



APPLICATION FOR MEAT GRADING AND VERIFICATION SERVICES

1 Purpose

The purpose of this Procedure is to provide Quality Assessment Division (QAD) policies regarding requests for service.

2 Scope

The provisions of this Procedure apply to all facilities utilizing QAD services. This document outlines how to apply for and obtain QAD services, and the associated fee for service user costs incurred.

3 References

The following referenced documents are used for the application of this document. The latest edition of the referenced document (including any amendments) applies.

[Agricultural Marketing Act \(AMA\) of 1946](#)

[Application for Commitment Grading or Verification Service \(LS-315\)](#)

[Application for Service \(LS-313\)](#)

[QAD 100 Form Supplemental Information for the Application for Service](#)

[QAD 1426D Form C.O.D. Charge Worksheet](#)

[QAD 428 Procedure Fees for Laboratory Analysis](#)

4 Policy

4.1 Livestock, Poultry and Seed (LPS) Program Mission Statement: To provide timely, high-quality, unbiased service that facilitates orderly marketing and distribution of agricultural commodities, and fosters goodwill in the global marketplace.

4.2 The QAD operates entirely on user fees in accordance the *Agricultural Marketing Act (AMA) of 1946*. As such, the QAD must collect fees and other costs of doing business which fully fund the program. These costs include employee salaries, employee benefits, training, travel and per diem costs, office rent, utilities, equipment, etc.

5 Agricultural Marketing Service (AMS) Customer Standards

5.1 You will be treated with courtesy and respect by a responsive and knowledgeable staff.

5.2 You will be provided accurate, unbiased, and reliable services based on established standards, procedures, and/or specifications.

5.3 All services will be provided in a cost-effective manner within established time frames.

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5.4 Your suggestions and comments will be considered to continually improve and tailor the services to meet your needs.

5.5 We will respond to your inquiries and strive to resolve your complaints quickly and efficiently.

6 Customer Responsibility

6.1 Customers are responsible for providing a work environment where QAD employees are not subjected to physical and/or verbal abuse, or other elements which could have a negative effect on providing an unbiased, third-party evaluation. Customers shall designate one primary company representative to discuss grade placements and verification determinations with QAD employees. AMS regulations allow services to be denied or withdrawn from “any person who, or whose employee or agent has interfered or obstructed any employee of the Department by intimidation, threats, assaults, abuse, or any improper means.” The regulation has in place an appeal process for customers who question the services provided.

6.2 Customers will make products and related records (Technical Proposals, Process Control Certification Program (PCCP) Plans, Specifications, etc.) easily accessible and provide assistance and any necessary equipment to accomplish grading and verification processes. Equipment may include storage lockers/cabinets, branding ink, certified scales, food blenders, processors, grinders, sampling containers, sanitation equipment, adequate lighting, weight tags and/or display monitors, video equipment for monitoring live animal schedules, etc. When offering product for grading or verification, customers must ensure a minimum of 90 percent acceptable product.

6.3 Customers are responsible for requesting starting times which provide sufficient paid time for QAD employees to prepare for the work assignment, i.e. carrying official equipment to work stations, preparing sampling plans and other official documents, etc. Customers requesting service will be charged a minimum of 1/2 hour revenue time plus, unless otherwise specified, any applicable round trip mileage, travel time, per diem, and other related expenses from the QAD agent’s regular duty point. Requests for service are to be made through the QAD office and are to be made by 12:00 noon Mountain Time on Tuesday of the week prior to service, and will be scheduled on a first come first serve basis. Customers will be charged for all scheduled services and travel expenses, if applicable, that have not been cancelled by 12:00 noon Mountain Time on Friday of the week prior to service unless the scheduled QAD agent can be utilized elsewhere.

7 General Procedures

7.1 Grading and Verification Services:
Any company that operates a federally inspected establishment or an establishment operating under an inspection system equal to and recognized by the Federal system can receive QAD services. A request for services must be filed on the *Application for Service (LS-313)*. Requests for immediate service can be provided by oral request, letter, express mail, facsimile, etc., as long as the *Application for Service (LS-313)* is submitted within 3 working days of the request. The applicant should also include a *QAD 100 Form Supplemental Information for the Application for Service* with the submission of the *Application for Service (LS-313)*.

7.2 Audit Services:
Companies requesting audit services must submit an *Application for Service (LS-313)*, a cover letter explaining the type of service requested, and a copy of their applicable program documentation. The applicant should also include *QAD 100 Form Supplemental Information for the Application for Service* with the submission of the *Application for Service (LS-313)*.



- 7.3 Federal agencies requesting service are not required to submit written applications.
- 7.4 Completion of *Application for Service (LS-313)*.
- 7.4.1 Companies requesting service must provide information including:
- a Name: Company name must match the name on the Internal Revenue Service (IRS) tax identification number records
 - b Billing address
 - c Physical address of where services are to be performed
 - d Tax ID number
 - e Telephone number
 - f Fax number
 - g Email address
- 7.4.2 Identify the type of grading or verification services requested.
- 7.4.3 Identify the type of operations conducted.
- 7.4.4 Identify the legal status of the operation.
- 7.4.5 Identify the financial interests of the company.
- 7.4.6 Agree to the terms at the bottom of the application.
- 7.4.7 The completed form must have a dated signature of the responsible party.
- 7.5 Submission of *Application for Service (LS-313)* and the *Application for Commitment Grading or Verification Service (LS-315)*.
- 7.5.1 All customers must submit a new *Application for Service (LS-313)* every two years or when significant changes occur such as name change, ownership change, location change etc.
- 7.5.2 Commitment agreement customers must also submit a new *Application for Commitment Grading or Verification Service (LS-315)* every two years or when significant changes occur such as number of commitments, name change, ownership change, location change etc.
- 7.6 Approved applications remain valid until:
- 7.6.1 Voided in writing by the customer or QAD;
 - 7.6.2 A change in name, ownership, and/or location of customer occurs; or,
 - 7.6.3 A period of 1 year has elapsed since service was last performed at the establishment.



8 Debt Collection

- 8.1 Customers will receive a bill for services provided during the previous month. Full payment is due by the 25th day of the month in which the bill is received. Delinquent accounts are subject to a 15% interest charge for all amounts not received by the due date.
- 8.2 The QAD reserves the right to place a customer in a pre-pay status to ensure expenses for services are covered.
- 8.3 QAD policy is to place all new accounts on a pre-payment basis of service for a minimum of 1 year. After 1 year, the customer may submit a request to the QAD office, in writing, to be placed on a normal billing cycle.
- 8.4 Accounts that demonstrate a history of late payments will be converted to a pre-payment status. When accounts are converted to a pre-payment status due to payment issues, they will not have the option to revert to a normal billing cycle.
- 8.5 Pre-payment customers will be provided with a cost estimate which identifies the charges for hours worked, travel time, mileage, lodging and per diem, and other charges as applicable. Customers in a pre-payment status are expected to make payment prior to service. Requests for service will be denied if payment has not been processed.
- 8.6 Accounts determined to be in arrears will be referred to claims for collection of monies due.

9 Payment Options

- 9.1 All customers are encouraged to make payment for services rendered by electronic means. There are two types of electronic payment methods that will be accepted by the QAD. It is the customers responsibility to assure payment is processed to meet the billing due date.
 - 9.1.1 Pay.Gov:
Customers may choose to make payments using www.pay.gov. This system allows payment via a credit card or an Automated Clearing House (AHC) account.
 - 9.1.2 Electronic Funds Transfer (EFT):
Customers may choose to make payment using EFT. The QAD will provide the information necessary for setting up an EFT account upon request.

10 Overtime

It is the responsibility of the QAD Supervisory Agricultural Marketing Specialist (SAMS) to grant overtime. SAMS are instructed not to permit employees to work such long hours as will endanger their health or cause unsatisfactory work performance. Except in extreme emergency situations, all employee workdays will be a 10-hour maximum.

11 Callback

Customers requesting a callback will be charged a minimum of 2-hours premium time. A callback is unscheduled time for work performed when a QAD agent is called back to the worksite after having completed the regular daily tour of duty and has left the worksite, or on a day when no work was scheduled for the QAD agent.



12 Application for Service Processing Procedure

- 12.1 Multiple customers/one establishment – When more than one customer operating in the same establishment requests service, each customer must complete an *Application for Service (LS-313)*.
- 12.2 Single customer/multiple establishments – When one customer operates multiple establishments requiring QAD services, each establishment requesting service must complete an *Application for Service (LS-313)*.
- 12.3 The QAD office provides general information and brochures on QAD services, hourly fees, regulations, an *Application for Service (LS-313)*, and the *QAD 100 Form Supplemental Information for the Application for Service* to potential customers.
- 12.4 The applicant completes, signs, and returns the *Application for Service (LS-313)*, and the *QAD 100 Form Supplemental Information for the Application for Service* to the QAD office. Applications may be submitted by mail, fax, or scanned and emailed to QAD.BusinessOps@ams.usda.gov.

USDA, AMS, LPS, QA Division
10809 Executive Center Drive
Suite 318
Little Rock, AR 72211
Phone: 501-312-2962
Fax: 501-312-2968

- 12.5 Upon receipt of the completed *Application for Service (LS-313)* by the QAD Office
 - 12.5.1 The application will be reviewed for completeness and accuracy.
 - 12.5.2 The applicant will be contacted to ensure the type of service requested and to verify the information provided.
 - 12.5.3 The application will be signed and approved for processing.
 - 12.5.4 The customer/account will be assigned a QAD customer/account number.
 - 12.5.5 The application will be posted to the customer folder.
 - 12.5.6 The customer will be notified by email that the application has been processed and will be provided with the customer account number.

13 Application for Commitment Service Processing Procedures

- 13.1 The QAD office will assure that a copy of the *Application for Commitment Grading or Verification Service (LS-315)* is provided to establishments requesting commitment services. The *Application for Commitment Grading or Verification Service (LS-315)* is available on the internet. The applicant will complete, sign, and return the form to the QAD office. Applications may be submitted by mail, fax, or scanned and emailed to QAD.BusinessOps@ams.usda.gov.

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- 13.2 Once the application is processed, commitment services will be provided when personnel are available. Personnel transfers required to fulfill a new commitment may take several months. The customer may incur travel and per diem expenses until personnel reassignments are accomplished to provide commitment services.
- 13.3 Single Customer – A single commitment customer must guarantee 8 hours revenue per day, Monday through Friday, excluding Federal legal holidays.
- 13.4 Multiple Customers – When two or more customers request to share a commitment, they must collectively guarantee 8 hours revenue per day, Monday through Friday, excluding Federal legal holidays. The hours of service, starting times, prorated driving time and mileage, etc., must be approved by all parties involved prior to processing the agreement. This information can be included on the *Application for Commitment Grading or Verification Service (LS-315)* or as an attachment. QAD agents, if requested, will vary their schedules to multiple customers so as to give alternate early service to each customer.
- 13.5 The date of application is the date that the customer signs the form. Commitment agreements always begin on a Sunday. The QAD office will determine the effective Sunday date on which the commitment agreement becomes effective.

14 Federal Holidays

- 14.1 SAMS will inform commitment customers requesting service on a Federal legal holiday that it is a non-workday by law for graders. Services may be provided for that day at the established holiday rate. No charge will be assessed to commitment customers on Federal legal holidays when no work is performed. Federal legal holidays are as follows:

New Year's Day	January 1
Martin Luther King Day	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Columbus Day	Second Monday in October
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Christmas Day	December 25



- 14.2 In instances where a Federal legal holiday occurs on a Saturday or Sunday, the preceding Friday or following Monday will be designated a paid holiday for Federal employees. Commitment customers will be charged at the appropriate base or premium rate per the commitment agreement on designated holidays whether services are provided or not.

15 Commitment Credits

Commitment credits will be issued:

- 15.1 When service is not needed at a commitment agreement facility and the assigned QAD agent can be utilized in another revenue generating assignment, the commitment may be credited hour for hour up to 8 hours per day Monday through Friday based on the commitment agreement.
- 15.2 Commitments will not be eligible for credit when the QAD agent is utilized in non-revenue activities such as Public Law 272 reviews, training, leave, etc.

16 Changes to and Cancellation of Commitment

- 16.1 When a change in ownership, number of hours, or realignment of customers occurs, the commitment must be canceled and a new application completed. Notification of intent to cancel must be made in writing 7 days prior to the effective date. Changes or cancellations may be submitted by mail, fax, or scanned and emailed to AMS – GVD@ams.usda.gov.

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- 16.2 When a customer terminates a commitment and within one year is granted a new commitment, the customer must pay for QAD agent relocation costs. Any relocation costs involving multiple customers who were involved in the cancellation and reapplication will be prorated in the same proportion as the agreed commitment hours.
- 16.3 Any change with a multiple commitment (either withdrawal or addition of one or more applications) necessitates the negotiation of a revised commitment agreement. SAMS shall ensure that the commitment agreement guarantees 8 hours revenue per day, Monday through Friday, excluding Federal legal holidays.
- 16.4 There may be circumstances when it is mutually advantageous to the QAD and the customer(s) to temporarily suspend a commitment agreement.

Examples are:

- 16.4.1 Emergencies such as fire, flood, strikes, etc., which affect plant operations, and the assigned QAD agent can be utilized elsewhere.
- 16.4.2 National emergencies.
- 16.4.3 A trial period for a QAD agent assignment which is likely to result in more efficient utilization of personnel. A memorandum of understanding signed by the Customer Service Branch Chief and the customer specifying the conditions of the temporary suspension of service must be signed, dated, and maintained in the QAD office files.



- 16.5 SAMS will provide notice of new customers, commitments, non-commitments, cancellations, etc., via the biweekly Management Information Network (MIN) reports.

17 Fees for Service

17.1 Grading and Verification Service Fees

- 17.1.1 Base Rate for Commitment – 8 hours per day between 6 a.m. and 6 p.m., Monday through Friday = \$61.00/hour.

- 17.1.2 Base Rate for Non-commitment – 8 hours or less per day between 6 a.m. and 6 p.m., Monday through Friday = \$71.00/hour.

- 17.1.3 Premium Rate – excess of 8 hours per day between 6 a.m. and 6 p.m., any hours before 6 a.m. or after 6 p.m., Monday through Friday, and any time Saturday and Sunday = \$78.00/hour.

- 17.1.4 Holiday Rate – any hours worked on Federal legal holidays = \$122.00/hour.

17.2 Audit Service Fees

- 17.2.1 Audit Rate = \$108.00/hour.

17.3 Additional Service Fees

- 17.3.1 Mileage Rate = \$0.575/mile.

- 17.3.2 Official Carcass Grade Data = \$0.50/grade factor.

- 17.3.3 Chicago Mercantile Exchange Beef Carcasses = \$350.00/load.

- 17.3.4 Laboratory Analysis Fees see *QAD 428 Procedure Fees for Laboratory Analysis*

18 Change Record

The following changes were made to the 03/04/2014 revision of this document:

Mileage rate was updated.