, and meatpacking industries. The P&S Act makes it unlawful for a regulated entity to engage in unfair, unjustly discriminatory, or deceptive practices. Packers, live poultry dealers, and swine contractors are also prohibited from engaging in specific anti-competitive practices. P&SP conducts two broad types of activities—regulatory and investigative—in its administration and enforcement of the P&S Act. P&SP activities cover two general areas: Business Practices and Financial Protection. Business Practices are further divided into Competition and Trade Practices.

GIPSA's GRP, which is carried out under the authority of the United States Grain Standards Act, as amended (USGSA), and the Agricultural Marketing Act of 1946 (AMA), is currently funded through appropriations. As part of the GRP, GIPSA promotes and enforces the accurate and uniform application of the USGSA and applicable provisions of the AMA; identifies, evaluates, and implements new or improved techniques for measuring grain quality; and establishes and maintains testing and grading standards to facilitate the marketing of U.S. grain, oilseeds, and related products.

Inspection and Weighing Services are authorized under both the USGSA and the AMA. The USGSA requires the mandatory inspection and weighing of grain at export ports by GIPSA or delegated State agency personnel, and the permissive inspection and weighing of grain at domestic locations by designated State and private agency personnel. The USGSA also requires GIPSA to supervise all official inspection and weighing activities. On a request basis, GIPSA performs inspection of rice and related commodities under the AMA. Both statutes require GIPSA to collect user fees to fund the costs of operations including the supervision and administration of Federal grain inspection and weighing activities.

GIPSA headquarters is located in Washington, D.C. GIPSA's grain-related field activities are located in 7 field offices, 1 Federal/State office, and 3 sub offices. P&SP field activities are located in 3 regional offices with 43 resident agents, 5 resident auditors, 1 market inspector, and 2 resident agent supervisors. As of September 30, 2016, there were a total of 741 employees of which 640 were permanent full-time and 101 were other than permanent full-time employees. Of the 640 permanent full-time employees, 70 were in the headquarters office and 570 were in field offices.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Available Funds and Staff Years (SYs)

(Dollars in thousands)

Item	2015 Actual		2016 Actual		2017 Estimate		2018 President's Budget	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
<u>Salaries and Expenses:</u>								
Discretionary Appropriations	\$43,048	233	\$43,057	270	\$42,975	270	\$42,975	270
Total Available.....	43,048	233	43,057	270	42,975	270	42,975	270
Lapsing Balances.....	-532	-	-369	-	-	-	-	-
Obligations.....	42,516	233	42,688	270	42,975	270	42,975	270
<u>Non-Federal Funds</u>								
Inspection and Weighing.....	46,882	423	49,945	411	55,000	411	60,000	411
Total, GIPSA.....	89,398	656	92,633	681	97,975	681	102,975	681

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Permanent Positions by Grade and Staff Year Summary

Item	2015 Actual			2016 Actual			2017 Estimate			2018 President's Budget		
	D.C.	Field	Total	D.C.	Field	Total	D.C.	Field	Total	D.C.	Field	Total
SES	3	1	4	4	1	5	4	1	5	4	1	5
GS-15.....	6	5	11	4	4	8	4	4	8	4	4	8
GS-14.....	14	27	41	19	26	45	19	26	45	19	26	45
GS-13.....	25	44	69	23	49	72	23	49	72	23	49	72
GS-12.....	7	93	100	7	89	96	7	89	96	7	89	96
GS-11.....	5	76	81	4	81	85	4	81	85	4	81	85
GS-10.....	-	7	7	-	7	-	-	7	-	-	7	-
GS-9.....	4	118	122	4	139	143	4	139	143	4	139	143
GS-8.....	3	10	13	3	12	15	3	12	15	3	12	15
GS-7.....	-	53	53	1	55	56	1	55	56	1	55	56
GS-6.....	1	68	69	-	71	71	-	71	71	-	71	71
GS-5.....	-	49	49	1	34	35	1	34	35	1	34	35
GS-4.....	-	4	4	-	2	2	-	2	2	-	2	2
GS-3.....	-	-	-	-	-	-	-	-	-	-	-	-
GS-2.....	-	-	-	-	-	-	-	-	-	-	-	-
Total Perm. Positions	69	554	623	70	570	640	70	570	640	70	570	640
Total, Perm. Full- Time Employment, EOY	69	554	623	70	570	640	70	570	640	70	570	640
Staff Year Est.....	92	564	656	97	584	681	97	584	681	97	584	681

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Size, Composition, and Cost of Motor Vehicle Fleet

GIPSA’s passenger motor vehicles are mainly used by professional resident agents, auditors, marketing specialists, economists, and managers to conduct competition, financial and trade practice, compliance and investigative activities. These activities are located in rural areas and a high degree of mobility is required. The use of common carriers is seldom feasible. Comparative studies of cost requirements involved in the use of private and Government vehicles have shown that it is more economical to make Government vehicles available than to make reimbursements for the use of private cars. Leased vehicles are replaced based on the General Services Administration (GSA) age and mileage requirements. GIPSA pools the use of motor vehicles for different activities in order to keep the number of vehicles to a minimum and reduce overall costs of maintenance.

Size, Composition, and Annual Operating Costs of Vehicle Fleet

Fiscal Year	Number of Vehicles by Type *							Total Number of Vehicles	Annual Operating Costs (\$ in 000) **
	Sedans and Station Wagons	Light Trucks, SUVs, and Vans		Medium Duty Vehicles	Ambulances	Buses	Heavy Duty Vehicles		
		4x2	4x4						
2015	63	57	7	1	-	-	-	128	355
Change	-1	-4	-	-	-	-	-	-5	+33
2016	62	53	7	1	-	-	-	123	388
Change	-1	-3	-	-	-	-	-	-4	+8
2017	61	50	7	1	-	-	-	119	396
Change	+4	-4	-	-	-	-	-	-	+8
2018	65	46	7	1	-	-	-	119	404

* Numbers include vehicles owned by the agency and leased from commercial sources or GSA.

** Excludes acquisition costs and gains from sale of vehicles as shown in FAST.

Additions to Fleet:

In 2017, the Agency has one addition to its fleet of passenger motor vehicles for a new employee in Washington State. In addition, the Agency is replacing four vehicles in FY 2017. The vehicles are needed in order for employees to conduct reviews and investigative work including performing their regulatory activities and reviewing case investigations in their assigned territory across the country.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

The estimates include appropriation language for this item as follows (new language underscored; deleted matter enclosed in brackets):

Salaries and Expenses:

For necessary expenses of the Grain Inspection, Packers and Stockyards Administration, [\$43,057,000]
\$42,975,000: *Provided*, that this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Lead-Off Tabular Statement

Current Law

Budget Estimate, 2018.....	\$42,975,000
2017 Annualized Continuing Resolution.....	42,975,000
Change in Appropriation	0

Proposed Legislation

Budget Estimate, Current Law 2018.....	\$42,975,000
Change Due to Proposed Legislation.....	-30,000,000
Net 2018 Request.....	\$12,975,000

Summary of Increases and Decreases
(Dollars in thousands)

Program	2015 Actual	2016 Change	2017 Change	2018 Change	2018 President's Budget
Discretionary Appropriations:					
Packers and Stockyards Program	\$23,047	+\$5	-\$46	-	\$23,006
Grain Regulatory Program	20,001	+4	-36	-	19,969
Total Discretionary Appropriations	43,048	+9	-82	-	42,975

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Project Statement
Adjusted Appropriations Detail and Staff Years (SYs)
(Dollars in thousands)

Program	2015 Actual		2016 Actual		2017 Estimate		Inc. or Dec.		2018 President's Budget	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
Discretionary Appropriations:										
Packers and Stockyards	\$23,047	138	\$23,052	147	\$23,006	147	-	-	\$23,006	147
Grain Regulatory	20,001	95	20,005	123	19,969	123	-	-	19,969	123
Subtotal	43,048	233	43,057	270	42,975	270	-	-	42,975	270
Total Adjusted Approp.	43,048	233	43,057	270	42,975	270	-	-	42,975	270
Rescissions, Transfers, and Seq. (Net)	-	-	-	-	-	-	-	-	-	-
Total Appropriation	43,048	233	43,057	270	42,975	270	-	-	42,975	270
Transfers Out	-	-	-	-	-	-	-	-	-	-
Total Available	43,048	233	43,057	270	42,975	270	-	-	42,975	270
Lapsing Balances	-532	-	-369	-	-	-	-	-	-	-
Total Obligations	42,516	233	42,688	270	42,975	270	-	-	42,975	270

Project Statement
Obligations Detail and Staff Years (SYs)
(Dollars in thousands)

Program	2015 Actual		2016 Actual		2017 Estimate		Inc. or Dec.		2018 President's Budget	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
Discretionary Obligations:										
Packers and Stockyards	\$22,957	138	\$23,090	147	\$23,006	147	-	-	\$23,006	147
Grain Regulatory	19,559	95	19,598	123	19,969	123	-	-	19,969	123
Subtotal	42,516	233	42,688	270	42,975	270	-	-	42,975	270
Total Obligations	42,516	233	42,688	270	42,975	270	-	-	42,975	270
Lapsing Balances	532	-	369	-	-	-	-	-	-	-
Total Available	43,048	233	43,057	270	42,975	270	-	-	42,975	270
Transfers Out	-	-	-	-	-	-	-	-	-	-
Total Appropriation	43,048	233	43,057	270	42,975	270	-	-	42,975	270

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Justification of Increases and Decreases for the Packers and Stockyards Program (P&SP)

Base funds will continue to fund GIPSA's P&SP activities. Continuing the base funding is crucial to ensuring the continued success of the program. P&SP enforces the PSP Act, which prohibits unfair, deceptive, and unjust discriminatory practices by market agencies, dealers, stockyards, packers, swine contractors, and live poultry dealers in the livestock, meat packing, and poultry industries. The P&S Act provides important protections for livestock producers and poultry growers in rural America. GIPSA conducts routine and ongoing regulatory inspections and audits to assess whether subject entities are operating in compliance with the P&S Act and conducts investigations of potential violations of the P&S Act identified by industry complaints, routine regulatory inspections, or market observations. A team of resident agents and auditors located throughout the country conduct initial investigative activities. Specialists in GIPSA's regional offices and in Washington, D.C. headquarters provide direction and assistance to the resident investigators. All P&SP employees utilize the P&S Automated System (PAS) to track case work electronically from start to finish.

Base funds support GIPSA's objective to protect fair trade practices, financial integrity, and competitive livestock, meat, and poultry markets."

(1) An increase of \$323,000 for the Packers and Stockyards Program.

This net increase is comprised of the following funding change requests:

- (a) An increase of \$323,000 for pay costs (\$68,000 for annualization of the 2017 pay increase and \$255,000 for the 2018 pay increase).

The increase will enable P&SP to maintain staffing levels, which are critical to achieving GIPSA's objective of facilitating the marketing of livestock, poultry, and promoting fair and competitive trading practices for the overall benefit of consumers and American agriculture. Over 64 percent of GIPSA's budget is in support of personnel compensation.

- (b) A decrease in \$323,000 for internships, training, equipment, performance awards, and travel to cover the pay cost increase.

The agency is reducing internships, training, equipment, performance awards, and travel to cover the pay cost increase. The agency is protecting mission essential travel and critical equipment.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Justification of Increases and Decreases for the Grain Regulatory Program (GRP)

Base funds will continue to fund GIPSA's GRP activities, which are administered by GIPSA's Federal Grain Inspection Service (FGIS). Continuing the base funding is crucial to ensuring the continued success of the program. The GSP, which is carried out under the authority of the USGSA and the AMA, promotes and enforces the accurate and uniform application of the USGSA and applicable provisions of the AMA; identifies, evaluates, and implements new or improved techniques for measuring grain quality; and establishes and maintains testing and grading standards to facilitate the marketing of U.S. grain, oilseeds, and related products.

(1) An increase of \$271,000 for the Grain Regulatory Program.

This net increase is comprised of the following funding change requests:

(a) An increase of \$271,000 for pay costs (\$57,000 for annualization of the 2017 pay increase and \$214,000 for the 2018 pay increase).

The increase will enable GIPSA's GRP to maintain staffing levels, which are critical to achieving GIPSA's objective of facilitating the marketing of U.S. grain and related agricultural products. Over 64 percent of GIPSA's budget is in support of personnel compensation.

(b) A decrease in \$271,000 for internships, training, equipment, performance awards, and travel to cover the pay cost increase.

The agency is reducing internships, training, equipment, performance awards, and travel to cover the pay cost increase. The agency is protecting mission essential travel and critical equipment.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Summary of Proposed Legislation

Program: Packers and Stockyards Program

Proposal: Amend the P&S Act to provide authority to collect license fees to cover the cost of the program.

Rationale: This proposal would require the beneficiaries of the program (i.e., livestock market agencies, dealers, stockyards, packers, live poultry dealers, and swine contractors) to pay for the services they receive. These market participants benefit because they are protected from the adverse effects of anticompetitive and unfair business practices in meat and poultry marketing and distribution.

Goal: Transfer the cost from the American taxpayer to the beneficiaries of the program.

Packers and Stockyards Program
(Dollars in thousands)

	2017	2018	2019	2020	2021
Budget Authority	0	-\$23,006	-\$23,006	-\$23,006	-\$23,006
Outlays	0	-18,634	-19,785	-21,395	-23,006

Program: Grain Regulatory Program

Proposal: GIPSA develops, reviews, and maintains official U.S. grain standards that describe the grain characteristics in terms of physical, sanitary, and intrinsic value at the time of inspection. These standards provide a common language for use by producers, sellers, and buyers of U.S. grain. This proposal would initiate a user fee for this service.

Rationale: Because these standards benefit and are used almost solely for the grain trading industry, and because they facilitate the orderly marketing of grain products, it is industry that should bear the cost.

Goal: Transfer the cost from the American taxpayer to the beneficiaries of the U.S. grading standards.

Grain Regulatory Program
(Dollars in thousands)

	2017	2018	2019	2020	2021
Budget Authority	0	-\$7,000	-\$7,000	-\$7,000	-\$7,000
Outlays	0	-5,950	-6,230	-6,510	-7,000

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Geographic Breakdown of Obligations and Staff Years
(Dollars in thousands and Staff Years (SYs))

State/Territory	<u>2015 Actual</u>		<u>2016 Actual</u>		<u>2017 Estimate</u>		<u>2018 President's Budget</u>	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
Arkansas	\$129	1	\$154	1	\$155	1	\$155	1
Colorado	6,132	46	6,137	46	6,178	46	6,178	46
District of Columbia	15,869	34	15,998	55	16,106	55	16,106	55
Georgia	5,236	41	5,792	41	5,831	41	5,831	41
Iowa	4,417	34	5,285	35	5,321	35	5,321	35
Louisiana	863	9	858	9	864	9	864	9
Missouri	8,716	60	7,327	72	7,376	72	7,376	72
North Dakota	192	2	216	2	217	2	217	2
Ohio	169	1	299	3	301	3	301	3
Oregon	247	2	352	3	354	3	354	3
Texas	202	2	270	3	272	3	272	3
Washington	344	1	0	0	0	0	0	0
Obligations	42,516	233	42,688	270	42,975	270	42,975	270
Lapsing Balances	532	-	369	-	-	-	-	-
Bal. Available, EOY	-	-	-	-	-	-	-	-
Total, Available	43,048	233	43,057	270	42,975	270	42,975	270

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Classification by Objects
(Dollars in thousands)

	2015 <u>Actual</u>	2016 <u>Actual</u>	2017 <u>Estimate</u>	2018 President's <u>Budget</u>
Personnel Compensation:				
Washington D.C.	\$3,767	\$4,499	\$4,892	\$5,010
Field	16,133	18,911	19,827	20,303
11 Total personnel compensation.....	19,900	23,410	24,719	25,313
12 Personnel benefits	6,670	7,981	8,148	8,303
13.0 Benefits for former personnel	19	31	100	101
Total, personnel comp. and benefits.....	26,589	31,422	32,967	33,717
Other Objects:				
21.0 Travel and transportation of persons	1,759	1,371	1,162	1,000
22.0 Transportation of things	32	46	45	30
23.1 Rental payments to GSA	3,167	3,143	3,141	3,151
23.2 Rental payments to others	74	55	55	55
23.3 Communications, utilities, and misc. charges	497	614	614	610
24.0 Printing and reproduction.....	58	52	52	52
25.2 Other services from non-Federal sources	487	321	272	250
25.3 Other purchases of goods and service from Federal Sources	7,255	4,586	3,763	3,441
26.0 Supplies and materials.....	673	635	538	400
31.0 Equipment	1,924	436	366	269
42.0 Insurance Claims	-	7	-	-
Total, Other Objects	15,926	11,266	10,008	9,258
99.9 Total, new obligations	42,516	42,688	42,975	42,975
DHS Building Security Payments (included in 25.3)	\$148	\$160	\$132	\$132
Position Data:				
Average Salary (dollars), ES Position	\$158,824	\$155,963	\$159,283	\$162,263
Average Salary (dollars), GS Position.....	\$63,143	\$68,462	\$69,899	\$71,227
Average Grade, GS Position.....	9	11	11	11

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Shared Funding Projects
(Dollars in thousands)

	2015 <u>Actual</u>	2016 <u>Actual</u>	2017 <u>Estimate</u>	2018 <u>President's Budget</u>
Working Capital Fund:				
Administration:				
HR Enterprise System Management	-	\$7	\$7	\$9
Material Management Service Center	\$16	20	25	26
Mail and Reproduction Management.....	126	105	108	110
Integrated Procurement System	135	122	121	114
Procurement Operations Division	25	-	-	-
Subtotal	<u>302</u>	<u>254</u>	<u>261</u>	<u>259</u>
Communications:				
Creative Media & Broadcast Center	9	2	5	2
Finance and Management:				
NFC/USDA	196	206	208	635
Financial Management Services	617	636	679	188
Subtotal	<u>813</u>	<u>842</u>	<u>887</u>	<u>823</u>
Information Technology:				
NITC/USDA	1,071	658	436	403
Client Technology Services	439	429	752	704
Enterprise Network Services.....	114	85	151	159
Subtotal	<u>1,624</u>	<u>1,172</u>	<u>1,339</u>	<u>1,266</u>
Correspondence Management	29	24	22	20
Total, Working Capital Fund	<u>2,777</u>	<u>2,294</u>	<u>2,515</u>	<u>2,370</u>
Departmental Shared Cost Programs:				
1890's USDA Initiatives	18	20	24	22
Advisory Committee Liaison Services	2	2	2	2
Classified National Security Information	6	4	4	3
Continuity of Operations Planning	14	12	14	12
E-GOV Initiatives HSPD-12	43	42	43	39
Emergency Operations Center	15	15	15	14
Facility and Infrastructure Review and Assessment	3	3	3	3
Faith-Based Initiatives and Neighborhood Partnerships	2	2	3	2
Hispanic-Serving Institutions National Program	12	11	13	11
Human Resources Transformation (inc Diversity Council)	11	10	11	10
Medical Services	6	5	6	6
People's Garden	5	4	4	4
Personnel and Document Security	7	5	5	5
Pre-authorizing Funding	24	23	24	21
Retirement Processor/Web Application	4	4	4	3
TARGET Center	9	9	9	8
USDA 1994 Program	5	4	5	5

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

(Dollars in thousands)

	<u>2015</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>	<u>2017</u> <u>Estimate</u>	<u>2018</u> <u>President's</u> <u>Budget</u>
Virtual University	13	12	13	12
Total, Departmental Shared Cost Programs	198	187	202	182
E-Gov:				
Budget Formulation and Execution Line of Business	1	-	-	-
Enterprise Human Resources Integration	14	12	12	12
E-Rulemaking	5	4	4	5
E-Training	18	16	-	-
Financial Management Line of Business	1	1	1	1
Human Resources Line of Business	2	2	2	2
Integrated Acquisition Environment - Loans and Grants	12	8	-	-
Integrated Acquisition Environment	4	-	-	-
Total, E-Gov	57	43	19	20
Agency Total	3,033	2,525	2,736	2,572

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Status of Programs

The Grain Inspection, Packers and Stockyards Administration (GIPSA) facilitates the marketing of cereals, oilseeds, and related agricultural products, and protects fair trade practices, financial integrity, and competitive markets for livestock, meat, and poultry for the overall benefit of producers, consumers, and American agriculture. GIPSA fulfills its mission through the services provided by three program areas: (1) Packers and Stockyards Program (P&SP), (2) Grain Regulatory Program (GRP), and (3) Inspection and Weighing Services.

Packers and Stockyards Program

Current Activities

The Packers and Stockyards Program (P&SP) is responsible for administering the Packers and Stockyards Act of 1921 (P&S Act). The P&S Act promotes fair business practices and competitive market environments and prohibits unfair, deceptive, and fraudulent practices by market agencies, livestock dealers, packers, swine contractors, and live poultry dealers in the livestock, poultry, and certain meatpacking industries. P&SP's work protects consumers and members of the livestock, meat, and poultry industries. The P&S Act affords livestock sellers and poultry growers with specified financial protections. By assuring fair competition and payment protection, P&SP helps sustain the economic viability of U.S. meat production.

Selected Examples of Recent Progress

P&SP conducts two broad types of activities—regulatory and investigative. Investigations are conducted when there is reason to believe a violation of the P&S Act is occurring or has occurred. Regulatory activities are monitoring activities that determine if a regulated entity is complying with the P&S Act and result in the correction of identified deficiencies.

Investigations under P&S Act are grouped into three broad categories: competition, financial, or trade practice violations. Competition violations often involve preferential treatment or restriction of competition, such as through apportionment of territory. Examples of financial violations include misuse of custodial accounts, failure to pay, and failure to pay when due. Examples of trade practice violations include offenses such as unfair or deceptive practices, failure to register properly, tariff misrepresentation, and misuse of scales and improper weighing practices, including any location where scales are used to weigh feed when feed is a factor affecting payment to livestock producers or poultry growers. P&SP further divides the cases by either livestock or poultry.

In FY 2016, P&SP opened 2,492 investigations. Most investigative work focused on the livestock sector, with financial investigations accounting for more than 54 percent of the total and trade practices investigations comprising almost 41 percent. Competition investigations and all poultry investigations covered the remaining 5 percent of investigative work.

P&SP closed 2,263 investigations without referral to the Office of the General Counsel (OGC). P&SP regional offices closed the vast majority of investigations. Custodial account reviews uncovered 222 violations with recoveries or shortage corrections of \$3,781,639. Of the 91 cases referred to Headquarters, 55 were closed after the responding entity stipulated to responsibility for the violation and agreed to pay penalties totaling \$155,425. P&SP closed 32 investigations after referral to OGC, including 6 that had been referred further to the Department of Justice (DOJ). From the cases referred to OGC and DOJ, respondent entities were ordered to pay a total of \$203,368 in civil penalties.

	<u>Competition</u>		<u>Financial</u>		<u>Trade Practices</u>		Totals
	Livestock	Poultry	Livestock	Poultry	Livestock	Poultry	
Opened	19	0	1,357	5	1,015	96	2,492
Closed	14	0	1,121	10	961	98	2,204

Program Evaluations

GIPSA measures the overall performance of P&SP by reviewing targeted operations at randomly selected entities. P&SP calculates the percent of regulated entities in compliance by using random samples designed to provide an estimate with a 90 percent confidence level for the estimated population. The performance measure encompasses activities that directly or indirectly influence compliance. P&SP's overall performance rate is a composite index of five program-wide audit and inspection activities. In FY 2016, the index included: 1) poultry contract compliance and prompt payments for poultry; 2) financial audits of custodial accounts; 3) financial reviews of prompt payments for livestock; 4) inspection of scales and weighing practices at markets, dealers, and live poultry dealers; and 5) inspection of all dynamic scale systems and a random sample of scales, trolleys and weighing practices at packing plants that purchase more than 1,000 head of livestock per year. In FY 2016, the industry compliance rate increased modestly from 82.4 percent in FY 2015 to 82.7 percent in FY 2016. Most components of the compliance index did not change significantly from FY 2015 but poultry contract and payment compliance increased from 59.4 in FY 2015 to 67.7 in FY 2016. In poultry reviews, P&SP agents determine whether contracts properly disclose information required by the P&S Act and whether live poultry dealers pay for poultry or grower services within the time required by the Act. P&SP works with live poultry dealers to ensure that their contracts with growers comply with the P&S Act and regulations. Poultry reviews include vertically integrated firms that have poultry growing arrangements with contract growers and live poultry dealers who do not have written contracts. P&SP reviews have found that payment violations occur more frequently in live bird market transactions but with vertically integrated firms, there may be fewer payment violations but contract violations are more common. The compliance rate may vary from one year to the next depending on the type of poultry operation being reviewed. Custodial account reviews also disclosed lower levels of compliance at 69 percent, as compared to the other three components of the P&SP performance measures: Prompt payments for Livestock at 89 percent, Scales and weighing practices-dealers, markets at 98 percent, and Packer scales inspection at 90 percent compliance. As GIPSA continues its work with regulated entities to improve compliance, GIPSA expects the overall compliance rate to improve to 83 percent in FY 2017.

Grain Regulatory Program

GIPSA's Grain Regulatory Program (GRP) is carried out under the authority of the United States Grain Standards Act, as amended (USGSA), and the Agricultural Marketing Act of 1946 (AMA). GRP promotes and enforces the accurate and uniform application of the USGSA and applicable provisions of the AMA; identifies, evaluates, and implements new or improved techniques for measuring grain quality; and establishes and maintains testing and grading standards to facilitate the marketing of U.S. grain, oil seeds, and related products both domestically and internationally.

Current Activities

Mycotoxin Monitoring Programs – Federal Grain Inspection Services (FGIS) initiated monitoring programs for two mycotoxins, deoxynivalenol (DON) and aflatoxin, as part of an overall mycotoxin quality assurance program. Under the mycotoxin quality assurance program, a percentage of original inspection results obtained by service providers using an approved test kit are compared to the results obtained from FGIS' reference method-ultra-high performance liquid chromatography/tandem mass spectrometry. GIPSA provides to the testing labs weekly and annual reports comparing the results obtained from the original inspection to those obtained by the reference method at the National Grain Center in Kansas City, Missouri.

Promoting U.S. Grain in Foreign Markets - In FY 2016, FGIS responded to customers' needs for technical assistance in foreign markets. Exporters, importers, and end-users of U.S. grains and oilseeds, as well as other USDA agencies, USDA cooperator organizations, and other governments, occasionally ask for FGIS personnel to provide expertise. These activities include representing the agency at grain marketing and grain grading seminars, meeting with foreign governments and grain industry representatives to resolve grain quality and weight discrepancies, helping other countries develop domestic grain and commodity standards and marketing infrastructures, assisting importers with quality specifications, and training local inspectors in U.S. inspection methods and procedures.

Selected Examples of Recent Progress

In September, FGIS temporarily stationed two International Grain Marketing Specialists in Asia for 4 weeks to proactively work with overseas Asian customers and their governments. FGIS was able to address immediate and long-term issues in the region, promote a better understanding and adoption of U.S. sampling and inspection methods to minimize differences in results, and develop relationships with customers, USDA Cooperators and government officials.

FGIS staff traveled to Malaysia, Thailand, Singapore, Philippines, and Japan and conducted seminars and met with individuals and groups involved in the grain and milling industry in Asia. The seminars, organized with the help of the Foreign Agricultural Service, U.S. Wheat Associates and U.S. Grains Council, served to educate foreign buyers of U.S. grain, as well as Governmental officials in the five countries. FGIS staff addressed several grain quality issues with the importers such as grain discoloration and vessel sanitation procedures. There was an immediate 16 percent increase in wheat sales following the training in Asia.

Program Evaluations

In FY 2016, GIPSA continued to monitor data collected under the inspection performance program. The program, initiated in March 2014, continues to capture quality data at the inspector level on a weekly basis for grains and commodities and their critical interpretive factors. The quality data provides continuous feedback on system performance, improves GIPSA's ability to make corrective actions, and provides quality assurance to the grain industry. During FY 2016, the overall inspection accuracy increased to 97.2 percent compared to FY 2015's 96.9 percent, with all field offices also having an increased inspection accuracy rate from 2015 of 94.9 percent or higher.

In FY 2016, GIPSA began monitoring certificate accuracy through a comprehensive review of certificates issued by GIPSA, designated State and private agencies, and delegated States. An accurate certificate is defined as correctly stating the U.S. grade without any errors relating to grade, factor level determinations, remarks, and spelling. In FY 2016, GIPSA certificate accuracy was 98.6 percent.

These two monitoring programs will ensure that GIPSA remains a high-performing, efficient, and adaptable organization in the 21st century that continues to facilitate the marketing of U.S. grain and related agricultural products.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

The estimates include appropriation language for this item as follows (new language underscored; deleted matter enclosed in brackets):

Limitation on Inspection and Weighing Services Expenses:

[Not to exceed \$55,000,000 (from fees collected) shall be obligated during the current fiscal year for inspection and weighing services: *Provided*, that if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Committees on Appropriations of both Houses of Congress.]

This change proposes to eliminate the limitation on inspection and weighing services expenses to allow GIPSA to fully support the Federal Grain Inspection Service's inspection and weighing program.

LIMITATION ON INSPECTION AND WEIGHING SERVICES

Lead-Off Tabular Statement

Current Law

Budget Estimate, 2018.....	\$60,000,000 a/
2017 Annualized Continuing Resolution.....	55,000,000
Change in Appropriation	<u>+5,000,000</u>

Summary of Increases and Decreases

(Dollars in thousands)

Program	2015 Actual	2016 Change	2017 Change	2018 Change	2018 President's Budget
Mandatory Appropriations:					
Inspection and Weighing Activities	46,881	+8,119	-	+5,000	60,000 a/
Total	<u>46,881</u>	<u>+8,119</u>	<u>-</u>	<u>+5,000</u>	<u>60,000</u>

a/ The budget proposes no spending limit for inspection and weighing services. GIPSA estimates a total obligation of \$60 million for FY 2018 for these services.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Project Statement

Adjusted Appropriation Detail and Staff Years (SYs)
(Dollars in thousands)

Program	<u>2015 Actual</u>		<u>2016 Actual</u>		<u>2017 Estimate</u>		<u>Inc. or Dec.</u>		<u>2018 President's Budget</u>	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
Mandatory Obligations:										
Inspection and Weighing Activities	\$46,882	423	\$49,962	411	\$55,000	411	+\$5,000 (1)	-	\$60,000	411
Bal. Available, SOY	-17,847	-	-10,816	-	-5,038	-	+5,000	-	60,000	-
Bal. Available, EOY	10,816	-	5,038	-	-	-	-	-	-	-
Total, Collections.....	<u>65,865</u>	<u>423</u>	<u>49,962</u>	<u>411</u>	<u>55,000</u>	<u>411</u>	<u>+5,000</u>	<u>-</u>	<u>60,000</u>	<u>411</u>

Justification of Increases and Decreases

(1) Remove obligation limit on fees collected from Inspection and Weighing services.

GIPSA's FGIS provides both mandatory and voluntary inspection, weighing, and related services on grains, pulses, oilseeds, and processed and graded commodities under the USGSA and the AMA on a user fee basis. While GIPSA's official inspection and weighing services in the domestic market are voluntary, they are mandatory for grain being exported from the U.S., including the testing of all corn for aflatoxin prior to shipment, unless the contract stipulates testing is not required. Authorizing legislation does not limit how much GIPSA can spend from fees collected for official inspection and weighing services, and the budget proposes to eliminate the limitation that has been included in previous annual appropriations acts.

During the first 6 months of FY 2017, grain exports were up 20 percent over the same period of time in FY 2016. To meet increased workload demands, GIPSA anticipates that employees will continue to work around the clock and be deployed to locations with extremely high workloads, thus incurring additional travel and overtime costs.

Due to this increased activity in FY 2017, salaries and benefits increased approximately 2.1 percent which imparts additional pressure on the obligation cap. In January FY 2017, GIPSA adjusted its export inspection fees based on a rolling 5-year average of the volume of grain exports ensuring a direct correlation between the user fees and the volume of grain exports. With such a cost-control mechanism in place within the authorizing legislation, the elimination of the obligation cap will provide GIPSA with the flexibility needed to respond to market needs, while providing customers the assurance that fees and expenses are appropriately linked to export volumes.

While GIPSA collects appropriate fees for the services it provides, it may not be able to obligate sufficient funds to cover actual costs without the requested adjustments. GIPSA anticipates the estimated collections for 2018 will be \$60,000,000 for GIPSA. The elimination of the obligational limitation will ensure that GIPSA continues to meet all requests for official services.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Geographic Breakdown of Obligations and Staff Years
(Dollars in thousands and Staff Years (SYs))

State/Territory	<u>2015 Actual</u>		<u>2016 Actual</u>		<u>2017 Estimate</u>		<u>2018 President's Budget</u>	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
Arkansas	\$1,927	28	\$2,441	29	\$2,261	29	\$2,467	29
District of Columbia	13,964	58	10,605	42	16,246	42	17,723	42
Iowa	-	-	-	-	-	-	-	-
Louisiana	17,812	181	20,196	185	21,038	185	22,951	185
Missouri	499	19	1,460	14	578	14	630	14
North Dakota	1,165	11	1,359	12	1,367	12	1,491	12
Ohio	1,651	20	2,239	21	1,937	21	2,113	21
Oregon	3,351	40	3,721	39	3,932	39	4,289	39
Texas	6,424	65	7,880	68	7,536	68	8,221	68
Washington	89	1	61	1	105	1	115	1
Obligations	46,882	423	49,962	411	55,000	411	60,000 a/	411

a/ The budget proposes no spending limit for inspection and weighing services. GIPSA estimates a total obligation of \$60 million for FY 2018 for these services.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Classification by Objects
(Dollars in thousands)

	2015 <u>Actual</u>	2016 <u>Actual</u>	2017 <u>Estimate</u>	2018 <u>President's Budget</u>
Personnel Compensation:				
Washington DC	\$723	\$6,147	\$6,331	\$6,483
Field	27,709	25,838	26,613	27,252
11 Total personnel compensation.....	28,432	31,985	32,944	33,735
12 Personnel benefits	7,562	9,178	9,371	9,548
13 Benefits for former personnel	26	41	50	50
Total, personnel comp and benefits	36,020	41,204	42,365	43,333
Other Objects:				
21 Travel and transportation of persons	1,433	1,418	1,500	1,700
22 Transportation of things	22	25	29	30
23.1 Rental payments to GSA	531	524	524	526
23.2 Rental payments to others	437	457	1,011	1,057
23.3 Communications, utilities, and misc. charges	632	696	747	1,000
24 Printing and reproduction	39	34	41	55
25.2 Other services from non-Federal sources	839	926	2,200	3,000
25.3 Other goods and services from Federal sources	6,183	3,855	5,965	8,189
26 Supplies and materials	596	649	440	500
31 Equipment	147	167	163	590
32 Land and structures	-	-	5	5
42 Insurance Claims	3	7	10	15
Total, Other Objects	10,862	8,758	12,635	16,667
99.9 Total, new obligations	46,882	49,962	55,000	60,000 a/
DHS Building Security Payments (included in 25.3)	\$9	\$10	\$8	\$8
Position Data:				
Average Salary (dollars), ES Position	\$157,251	\$141,158	\$144,122	\$146,861
Average Salary (dollars), GS Position	\$59,000	\$53,960	\$55,094	\$56,140
Average Grade, GS Position	10.7	8	8	8

a/ The budget proposes no spending limit for inspection and weighing services. GIPSA estimates a total obligation of \$60 million for FY 2018 for these services.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Status of Programs

Inspection and Weighing Services

Inspection and Weighing Services are authorized under both the USGSA and the AMA. The USGSA requires the mandatory inspection and weighing of grain at export ports by GIPSA or delegated State agency personnel, and the permissive inspection and weighing of grain at domestic locations by designated State and private agency personnel. The USGSA also requires GIPSA to supervise all official Inspection and weighing activities. On a request basis, GIPSA performs inspections of rice and related commodities under the AMA.

Current Activities

Mycotoxin Monitoring Programs – GIPSA initiated monitoring programs for two mycotoxins, deoxynivalenol (DON) and aflatoxin, as part of an overall mycotoxin quality assurance program. Under the mycotoxin quality assurance program, a percentage of original inspection results obtained by service providers using an approved test kit are compared to the results obtained from GIPSA’s reference method-ultra-high performance liquid chromatography/tandem mass spectrometry. GIPSA provides weekly and annual reports to the testing labs comparing the results obtained from the original inspection to those obtained by the reference method at the National Grain Center in Kansas City, Missouri.

Promoting U.S. Grain in Foreign Markets - In FY 2016, GIPSA responded to customers’ needs for technical assistance in foreign markets. Exporters, importers, and end-users of U.S. grains and oilseeds, as well as other USDA agencies, USDA cooperator organizations, and other governments, regularly request for GIPSA’s support for marketing U.S. grain in foreign markets. These activities include representing the agency at grain marketing and grain grading seminars, meeting with foreign governments and grain industry representatives to resolve grain quality and weight discrepancies, helping other countries develop domestic grain and commodity standards and marketing infrastructures, assisting importers with quality specifications, and training local inspectors in U.S. inspection methods and procedures.

Selected Examples of Recent Progress

In 2016, U.S. grain exports had a record year. The below numbers are in million metric tons (MMT) and includes grains for which GIPSA maintains official standards: barley, canola, corn, flaxseed, oats, rye, sorghum, soybeans, sunflower seed, triticale, wheat, and mixed grain. In FY 2016, there were 3.4 million official inspections of grain resulting in 321.9 MMT of standardized grain officially inspected.

Item	Fiscal Year 2016
Quantity of Standardized Grain Officially Inspected (Million metric tons; MMT)	
Domestic	188.9
Export by FGIS	85.7
by Delegated States	35.5
by Designated Agencies	11.8
Total	321.9

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Program Evaluations

GIPSA staff meets on a monthly basis to review each office’s financial operating plan. During this time, projected expenses and overtime costs are also reviewed. Discussions take place on how spending can be reduced and where cost savings can be achieved. This helps keep all the offices accountable for their spending.

Summary of Budget and Performance

The Grain Inspection, Packers and Stockyards Administration (GIPSA) was established October 20, 1994, under the authority of the Department of Agriculture Reorganization Act of 1994 (P.L. 103-354), to administer the programs and functions of the former Federal Grain Inspection Service (FGIS) and the Packers and Stockyards Administration. The mission of the agency is to facilitate the marketing of livestock, poultry, meat, cereals, oilseeds, and related agricultural products, and to promote fair and competitive trading practices for the overall benefit of consumers and American agriculture. GIPSA is composed of three major activities: (1) Packers and Stockyards Program (P&SP), (2) Grain Regulatory Program (GRP), and (3) Inspection and Weighing Services.

The Department will be revising the USDA Strategic Plan later in the spring and expects to release it with the FY 2019 President’s Budget.

Key Performance Measures:

Percent of industry compliance with the Packers and Stockyards Act.							
	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Target	2018 Target
Percent	87	81	84	82.4	83	83	84
Dollars (in thousands)	\$21,270	\$20,799	\$22,348	\$23,047	\$23,052	\$23,006	\$23,006

Selected Past Accomplishments Toward the Achievement of the Key Outcome:

GIPSA measures the overall performance of P&SP by annually measuring the regulated entities’ compliance with the P&S Act. The performance measure encompasses activities P&SP conducts that directly or indirectly influence industry compliance. P&SP’s overall performance rate is a composite index of five program-wide audit and inspection activities based on a scientifically-drawn random sample of subject entities. In 2016, the index included: 1) poultry contract compliance and prompt payments for poultry; 2) financial audits of custodial accounts; 3) financial reviews of prompt payments for livestock; 4) inspection of scales and weighing practices at markets, dealers, and live poultry dealers, and 5) inspection of all dynamic scale systems and a random sample of scales, trolleys and weighing practices at packing plants purchasing more than 1,000 head per year. In FY 2016, the industry compliance increased to 83 percent. GIPSA projects that it will be positioned to realize 83 percent industry compliance in FY 2017.

Selected Accomplishments Expected at the FY2018 Proposed Resource Level:

GIPSA projects that it will be positioned to realize 84 percent industry compliance in FY 2018. GIPSA measures performance by monitoring industry compliance with GIPSA regulation, while additional focus on activities to achieve industry compliance can result in increased compliance, general economic conditions within the industry will also affect year-to-year compliance. Weak economic conditions may increase the incentive for industry non-compliance more quickly in the financial components than in the business practice areas.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Enhance GIPSA's customer experience through standardization and methods development.							
	2012	2013	2014	2015	2016	2017	2018
	Actual	Actual	Actual	Actual	Actual	Target	Target
Percent	N/A	N/A	N/A	N/A	12	24	36

Selected Past Accomplishments Toward the Achievement of the Key Outcome:

This performance measure focuses on GIPSA's role in providing standardization and methods development for grains and other commodities. In FY 2017, GIPSA refreshed this metric to reflect the current market needs requests by GIPSA stakeholders. Additionally, GIPSA projects that it will enhance the customer experience to 24 percent in FY 2017.

Selected Accomplishments Expected at the FY2018 Proposed Resource Level:

GIPSA's challenge is to not only maintain the current system, but to keep pace with the rapidly changing information needs of the marketplace. Greater crop diversity and more specific end use product needs require GIPSA to monitor market needs, and respond by new and innovative services. If funding remains relatively the same, GIPSA should be able to make 12 percent progress on this measure annually.

Percent accuracy of grain inspection certificates							
	2012	2013	2014	2015	2016	2017	2018
	Actual	Actual	Actual	Actual	Actual	Target	Target
Percent	N/A	N/A	N/A	98.5	98.6	92	93

Selected Past Accomplishments Toward the Achievement of the Key Outcome:

GRP instituted changes to its quality assurance practices and made automation enhancements through FGISonline, resulting in the ability to accurately measure and capture data that was not previously available. GIPSA measures certificate accuracy through a comprehensive review of certificates issued through its Certificates program and third-party programs, and warehoused in the FGIS online Inspection Data Warehouse. GIPSA conducts quality management audits of official service providers. Official service providers include field offices, official agencies, and state agencies. As part of the review, GIPSA identifies and quantifies certificate accuracy for a subset of certificates issued. Certificate errors are identified and provided to the official service provider for correction and establishment of procedures to prevent their recurrence. In FY 2016, GIPSA certificate accuracy is at 98.6 percent.

Selected Accomplishments Expected at the FY2018 Proposed Resource Level:

Development of new factor determinations and revised certificate requirements to meet end-user needs may impact certificate accuracy.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Annual Plan and Performance Report Information

GIPSA measures the overall performance of P&SP by annually measuring the regulated entities' compliance with the P&S Act. The performance measure encompasses activities P&SP conducts that directly or indirectly influence industry compliance. P&SP's overall performance rate is a composite index of five program-wide audit and inspection activities based on a scientifically-drawn random sample of subject entities. In 2016, the index included: 1) poultry contract compliance and prompt payments for poultry; 2) financial audits of custodial accounts; 3) financial reviews of prompt payments for livestock; 4) inspection of scales and weighing practices at markets, dealers, and live poultry dealers, and 5) inspection of all dynamic scale systems and a random sample of scales, trolleys and weighing practices at packing plants purchasing more than 1,000 head per year.

Analysis of Results

In FY 2016, the industry compliance increased to 83 percent. GIPSA projects that it will be positioned to realize 83 percent industry compliance in FY 2017 and 84 percent in FY 2018.

P&SP: Percent of industry compliance with the Packers and Stockyards Act

Annual Performance Indicators, and Trends	2012	2013	2014	2015	Target	Actual	Result	Estimate / Target	Target
					2016			2017	2018
1 P&SP	87	81	84	82.4	83	83	Met	83	84
<u>Allowable Data Range for Met</u> – The sampling process is designed to yield 90-percent confidence for the estimated population compliance.									
<u>Assessment of Performance Data</u>									
<u>Data source</u> – Data sources are indicated in the Analysis of Results narrative below.									
<u>Completeness of Data</u> – The samples taken from the locations are considered final and complete.									
<u>Reliability of Data</u> – Data collected is analyzed and is considered reliable.									
<u>Quality of Data</u> – The quality of the data from the samples is satisfactory.									

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

GIPSA’s customer experience performance measure focuses on GIPSA’s role in providing standardization and methods development for grains and other commodities. In FY 2017, GIPSA refreshed this metric to reflect the current market needs requests by GIPSA stakeholders.

Analysis of Results

In FY 2016, GIPSA met its target of 12 percent. GIPSA projects that it will enhance the customer experience to 24 percent in FY 2017. If funding remains relatively the same, GIPSA should be able to make 12 percent progress on this measure annually.

GRP: Enhance GIPSA’s customer experience through standardization and methods development.

Annual Performance Indicators, and Trends	2012	2013	2014	2015	Target	Actual	Result	Estimate / Target	Target	
					2016			2017	2018	
2	GRP	N/A	N/A	N/A	N/A	12	12	Met	24	36
Allowable Data Range for Met – The tolerance range for the measure to be “met” when fiscal year target is reached.										
Assessment of Performance Data										
Data source – Data sources are indicated in the Analysis of Results narrative below.										
Completeness of Data – The data is considered final and complete.										
Reliability of Data – Data collected is analyzed and is considered reliable.										
Quality of Data – The quality of the data from the samples is satisfactory.										

GRP instituted changes to its quality assurance practices and made automation enhancements through FGISonline, resulting in the ability to accurately measure and capture data that was not previously available. GIPSA measures certificate accuracy through a comprehensive review of certificates issued through its Certificates program and third-party programs, and warehoused in the FGIS online Inspection Data Warehouse. GIPSA conducts quality management audits of official service providers. Official service providers include field offices, official agencies, and state agencies. As part of the review, GIPSA identifies and quantifies certificate accuracy for a subset of certificates issued. Certificate errors are identified and provided to the official service provider for correction and establishment of procedures to prevent their recurrence.

Analysis of Results

In FY 2016, GIPSA certificate accuracy is at 98.6 percent. Development of new factor determinations and revised certificate requirements to meet end-user needs may impact certificate accuracy. As a result, GIPSA projects a 92 percent level of certificate accuracy in FY 2017.

GRP: Percent accuracy of grain inspection certificates

Annual Performance Indicators, and Trends	2012	2013	2014	2015	Target	Actual	Result	Estimate / Target	Target	
					2016			2017	2018	
3	GRP	N/A	N/A	N/A	98.5	91	98.6	Met	92	93
Allowable Data Range for Met – Metric is met when the actual is within 1 percent of target goal										
Assessment of Performance Data										
Data source – Data sources are indicated in the Analysis of Results narrative below.										
Completeness of Data – The sample set of certificates taken from the locations are considered final and complete.										
Reliability of Data – Data collected is analyzed and is considered reliable from the sources indicated in the Analysis of Results narrative below.										
Quality of Data – The quality of the data from the samples is satisfactory.										

