



Agricultural Marketing Service

Creating Opportunities for American Farmers and Businesses

Selling to AMS – Red Meat, Poultry, Egg, and Aquatic Commodities

August 28, 2014



Vendor Outreach Webinar Series

Overview

Welcome & Introductions

Part I: Business Requirements – Commodity
Procurement Overview and Activities

Part II: Technical Requirements – Food Safety and
Commodity Specification Division and Quality
Assessment Division Overview and Activities

Part III: Technical Proposal Development and Desk
Audits



Resources

Discussion & Questions



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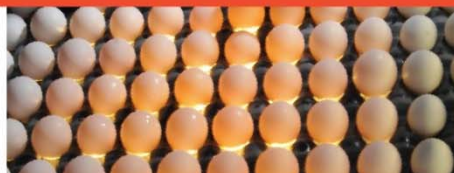
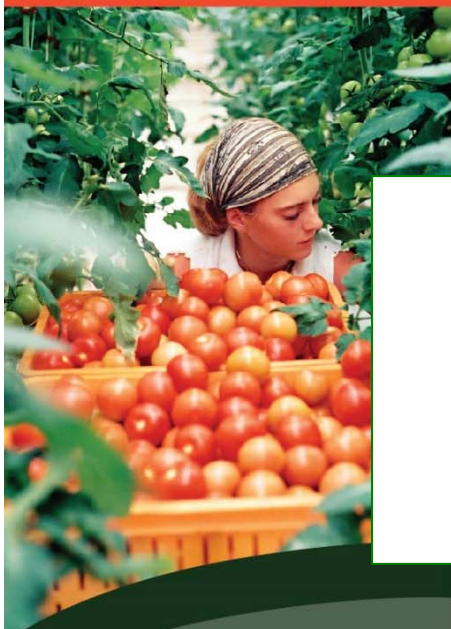
Creating Opportunities for American Farmers and Businesses

Part I: **Business Requirements –** **Commodity procurement** **Overview and Activities**



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Creating Opportunities for American Farmers and Businesses



Sara Hernandez

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USDA, Agricultural Marketing Service

Commodity Procurement Staff (CPS)

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AMS Commodity Procurement Mission

Support American Agriculture through the purchase of surplus commodity products to stabilize demand; while **providing safe quality foods** for Federal food nutrition assistance programs.



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AMS purchased nearly \$1.6 bil. (1.8 bil. Lbs.)
in domestic commodity products in FY13:

- About \$662 mil. (~ 1.2 bil. pounds) in Fresh, Frozen, and
Processed Fruits, Vegetables, Beans, and Nuts

- About \$900 mil. (~ 652 mil. pounds) in Fresh, Frozen and
Processed Chicken, Beef, Turkey, Pork, Fish & Egg
Products

Resource: Purchase Summary Reports

www.ams.usda.gov/commoditypurchasing

AMS ANNUAL PURCHASE SUMMARY

Week Ending May 23, 2014

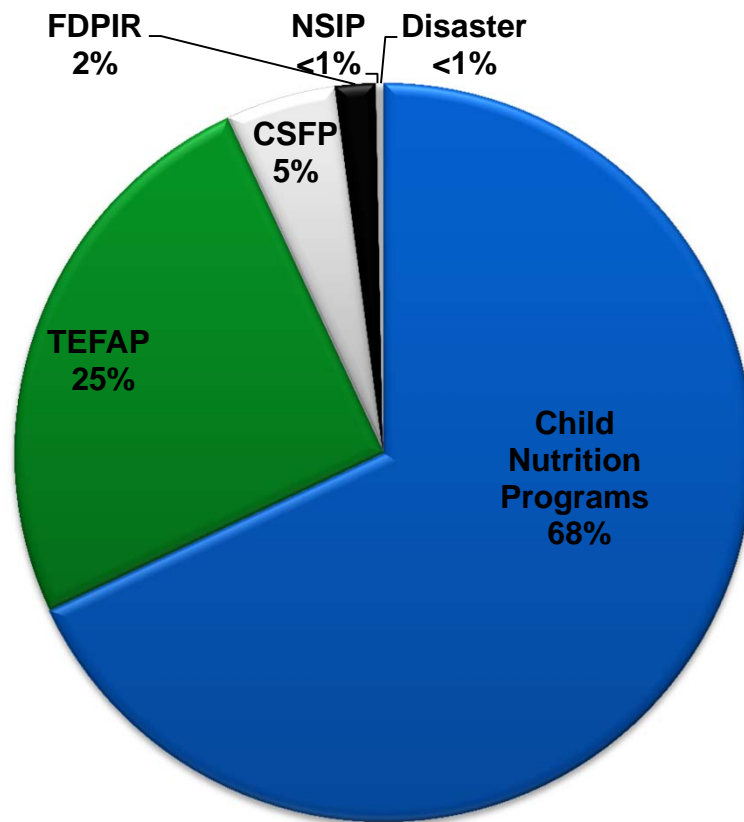
FY 2014

[Click on commodity name to follow the link.]

FY2014 To Date	Page	Total Costs	Total Pounds
Apple and Apple Juice	[1]	\$ 38,264,403	92,849,436
Apricot	[2]	\$ 2,379,867	2,454,078
Asparagus	[3]	\$ -	0
Beans, Canned	[4]	\$ 12,383,789	27,516,968
Bean, Dry/Legume, Dry	[5]	\$ 10,727,328	17,383,360
Blackberry	[6]	\$ -	0
Blueberry	[7]	\$ 13,987,397	8,326,080
Broccoli	[8]	\$ 6,749,154	5,681,340
Carrot	[9]	\$ 3,925,154	7,788,150
Cherry and Cherry Juice	[10]	\$ 23,281,357	8,758,430
Corn	[11]	\$ 13,309,130	27,637,623
Cranberry and Cranberry Juice	[12]	\$ 31,273,880	54,303,990
Date	[13]	\$ -	0
Dried Fruit Mix/Nut Mix	[14]	\$ 372,357	139,776
Fig	[15]	\$ -	0
Grape Juice	[16]	\$ 14,753,017	30,981,560
Grapefruit Juice	[17]	\$ 9,658,288	30,981,560
Green Bean	[18]	\$ 10,200,436	24,458,172
Green Pea	[19]	\$ 4,908,597	8,516,064
Hominy	[20]	\$ 35,802	71,910
Mixed Fruit	[21]	\$ 12,717,714	15,554,288
Mixed Vegetable	[22]	\$ 3,082,789	5,722,850
Mushrooms	[23]	\$ 32,571	38,960
Orange & Orange Juice	[24]	\$ 33,817,844	71,244,900
Peach	[25]	\$ 20,837,725	24,402,858
Pear	[26]	\$ 13,455,076	17,438,760
Pistachio	[27]	\$ -	0
Plum	[28]	\$ 76,950	36,000
Potato	[29]	\$ 14,030,989	66,727,600
Pumpkin	[30]	\$ 169,096	255,150
Raisin	[31]	\$ 38,739,131	28,314,360
Raspberry	[32]	\$ -	0
Spinach	[33]	\$ 2,646,509	4,565,295
Strawberry	[34]	\$ 10,232,979	8,476,200
Sweet Potato	[35]	\$ 2,922,904	10,826,548
Tomato	[36]	\$ 22,388,511	50,161,381
Vegetable Soup/Chicken Soup	[37]	\$ 4,461,998	4,990,425
Walnut	[38]	\$ -	0
Fresh Fruit and Vegetable Pilot		\$ 162,132	0
TOTAL, FY2014		\$ 375,984,764	656,559,853
FY14 To Date	Page	Total Costs	Total Pounds
Beef	[39]	\$ 113,888,444	50,702,000
Fish	[40]	\$ 24,088,756	13,056,104
Pork/Lamb	[41]	\$ 18,355,309	11,141,500
TOTAL, FY2014		\$ 156,332,509	74,899,604
FY14 To Date	Page	Total Costs	Total Pounds
Chicken	[42]	\$ 109,959,964	100,584,600
Egg	[43]	\$ 4,607,773	4,715,880
Turkey	[44]	\$ 50,127,012	35,335,154
TOTAL, FY2014		\$ 164,694,749	140,635,634
TOTAL AMS PURCHASES, FY2014		\$ 697,012,022	872,095,091

AMS Commodity Procurement - For More Information, Call 202-720-4517.

FY13 Total Purchases for USDA Food and Nutrition Service (FNS) Food Distribution Programs



Program	USDA Foods
*Child Nutrition Programs	\$1,107,204,974
TEFAP- The Emergency Food Assistance Program	\$408,180,604
CSFP- Commodity Supplemental Food Program	\$79,339,656
FDPIR- Food Distribution Programs on Indian Reservations	\$28,935,579
NSIP- Nutrition Services Incentive Program	\$2,308,641
Disaster	\$2,634,020
TOTAL	\$1,628,603,474

* Includes National School Lunch Program, School Breakfast Program, Child and Adult Care Food Program, Summer Food Service Program, and the DoD Fresh Program

What AMS Purchases

- ✓ 100% Domestically Produced and Processed Commodity Food Items
- ✓ Are: Commercially-available agricultural foods produced to USDA Specification
Are Not: Non-food items, niche/boutique foods, “unique” or sole-source products
- ✓ Over 200 products produced to USDA specifications/requirements (review the AMS Purchase Schedule on www.ams.usda.gov/commoditypurchasing)
- ✓ Full Truckload quantities (minimum contract = 1 truckload; 40,000 lbs.)
- ✓ Contracted FOB Destination or FAS to Port
- ✓ Mostly Processed Products:
 - Canned, Frozen, Dried, Bottled** Fruits and Vegetables
 - Canned, Frozen, Cooked** Pork, Beef, Chicken, Turkey, Fish and Egg
- ✓ Some Fresh/Perishable Products: e.g. pears, oranges, carrots, potatoes, sweet potatoes, fresh eggs
- ✓ Also Bulk-Pack (fruits, veg, meat, poultry)--for further processing

Interested in being a USDA Foods Processor?

<http://www.fns.usda.gov/fdd/usda-foods-processing-home>



Purchase Schedule

When AMS Purchases **Depends on “Why” and “What”**

Why:

Regular Purchases = Demand Driven/Order Fulfillment

Orders from Recipient Agencies

Schedule Available on the AMS Commodity Procurement Website

(www.ams.usda.gov/commoditypurchasing)

Section 32 Purchases = Industry Need Driven/Surplus Removal

One-time authorized by the Secretary of Agriculture

NOT regularly scheduled

“Bonus” USDA Foods also provided to Recipient Agencies

What:

Year-Round/Readily Available:

Contract closer to delivery; follow markets

Monthly, quarterly

Seasonally Available/Limited Supply:

Contract before planting/harvest/production

Annual/Semiannual

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Resource (www.ams.usda.gov/commoditypurchasing)

Sealed Bid - IFB	110322	BEEF SPP PTY HSTYLE CKD 2.0 MMA CTN-40 LB	09/15/14-09/30/14	late-July
236	Sealed Bid - IFB	110322	BEEF SPP PTY HSTYLE CKD 2.0 MMA CTN-40 LB	late-July
237	Sealed Bid - IFB	110322	BEEF SPP PTY HSTYLE CKD 2.0 MMA CTN-40 LB	mid-August
238	Sealed Bid - IFB	110322	BEEF SPP PTY HSTYLE CKD 2.0 MMA CTN-40 LB	mid-September
239	Sealed Bid - IFB	100526	BEEF STEW CAN-24/24 OZ	mid-November
240	Sealed Bid - IFB	100526	BEEF STEW CAN-24/24 OZ	mid-February
241	Sealed Bid - IFB	100526	BEEF STEW CAN-24/24 OZ	late-May
242	Sealed Bid - IFB	100526	BEEF STEW CAN-24/24 OZ	late-August
243	Sealed Bid - IFB	100201	CATFISH STRIPS BRD OVN RDY PKG 4/10 LB	mid-November
244	Sealed Bid - IFB	100201	CATFISH STRIPS BRD OVN RDY PKG 4/10 LB	mid-June
245	RFP	110412	CHICKEN BONED CAN-12/15 OZ	mid-May
246	Sealed Bid - IFB	100877	CHICKEN BONED CAN-12/50 OZ	mid-August
247	Sealed Bid - IFB	100098	CHICKEN CUT-UP FRZ CTN-40 LB	mid-November
248	Sealed Bid - IFB	100098	CHICKEN CUT-UP FRZ CTN-40 LB	mid-December
249	Sealed Bid - IFB	100098	CHICKEN CUT-UP FRZ CTN-40 LB	mid-January
250	Sealed Bid - IFB	100098	CHICKEN CUT-UP FRZ CTN-40 LB	mid-February
251	Sealed Bid - IFB	100098	CHICKEN CUT-UP FRZ CTN-40 LB	mid-March
252	Sealed Bid - IFB	100098	CHICKEN CUT-UP FRZ CTN-40 LB	mid-April
253	Sealed Bid - IFB	100098	CHICKEN CUT-UP FRZ CTN-40 LB	mid-July
254	Sealed Bid - IFB	100098	CHICKEN CUT-UP FRZ CTN-40 LB	mid-August
255	Sealed Bid - IFB	100098	CHICKEN CUT-UP FRZ CTN-40 LB	mid-September
256	Sealed Bid - IFB	100098	CHICKEN CUT-UP FRZ CTN-40 LB	mid-October
257	Sealed Bid - IFB	100115	CHICKEN DRUMSTICKS CHILLED -BULK	mid-November
258	Sealed Bid - IFB	100115	CHICKEN DRUMSTICKS CHILLED -BULK	mid-December
259	Sealed Bid - IFB	100115	CHICKEN DRUMSTICKS CHILLED -BULK	mid-January
260	Sealed Bid - IFB	100115	CHICKEN DRUMSTICKS CHILLED -BULK	mid-February
261	Sealed Bid - IFB	100115	CHICKEN DRUMSTICKS CHILLED -BULK	mid-March
262	Sealed Bid - IFB	100115	CHICKEN DRUMSTICKS CHILLED -BULK	mid-April



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- **Opportunities, Solicitations, and Contract Awards are Publically Announced**
- Purchase Program Announcement: www.fbo.gov, “AMS CP News,” and AMS website.
- Solicitations and Award process:
 - AMS Issues Solicitation- “Invitation for Bids” (IFB) or “Request for Proposals” (RFP)
 - Approved USDA Vendors Submit Offers
 - AMS Evaluate Offers, and
 - AMS Awards one (or more) Contract to fill the demand (orders)
- **This is a Competitive Procurement Process**

Small Business Participation

Competition:

“Full and Open”- All Business Sizes Competitively Bid

“Set –Aside”- Competition restricted to approved small business vendors only.

AMS must maintain competition → must have at least two approved small business vendors to set-aside

U.S. Small Business Administration (SBA) Categories:

Small Business (SB)

Service-Disabled Veteran-Owned Small Business (SDVOSB)

Small Business Participation

North America Industry Classification System (NAICS)

NAICS	Commodity Description	Size Standards
		Millions of dollars or # of employees
311421	Canned Dried Beans/ Canned Fruit/ Canned Juice/Canned Vegetables	500
311423	Dried Fruit/ Dehydrated Products	500
424510	Grain and Field Bean Merchant Wholesalers (Dry Beans and Legumes)	500
424480	Fresh Fruit and Vegetable Wholesalers (including Bulk)	500
311411	Frozen Fruit/ Frozen Juice/ Frozen Vegetables	500
311991	Perishable Prepared Food Manufacturing (Fresh Sliced Apples, Baby Carrots, etc.)	500
311911	Roasted Nuts and Peanut Butter Manufacturing	500
311999	Corn Syrup/ Whole Eggs/ Egg Products/ All Purpose Egg Mix	500
311615	Chicken Products/ Chicken Bulk/ Turkey Products	500
112310	Shelled Eggs	\$12.5
311611	Animal (except Poultry) Slaughtering (Fine Ground/Coarse Ground Beef/Beef Patties)	500
311710	Seafood Product Preparation and Packaging	500
311422	Specialty Canning (Canned Beef Chili without the Beans/Beef Stew)	1000

Resource: AMS Master Solicitation for Commodity Procurements
www.ams.usda.gov/commoditypurchasing

Small Business Participation

Other Programs for Small Business

- HUBZone Program: “Historically Underutilized Business Zone” gives small businesses in designated regions a 10% price-preference in federal procurements.
- SBA 8(a) small disadvantaged business development program: Owned and controlled at least 51% by socially and economically disadvantaged individuals.
- AMS may offer non-competitive awards to 8(a) firms

Resource:

U.S. Small Business
Administration
www.sba.gov

Resource:

Dianna Price
AMS Small Business Coordinator
Dianna.Price@ams.usda.gov
202-720-4237



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Resource: AMS CP News (Listserv)

Receive e-mail notifications of solicitations, awards, Notices to the Trade, etc.

Subscribe on the AMS website:

www.ams.usda.gov/commoditypurchasing

Resource: AMS Website

www.ams.usda.gov/commoditypurchasing



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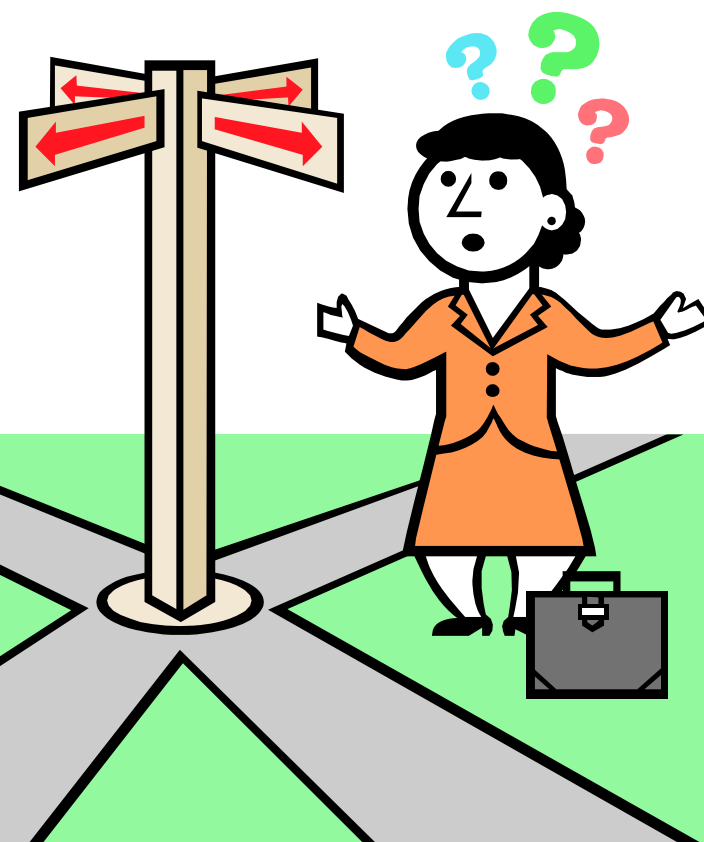
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Ready? Set...Become a
USDA Vendor!

WHERE DO I GO???

HOW DO I GET THERE???

WHO DO I TALK TO???



Get Started: 6 Steps

1. Review **AMS Master Solicitation** - contract clauses, provisions and requirements
2. Review **Product Specifications** to determine what you can supply
3. Get Approved: Review **Vendor Qualifications**, Submit Application Package
4. Receive Solicitation and “Sharpen Your Pencil”
5. Submit Offer in WBSCM
6. Get Awarded, Perform, Get Paid

Step 1. Review AMS Master Solicitation for Commodity Procurements

- Federal Acquisition Regulations (FAR) and Ag. Acquisition Regulations (AGAR) Clauses& Provisions; USDA/AMS Policies
- Federal Contractor Registration & Certification (www.sam.gov)
- Domestic Origin/Traceability
- Plant Surveys; GHP/GAP; Food Defense Plans/Audits
- Grading/Inspection/Certification
- Use of the Web Based Supply Chain Management System (WBSCM)
- Transportation and Delivery Requirements
- Small Business Subcontracting Plans
- Invoicing, Prompt Payment Act,
- Etc.

Step 2. Review Supplements to the Master Solicitation and USDA Commodity Specifications

USDA Specifications

- Product Descriptions
- Grades/Standards; Commercial Item Descriptions (CIDS)
- Formulation/Fabrication requirements
- Packaging/packing/labeling
- Contract Compliance (inspection, grading, and/or auditing)
- Etc.

Supplements to the AMS Master Solicitation (meat, aquatics, some poultry)

- Instructions on Supplier Eligibility for specific products- TECHNICAL REQUIREMENTS:
 - Supplier's technical approval
 - May include sample prototype
- Also Include USDA Specifications
- USDA must “technically approve” a supplier before they can supply under a USDA Contract- this supplier eligibility process is separate process from the USDA Vendor Approval process!

Step 3. Get Approved: Vendor Qualifications and Vendor Application

“Qualifications Requirements for Prospective Contractors”- Includes a checklist for the Prospective Vendors Application Package

- ✓ System for Award Management Registration (www.sam.gov)
- ✓ Small Business Administration (SBA) certification, if applicable
- ✓ WBSCM Vendor Registration Form
- ✓ Company Letter certifying capability to perform
- ✓ Three (3) Letters of Reference
- ✓ Financial
 - ✓ Balance Sheet and Income Statement- e.g., period ending **12/31/13**
 - ✓ Dun and Bradstreet (D&B) – “Business Information Report”
 - <https://creditreports.dnb.com/m/home#megamenu.html>
 - 1-866-721-2275
 - With Financial Information included - *highly recommended*
- ✓ NEW COMPANY? No D&B necessary; only current financial statements

Step 3. Get Approved: Vendor Qualifications and Vendor Application

Additional Small Business Qualifications:

Brokers/Non-Manufacturers

- ✓ Letter signed by the manufacturer or supplier illustrating the relationship and transfer of ownership
- ✓ Complaint and dispute resolution proposal
- ✓ Documentation proving that firm takes possession/ownership for the product
- ✓ Physical warehouse/storage facility
- ✓ SDVOSB and 8(a) firms must list NAICS Codes
 - ✓ 8(a) = certification letter from SBA listing NAICS codes

Step 3. Get Approved: Vendor Qualifications and Vendor Application

**Submit Application Package via e-mail to
AMS Commodity Procurement.** Your company
must receive approval from the Contracting
Officer before any offer/bid will be accepted.

Dianna Price

AMS Commodity Procurement Staff

Dianna.Price@ams.usda.gov

Direct: 202-720-4237

CPS Main: 202-720-4517



Step 3. Get Approved: Vendor Qualifications and Vendor Application

WBSCM Account Set Up:

Once approved, AMS WBSCM Team will contact the new vendor to complete the WBSCM vendor account setup.





WBSCM

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Funds Management

AMS & FNS

Order Management

AMS & FNS

Solicitations

AMS

Submission of Offers/Bids

Vendor

Contract/Purchase Order Award

AMS

Contract Management

Vendor, AMS, FNS

Invoicing/Approval

Vendor & AMS



WBSCM Resources

AMS website:

www.ams.usda.gov/commoditypurchasing

- Instructions (with screen prints!), Training Materials, and FAQs
- WBSCM Webinars (info on the website)

WBSCM Technical Help (access issues, IT issues):

- WBSCMHelp@ams.usda.gov
- 877-WBSCM-4U

WBSCM Procedural Help: (Submitting Offers, Invoicing, etc.)

- WBSCMAMSHelpDesk@ams.usda.gov
- [AMS Contract Specialists](#)



Step 4. Receive the Solicitation and “Sharpen Your Pencil”

AMS Issues the Solicitation: AMS CP News (e-mail), in WBSCM, and on AMS Website

Solicitation details:

Offer Due date: NO Late offers are accepted

Expected Award date: (aka “not later than” or “NLT”)

Additional Info: Small Business Set-Asides; FAS offshore loads; specification waivers/changes; etc.

Attachments: AMS Master Solicitation, Specifications, Request for Proposals, Amendments (SF-30), Exhibits, etc. (as applicable)

Line Items to be Bid: Product Description, Quantity (cs. or lbs.), Delivery Window, Destination City/State

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File Edit View Window Help

Create

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Tools Comment Share

TIMELY MANNER PURSUANT TO AGREEMENT WITH THE AUTHORITY RESPONSIBLE FOR COLLECTING IT?

Offeror acknowledges receipt of the amendment(s) to the solicitation. Select N/A if no amendment was issued to the solicitation.

Permitted values:

- Yes
- No
- N/A

Bid invitation Item details

Item	Material	Description	Required by	ZipCode	Quantity
10		FRUIT, JUICE			
20		APPLE JUICE PLST BTL-8/64 FL OZ			
50		MESA AZ			
60	100893	APPLE JUICE PLST BTL-8/64 FL OZ	07/01/2013-07/15/2013	85210	1,025 CS
70	100893	APPLE JUICE PLST BTL-8/64 FL OZ	08/01/2013-08/15/2013	85210	1,025 CS
100		YUMA AZ			
110	100893	APPLE JUICE PLST BTL-8/64 FL OZ	08/16/2013-08/31/2013	85365	1,025 CS
160		LONG BEACH CA			
170	100893	APPLE JUICE PLST BTL-8/64 FL OZ	08/01/2013-08/15/2013	90813	2,050 CS
220		SAN DIEGO CA			

Service

d Businesses

Official
Solicitation
Document

"Vendor View"
Worksheet

Copy_of_2000001758_Vendor_View[1] - Microsoft Excel

File Home Insert Page Layout Formulas Data Review View Acrobat

Cut Copy Paste Format Painter Clipboard Font Alignment Number Styles

Normal Bad Good Neutral Calculation Check Cell

B5 APPLE JUICE PLST BTL-8/64 FL OZ

	A	B	C	D	E	F	G	H	I	J	K
	Bid Invitation	Product Description	Product ID	Bid Item	Bid Quantity	Deliv. date	City	State	Post Code		
1	2000001758	APPLE JUICE PLST BTL-8/64 FL OZ	100893	0000000060	1025.000	7/15/2013	MESA	AZ	85210-8490		
2	2000001758	APPLE JUICE PLST BTL-8/64 FL OZ	100893	0000000070	1025.000	8/15/2013	MESA	AZ	85210-8490		
3	2000001758	APPLE JUICE PLST BTL-8/64 FL OZ	100893	0000000110	1025.000	8/31/2013	YUMA	AZ	85365-2626		
4	2000001758	APPLE JUICE PLST BTL-8/64 FL OZ	100893	0000000170	1025.000	8/15/2013	LONG BEACH	CA	90813		
5	2000001758	APPLE JUICE PLST BTL-8/64 FL OZ	100893	0000000170	1025.000	8/15/2013	LONG BEACH	CA	90813		
6	2000001758	APPLE JUICE PLST BTL-8/64 FL OZ	100893	0000000230	1025.000	7/31/2013	SAN DIEGO	CA	92121		
7	2000001758	APPLE JUICE PLST BTL-8/64 FL OZ	100893	0000000240	1025.000	9/30/2013	SAN DIEGO	CA	92121		
8	2000001758	APPLE JUICE PLST BTL-8/64 FL OZ	100893	0000000400	1025.000	8/31/2013	BLOOMFIELD	CT	06002-1342		
9	2000001758	APPLE JUICE PLST BTL-8/64 FL OZ	100893	0000000420	1025.000	8/31/2013	WASHINGTON	DC	20017		
10	2000001758	APPLE JUICE PLST BTL-8/64 FL OZ	100893	0000000440	1025.000	7/31/2013	DELAWARE CITY	DE	19706		
11	2000001758	APPLE JUICE PLST BTL-8/64 FL OZ	100893	0000000500	1025.000	8/31/2013	WILMINGTON	DE	19801		

Step 5. Submit an Offer in WBSCM

ALL offers are submitted via the Web-Based Supply Chain Management (WBSCM) System.

Response to Invitation for Bids (IFB):

- Constraints- volume by product or by delivery period
- Processing /Shipping Point
- Price- per Line Item, inclusive of transportation, to each destination

Response to Request for Proposals (RFP):

Everything in an IFB, plus:
Attach/Upload Proposal Documents with Offer

- Technical Info (Production)
- Sample
- Past Performance
- Price
- Management/Quality Assurance Practices
- Etc.

RESOURCE: [CP Staff Key Contacts](#)



Step 6. Award/Perform/Get Paid

RESOURCE: [CP Staff Key Contacts](#)

AMS Announces the Award

- Award information, including bid reports, are published on AMS website
- **Awarded Vendor(s)** receive contract (aka Purchase Order, or PO) via WBSCM (“Supplier Self-Service page”)

Contractor Performance: produce, process, certify, deliver on time

- Contract Compliance: USDA audit, grading/certification, inspection
- Advance Shipping Notice: enter in WBSCM before shipping each load.

Contract Administration: Changes, Hiccups, all the little things- vendor works with the AMS Contract Specialist through the entire period of performance

Invoice Submission:

- **WBSCM Invoice:** form (with supporting documentation) uploaded, reviewed by AMS, and payment made by USDA.



- **Prompt Payment:** See AMS Master Solicitation, Section X. Invoices and Payment Process

www.ams.usda.gov/commoditypurchasing

- Vendor Selling Kit
- Solicitation and Award Information
- Key Contacts- Contract Specialists and other Staff
- WBSCM Information and Training

Don't Miss Out!

Subscribe to AMS CP NEWS





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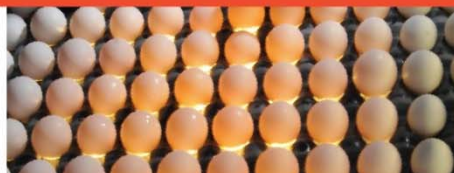
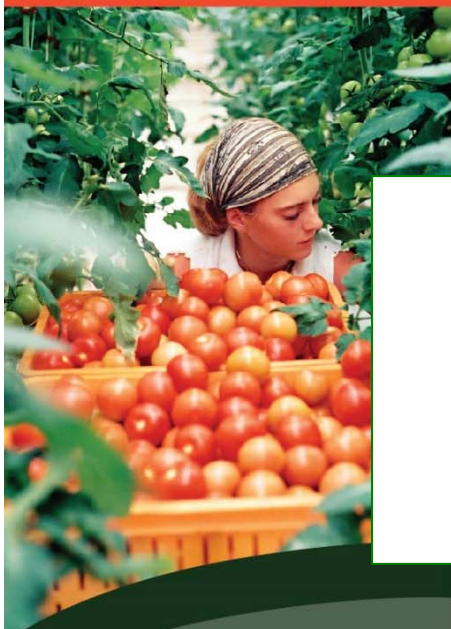
Part II:

Technical Requirements – Food Safety and Commodity Specification Division and Quality Assessment Division Overview and Activities



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Introduction

FOOD SAFETY AND COMMODITY SPECIFICATION DIVISION

- SPECIFICATION AND PRODUCT DEVELOPMENT, TECHNICAL PROPOSAL REVIEW, AND VENDOR ASSISTANCE

QUALITY ASSESSMENT DIVISION

- AUDITING, GRADING, SUPERVISION, AND CERTIFICATION



Supporting Background

- COMMODITY DESCRIPTIONS FOR MEAT, POULTRY, EGGS, AND AQUATIC FOODS
 - Institutional Meat Purchase Specification (IMPS)
 - US POULTRY TRADE DESCRIPTIONS
 - UNECE STANDARDS for Meat and Poultry
 - 7 CFR § 57, 7 CFR § 70, 9 CFR § 319, 9 CFR § 381



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Terry Lutz

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Vendor Eligibility Requirements

REQUIREMENTS VARY BASED ON SUPPLEMENT

- Audit Based
- QAD Certification
- National Marine Fisheries Inspection
- Product Sample Required/Not Required

CHECK SUPPLEMENT, SECTION I “INSTRUCTIONS TO POTENTIAL BIDDERS” FOR REQUIREMENTS



Audit Based

APPROVED TECHNICAL PROPOSAL

SUCCESSFUL QAD PRE-AWARD ONSITE CAPABILITY ASSESSMENT

- Review processes, food security plan, and quality control to determine ability to meet contractual requirements.
- Unless otherwise specified, all costs associated with the audit are borne by the Contractor

SUBSEQUENT AUDITS

- Not less than once per month for continuous or multiple contracts, or
- Once per contract for intermittent contracts.



QAD Certification

TECHNICAL PROPOSAL MAY BE
REQUIRED

QAD SUPERVISION OF PROCESSING
OPERATIONS

- QAD Grader on-site during production to certify compliance with Specification requirements
- Unless otherwise specified, all QAD costs to provide certification services will be borne by the Contractor



National Marine and Fisheries Inspection

REQUIREMENT FOR ALL FISH PRODUCTS

- Type I inspection, which may include Integrated Quality Assurance (IQA) or Hazard Analysis Critical Control Point (HACCP) Quality Management Program (QMP).

EXCEPT FOR CANNED SALMON, ALL
OTHER FISH PRODUCTS ARE AUDIT
BASED



Interested? Things you can do...

READ THE SUPPLEMENT AND WRITE DOWN ANY QUESTIONS YOU MAY HAVE

CONTACT THE FOOD SAFETY AND COMMODITY SPECIFICATION DIVISION FOR THE ANSWERS

REVIEW THE COMMODITY PROCUREMENT WEBPAGE FOR PAST PURCHASES....CAN YOU BE COMPETITIVE? DON'T FORGET ANY POTENTIAL ADDED COSTS SUCH AS AUDITING OR CERTIFICATION SERVICES





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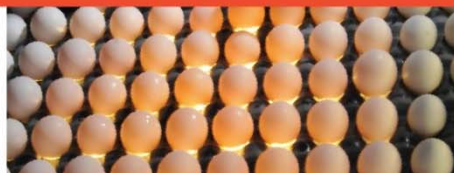
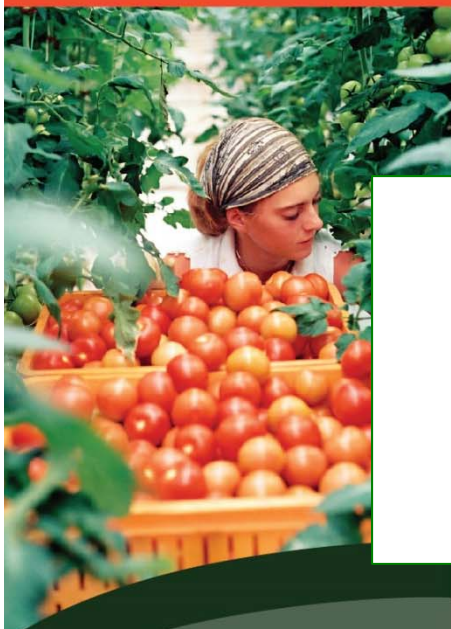
Creating Opportunities for American Farmers and Businesses

Part III: **Technical Proposal Development and Desk Audits**



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Creating Opportunities for American Farmers and Businesses



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Overview

- **Technical Proposal/Production Plan Development**
 - Quality Manual Written Against AMS Technical Requirements
 - Synopsis of the Establishment/Process
 - Food Safety and Quality Considerations



Technical Proposal/Production Plan Requirements

- Offeror's proposal/plan should be brief and concise.
- Technical proposal or production plan shall be preceded by a Table of Contents listing the major areas as they appear in the document and a List of Attachments and Forms provided with the proposal/plan, if appropriate.



Technical Proposal/Production Plan Requirements

- Format
 - **Plan and Do** - Detailed description of the item offered and each of the production steps that are taken to meet or exceed the minimum product requirements set forth in the applicable specification.



Technical Proposal/Production Plan Requirements

- Format
 - **Check** - Describe all the quality assurance methods used to verify conformance to all requirements. This will include the monitoring and measurements taken during the process to verify conformance with each requirement. All measurement results shall be recorded and made available to AMS.



Technical Proposal/Production Plan Requirements

- Format
 - **Act** - Identify all corrective actions to be taken if deviations from contractual and specification requirements occur during production and all preventative actions taken to preclude reoccurrences.



Desk Audits

- “Say What You Do”
 - AMS will review the submitted plan before an on-site capability assessment is recommended.
 - Are all provisions of the specification addressed in a PDCA format?
 - Is the content logical/practical?



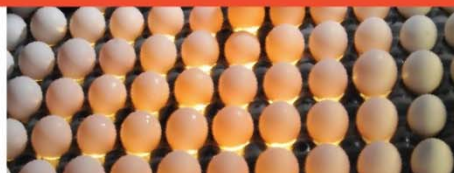
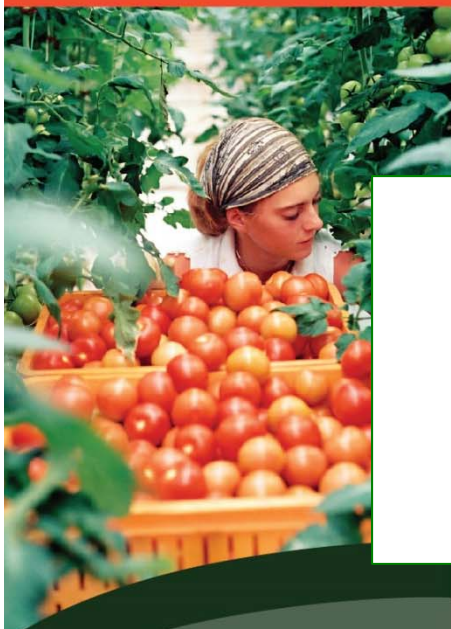
On-sight Audits

- “Do What You Say”
 - AMS will then conduct an on-site capability assessment against the approved technical proposal.
 - Additional audit scope includes the specification, AMS Master Solicitation, Supplement and Food Defense Plan.
 - Audit outcome affects eligibility.



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Technical Proposal Development: Example I

Specification Requirement:

323.6 Objectionable Materials – The following objectionable materials shall be excluded:

323.6.1 Major lymph glands (prefemoral, popliteal, and prescapular), thymus gland, and the sciatic (ischiatric) nerve (lies medial to the outside round). All bone, cartilage, and the following heavy connective tissues:

323.6.1.1 White fibrous – Shoulder tendon, elbow tendon, silver skin (from the outside round), sacrociatic ligament, opaque periosteum, serous membrane (peritoneum), tendinous ends of shanks, gracilis membrane, patellar ligament (associated with the stifle joint), and achilles tendon.



323.6.1.2 Yellow elastin – Back strap and abdominal tunic.

Technical Proposal Development: Example I

PLAN & DO

Objectionable Materials – The following objectionable materials will be removed from the product being produced for this program:

Major lymph glands (preformal, popliteal, and prescapular), thymus gland, sciatic (ischiatric) nerve (lies medial to the outside round), internal fat (kidney, pelvic, and heart fat). All bone, cartilage and the following connective tissues:

White fibrous – shoulder tendon, elbow tendon, silver skin from the outside round, sacrociatic ligament, opaque periosteum, serous membrane (peritoneum), tendinous ends of shanks, patellar ligament (stifle joint), gracillis membrane (from the inside round), and achilles tendon.



Yellow elastin – backstrap and abdominal tunic.

Technical Proposal Development: Example I

CHECK:

XYZ Packing will have a trained quality control inspector conduct an audit every 30 minutes in conjunction with the boneless beef re-inspection and AQL inspections.

The results from this audit will be recorded on the objectionable materials documentation audit sheet (Attachment 15). This audit is conducted just prior to the boneless beef going into the combo.

The time of the audit is recorded on the audit sheet and the time each combo is produced is recorded on HACCP form 8 (Attachment 11).



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Attachment 15

Supplement LS-211-212 AQL

Product code _____ Description _____

SO# (govt) _____

Plant: _____

Auditor: _____

Date: _____

Sampling instructions:

Sample size: 30-lb. sample from every 30 minutes

Defect criteria: 5 demerits = fail Minor = 1, Major = 2, Critical = 3

Failed audits result in reworking all combos produced back to the last acceptable audit.

Time									
Minor Defects: 1 Demerit									
Cartilage > 1/2 in									
Hair									
Blood Clots > 1in sq.									
Carcass Marking ink									
Heavy tendon < 1" in any dimension									
Back strap < 1" in any dimension									
Bone fragment < 1 1/2" greatest dimension									
Bone slivers (From rib) < 3" and < than 1/4" flexible bone chip from a rib end more than 3/4" in greatest dimension that is thin and crumbles easily, and with or without attached muscle tissue.									
Major Defects: 2 Demerits									
Hard bone > 1 1/2" greatest dimension, or numerous (over 5) minor fragments in one sample									
Any area of dark discoloration > 4 sq. in.									
Exposed large blood vessel > 1/4 inch in diameter.									
Aorta									
Diaphragm Membrane									
Bruises > 2.5 inches									
Solid area of Carcass Marking ink > 1sq in.									
Exposed or loose connective tissue.									
Heavy tendon > 1" in any dimension									
Back strap > 1" in any dimension									
Critical Defects: 3 Demerits									
Foreign Material (Any)									
Hard bone one or more of a number or size seriously affecting product usability.									
Abscesses or infected lymph nodes (Any) prefemoral, popliteal and prescapular lymph glands									
Heavy Connective tissue > 3/16 x 4 inches									

** Heavy Connective tissue will be define as: (a) White fibrous – shoulder tendon, elbow tendon, Silver skin from the outside round, sacorciatic ligament, sciatic (ischiatric) nerve, opaque periosteum, seruos membrane(peritoneum), teninous ends shank,of shanks, gracilis membrane, patellar ligament (associated with the stifle joint), and achilles tendon.
 (b) Yellow elastin – Back strap and abdominal tunic.
 (c) Major Lymph glands (prefemoral, popliteal, and prescapular)
 (d) Internal fat (kidney, pelvic, and heartfat)



Attachment 11



Combo Production Temperature													
Instructions: Check temperature of every combo upon completion. Any combo which is over 40°F must be placed on hold. 41-44 Hold and recheck. 44 and over hold and rework.													
Item #	Combo #	Customer	Type of Product	Combo Temperature			Time Finished	Lot #	Tare Wt.	Scale Wt.	1st Wt.	2nd Wt.	Initials
				OK	Sample Lot	Hold							
1													
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
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39													
40													

Recorded By: _____

Reviewed By: _____

Date: _____

Date: _____

Technical Proposal Development: Example I

ACT:

If any objectionable material is found, the product produced from the time of the last acceptable audit will be re-worked.



Technical Proposal Development: Example II

Specification Requirement:

Metal Detection - All product shall be free of metal contaminates. Detection of stainless steel, ferrous, and non-ferrous (e.g., lead, copper, and aluminum) metals is required. The contractor's technical proposal must identify and describe the equipment, location, detection procedure, sensitivity levels, frequency of equipment validation, and corrective action procedures.



Technical Proposal Development: Example II

PLAN:

(1) Plan – ABC Packing shall produce ground beef products free of metal contaminates by utilizing metal detectors and known standards to verify that metal detection equipment is operating as designed.



Technical Proposal Development: Example II

DO:

(2) Do: ABC Packing will use Safeline® metal detection equipment capable of detecting ferrous, non-ferrous and stainless steel contaminants. The equipment will be in line between the v-mag and the Kartridge Pac® machine for fine ground product and a full box detector after packaging and prior to palletizing for coarse ground products, and in line after freezing prior to packaging for patties. The sensitivity level will be set at 2.5 Ferrous, 3.0 non-ferrous and 3.5 stainless steel. The detector should expel an adequate amount of the ground beef to assure that the metal contaminate is removed from the product passing through the detector and/or an alarm sounds and the belt stops allowing for removal of the contaminated product.



Technical Proposal Development: Example II

CHECK:

(3) Check: Quality Control and/or Production personnel will verify that the equipment is operating properly by its ability to detect known standards of 2.5 Ferrous, 3.0 non-ferrous and 3.5 stainless steel. The verification will be performed at least hourly by placing each standard directly on the line and visually verifying the adequate expulsion of product and/or an alarm sounds and the belt stops allowing for removal of the contaminated product.. The time and results of the verification will be recorded on the *Metal Detector Log* forms. (Attachments # 12a & 12b)



Metal Detector Monitoring Log

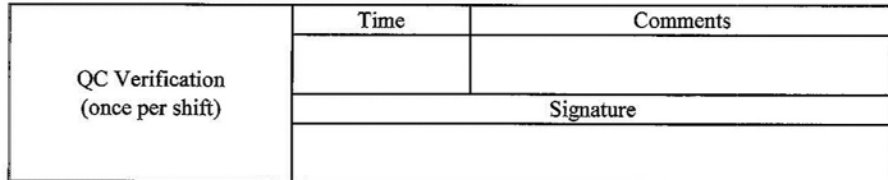
Date: _____

Line: _____

[illegible]

QC Verification (once per shift)	Time	Comments
	Signature	

Corrective Actions
<ul style="list-style-type: none"> • Stop the line, notify maintenance & QC • Hold product back to last passing check • Re-run product through functional metal detector • Recheck the metal detector after repairs • Do not use until metal detector is functional

[illegible]

- | Corrective Actions |
|--|
| <ul style="list-style-type: none"> ` Stop the line, notify maintenance & QC ` Hold product back to last passing check ` Re-run product through functional metal detector ` Recheck the metal detector after repairs ` Do not use until metal detector is functional |

Technical Proposal Development: Example II

ACT:

(4) Act: Should the metal detection system fail the verification, the line would be stopped, the equipment would be adjusted and/or assessed by maintenance personnel until the equipment is tested and returned to proper working order. The ground product produced since the last acceptable verification will be either removed from USDA production or passed through the metal detection system a second time after the equipment has been returned to proper working order. The verification would be heightened to be performed each 15 minutes. After four (4) successful checks, the monitoring would return to normal. The heightened monitoring is recorded on the *Product Inspection* forms (Attachments # 12a & 12b). All non-conformances and resulting corrective actions will be documented on the *Corrective Action Report* form. (Attachment # 2)



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Attachment 2

Corrective Action Report

Date		Time of Deviation		Area Deviation Occurred	
Circle Applicable	SSOP Failure CCP Failure Other: _____			Personnel Involved	
Was Product Involved?	Yes or No	If Yes, how much and what code?			
Description of Deviation (what happened, be specific):					
Corrective Action (what was done to fix the issue, be specific):					
Cause of the failure:					
Preventative Measure (action to prevent failure reoccurrence):					
Review	Signature of individual filling out form		Date		
	Signature of QA Management		Date		



Resources

- AMS Commodity Purchasing
<http://www.ams.usda.gov/commoditypurchasing>
- Food Safety and Commodity Specification Division
<http://www.ams.usda.gov/AMSv1.0/FSCS>
- Quality Assessment Division
<http://www.ams.usda.gov/AMSv1.0/LSMeatGradingGradingServices>



Thank you

Discussion & Questions

