

Fresh Products Branch Directive

FPB-412
07/16/01

ANNUAL COOPERATOR REPORTS

- I. PURPOSE** This directive prescribes the procedures for completion and submission of Annual Cooperator Reports by Federal-State Inspection Program Cooperators.
- II. AUTHORITY** These procedures are set forth in accordance with Part II, Responsibilities, B, The State Agency will, of the cooperative agreements between the Agricultural Marketing Service (AMS) and the respective State agencies/cooperators.
- III. POLICY** In accordance with the cooperative agreements between AMS and the State agencies/cooperators with which AMS cooperates in order to provide for the Federal-State Inspection of fresh fruits, vegetables and other products, the State agencies/cooperators are required to submit Annual Cooperator Reports to the AMS, Fruit and Vegetable Programs, Fresh Products Branch (FPB) each year.
- IV. PROCEDURES FOR SUBMITTING THE ANNUAL COOPERATOR REPORT** Each State agency/cooperator with which AMS cooperates shall complete and submit an Annual Cooperator Report (see Attachment 1) to FPB no later than 90 days following the end of the State agency's/cooperator's fiscal year at the following address:

USDA, AMS, F&VP, Fresh Products Branch
Federal-State Accounts
1400 Independence Avenue, S.W., Room 2049-S
Washington, D.C. 20250-0240

In addition, the State agency/cooperator shall provide a copy of the completed Annual Cooperator Report to its Federal Program Manager/Supervisor no later than 90 days following the end of the State agency's/cooperator's fiscal year.

The State agencies/cooperators shall locally reproduce and maintain copies of the blank Annual Cooperator Report (Attachment 1 of this directive) to use in order to submit completed reports to FPB as required each year.

Distribution: State Agencies/Cooperators, Federal Program Managers, and Federal Supervisors
Originating Office: Program Support Section
File Maintenance Instructions: File in Directive binder



UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
FRUIT AND VEGETABLE PROGRAMS
FRESH PRODUCTS BRANCH

**ANNUAL COOPERATOR REPORT
FOR THE FEDERAL-STATE
INSPECTION AND GRADING PROGRAM
FOR FRESH FRUITS AND VEGETABLES
FOR THE FISCAL YEAR ENDED**

STATE: _____

COOPERATOR NAME: _____

AGREEMENT NUMBER: _____

TITLE OF AGREEMENT: _____



PART I. FSI PROGRAM MANAGEMENT ISSUES

Instructions: Please answer the following questions for only the Federal-State Inspection (FSI) Program by checking (✓) the appropriate box. Please attach a written explanation for each item checked "No" or "?" (for uncertain) (unless otherwise specified) and follow any other instructions given.

#	QUESTION	Y E S	N O	?
1	Have any internal or external audits (not including OMB Circular A-128 Audits) been performed either solely on or including the FSI Program during the past five years? (If "Yes," please attach a copy (or copies) of the report(s) and answer question #2. If "No," proceed to question #3.)			
2	Have all recommendations relating to the FSI Program made in the prior audit(s) been implemented? If "No," please attach a listing of the recommendations and the anticipated dates of implementation.			
3	Does the FSI Program maintain a reserve fund balance? (If "No," proceed to question #5)			
4	Is the reserve fund balance maintained in accordance with AMS Directive 408.1 dated July 25, 1994?			
5	Were FSI Program fees adjusted during the reporting fiscal year? (If "Yes," please attach a brief explanation. If "No," no explanation is required.)			
6	Are FSI Program fees adequate to cover program costs? (Please attach a listing of current FSI Program fees and the date each fee became effective. Published fee schedules may be provided.)			
7	Are procedures in place to ensure that all applicants are accurately billed for the FSI services they receive?			
8	Is USDA paid its assessments as prescribed in the cooperative agreement?			
9	Are procedures in place to keep track of inspectors' and supervisors' time to ensure that only the time they spend on FSI work is charged to the FSI Program?			
10	For expenses such as travel, training, rent, and supplies and equipment, are procedures in place to ensure that only those portions applicable to the FSI Program are charged to the FSI Program?			
11	Are <u>all</u> FSI Program inspections performed by Federally-licensed inspectors?			

**PART I. FSI PROGRAM
MANAGEMENT ISSUES
--CONTINUED**

12	Are all FSI Program employees paid according to job classifications which accurately reflect their duties?			
13	Are all official USDA inspection certificates and stamps properly secured against misuse?			
14	Are all official USDA inspection certificates and stamps properly accounted for and reconciled on a regular basis?			
15	Are the principles of equal opportunity and civil rights demonstrated in both FSI Program hiring practices and customer service?			

CERTIFICATION OF FSI PROGRAM MANAGER

I certify that the information provided in this report for fiscal year _____ is true, complete, and correct to the best of my knowledge and belief. I have attached explanations for any improvements implemented or problems identified since the end of fiscal year _____. Please type in the name and title of the certifying State Agency/Cooperator official in the space provided.

Name: _____
Title: _____

Date: _____

**PART II. FSI PROGRAM
FINANCIAL ISSUES**

Instructions: Please answer the following questions for only the Federal-State Inspection (FSI) Program by checking (✓) the appropriate box. Please attach a written explanation for each item checked "No" or "?" (for uncertain) (unless otherwise specified) and follow any other instructions given.

#	QUESTION	Y E S	N O	?
1	Are adequate internal controls (including sufficient separation of duties) in place at all levels to safeguard FSI Program funds (including all cash receipts)?			
2	Are FSI Program funds accounted for separately from those of other programs administered by the cooperator?			
3	Are all FSI Program-related receipts properly credited to the FSI Program?			
4	Are reserve funds invested? (If "Yes," please attach a brief explanation of the investment vehicles and amounts and answer question #5. If "No," proceed to question #6.)			
5	Is all interest earned on the invested FSI Program funds credited to the FSI Program?			
6	Are adequate internal controls in place to ensure that FSI Program's billing and collections processes functioned properly so that the proper amount due from applicants was billed and collected?			
7	Are adequate policies and procedures in place to collect delinquent accounts or write off uncollectible accounts?			
8	Are all FSI Program expenditures properly supported by documentation and approved by authorized individuals?			
9	Are all user fees collected used only to pay the direct and indirect costs of the FSI Program?			
10	Are all FSI Program direct costs allowable in accordance with OMB Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments," or A-122, "Cost Principles for Nonprofit Organizations"?			
11	Are Department or State indirect costs charged to the FSI Program? (If "Yes," please attach a brief explanation of the methodology used to allocate these charges, and answer question #12. If "No," proceed to question #13.)			
12	Are all indirect costs allowable in accordance with the cooperative agreement and OMB Circular A-87 or A-122?			

**PART II. FSI PROGRAM
FINANCIAL ISSUES
--CONTINUED**

13	Are adequate internal controls in place to ensure the appropriateness of all payroll charges?			
14	Are adequate internal controls in place to ensure the appropriateness of all travel charges and other reimbursements?			

**PART III.
FINANCIAL SUMMARY**

Instructions: Please fill in the requested amounts for only the FSI Program for both the reporting fiscal year and the prior fiscal year. Please attach all explanations and supporting documentation requested or which you believe to be necessary. Please type in the beginning and ending dates of the reporting and prior fiscal years in the spaces provided using the following format [day, month, year through day, month, year].

Reporting Fiscal Year:

Prior Fiscal Year:

A. Funding Sources

NATURE OF FUNDING	REPORTING YEAR	PRIOR YEAR
User Fees Collected ¹		
Appropriated (State) Funds		
Other Funds ²		
Interest Earned		
Total Funding		

¹ Please attach a breakout of the fees collected (e.g., hourly, hundredweight, etc.), noting those which were subject to the USDA assessment under the cooperative agreement.

² Please attach an explanation of the source of the funds and for what they were used.

PART III.
FINANCIAL SUMMARY
--CONTINUED

B. Expenditures

NATURE OF EXPENSE	REPORTING YEAR	PRIOR YEAR
Direct Payroll Expenses of the FSI Program ³		
Direct Expenses of the FSI Program ⁴		
Cooperator-Level Indirect Expenses ⁵		
State-Level Indirect Expenses ⁶		
USDA Assessments		
Other Expenses ⁷		
Total Expenses		

C. Reserve Fund

DESCRIPTION	REPORTING YEAR	PRIOR YEAR
Beginning Balance		
Lowest Balance		
Highest Balance		
Ending Balance		

³ Costs incurred for compensation of personnel devoted specifically to work under this cooperative agreement.

⁴ Costs incurred for equipment, materials and services acquired, consumed, or expended specifically for work under this cooperative agreement.

⁵ Expenses of the cooperator for supplying goods, services, and facilities for the common benefit of the FSI Program and other programs. Please attach an explanation of the services that these charges cover.

⁶ Expenses of the State for supplying goods, services, and facilities for the common benefit of this and other programs. Please attach an explanation of these expenses.

⁷ Please attach an explanation of these expenses.

CERTIFICATION OF FINANCIAL MANAGER

I certify that the information provided in this report for fiscal year _____ is true, complete, and correct to the best of my knowledge and belief. I have attached explanations for any improvements implemented or problems identified since the end of fiscal year _____. Please type in the name and title of the certifying State Agency/Cooperator official in the space provided.

Name:
Title:

Date: _____