

2021 USDA EXPLANATORY NOTES-FOOD SAFETY AND INSPECTION SERVICE

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PURPOSE STATEMENT

The Secretary of Agriculture established the Food Safety and Inspection Service (FSIS) on June 17, 1981, pursuant to legislative authority contained in 5 U.S.C. 301 that permits the Secretary to issue regulations governing the United States Department of Agriculture (USDA). The mission of FSIS is to protect the public's health by ensuring the safety of meat, poultry, and processed egg products. FSIS is composed of two major inspection programs: (1) Meat and Poultry Inspection and (2) Egg Products Inspection.

The Meat and Poultry Inspection Program is authorized by the Federal Meat Inspection Act (FMIA) as amended and the Poultry Products Inspection Act (PPIA). The purpose of the program is to ensure that meat and poultry products are safe, wholesome, and accurately labeled through inspection and regulation of these products so that they are suitable for commercial distribution for human consumption. FSIS also enforces the Humane Methods of Slaughter Act (HMSA) through the program, which requires that all livestock at Federally-inspected establishments be handled and slaughtered in a humane way.

FSIS conducts inspection activities at Federally-inspected meat and poultry establishments; and for State programs, the agency ensures that State meat and poultry inspection programs have standards that are at least equivalent to Federal standards. FSIS also ensures that meat and poultry products imported to the United States are produced under standards equivalent to U.S. inspection standards.

FSIS' science-based inspection system, known as the Hazard Analysis and Critical Control Point (HACCP) system, places emphasis on the identification, prevention, and control of foodborne hazards. HACCP requirements include meeting sanitation, facility, operational standards, and other prerequisite programs to control pathogen contamination and to produce safe and unadulterated food.

The Egg Products Inspection Program is authorized by the Egg Product Inspection Act (EPIA). The program's purpose is to ensure that liquid, frozen and dried egg products are safe, wholesome, and accurately labeled through continuous mandatory inspection of egg processing plants that manufacture these products. FSIS also ensures processed egg products imported to the United States are produced under standards equivalent to U.S. inspection.

During 2019, the agency maintained headquarters offices in the Washington D.C. metropolitan area; 10 district offices; the Policy Development Division in Omaha, Nebraska; laboratories in Athens, Georgia, St. Louis, Missouri, and Albany, California; the Financial Processing Center in Des Moines, Iowa; the Human Resources Field Office in Minneapolis, Minnesota; and a nationwide network of inspection personnel in 6,458 federally regulated establishments in 50 States, N. Mariana Island, Guam, Puerto Rico, Samoa and the Virgin Islands. Included are 409 establishments operating under Talmadge-Aiken Cooperative Agreements. A Talmadge-Aiken plant is a Federal plant with State inspection program personnel operating as Federal inspectors under Federal supervisors. Much of the agency's work is conducted in cooperation with Federal, State, and municipal agencies, as well as private industry.

As of September 30, 2019, the agency employment totaled 8,714 permanent full-time employees, including 615 in the Washington, DC area and 8,099 in the field. FSIS employed 8,622 Full Time Equivalents (FTE’s) as of September 30, 2019. This included other-than-permanent employees in addition to permanent full-time ones.

FSIS funding is broken out into the following categories:

1. Federal Food Safety & Inspection: Expenses associated with operations at all federally inspected meat, poultry and egg product establishments.
2. State Food Safety & Inspection: Expenses associated with state inspected establishments and state-run programs.
3. International Food Safety & Inspection: Expenses associated with import and export operations and certifications.
4. Public Health Data Communications Infrastructure System (PHDCIS): Expenses associated with providing public health communications and information systems’ infrastructure and connectivity.

OIG and GAO Reports

Table FSIS-1. Completed OIG Reports

ID	Date	Title	Result
24601-0003-22	03/26/2019	FSIS Compliance with Written Recall Procedures	Both recommendations are open.
24601-0006-31	12/19/2018	FSIS National Office Oversight of the New Poultry Inspection System (NPIS)	Both recommendations are now closed.
50701-0001-21	09/12/2018	USDA Agency Activities for Agro-terrorism Prevention, Detection and Response	All three recommendations are now closed.

Table FSIS-2. In-Progress OIG Reports

ID	Date	Title	Result
24601-0003-21	n.d.	Controls Over Imported Meat and Poultry Products	OIG is continuing its audit work.
24601-0002-23	n.d.	Controls Over Meat, Poultry, and Egg Product Labels	OIG is continuing its audit work.
24801-0001-41	n.d.	FSIS Rulemaking Process for the Proposed Rule on the Modernization of Swine Slaughter Inspection	OIG is continuing its audit work.

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ID	Date	Title	Result
24601-0002-22	n.d.	Cooperative Interstate Shipment Program	OIG expects to issue the final report in FY20

Table FSIS-3. Completed GAO Reports

ID	Date	Title	Result
GAO-19-407 (102595)	09/09/2019	Date Labels on Packaged Foods: USDA and FDA could take Additional Steps to Reduce Consumer Confusion	GAO's final report contained two recommendations directed at FDA and USDA. No further action required by FSIS.

Table FSIS-4. In-Progress GAO Reports

ID	Date	Title	Result
(103089)	n.d.	Cell Cultured Food Technologies	A final audit report is expected in early 2020.
(102509)	n.d.	Foodborne Illness Outbreaks	GAO is continuing its audit work.

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AVAILABLE FUNDS AND STAFF YEARS

**Food Safety and Inspection Service
(Dollars in Thousands)**

Item	2018 Actual	SY	2019 Actual	SY	2020 Enacted	SY	2021 Budget	SY
Salaries and Expenses:								
Discretionary Appropriations	\$1,056,844	8,902	\$1,049,344	8,507	\$1,054,344	9,148	\$1,092,405	9,075
Transfers In	60	-	60	-	-	-	-	-
Transfers Out	-400	-	-400	-	-	-	-	-
Reprogrammed Balances	-	-	-	-	-	-	-	-
Adjusted Appropriation	1,056,504	8,902	1,049,004	8,507	1,054,344	9,148	1,092,405	9,075
Balance Available, SOY	7,830	-	7,659	-	5,175	-	-	-
Other Adjustments (Net)	1,802	-	2,194	-	-	-	-	-
Total Available	1,066,136	8,902	1,058,857	8,507	1,059,519	9,148	1,092,405	9,075
Lapsing Balances	-158	-	-172	-	-	-	-	-
Balance Available, EOY	-7,659	-	-5,175	-	-	-	-	-
Obligations	1,058,319	8,902	1,053,510	8,507	1,059,519	9,148	1,092,405	9,075
Subtotal Obligations, FSIS	1,058,319	8,902	1,053,510	8,507	1,059,519	9,148	1,092,405	9,075
Ob. Under Other USDA Appr.:								
APHIS	126	-	103	-	-	-	-	-
ARS	8	-	44	-	-	-	-	-
AMS	-	-	110	-	-	-	-	-
CODEX	1,714	-	22	-	-	-	-	-
FNCS	210	-	263	-	-	-	-	-
GIPS	60	-	-	-	-	-	-	-
OFS	-	-	24	-	-	-	-	-
OGC	41	-	42	-	-	-	-	-
OSEC	80	-	-	-	-	-	-	-
OCE	-	-	264	-	-	-	-	-
FAS	-	-	980	-	-	-	-	-
Total, Other USDA	2,239	-	1,852	-	-	-	-	-
Total, Agriculture Appropriations	1,060,558	8,902	1,055,362	8,507	1,059,519	9,148	1,092,405	9,075
Other Federal Funds:								
FDA, Salmonella, Campylobacter, E.coli, and Entero	600	-	825	-	-	-	-	-
Federal Emergency Management Agency (FEMA).	21	-	14	-	-	-	-	-
Total, Other Federal	621	-	839	-	-	-	-	-
Non-Federal Funds:								
Meat, Poultry and Egg Products Inspection	219,754	28	220,397	33	233,621	33	247,638	33
Accredited Labs	214	-	240	-	223	-	227	-
Trust Funds	14,024	80	14,273	82	15,129	82	16,037	82
Total, Non-Federal	233,992	108	234,910	115	248,973	115	263,902	115
Total, FSIS	1,295,171	9,010	1,291,111	8,622	1,308,492	9,263	1,356,307	9,190

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PERMANENT POSITIONS BY GRADE AND STAFF YEAR

Item	2018 Actual			2019 Actual			2020 Enacted			2021 Budget		
	D.C.	Field	Total	D.C.	Field	Total	D.C.	Field	Total	D.C.	Field	Total
SES	19	2	21	25	-	25	25	-	25	25	-	25
SL	3	2	5	4	-	4	4	-	4	4	-	4
GS-15	66	29	95	71	21	92	71	21	92	71	21	92
GS-14	209	97	306	185	85	270	185	85	270	185	85	270
GS-13	189	476	665	200	416	616	200	400	600	198	400	598
GS-12	92	1,169	1,261	92	1,128	1,220	92	1,128	1,220	90	1,124	1,214
GS-11	28	112	140	28	115	143	28	115	143	28	109	137
GS-10	3	490	493	3	480	483	3	87	90	3	84	87
GS-9	39	2,154	2,193	39	2,154	2,193	39	3,911	3,950	38	3,865	3,903
GS-8	7	985	992	7	1,692	1,699	7	473	480	7	470	477
GS-7	22	2,894	2,916	22	2,163	2,185	22	1,928	1,950	21	1,925	1,946
GS-6	6	25	31	5	13	18	5	13	18	4	12	16
GS-5	-	447	447	1	499	500	1	499	500	1	499	500
GS-4	4	7	11	1	10	11	1	10	11	1	10	11
GS-3	-	-	-	-	-	-	-	-	-	-	-	-
GS-2	-	1	1	1	-	1	1	-	1	1	-	1
Other Graded	-	-	-	-	-	-	-	-	-	-	-	-
Ungraded	-	-	-	-	-	-	-	-	-	-	-	-
Total Permanent	687	8,890	9,577	684	8,776	9,460	684	8,670	9,354	677	8,604	9,281
Unfilled, EOY	109	695	804	69	677	746	23	327	350	23	301	324
Total Perm. FT EOY	578	8,195	8,773	615	8,099	8,714	661	8,343	9,004	654	8,303	8,957
Staff Year Est	590	8,420	9,010	581	8,041	8,622	629	8,634	9,263	629	8,561	9,190

SIZE, COMPOSITION, AND ANNUAL COSTS OF VEHICLE FLEET

FSIS inspects in 6,458 meat, poultry, and egg products plants and import establishments located throughout the United States. A large number of FSIS inspection personnel have responsibilities in multiple plants and work “patrol/relief assignments” traveling from plant to plant on a daily basis. Depending on the inspector’s proximity to given assignments and remote locations, inspectors may be required to travel over larger geographical areas.

All FSIS vehicles are leased from the General Service Administration’s (GSA) fleet. FSIS owned one Food Safety Discovery Zone Vehicle that was retired in FY 2019.

Size, Composition, and Annual Costs of Motor Vehicle Fleet^a

Fiscal Year	Sedans and Station Wagons	Lt. Trucks, SUVs, and Vans (4x2)	Lt. Trucks, SUVs, and Vans (4x4)	Medium Duty Vehicles	Ambulances	Buses	Heavy Duty Vehicles	Total Vehicles	Annual Operating Costs
2018	2,180	78	62	2	-	-	1	2,323	\$12,426
Change	-3	+8	+13	-2	-	-	-	+16	+298
2019	2,177	86	75	-	-	-	1	2,339	12,724
Change	-11	-1	-	-	-	-	-1	-13	+87
2020	2,166	85	75	-	-	-	-	2,326	12,811
Change	+62	-	-	-	-	-	-	+62	+294
2021	2,228	85	75	-	-	-	-	2,388	13,105

^aIncludes vehicles owned by the agency and leased from commercial sources or GSA.

SHARED FUNDING PROJECTS

(thousands of dollars)

Item	2018 Actual	2019 Actual	2020 Enacted	2021 Budget
Working Capital Fund:				
Administration:				
Material Management Service.....	3,372	4,225	3,169	3,205
Mail and Reproduction Services.....	863	734	837	859
Integrated Procurement Systems.....	209	207	247	247
Procurement Operations Services.....	19	10	12	9
Human Resources Enterprise Management Systems.....	95	115	100	104
Subtotal.....	4,558	5,291	4,365	4,424
Communications:				
Creative Media & Broadcast Center.....	435	213	250	111
Correspondence Management Services:				
Office of the Executive Secretariat.....	339	288	290	311
Finance and Management:				
National Finance Center.....	2,912	2,715	2,526	2,369
Internal Control Support Services.....	118	57	78	65
Financial Management Support Services.....	5,066	5,346	5,528	5,897
Subtotal.....	8,096	8,118	8,132	8,331
Information Technology:				
Digital Infrastructure Services Center.....	5,925	9,453	6,591	6,345
Client Technology Services.....	3,865	5,220	6,243	6,240
Department Administration Information Technology Office.....	-	-	45	45
Enterprise Network Services.....	2,912	4,469	7,047	7,058
Subtotal.....	12,702	19,142	19,926	19,688
Total, Working Capital Fund.....	26,130	33,052	32,963	32,865
Department-Wide Shared Cost Programs:				
Advisory Committee Liaison Services.....	3	3	4	4
Agency Partnership Outreach.....	672	680	725	725
Honor Awards.....	2	1	1	1
Human Resources Self-Service Dashboard.....	53	53	55	-
Human Resources Transformation.....	80	-	-	-
Medical Services.....	41	22	25	-
Office of Customer Experience.....	173	230	276	276
People's Garden.....	43	-	-	-
Personnel and Document Security.....	167	154	162	162
Physical Security	-	-	544	393
Security Detail.....	399	381	428	428
Security Operations.....	936	929	538	588
TARGET Center.....	118	109	107	107
USDA Enterprise Data Analytics Services.....	-	-	501	501
Virtual University.....	91	-	-	-
Total, Department-Wide Reimbursable Programs.....	2,778	2,561	3,366	3,186
E-Gov:				
Budget Formulation and Execution Line of Business.....	7	7	7	-
Enterprise Human Resources Integration.....	174	174	-	-
E-Rulemaking.....	57	47	29	29
Financial Management Line of Business.....	8	8	8	8
Geospatial Line of Business.....	13	13	13	13
Human Resources Line of Business.....	25	25	25	25
Integrated Acquisition Environment.....	14	15	10	10
Total, E-Gov.....	297	289	92	84
Agency Total.....	29,205	35,901	36,421	36,135

LEAD-OFF TABULAR STATEMENT

Food Safety & Inspection Service (FSIS)	
2020 Enacted.....	\$1,054,344,000
Change in Appropriation.....	38,061,000
2021 Request, Including Proposed Legislation.....	1,092,405,000

APPROPRIATIONS LANGUAGE

The appropriations language follows (new language underscored):

1 For necessary expenses to carry out services authorized by the Federal Meat Inspection Act,
 2 the Poultry Products Inspection Act, and the Egg Products Inspection Act, including not to
 3 exceed \$10,000 for representation allowances and for expenses pursuant to section 8 of the
 4 Act approved August 3, 1956 (7 U.S.C. 1766), [~~\$1,054,344,000~~] \$1,092,405,000; and in
 5 addition, \$1,000,000 may be credited to this account from fees collected for the cost of
 6 laboratory accreditation as authorized by section 1327 of the Food, Agriculture,
 7 Conservation and Trade Act of 1990 (7 U.S.C. 138f): Provided, That funds provided for
 8 the Public Health Data Communication Infrastructure system shall remain available until
 9 expended: Provided further, That funds provided for the relocation of the Mid-Western
 10 Laboratory shall remain available until expended: Provided further, That no fewer than 148
 11 full-time equivalent positions shall be employed during fiscal year [2020] 2021 for purposes
 12 dedicated solely to inspections and enforcement related to the Humane Methods of
 13 Slaughter Act (7 U.S.C. 1901 et seq.): Provided further, That the Food Safety and Inspection
 14 Service shall continue implementation of section 11016 of Public Law 110-246 as further
 15 clarified by the amendments made in section 12106 of Public Law 113-79: Provided further,
 16 that this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration
 17 and repair of buildings and improvements, but the cost of altering any one building during
 18 the fiscal year shall not exceed 10 percent of the current replacement value of the building.

The first change (line 4) deletes 2020 appropriated amount and replaces it with the 2021 request.

The second change (line 9-10) adds that funds for the relocation of the Mid-Western laboratory shall be no-year.

The third change (line 11) deletes 2020 date and replaces is with 2021 date.

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PROJECT STATEMENT

Food Safety & Inspection Service
(Dollars in Thousands)

Program/Activity	2018		2019		2020		2021		Chg. Key	Change from 2020 Estimate	
	Actual		Actual		Enacted		Budget Request			B.A.	SY
	B.A.	SY	B.A.	SY	B.A.	SY	B.A.	SY		B.A.	SY
Direct Appropriations:											
Federal Food Safety & Inspection	\$943,824	8,762	\$936,324	8,366	\$936,324	9,008	\$974,050	8,935	(1)	\$37,726	-73
State Food Safety & Inspection	61,682	20	61,682	20	66,682	20	66,730	20	(2)	48	0
International Food Safety & Inspection	16,758	120	16,758	121	16,758	120	17,045	120	(3)	287	0
Public Health Communication Infrastructure System (PHDCIS)	34,580	0	34,580	0	34,580	0	34,580	0		0	0
Subtotal, Direct Appropriations	1,056,844	8,902	1,049,344	8,507	1,054,344	9,148	1,092,405	9,075		38,061	-73
Transfers In:											
Transfers In 1	60	0	60	0	0	0	0	0		0	0
Subtotal, Transfers In	60	0	60	0	0	0	0	0		0	0
Total, Discretionary Funding	1,056,904	8,902	1,049,404	8,507	1,054,344	9,148	1,092,405	9,075		38,061	-73
Carryover from Prior Years:											
PHDCIS	7,830		916		265		0			-265	
PHV	0		6,743		4,910		0			-4,910	0
Subtotal, Carryover	7,830	0	7,659	0	5,175	0	0	0		-5,175	
Transfers Out	-400		-400		0		0			0	0
Rescissions	0		0		0		0			0	0
Sequestration	0		0		0		0			0	0
Recoveries, Other	1,802		2,194		0		0			0	0
Total Available	1,066,136	8,902	1,058,857	8,507	1,059,519	9,148	1,092,405	9,075		32,886	-73
Lapsing Balances	-158		-172		0		0			0	0
Balances, Available End of Year	-7,659		-5,175		0		0			0	0
Total Obligations	\$1,058,319	8,902	\$1,053,510	8,507	\$1,059,519	9,148	\$1,092,405	9,075		\$32,886	-73

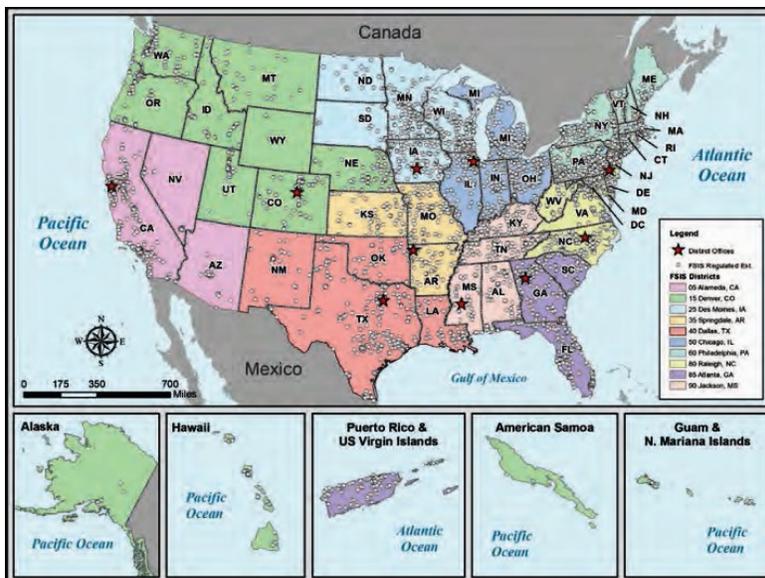
JUSTIFICATIONS OF INCREASES/DECREASES

Food Safety and Inspection Service

FSIS provides in-plant inspection of all domestic processing and slaughter establishments preparing meat, poultry, and processed egg products for sale or distribution into commerce, as well as surveillance and investigation of all meat, poultry, and egg product facilities. FSIS inspection program personnel are present for all domestic slaughter operations, inspect each livestock and poultry carcass, and inspect operations at each processing establishment at least once per shift. In addition to in-plant personnel in Federally inspected establishments, FSIS employs a number of other field personnel, such as laboratory technicians and investigators. Program investigators conduct surveillance, investigations, and other activities at food warehouses, distribution centers, retail stores, and other businesses operating in commerce that store, handle, distribute, transport, or sell meat, poultry, or processed egg products to the consuming public. FSIS ensures the safety of imported products through a three-part equivalence process which includes (1) analysis of an applicant country's legal and regulatory structure, (2) initial and periodic on-site equivalence auditing of the country's food regulatory systems, and (3) continual point-of-entry re-inspection of products received from the exporting country. FSIS also has cooperative agreements with 27 States that operate intrastate meat and poultry inspection programs. FSIS conducts reviews of these State programs to ensure that they are "at least equal to" the Federal program. Additionally, FSIS regulates interstate commerce through cooperative agreements with five States that already have MPI programs that are identical to the Federal program and allows those establishments to ship products across state lines and also, potentially, to export them to foreign countries.

To carry out these Congressional mandates, FSIS:

- Employs 8,622 Full Time Equivalents (FTEs as of September 30, 2019). This includes other-than-permanent employees, in addition to, permanent full-time employees.
- Regulates over 250,000 different meat, poultry, and egg products
- Regulates operations at 6,458 Federally regulated establishments.
- Ensures public health requirements are met in establishments that each year slaughter or process:
 - 164 million head of livestock
 - 9.83 billion poultry carcasses
- Conducts 7.1 million food safety & food defense procedures
- Condemned:
 - Over 413.1 million pounds of poultry
 - More than 235,482 head of livestock during postmortem (post-slaughter) inspection
- In FY 2019, performed 175,687 Humane Handling (HH) verification procedures



This map represents the geographic distribution of FSIS operated/regulated establishments

- (1) **Federal Food Safety and Inspection: A net increase of \$37,726,000 from the FY 2020 Appropriations and a decrease of 73 staff years (\$936,324,000 and 9,008 staff years in FY 2020 Enacted).**
- (a) **An increase of \$8,082,000 to fund the annualization of the FY 2020 and FY 2021 pay increase.**

FSIS spends 80 percent of its funding on salaries and benefits, predominantly for inspection personnel in establishments, and other frontline employees such as investigators and laboratory technicians. In addition, FSIS spends about 14 percent of its budget on system infrastructure, state inspection programs, and travel for inspectors and investigators. Therefore, FSIS has limited flexibility in its funding.

FSIS has a statutory mandate for carcass by carcass slaughter inspection, a once-per-shift per day presence for processing inspection of meat and poultry, and continuous inspection of processed egg products plants. The permanent statutes for the inspection of meat, poultry, and processed egg products result in labor-intensive inspection activities, thereby making salary and benefit costs relatively inflexible.

This funding will cover the 1 percent FY 2021 pay raise. It also will fund the annualization of the 2.6 percent calendar year 2020 pay raise. Because the FY 2019 and 2020 pay raises were unfunded, this FY 2020 annualization is crucial to prevent further reduction to the FSIS base caused by absorbing unfunded mandates. This critical increase is needed to support and maintain staffing levels to meet the demands and statutory requirements FSIS is required to enforce for its critical food safety mission. Elimination of the pay cost increase means that FSIS would not be able to fund approximately 88 personnel. Since most FSIS personnel and funding is directly related to our frontline inspections, testing, and

investigations, it would be very difficult to absorb this reduction without impacting our mission and the meat and poultry industry. Some of the potential impact would be: reduced service to Industry, reduced FSIS testing, lower criminal and civil investigation capabilities, delays in establishing new rules and standards, negative effect on morale, and increased risk of food safety system failures due to reduced verification tasks performed.

(b) An increase of \$5,842,000 to fund Employee Awards Spending and Workforce Development.

FSIS is requesting funding to comply with the President's Management Agenda and other performance management objectives to increase awards spending for performance efforts and for strategic workforce development. The FSIS workforce is the core of the food safety mission and they have been resolute in performing this mission without interruption despite numerous pressures and challenges. FSIS plans on splitting this increase between increased recognition of employees' performance and training/developmental efforts. Frontline personnel make up 89 percent of the agency's workforce and must constantly adjust to changes in industry and food safety issues. It is therefore vital to increase developmental efforts to help train them for both current and evolving responsibilities and to provide things like online refresher training and reference material. Without this additional funding, FSIS will be unable to absorb these costs in FY 2021, resulting in reductions of 64 personnel and hinderance of FSIS's ability to keep frontline personnel fully capable of performing their mission and erode USDA's ability to meet key Administration priorities contained in this Budget.

(c) An increase of \$7,442,000 for Federal Employees Retirement System (FERS) Contribution.

The Board of Actuaries of the Civil Service Retirement System recommended revised long-term economic assumptions and changes to the demographic assumptions for use in actuarial valuations of Federal Employees Retirement System (FERS). These revised assumptions resulted in new normal cost percentages that mandate agencies to increase contribution rates for FERS employees.

FSIS is requesting funding to cover the additional obligatory costs the agency will incur in FY 2021 to pay for FERS. The FY 2021 FERS increase comes after FSIS absorbed an increased cost of approximately \$13 million in FERS growth for FY 2020. Since, FSIS spends approximately 80 percent of funding on personnel, and 89 percent of our personnel are frontline, the FY 2021 FERS funding is critical to prevent further erosion of FSIS base programing and our ability to sustain our vital food safety workforce. This critical increase is needed to support and maintain staffing levels to meet the demands and statutory requirements FSIS is required to enforce for its critical food safety mission. Without this additional funding FSIS would have to absorb this cost which equates to not being able to backfill approximately 81 personnel. Approximately 98% of FSIS personnel are under FERS (over 8,800 personnel). Since most FSIS personnel and funding is directly related to our frontline inspections, testing, and investigations, it would be very difficult to absorb this

reduction without impacting our mission and the meat and poultry industry. Some of the potential impact would be: reduced service to Industry, reduced FSIS testing, lower criminal and civil investigation capabilities, delays in establishing new rules and standards, negative effect on morale, and increased risk of food safety system failures due to reduced verification tasks performed.

(d) An increase of \$5,700,000 from the FY 2020 Appropriations for Consumer Safety Inspectors (CSIs) Conversion.

Consumer Safety Inspectors (CSIs) ensure all Americans have access to a safe, wholesome, properly labeled, and secure food supply. FSIS completed a classification review of the Agency's in plant personnel. The results of that review indicate that the GS-09 level is the appropriate full performance level for all Consumer Safety Inspector (CSI) positions.

Early on, there were clear distinctions between CSI positions at the GS-8 and GS-9 level; GS-9s were responsible for conducting inspection of the most complex processes, while GS-8s were assigned a more limited number of and less complex processes. Over time, and out of necessity, the differences between the assignments of the GS-8s and the GS-9s have become minimal. The overall body of consumer safety inspection work now supports the GS-9 classification. There is no longer a reason to limit some positions to a full performance level of GS-8. Therefore, FSIS is requesting an increase of \$5.7 million annually (net) to cover long-term costs of converting all CSI GS-8 positions into full-performance CSI GS-9s.

The Agency's reclassification of the CSI to the GS-9 full performance level will enable FSIS to more effectively and efficiently accomplish the mission and manage its workforce. Under the previous system, CSIs had to apply for promotion in a vacancy announcement to progress from the GS-7 to GS-8, then from GS-8 to GS-9. Almost all who enter the CSI ranks come from the Food Inspector GS-7 candidate pool. Therefore, three positions needed to be filled for every GS-9 CSI vacancy. As a result of the CSI reclassification, FSIS created a single ladder GS-5/7/8/9 Position Description (PD) for CSIs. Using the single PD, CSIs can be hired into the Agency at the GS-5 level. Upon a fully successful performance and supervisory approval, they will progress to the next level after gaining one year of specialized experience at the previous lower grade without having to be competitively selected for a position – all the way up to a GS-9. This will help increase hiring efficiency, recruitment, retention, job satisfaction, and mission performance. We anticipate the single PD will reduce vacancies by approximately 30 percent, which will greatly help with performance of the food safety mission and help relieve the burden on our frontline workforce that must compensate and cover for the vacancies. Additionally, the Agency will significantly reduce administrative time filling positions and reduce cost spent on relocations for promotions. FSIS has factored approximately \$5.4 million of monetary and non-monetary savings into the final/net request (\$5.7 million) to execute the required conversion of CSI-8 positions to full performance CSI-9 positions.

(e) An increase of \$4,684,000 from the FY 2020 Appropriations for FSIS IT Modernization.

FSIS relies on modern and stable Information Technology (IT) Infrastructure to achieve operational excellence. Mission critical IT assets, such as the Public Health Information System (PHIS), facilitate the collection and sharing of vital data that allows FSIS to continually improve accomplishment of the food safety mission. An investment of \$4.7 million will modernize and stabilize FSIS's aging infrastructure and increase connectivity to mission critical systems for FSIS inspectors, veterinarians and public health professionals on the frontlines. This request is necessary to implement key Departmental priorities such as End User Consolidation, OneUSDA, migration to the Cloud, infrastructure consolidation, and adoption of modern technology platforms.

FSIS is increasingly dependent on IT for all aspects of its mission, especially in making science-based decisions. As technology has evolved, IT has become a critical component in FSIS's efforts to link and integrate the various components of FSIS operations. Functional and up-to-date IT is essential to an integrated effort to improve the quality and quantity of data that FSIS captures, improve the usefulness of its information, conduct better analysis, become more proactive on reducing illnesses, increase threat detection, and improve the ability to rapidly adjust to food safety threats that do occur.

FSIS is increasing connectivity in the field by issuing computers to Food Inspectors who do not have IT system access. This will provide the inspectors with better and faster capability to access information and ability to perform certain administrative functions. With greater connectivity to the field FSIS can quickly disseminate information on issues, operational changes and alerts. Funding will cover increased operational costs associated with this increased connectivity.

Modern IT infrastructure and systems are faster and provide greater opportunity to grow and share knowledge. Emerging technologies have been proven by the market; these technologies promise efficiencies and economies while offering enhanced traceability and security. FSIS must invest in systems and infrastructure that provide the capabilities required to keep pace with the environment and our partners. Without this investment, FSIS runs the risk of falling behind technologically which could result in system and data errors, security breaches, incompatibility both internally and with external partners such as the Centers for Disease Control and Prevention, the Food and Drug Administration, Customs and Border Protection, and other State and Federal partners.

(f) An increase of \$15,000,000 for FSIS Relocation of Mid-Western Laboratory.

FSIS operates three regional labs in the Eastern, Mid-Western, and Western U.S. which provide the total capacity required for FSIS as well as some level of insurance should a disaster occur to any of the labs. The Mid-Western lab is located in St Louis, MO in the GSA Goodfellow facility. Due to environmental issues and deteriorating infrastructure with the facility that was built in 1941, GSA worked with USDA and have determined that they will

not continue occupancy beyond the time it takes to find a new location. FSIS has started providing requirements for GSA to identify a suitable new facility. We anticipate that GSA will identify a new facility at the end of FY 2020. At this time, FSIS estimates that the move will cost approximately \$15 million in FY 2021 to build out the new facility to meet the full requirements of the lab and to provide our employees with a safe work environment. FSIS has estimated these costs based on the recent move of FSIS' Western Lab which was locally relocated within California and on other GSA facility moves.

- (g) A decrease of \$9,024,000 and 73 staff years from the FY 2020 Appropriations for operating expenses.

FSIS continually searches for ways to improve our processes through ongoing management reforms and modernization efforts. These reductions will allow FSIS to continue to meet our requirements under the Federal Meat Inspection Act, Poultry Products Inspection Act, and Egg Products Inspection Act.

FSIS proposes to decrease staff in three areas:

- Office of Investigations, Enforcement, and Audit (OIEA) – FSIS will use a risk-based approach to focus investigations and in-commerce checks on those locations with highest risk
- Office of Public Health Science (OPHS) – FSIS will use a risk-based approach to streamline our sampling projects and reduce sample collections on less risky products
- Office of Policy Development and Program Development (OPPD) – FSIS will prioritize label submissions and modernization initiatives to focus on those with the biggest potential impact

These efforts will allow FSIS to maintain food safety oversight and reduce operating expenses.

- (2) State Food Safety and Inspection: An increase of \$48,000 for Pay Cost (\$18,000), Awards Spending and Workforce Development (\$13,000), and FERS Contribution (\$17,000) for FSIS employees (\$66,682,000 and 20 staff years in FY 2020 Enacted).

The FMIA and the PPIA provide for FSIS to cooperate with State agencies in developing and administering State MPI programs. The Federal State Cooperative Act further authorizes the Secretary of Agriculture to enter into cooperative arrangements with State departments of agriculture and other State agencies to assist the Secretary in the administration and enforcement of relevant Federal laws and regulations to the extent and in the manner appropriate to the public interest. This funding supports the FSIS requirement to oversee the state program operations. FSIS employees conduct reviews of State MPI programs and their requirements—including enforcement of those requirements—with respect to slaughter, preparation, processing, storage, handling, and distribution of livestock carcasses and parts, meat and meat food products, and poultry products.

(3) International Food Safety and Inspection: An increase of \$287,000 for Pay Cost (\$109,000), Awards Spending and Workforce Development (\$78,000), and FERS Contribution (\$100,000) for FSIS employees (\$16,758,000 and 120 staff years in FY 2020 Enacted).

FSIS employees ensure that meat, poultry, and egg products imported to the United States are produced under standards equivalent to U.S. inspection system and conducts re-inspection at U.S. ports of entry as well as facilitates the certification of exported goods.

In total FSIS requests a net increase of \$38,061,000 and a decrease of 73 staff years for FSIS inspection programs (\$1,054,344 and 9,148 staff years is available in 2020).

Table FSIS-5. Performance Measures

KPI	2018 Actual	2019 Target	2019 Actual	2019 Result	2020 Target	2021 Target
Percentage of Establishments that meet pathogen reduction Performance Standards	71	84	72	Met	87	90
Percentage of Establishments whose Public Health Regulation noncompliance rate decreases below the early warning cut point 120 days after receiving an Early Warning Alert	73	74	73	Met	74	74

PROPOSED LEGISLATION

Food Safety and Inspection Service

Inspection User Fee

Current legislative authority to be amended:

In FY 2021, FSIS proposes to require establishments and official plants to pay user fees to cover the costs of the Federal, State, and International domestic inspection programs for meat, poultry, and egg products for an estimated total of \$660 million. These fees will start being collected in FY 2021 and then used to reduce appropriation needs in future years.

Industry receives a benefit from USDA inspections of meat, poultry and egg products. A user fee would cover the costs incurred for inspections and related activities. The fee would not cover Federal functions such as investigations, enforcement, risk analysis, and emergency response. This fee would increase the cost of meat, poultry, and egg products for consumers by less than one cent per pound. The measure would allow the Secretary to adjust the terms, conditions, and rates of the fees in order to minimize economic impacts on small or very small establishments and plants.

There will be no offsets in Fiscal Year 2021.

Table FSIS-12. Fees to Cover Costs of Inspections and Other Related Activities (millions of dollars)

Proposal	2021	2022	10 Year Total
User Fees			
Budget Authority	\$0	\$660	5,940
Outlays	0	0	5,280

User Fee Overtime Status

Current legislative authority to be amended:

In FY 2021, FSIS proposes a change to the current Overtime/Holiday billing policy. Currently the plants are billed for services provided outside of their eight approved hours of inspection only when the inspector is also in an overtime status. This prevents FSIS from employing part-time employees or providing flexible schedules to employees while still collecting fees for services provided as requested by the plant.

With this change, FSIS can provide flexible scheduling for inspectors rather than requiring them to work all hours and days of plant operations. FSIS will continue to charge when establishments are outside of their normal hours of operations because they are still receiving the benefit of extra services requested and provided. This change will be cost neutral for industry because industry will still only be charged for the extra services they are requesting.

There will be no offsets in Fiscal Year 2021.

To bring about this change, the following U.S. Code citations need to be amended to read as the following:

21 USC 468

The cost of inspection rendered under the requirements of this chapter shall be borne by the United States, except for the costs of inspection services provided outside of an establishment's approved inspection shift(s), and that provided on federal holidays, which shall be borne by the establishment, pursuant to section 2219a of title 7.

21 USC 695

The cost of inspection rendered under the requirements of laws relating to Federal inspection of meat and meat food products shall be borne by the United States, except for the cost of inspection services provided outside of an establishment's approved inspection shift(s), and that provided on federal holidays, which shall be borne by the establishment, pursuant to section 2219a of title 7.

21 USC 1053(a)

The cost of inspection rendered under the requirements of this chapter, and other costs of administration of this chapter, shall be borne by the United States, except the cost of inspection services provided outside of an establishment's approved inspection shift(s), and that provided on federal holidays, at such rates as the Secretary may determine shall be borne by such official plants. Sums received by the Secretary from official plants under this section shall be available without fiscal year limitation to carry out the purposes of this chapter.

7 USC 2219a

(a) In general

The Secretary of Agriculture may-

(1) at rates determined by the Secretary, subject to applicable law relating to minimum wages and maximum hours, pay employees of the Department of Agriculture providing inspection services in an establishment subject to the Federal Meat Inspection Act (21 U.S.C. 601 et seq.) or the Poultry Products Inspection Act (21 U.S.C. 451 et seq.) for inspection services provided outside of an establishment's approved inspection shift(s), and that provided on federal holidays; and

(2) collect from the establishment reimbursement for any such services provided.

(b) Availability

Sums received by the Secretary under this section shall remain available until expended without further appropriation and without fiscal year limitation, to carry out subsection (a).

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS AND STAFF YEARS

(thousands of dollars; staff years (SY))

State/Territory/Country	2018 Actual	SY	2019 Actual	SY	2020		2021	
					Enacted	SY	Budget	SY
Alabama	\$35,440	380	32,988	330	34,362	360	35,097	360
Alaska	809	7	836	7	848	7	945	7
American Samoa	69	-	8	0	8	0	9	0
Arizona	3,694	32	3,804	33	3,755	33	4,163	33
Arkansas	42,708	444	37,904	356	38,370	433	40,695	473
California	64,173	556	63,971	538	68,377	570	70,593	562
Colorado	26,754	213	27,561	216	28,085	236	28,556	219
Connecticut	1,714	16	1,899	16	1,847	16	1,895	16
Delaware	12,727	149	12,950	143	12,912	148	13,208	148
District of Columbia	138,487	559	140,043	574	133,605	623	135,527	617
Florida	10,475	107	11,631	110	11,531	113	11,853	110
Georgia	80,909	673	78,329	645	76,822	653	77,976	643
Guam	277	3	313	3	318	3	333	3
Hawaii	2,337	18	2,464	18	2,603	20	2,664	20
Idaho	4,172	37	4,451	37	4,518	37	4,630	37
Illinois	32,880	221	33,288	221	33,456	227	33,980	227
Indiana	14,593	136	14,113	131	14,731	145	16,032	145
Iowa	43,409	403	44,407	408	37,049	423	38,872	413
Kansas	19,709	212	21,455	217	21,046	229	21,510	229
Kentucky	15,838	177	15,744	162	16,102	188	16,633	188
Louisiana	10,791	91	10,577	88	10,810	90	11,005	90
Maine	1,738	13	1,622	12	1,652	13	1,689	13
Maryland	32,571	159	32,360	156	36,751	171	37,332	165
Massachusetts	2,700	26	2,988	26	3,033	26	3,111	26
Michigan	10,052	100	10,032	99	10,387	99	10,676	99
Minnesota	29,728	277	29,384	267	30,520	297	31,130	294
Mississippi	34,670	341	33,456	316	35,062	346	36,089	350
Missouri	35,458	336	33,771	299	33,927	352	34,648	352
Montana	2,957	19	3,117	19	3,169	19	3,215	19
N. Mariana Islands	133	1	139	1	133	1	140	1
Nebraska	28,422	282	28,871	272	29,902	297	30,721	279
Nevada	804	8	944	8	1,059	8	1,083	8
New Hampshire	943	10	992	9	1,007	10	1,036	10
New Jersey	10,831	107	11,175	106	10,884	111	11,192	106
New Mexico	1,566	15	1,596	15	1,569	15	1,612	15
New York	15,140	156	14,433	150	15,315	161	16,777	161
North Carolina	47,794	449	46,581	409	47,502	445	49,036	445
North Dakota	1,881	12	1,896	11	1,929	12	1,958	12
Ohio	18,275	135	18,524	129	18,576	134	19,879	134
Oklahoma	9,604	90	8,939	75	8,730	89	8,913	89
Oregon	5,350	50	5,499	50	5,581	50	5,731	50
Pennsylvania	36,746	332	35,620	317	36,053	329	37,723	329

EXPLANATORY NOTES – FOOD SAFETY AND INSPECTION SERVICE

State/Territory/Country	2018		2019		2020		2021	
	Actual	SY	Actual	SY	Enacted	SY	Budget	SY
Puerto Rico	3,971	40	4,198	40	4,261	40	4,379	40
Rhode Island	898	9	927	9	829	9	855	9
South Carolina	13,159	118	13,366	115	13,727	122	13,987	122
South Dakota	5,664	53	5,981	53	6,026	56	6,145	56
Tennessee	17,696	200	17,624	194	18,903	205	20,477	200
Texas	66,865	603	67,657	585	70,011	626	72,006	615
Utah	6,215	45	6,907	45	6,323	45	6,427	45
Vermont	2,443	10	2,634	12	2,568	12	2,599	12
Virgin Islands	118	1	131	1	133	1	142	1
Virginia	18,462	181	18,522	173	18,167	187	18,938	182
Washington	9,588	98	10,085	99	10,236	105	11,239	105
West Virginia	4,005	33	3,880	31	3,733	35	3,807	35
Wisconsin	19,192	152	19,986	150	20,061	161	20,889	151
Wyoming	712	2	937	2	645	2	651	2
Obligations	1,058,319	8,902	1,053,510	8,507	1,059,519	9,148	1,092,405	9,075
Lapsing Balances	158	-	172	-	-	-	-	-
Bal. Available, EOY	7,659	-	5,175	-	-	-	-	-
Total, Available	1,066,136	8,902	1,058,857	8,507	1,059,519	9,148	1,092,405	9,075

CLASSIFICATION BY OBJECTS

(thousands of dollars)

Item No.	Item	2018 Actual	2019 Actual	2020 Enacted	2021 Budget
Personnel Compensation:					
	Washington D.C.	\$79,465	\$77,507	\$79,327	\$80,426
	Personnel Compensation, Field	513,429	500,781	512,726	519,821
11	Total personnel compensation	592,894	578,288	592,053	600,247
12	Personal benefits	245,178	239,728	249,014	254,363
13.0	Benefits for former personnel	840	543	840	840
	Total, personnel comp. and benefits	838,912	818,559	841,907	855,450
Other Objects:					
21.0	Travel and transportation of persons	35,565	36,185	35,800	35,820
22.0	Transportation of things	4,649	4,748	4,649	4,649
23.1	Rental payments to GSA	10,795	8,854	7,568	7,880
23.2	Rental payments to others	-	-	-	-
23.3	Communications, utilities, and misc. charges	14,638	17,197	14,638	15,922
24.0	Printing and reproduction	806	701	701	701
25	Other contractual services	-	-	-	-
25.1	Advisory and assistance services	2,839	2,808	2,839	2,839
25.2	Other services from non-Federal sources	35,800	38,603	35,815	40,150
25.3	Other goods and services from Federal sources	38,901	43,832	38,931	52,323
25.4	Operation and maintenance of facilities	676	443	443	443
25.7	Operation and maintenance of equipment	1,575	599	1,575	1,575
26.0	Supplies and materials	12,495	13,234	12,495	12,495
31.0	Equipment	5,768	8,791	5,768	5,768
41.0	Grants, subsidies, and contributions	54,490	55,980	55,980	55,980
42.0	Insurance claims and indemnities	408	2,948	408	408
43.0	Interest and dividends	2	28	2	2
	Total, Other Objects	219,407	234,951	217,612	236,955
99.9	Total, new obligations	1,058,319	1,053,510	1,059,519	1,092,405
	DHS Building Security Payments (included in 25.3)	\$1,696	\$1,423	\$1,453	\$1,469
Position Data:					
	Average Salary (dollars), ES Position	\$183,885	\$187,379	\$192,251	\$194,174
	Average Salary (dollars), GS Position	\$66,736	\$68,004	\$69,772	\$70,470
	Average Grade, GS Position	9.2	9.1	9.4	9.4

STATUS OF PROGRAMS

The Food Safety and Inspection Service (FSIS) is the public health regulatory Agency within USDA responsible for ensuring that domestic and imported meat, poultry, and processed egg products are safe, secure, wholesome, and accurately labeled, as required by the Federal Meat Inspection Act (FMIA), the Poultry Products Inspection Act (PPIA), and the Egg Products Inspection Act (EPIA). FSIS also enforces the Humane Methods of Slaughter Act (HMSA), which requires that all livestock at Federally inspected establishments be handled and slaughtered humanely. To carry out these Congressional mandates, FSIS employed 8,622 Full Time Equivalents (FTEs) (8,883 employees). Among these employees are a frontline workforce of 7,505 permanent FTEs (7,681 employees) and 114 other-than-permanent FTEs (169 employees) that work in approximately 6,458 Federally regulated establishments (includes 155 import establishments), three FSIS laboratories, and nearly 175,642 in-commerce facilities nationwide. In addition, there are 1,003 FTEs (1,033 employees) who support them.

Federal Food Safety and Inspection Program

Frontline Inspection

FSIS inspection program personnel ensured public health requirements were met in establishments that slaughter or process 164 million heads of livestock and 9.83 billion poultry carcasses (an increase of 4 million heads and 36 million carcasses from FY 2018). This is the fifth year in a row with increased production. Inspection program personnel (IPP) also conducted 7.1 million food safety and food defense procedures to verify that systems at all Federally inspected facilities continued to maintain food safety and wholesomeness requirements.

Rules, Regulations, and Notices

FSIS issued 73 new or revised FSIS Directives or Notices, providing instructions for thousands of inspection program personal to ensure consistency in regulatory oversight. FSIS published final rules to reduce regulatory burden and eliminate unnecessary requirements, including: *Preparation of Uninspected Products Outside of the Hours of Inspectional Supervision; Elimination of the Requirement That Livestock Carcasses Be Marked "U.S. Inspected and Passed" at the Time of Inspection Within a Slaughter Establishment for Carcasses to be Further Processed Within the Same Establishment; and Eliminating Unnecessary Requirements for Hog Carcass Cleaning.*

FSIS finalized a regulatory change that modernizes swine slaughter inspection to foster innovation in the industry and increase FSIS offline inspection tasks that have a direct impact on public health while maintaining 100 percent carcass-by-carcass inspection. The final rule, Modernization of Swine Slaughter Inspection (84 FR 52300), is comprised of two parts – mandatory microbial testing requirements at all swine establishments and the New Swine Slaughter Inspection System which establishments can choose to operate under or, they can remain under the traditional slaughter inspection system.

FSIS issued the proposed rule and is requesting comments on the Changes to the *Campylobacter* Verification Testing Program Revised Performance Standards for *Campylobacter* in Not-Ready-To-Eat Comminuted Chicken and Turkey and Related Agency Procedures. These revised pathogen reduction performance standards for *Campylobacter* in not-ready-to-eat comminuted chicken and turkey products are based on a microbiological method change from direct-plating to enrichment. The Agency is taking this step because the enrichment method more effectively recovers *Campylobacter* in contaminated poultry samples compared to the direct-plating method.

FSIS revised its methods for assessing whether establishments meet applicable *Salmonella* performance against the current performance standards and implemented new categorization methodology in response to public comments. FSIS announced that the establishments' category status reported will be based on FSIS sample results during the 52-week window. Also, FSIS announced it would no longer include follow-up sampling results as part of the moving window. FSIS started posting individual establishment *Salmonella* categories for chicken parts and poultry.

FSIS developed a plan to expand testing for non-O157 Shiga toxin-producing *Escherichia coli* (STEC) to all FSIS regulated beef products. FSIS will propose this expanded testing and request comments on the plans before finalizing them in the *Federal Register* during FY 2020. FSIS streamlined the STEC analysis by harmonizing the laboratory method for detection of *E. coli* O157:H7 and non-O157:H7 STEC and updating the corresponding FSIS Microbiological Laboratory Guide.

Cell Culture Technology

FSIS signed a Memorandum of Understanding and held a Joint Public Meeting with the Food and Drug Administration (FDA) on "The Use of Cell Culture Technology to Develop Products Derived from Livestock and Poultry." FDA will have responsibility during the growth stage and FSIS will have responsibility for harvest and processing.

FSIS Illness Outbreak Investigation

FSIS coordinated investigations for 23 foodborne illness clusters. Seven of the illness clusters led to a recall. Of the 23 investigations, seven were for Shiga toxin-producing *E. coli* (O157:H7 [3], O103 [1], O26 [2], and O121 and O103 [1]), 12 for *Salmonella*, and four for *Listeria monocytogenes* (Lm).

Recalls

There were 137 food recalls (22 beef, 50 poultry, 22 pork, 11 *Siluriformes* and 32 combination products) which represents an increase of 26 recalls from FY 2018 (111 recalls). A total of 34,074,329 pounds of meat, poultry, processed egg products and *Siluriformes* were recalled. Twenty-two of the recalls were directly related to microbiological contamination caused by the presence of *Listeria monocytogenes*. Seven of the recalls were in response to microbiological contamination caused by the presence of Shiga toxin-producing *E. coli* (STEC). Thirty of the

recalls were due to extraneous material contamination, four recalls were due to contamination of product by *Salmonella*, and 36 recalls were due to undeclared allergens in the product. The remaining 38 recalls were in response to undeclared or unapproved substances, drug residues, mislabeling/misbranding, processing deviations, produced without benefit of inspection, or unsanitary conditions.

Consumer Complaint Management System (CCMS)

FSIS received and evaluated 1,692 consumer complaints. Two hundred and eighty-seven (17 percent) consumer complaints required additional investigations with the consumer and producing establishments. One hundred and fourteen of the investigations (40 percent) resulted in 95 voluntary, 14 enforcement, and five product control actions. In FY 2019, consumer complaints reported through CCMS led to two Class I and one Class II recalls. Twenty-one complaints reported after product recalls helped to enhance recall effectiveness activities.

In-Commerce Activities

Compliance Investigators (CI) conducted 1,137 investigations in response to alleged violations, 98.5 percent of which were based on food safety violations. FSIS detained over 1.7 million pounds of meat, poultry, and egg products in-commerce to prevent possible injury or illness to consumers. Additionally, 19,438 surveillance activities were conducted. FSIS CIs conducted 3,315 shell egg surveillances in FY 2019 and identified a 99.55 percent compliance rate for ambient refrigeration requirements and labeling for shell eggs.

Humane Handling

With the information garnered from the 2018 industry survey targeting small and very small plants, the Agency developed the District Veterinary Medical Specialist (DVMS) Enhanced Outreach Program for Small and Very Small Plants to assist in humane handling requirements. In FY 2019, the Agency devoted 156.8 FTEs to the verification and enforcement of humane handling requirements in Federally inspected establishments, spending more than 326,162 hours completing these tasks. In total, FSIS personnel performed 175,687 verification procedures.

Consumer Safety Inspectors (CSI)

FSIS completed a classification review of the Agency's in-plant personnel. The results of that review indicate that the GS-09 level is the appropriate full performance level for all Consumer Safety Inspector (CSI) positions. FSIS created a single CSI Position Description (PD) GS 5/7/8/9 in September 2019. This will help increase hiring efficiency, employee retention, mission performance and help reduce vacancies.

Public Health Veterinarians (PHV) Initiatives

FSIS has initiated several activities to improve recruitment and retention of Public Health Veterinarians (PHV) to reduce their vacancy rate. These include: increasing opportunity for career advancement by reclassifying the PD and adding supervisory duties; establishing a

reassignment list allowing veterinarians to easily move between locations of interest, thereby bolstering job satisfaction and improving job fill rates; conducting PHV seminars; and providing FSIS veterinarians the opportunity to earn continuing education credits. FSIS also offered a multi-year recruitment incentive to all new PHVs and continued a scholarship program targeting veterinary students; 12 new Malak scholarships (with a requirement to join FSIS after graduation) were established. Six Malak Scholars were converted to full-time employees in FY 2019

Training

FSIS continued to enhance the Inspection Program Personnel and Supervisor Help resources online training sites for FSIS employees. In FY 2019, FSIS piloted a redesigned computer-based training for both Livestock and Poultry Food Inspectors courses that are delivered in District Offices during the orientation process.

Food Defense Program

FSIS IPP and compliance investigators performed over 36,700 food defense surveillance activities. These activities helped identify potential vulnerabilities in establishments and in-commerce facilities that increase the risk of intentional adulteration, so that actions could be taken to reduce these risks.

Enterprise Risk Management (ERM)

FSIS completed its overarching Enterprise Risk Management (ERM) framework to align with its next 5-year strategic plan and to support the Evidence Act of 2019. The framework was recognized as a model for USDA mission areas for effectively tying strategic planning, evaluation, and ERM into a coordinated approach.

International Food Safety and Inspection Program

Equivalence Determinations

FSIS received requests from six countries for six initial equivalence determinations and one reinstatement. FSIS also provided gap analysis to nine countries showing where FSIS needs additional information concerning pending initial and reinstatements requests. FSIS granted three reinstatements allowing countries that had not shipped product for several years to resume shipments to the United States.

Foreign Equivalence Verification Audits

FSIS completed 21 onsite verification audits to ensure compliance with U.S. equivalence requirements for 20 countries. Additionally, FSIS laboratory science experts began foreign laboratory and food safety system audits.

Audits by Foreign Countries

FSIS coordinated six audits of the U.S. food safety system by foreign auditors to verify whether the U.S. inspection system is equivalent to the food safety inspection system for meat or poultry

products for their respective countries. There were no findings that the U.S. system was not equivalent.

Increased Export Markets

FSIS worked closely with the U.S. Trade Representative and Foreign Agriculture Service (FAS) to successfully negotiate food-safety related aspects of market access agreements with foreign governments to allow FSIS-regulated products into those countries.

China Office Opening

FSIS established an international office in Beijing, China. The office is co-located with FAS in the U.S. Embassy, and will both improve FSIS' customer service for U.S. establishments exporting meat and poultry products to the People's Republic of China, as well as facilitate relationships with China's Central Competent Authority.

Electronic Export Application and Certification

FSIS continues to implement the Public Health Information System (PHIS) for export applications and issue certificates. The most recent implementation in May 2019 added 21 countries with the next deployment planned for January 2020.

Import Re-Inspection Activities

FSIS re-inspects all commercial products imported to the U.S. from eligible foreign countries at official import inspection establishments. FSIS re-inspected 3,953,922,282 pounds of meat and poultry and 7,518,035 pounds of processed eggs. Of this, 5,327,807 pounds of meat and poultry and 5,209 pounds of processed eggs were refused entry. FSIS also reviewed applications to return over 500 shipments of exported meat, poultry, and egg products to the U.S. preventing over 900,000 pounds of adulterated product from returning to U.S. commerce.

Foreign Outreach

FSIS hosted three seminars to improve international understanding of FSIS' requirements and the equivalence process by providing a thorough overview of FSIS' inspection system and the Self-Reporting Tool (SRT). FSIS also hosted five webinars with over 80 representatives from 34 countries. These webinars provided foreign countries with information on the 2019 SRT, policy updates that impact equivalence, guidance materials, and FSIS' requirements for foreign countries' annual documentation submissions. In addition, through collaboration with USDA's FAS and other international organizations, FSIS conducted five training programs for 55 representatives from seven countries covering FSIS issues specifically related to the food safety inspection system in their countries.

Public Health Data Communication Infrastructure System (PHDCIS)

FSIS IT Security Diagnostics and Mitigation

FSIS, and the Department of Homeland Security (DHS), continued to deploy DHS' Continuous Diagnostics and Mitigation security suites into the FSIS network security perimeter to enhance

our security posture. The system monitors over 22,000 network devices and provides the ability to detect, alert or block cybersecurity attacks.

FSIS IT Security Monitoring

FSIS enhanced the security posture to combat threats from domestic and foreign entities. These measures, in addition to the security monitoring, user awareness, and training efforts, have reduced the overall security risks in FSIS by 25 percent. Secondly, the first line of defense in cloud was introduced for FSIS public facing applications for real-time 24x7 monitoring. Finally, the Enterprise Virtual Private Network (VPN) transition effort enabled FSIS to collapse three network nodes and shutdown the legacy VPN interface.

State Food Safety and Inspection Program

State Inspection Reviews

FSIS completed annual reviews of each of the 27 State Meat and Poultry Inspection (MPI) programs (approximately 1,571 establishments). In FY 2019, FSIS completed onsite reviews of 10 State MPI programs. In addition, FSIS completed onsite reviews of State MPI program laboratory methods and State contract laboratory methods from six states.

Cooperative Interstate Shipment (CIS) Program

FSIS finalized the Missouri Cooperative Interstate Shipment Program agreement and Missouri has one establishment preparing to come into the CIS program. Iowa provided a written request to participate in June; however, the FSIS eligibility criteria review is pending further support from Iowa.

Cross-Cutting Accomplishments

Public Health Information System (PHIS)

FSIS fielded three major PHIS release upgrades to the PHIS in FY 2019 along with 17 patches. Additionally, FSIS completed the development of two new PHIS modules for the State Reporting Communication Tool (SRCT) and Adulterated Product Monitoring (APM). FSIS completed the migration of the PHIS application from the co-located (CoLo) managed systems to the Platform as a Service (PaaS) operating environment.

eDevice Initiative

FSIS completed pilot testing of eDevices (laptops), which provide all food inspectors computer access to use FSIS applications, access email, complete training in AgLearn, and enter time in WebTA. Pilots were conducted successfully at three establishments. FSIS began rollout of eDevices at three establishments and should be completed in all establishments in FY 2021. Credentialing stations were deployed in each of the District Offices to enable new employees to be issued LincPasses during new hire orientation. In FY 2019, 89 percent of inspectors received LincPasses immediately during orientation training, enabling them to be ready to use eDevices at their duty station.

Analysis Activities

FSIS initiated several significant analysis projects this year to include on-going analysis of the New Poultry Inspection System, analysis focused on evaluating establishments that may be at risk for an undeclared allergen recall using the public health regulations framework, and evaluations of the raw pork sampling programs. FSIS enhanced the Residue Violation Tracker (RVT) to better support Agency and FDA decision making. FSIS added RVT capabilities that help FDA prioritize resources in support of investigations of livestock producers. Additionally, FSIS updated the quarterly letters to individual establishments that provide sample results and comparative performance information with respect to applicable FSIS pathogen and residue verification testing programs to aid establishments in process control evaluation and potential improvements.

Public Awareness

In 2019, FSIS saw major success in raising awareness of safe food handling guidance, recalls, and information about foodborne illness. FSIS achieved more than 52.7 million weighted impressions from media outreach (90,250,000), web page views (30,513,975), social media engagements (22,113,232), educational material distribution (504,354), app downloads (55,500) and direct conversations with individuals on the USDA Meat and Poultry Hotline (80,359) and in the field (1,000+). FSIS saw particular success with Twitter, where the number of engagements increased by 36.2 percent. FSIS worked with FDA and the Centers for Disease Control and Prevention to successfully launch an updated FoodSafety.gov website to promote food safety content on the cross-federal, consumer-focused website.

askFSIS System (including Small Plant Help Desk)

The askFSIS database provides online answers to technical, inspection-related questions. In FY 2019, FSIS combined the Small Plant Help Desk function with askFSIS to increase efficiency and address customer feedback. askFSIS customers visited the site 644,020 times, conducted 227,369 searches, and viewed 742,097 published answers. The askFSIS customers also submitted 24,099 questions for individual answers.

USDA Meat and Poultry Hotline

This year, FSIS transitioned IT systems used to manage the Meat and Poultry Hotline, including calls, frequently asked questions, chats and emails, to the new Ask USDA. This is part of USDA's ongoing customer experience improvement project and a key initiative. FSIS received 25 percent more calls than in FY 2018. More than 3.7 million answers about food safety questions were viewed through FSIS' frequently asked questions database.

Safe Food Handling Behavior Research (Annual Consumer Research)

As part of a five-year research initiative, the second observational study was completed, analyzed and publicized. The results offer unique insights into consumer behavior regarding washing poultry before cooking and poor handwashing techniques, which the Agency would not have been aware of otherwise. FSIS' publicity of the findings achieved more than 15 million verifiable impressions. This is a 22 percent increase from the 11.8 million generated from the

Year 1 observational study tour. The media tour supporting this included 929 television airings, 22 radio interviews and 150 digital placements (for a total of 1,101 placements). Television interviews aired across 480 stations in 182 markets and radio interviews aired on 740 affiliates.

SUMMARY OF PERFORMANCE

Summary of Performance

The Food Safety and Inspection Service (FSIS), a public health regulatory Agency within the U.S. Department of Agriculture (USDA), is responsible for protecting the public’s health by verifying the safety of meat, poultry, and processed egg products. Legislative mandates provide FSIS with the authority to conduct its public health mission.

FSIS contributes to USDA Strategic Goal 7, Provide All Americans Access to a Safe, Nutritious, and Secure Food Supply and coincides with Objective 7.1, Prevent Foodborne Illness and Protect Public Health. The Agency aligned its 2017-2021 Strategic Plan to its Annual Plan framework, which directly influences how the Agency operates and allocates resources. Within those objectives, FSIS achieved the following results for the Departmental Key Performance Indicators (KPIs) for which the agency is responsible:

Table FSIS-15 Key Performance Indicator Targets and Results by Fiscal Year

KPI	2018 Actual	2019 Actual	2019 Target	2019 Result	2020 Target	2021 Target
Percentage of Establishments that meet pathogen reduction Performance Standards.....	71	84	72	Met	87	90
Percentage of Establishments whose Public Health Regulation noncompliance rate decreases below the early warning cut point 120 days after receiving an Early Warning Alert.....	73	74	73	Met	74	74

KPI 1: Percentage of Establishments that Meet Pathogen Reduction Performance Standards

KPI 1 focuses on using pathogen reduction performance standards to assess the food safety performance of establishments that slaughter and process poultry products. It examines FSIS’s influence on the behavior of establishments by verifying the effectiveness of establishments’ food safety programs and process controls to increase the percentage of establishments that meet pathogen reduction performance standards.

FSIS continues to implement a data-driven regulatory strategy to improve *Salmonella* control in raw poultry slaughter and processing establishments. In FY 2019, FSIS reevaluated its original method for assessing establishment performance against the current performance standards and implemented a new categorization methodology in November 2018. The category status reported is now based on FSIS sample results during the 52-week window ending the last Saturday of the previous month, and no longer includes follow up sampling results as part of the moving window when determining establishment category status.

The new categorization methodology assures that category status is more reflective of the current conditions in an establishment. In November 2018, FSIS also began posting on its website the category status of individual establishments producing raw chicken parts and not-ready-to-eat (NRTE) comminuted chicken and turkey products.

Selected Past Accomplishments Toward the Achievement of the KPI Outcomes

With this measure, FSIS continued its multipronged approach to combat this pathogen in FY 2019. FSIS exceeded its 72 percent target with 84 percent of establishments meeting *pathogen* reduction performance standards.

Poultry – *Salmonella*: Following implementation of FSIS’s new categorization methodology, the Agency observed an increase in the number of eligible establishments that could not be categorized because the minimum number of samples per window needed for categorization had not been collected. To address this issue, in FY 2019, FSIS evaluated options for increasing the number of categorized establishments and implemented sample allocation changes with the goal of increasing the percentage of eligible establishments categorized. FSIS will continue monitoring the number of establishments categorized monthly.

FSIS sent alerts to Category 2 establishments, i.e., those that exceeded half of the *Salmonella* performance standard, and assessed whether they later went on to exceed the performance standard. On average, with these alerts and subsequent actions by the establishment and FSIS, 87 percent of establishments that moved into Category 2 did not subsequently fail the performance standard or fall to Category 3 status. The Agency issued an FSIS Notice instructing Inspection Program Personnel (IPP) on how to follow up with establishments which have been chronically or intermittently assigned to Category 3.

In FY 2019, FSIS evaluated its follow up sampling strategy. Potential changes being considered on the basis of that evaluation included adjusting the timing and number of follow up samples collected. In addition, FSIS evaluated follow up sample results for establishments producing chicken or turkey (poultry) carcasses, raw chicken parts, or comminuted poultry products and issued a revised FSIS Notice that informs IPP that FSIS will schedule no more than one set of 16 follow up samples every 120 days. In addition, FSIS provided IPP with alerts that summarize recent follow up sampling results to provide the IPP with information on whether

establishment pathogen results are improving. These alerts include the number of follow up samples analyzed and the number of follow up samples that result in a positive.

Poultry – *Campylobacter*: In FY 2020, FSIS will analyze the enrichment method-based *Campylobacter* results for young chicken and turkey carcasses and raw chicken parts and develop and propose revised *Campylobacter* performance standards for these products. To assist establishments in meeting the revised performance standards, FSIS will issue an industry guideline specific to reducing *Campylobacter* in raw poultry products.

Beef – *Salmonella*: To decrease *Salmonella* contamination rates in ground beef and subsequent illnesses, FSIS prepared a Federal Register Notice proposing and requesting comments on new performance standards for *Salmonella* in raw ground beef and beef manufacturing trimmings, the primary component of raw ground beef.

Pork – *Salmonella*: FSIS continued its exploratory sampling and testing of raw intact and non-intact pork cuts and raw comminuted pork product for *Salmonella*. The Agency analyzed the results to inform policy development for the control of *Salmonella* in raw pork products.

Selected Accomplishments Expected at the 2020 Proposed Resource Level

Poultry – *Salmonella*: In FY 2020, FSIS will further refine its strategy for follow up at establishments producing raw poultry products and will issue an industry guideline specific to reducing *Salmonella* in raw poultry which will include best practices for regaining process control and meeting the performance standards.

Poultry – *Campylobacter*: In FY 2020, after considering comments received on the proposed standards, FSIS plans to finalize these performance standards. In addition, FSIS will analyze the enrichment method-based *Campylobacter* results for young chicken and turkey carcasses and raw chicken parts and develop and propose revised *Campylobacter* performance standards for these products. To assist establishments in meeting the revised performance standards, FSIS will issue an industry guideline specific to reducing *Campylobacter* in raw poultry products.

Pork – *Salmonella*: In FY 2020, FSIS will prepare a manuscript to report on the results of a risk assessment to inform performance standard thresholds for various raw pork products. Using this analysis, FSIS plans to propose performance standards for *Salmonella* in raw intact and non-intact pork cuts and raw comminuted pork products.

KPI 2: Percentage of establishments whose Public Health Regulation (PHR) noncompliance rate decreases below the early warning cut point 120 days after receiving an Early Warning Alert (EWA)

Supports the modernization of inspection systems, policies, and the use of scientific approaches by focusing on the results of actions inspection personnel take to address specific food safety

concerns at establishments after receiving early warning of an elevated rate of PHR noncompliance.

FSIS Data Analysis and Reporting: Public Health Regulations

PHRs are verified regulations with statistically higher individual noncompliance rates in establishments in the three months prior to a microbiological positive or a public health-related enforcement action than in establishments with no positives or enforcement actions.

FSIS uses results of inspection tasks to calculate a PHR noncompliance rate for each regulated establishment and issues a PHR EWA when an establishment has a noncompliance rate that is elevated and is at or exceeds FSIS's noncompliance cut point for early warning.

Selected Past Accomplishments toward the Achievement of the KPI Outcomes

FSIS met its 73 percent target with 74 percent of establishments decreasing their PHR noncompliance rate below the early warning cut point 120 days after receiving an EWA.

FSIS continued its efforts to modernize additional inspection systems by finalizing and implementing the rule titled Modernization of Swine Slaughter Inspection.

FSIS developed analytical tools and reports to assist in the monitoring and evaluation of EWA data. Using interactive data-driven graphics, FSIS can continue to research individual establishment performance over time. These tools assist in identifying recidivist establishments that need further assistance or action and influence policy decisions to address specific food safety concerns and improve public health.

Selected Accomplishments Expected at the FY 2020 Proposed Resource Level

FSIS will continue to monitor the percentage of establishments whose PHR noncompliance rate decreases below the early warning cut point 120 days after receiving an EWA. FSIS continues to develop reports and interactive data-driven graphics to assess individual establishment performance over time. These tools will assist the Agency: (1) to identify establishments that need further assistance or where regulatory action may be warranted, and (2) to inform policy decisions when addressing specific food safety concerns.