

FSIS Audit of State Meat and Poultry Inspection Programs

Fiscal Year 2022 Summary Report

Federal-State Audit Staff
Office of Investigation, Enforcement and Audit
Food Safety and Inspection Service
U.S. Department of Agriculture
January 2023

Executive Summary

This report presents the U.S. Department of Agriculture (USDA) Food Safety and Inspection Service's (FSIS) fiscal year (FY) 2022 audit results for State Meat and Poultry Inspection (MPI) programs that currently operate under cooperative agreements with FSIS.¹ It is a final summary of audit results communicated in four separate reports that were issued earlier in the year to State MPI programs by a multi-disciplinary audit team comprised of Federal-State audit Staff (FSAS), Civil Rights Staff (CRS), Financial Review and Systems Branch (FRSB), and Laboratory Quality Assurance, Response, and Coordination Staff (LQARCS).

FSIS completed annual desk audits of 27 State MPI programs,² initial desk audits of the 2 new State MPI programs³ and conducted routine onsite verification audits of 9 State MPI programs.⁴

In FY 2022, the 29 State MPI programs provided inspection to over 1,500 small and very small establishments. Upon completion of comprehensive audits of the States' self-assessment documents, FSIS determined that each of the 27 States developed laws, administrative rules, regulations, and program policies to administer MPI programs in a manner "at least equal to" the Federal inspection program.

Background

The Federal Meat Inspection Act (FMIA) (21 U.S.C. 661) and the Poultry Products Inspection Act (PPIA) (21 U.S.C. 454) authorize FSIS to cooperate with State agencies in developing and administering State MPI programs. An individual State MPI program is limited to meat and poultry products that are produced and sold within the State and needs to operate in a manner and with authorities that are "at least equal to" the programs that FSIS implements under the ante-mortem and post-mortem inspection, reinspection, sanitation, record keeping, and enforcement provisions of the FMIA (21 U.S.C. 601, et seq.) and PPIA (21 U.S.C. 451, et seq.). State MPI programs are to ensure that livestock are treated humanely by imposing humane handling requirements that are "at least equal to" the requirements FSIS has established under the Humane Methods of Slaughter Act (HMSA) (7 U.S.C. 1901–1906).

FSIS Directive 5720.3, Methodology for Performing Scheduled and Targeted Reviews of State Meat and Poultry Inspection Programs,⁵ and the companion FSIS "At Least Equal to" Guideline for State Meat and Poultry Inspection Program⁶ outlines the comprehensive State MPI program

¹ This report does not include egg products, which are also regulated by USDA-FSIS. The Federal Egg Products Inspection Act (EPIA) (21 U.S.C. 1031 et seq.) makes no provisions for State inspections.

² The 27 States are Alabama, Arizona, Delaware, Georgia, Illinois, Indiana, Iowa, Kansas, Louisiana, Maine, Minnesota, Mississippi, Missouri, Montana, North Carolina, North Dakota, Ohio, Oklahoma, South Carolina, South Dakota, Texas, Utah, Vermont, Virginia, West Virginia, Wisconsin, and Wyoming.

³ The two new MPI programs are Oregon and Arkansas. Oregon submitted documentation in July and Arkansas submitted documentation in October prior to beginning operations.

⁴ The 9 onsite States are Indiana, Kansas, Minnesota, Mississippi, Missouri, North Dakota, South Dakota, Texas and Wisconsin.

⁵ Available at [Methodology for Performing Scheduled and Targeted Audits of State Meat and Poultry Inspection Programs - Revision 2 | Food Safety and Inspection Service \(usda.gov\)](https://www.fsis.usda.gov/inspections-and-compliance/audit-and-inspection/methodology-for-performing-scheduled-and-targeted-audits-of-state-meat-and-poultry-inspection-programs-revision-2).

⁶ Available at ["At Least Equal To" Guideline for State Meat and Poultry Inspection Programs | Food Safety and Inspection Service](https://www.fsis.usda.gov/inspections-and-compliance/audit-and-inspection/at-least-equal-to-guideline-for-state-meat-and-poultry-inspection-programs).

audit process. The comprehensive State audit process consists of two parts: (1) annual desk audit of the self-assessments, and (2) triennial onsite audits, which are used to determine whether the State MPI program enforces requirements “at least equal to” the Federal requirements.

Under the FMIA (Section 301(c), 21 U.S.C. 661(c)) and the PPIA (Section 5(c), 21 U.S.C. 454(c)), when the Secretary of Agriculture determines that a State MPI program is not enforcing requirements “at least equal to” those imposed under the FMIA or PPIA, the Secretary of Agriculture must designate the State as one in which FSIS’ Federal Meat and Poultry Inspection regulations apply to operations and transactions within the State.

Designation of a State means that all establishments within the State where livestock or poultry amenable to Federal inspection are slaughtered, or their carcasses or parts are prepared or processed for use as human food under the State’s inspection program, must be transferred to the Federal meat and poultry inspection program overseen by FSIS.

The FMIA and PPIA provide for FSIS to conduct at least annual audits 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 of such animals; and poultry products.

Cooperative agreements and annual certifications of State MPI programs are contingent upon FSIS determining that the State MPI program is enforcing requirements “at least equal to” those imposed under the Federal acts. FSIS performs annual audits to determine whether each State MPI program meets, and has maintained for a 12-month period, the mandated “at least equal to” standard.

Table of Contents

Executive Summary	i
Background	i
Audit Methodology.....	1
Determination Process	6
Audit Results	7
Next Steps	7
Table 1. FSIS’ FY 2022 State MPI Program Determinations Based on the Self-Assessment Audit Results Only	8
Table 2. FSIS’ FY 2022 State MPI Program Determinations Based on the Onsite Verification Audit Results.....	9

Table of Contents (Continued)

Appendices

- A. Alabama
- B. Arizona
- C. Delaware
- D. Georgia
- E. Illinois
- F. Indiana
- G. Iowa
- H. Kansas
- I. Louisiana
- J. Maine
- K. Minnesota
- L. Mississippi
- M. Missouri
- N. Montana
- O. North Carolina
- P. North Dakota
- Q. Ohio
- R. Oklahoma
- S. South Carolina
- T. South Dakota
- U. Texas
- V. Utah
- W. Vermont
- X. Virginia
- Y. West Virginia
- Z. Wisconsin
- AA. Wyoming
- BB. Arkansas
- CC. Oregon

Audit Methodology

The audit methodology is published in two companion documents. Food Safety and Inspection Service (FSIS) Directive 5720.3, Methodology for Performing Scheduled and Targeted Reviews of State Meat and Poultry Inspection Programs, and the “At Least Equal To” Guideline for State Meat and Poultry Inspection Programs. These documents describe the methodology used by FSIS’ auditors and provide information to State Meat and Poultry Inspection (MPI) programs on the criteria that FSIS uses to make its annual determination of whether State MPI programs are “at least equal to” the Federal inspection program.

The State MPI program audit process consists of two parts: (1) an annual desk audit of the State MPI program’s self-assessment submission and (2) a triennial verification onsite audit. Each year, FSIS uses one or both parts of the comprehensive audit process to determine whether a State MPI program is operating in a manner “at least equal to” the Federal inspection program. FSIS continued to ensure State MPI programs complied with civil rights laws and Agency policies and practices.

In addition to the comprehensive audits of each State MPI program, FSIS may perform a targeted audit of a State MPI program any time evidence or conditions suggest there are program weaknesses that may result in unacceptable risk to public health, the program is not maintaining “at least equal to” status, or the State legislatures have enacted statutes or laws that violate the Federal Meat Inspection Act (FMIA) or Poultry Products Inspection Act (PPIA). FSIS focuses the scope and activities of the targeted audit on the conditions and evidence that triggered the need for the audit and analyzes the audit results to determine if the State MPI program is maintaining its “at least equal to” status.

The comprehensive audit process evaluates the following nine program components:

1. Statutory Authority and Food Safety Regulations – This component evaluates whether the State MPI program operates under laws and regulations that provide legal authorities “at least equal to” those provided under the FMIA, PPIA, and the Humane Methods of Slaughter Act (HMSA).
2. Inspection – This component evaluates whether State MPI program personnel perform inspection activities to verify whether establishments comply with applicable regulations and take appropriate enforcement actions when establishments are not in compliance with provisions that are “at least equal to” those of FSIS.
3. Sampling Programs – This component evaluates whether State MPI program personnel sample meat or poultry products to verify whether they are free of adulterants (e.g., *Escherichia coli* (*E. coli*) O157:H7 in raw, non-intact, beef products and raw ground beef components; Shiga toxin-producing *E. coli* (STEC) serotypes in beef manufacturing trimmings; *Listeria monocytogenes* (*L. monocytogenes*) and *Salmonella* in ready-to-eat (RTE) products; or drug residues at violative levels), comply with *Salmonella* and *Campylobacter* performance standards in raw classes of meat and poultry, comply with

other consumer protection standards, and are accurately labeled (e.g., with nutrition information).

4. Staffing, Training, and Supervision – This component evaluates whether the State MPI program provides competent inspection coverage in each establishment on days the establishment produces product that, if found to be safe, wholesome, unadulterated, and properly labeled, is to bear the State mark of inspection.
5. Humane Handling – This component evaluates whether State MPI program personnel perform regulatory verification procedures to assess whether establishment personnel humanely handle all livestock and take appropriate regulatory actions in response to noncompliance. State MPI program personnel also are to perform regulatory verification procedures to assess whether poultry carcasses showing evidence of having died from causes other than slaughter are considered adulterated and condemned, and to assess whether poultry is slaughtered in accordance with good commercial practices, in a manner that results in thorough bleeding of the poultry carcass and ensures that breathing has stopped before scalding so that the birds do not drown.
6. Compliance – This component evaluates whether State MPI program personnel perform surveillance activities with respect to meat or poultry products in intrastate commerce and take appropriate enforcement actions in the event that adulterated or misbranded products enter intrastate commerce.
7. Laboratory Quality Assurance Program and Methods – This component evaluates whether State MPI programs maintain laboratory methods and laboratory quality assurance programs that address food pathogen and food chemistry analytes.
8. Civil Rights – This component evaluates whether the State MPI program adheres to Federal civil rights laws and the U.S. Department of Agriculture’s civil rights regulations.
9. Financial Accountability⁷ – This component evaluates whether the State MPI program conforms with to 2 CFR Part 400 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and follows FSIS Directive 3300.1, Fiscal Guidelines for Cooperative Inspection Programs.

FSIS assembles multi-disciplinary audit teams to perform the audits. The audit teams are comprised of representatives from the Federal-State Audit Staff (FSAS), Civil Rights Staff (CRS), Financial Review and Systems Branch (FRSB), Laboratory Quality Assurance, Response and Coordination Staff (LQARCS), and other program areas, as needed. These audit teams

⁷ In light of the current economic conditions, some State governments are experiencing financial challenges, which may result in overall budget cuts or the enactment of laws that could jeopardize the administration of their meat and poultry inspection programs. To ensure the safety of State-inspected meat and poultry products, FSIS has initiated more vigilant monitoring to track and analyze circumstances and conditions that adversely affect the State MPI program’s financial resources. When FSIS identifies concerns with a State MPI program’s financial resources, the Agency will further examine each situation to determine the impact on the State MPI program’s inspection activities, product sampling programs, staffing, and compliance activities, and determine if the State MPI program is maintaining its “at least equal to” status.

include subject matter experts in meat and poultry inspection systems; compliance and enforcement programs; staffing; laboratory methods; civil rights; and financial accountability. FSAS audits Components 1 through 6. LQARCS audits Component 7, CRS audits Component 8, and FRFB audits Component 9.

Part 1 – Self-Assessment Audit

In the first part of this methodology, State MPI programs are required to submit annual self-assessment documentation and certification statements by November 1 of every year. The self-assessment submission provides documentation concerning the rules, regulations, and policies within the State MPI program to provide a basis for FSIS to determine whether the State MPI program meets the mandated “at least equal to” Federal requirements. FSIS considers the information provided to represent an auditable description of how the State MPI program is currently functioning and will continue to function.

FSIS audits the State MPI program’s annual self-assessment submission to determine whether it demonstrates that the State MPI program is “at least equal to” the Federal inspection requirements and that it includes evidence and documents that support that the processes are in effect and current with FSIS policies. As questions arise during the self-assessment audit, FSIS requests clarifying information or supporting documentation from the State MPI program. The FSIS audit team then makes a determination based on the audit of the entire self-assessment submission.

Part 2 – Onsite Audit

In the second part of this methodology, FSIS conducts triennial onsite verification audits to observe the State MPI program and to verify that the State MPI program has implemented and can maintain its inspection system, and to determine whether the State MPI program is enforcing requirements “at least equal to” the Federal requirements. When preparing for conducting the onsite audit, the audit team conducts an audit of the State MPI program’s most recent self-assessment submission in the State Review and Communication Tool. During the onsite audit, FSAS audits State MPI program records at the State MPI program office and a sample set of establishments, resulting in an overall annual determination.⁸

FSAS requests that State MPI program officials submit the following information prior to FSAS coming onsite:

- Descriptions of any changes in the MPI program that occurred since the most recent self-assessment submission;
- A current list of establishments receiving inspection from the State MPI program;
- A description of each State supervisor’s area of responsibility;

⁸ The audit team schedules and conducts an onsite audit for Components 1–6. The onsite audits for Component 7 (Laboratory Methods and Quality Assurance Program), Component 8 (Civil Rights), and Component 9 (Financial Accountability) are scheduled separately and conducted, respectively, by the FSIS Office of Public Health Science, Civil Rights Staff, and FSIS Financial Management Division.

- The Hazard Analysis and Critical Control Point (HACCP) processing categories for each State-inspected establishment and a ranking of the highest volume producers for each HACCP processing category;
- A list of all State-inspected establishments that the State MPI program has audited (e.g., through an audit similar to an FSIS Food Safety Assessment or other State audit) within the preceding 12 months; and
- A list of all State-inspected establishments that have a history of any of the following public health risks within the preceding 12 months:
 - Positive sample results for pathogens (e.g., STEC serotypes in beef manufacturing trimmings; *E. coli* O157:H7 in non-intact, raw beef products; or *L. monocytogenes* or *Salmonella* in RTE products);
 - *Salmonella* or *Campylobacter* verification sample set results that exceed the performance standard or guideline established by FSIS;
 - Enforcement actions;
 - Recalls; and
 - Structural damage to State-inspected establishments caused by a natural or other disaster.

For each State MPI program, FSAS uses a statistically validated sampling method to determine the total number of establishments to audit onsite, selects specific establishments to audit based largely on the aforementioned public health risks, and includes establishments that the State MPI program audited during the preceding 12 months. FSAS shares the list of establishments selected to audit with State MPI program officials at least 5 business days before the onsite audit.

At each establishment audit, the FSAS program auditor:

- Audits the State MPI program’s verification of compliance with applicable State requirements on HACCP, Sanitation Standard Operating Procedures, Sanitation Performance Standards, non-food safety consumer protection, control of specified risk material, humane handling, and custom and retail exempt requirements;
- Observes State MPI program inspectors as they perform ante-mortem and post-mortem inspection procedures;
- Documents, based on observation and records audit, any establishment noncompliance that the State MPI program failed to identify or for which the State MPI program failed to take an appropriate regulatory action;
- Documents other findings that indicate that the State MPI program is not “at least equal to” the Federal program;
- Reports findings to State MPI program officials at the conclusion of each establishment audit;

- Discusses the audit findings with State MPI program officials, then observes the State MPI program officials as they lead the exit meeting with establishment management to discuss the findings of each establishment audit; and
- Ensures, before leaving an establishment, that State MPI program officials have taken appropriate actions with respect to all noncompliances observed during the establishment audit.

In addition to the establishment audits, the FSAS program auditor audits product sampling, staffing, training, compliance, and management control documents at the State MPI program office. This audit includes a representative sample of current State MPI program records and is necessary to determine whether the documents provide evidence that the State MPI program implements these programs in a manner consistent with the self-assessment documents, and whether the State MPI program maintains and carries out its program “at least equal to” the Federal inspection program.

After completing establishment audits, inspection, compliance activity observations, program personnel interviews, and State MPI program record audits, FSAS identifies findings by comparing the results of onsite verification findings against the program standard policies, procedures, and supporting evidence of the current year’s self-assessment. The FSIS audit team’s findings primarily focus on implementation of food safety policy and procedures and on whether the program meets the criteria for the nine audit components. FSAS presents all identified findings and vulnerabilities to State MPI program officials at the audit exit meeting.

FSAS classifies findings into two categories: noncompliance and nonconformity. A noncompliance is a failure to meet a regulatory requirement set forth in 9 CFR, which all State MPI programs have adopted as the governing set of regulations for meat and poultry operations under their jurisdiction.⁹ Nonconformity is a failure of the State MPI program or any State official to comply with an administrative or operational standard, policy, or procedure submitted in the current year’s self-assessment document. In addition to findings, FSAS may identify program vulnerabilities during the onsite audit. A vulnerability is an observed weakness involving a program or management practice that may jeopardize the State MPI program’s ability to carry out its public health and regulatory objectives if it is not corrected. Vulnerabilities do not rise to the level of a noncompliance or nonconformity because the State MPI program is not required to have a set policy or standard for the observed practice.

The State MPI program must submit a written program action plan to correct all findings. The program action plan must:

- Identify the underlying causes of any findings that may be system-wide and ensure Statewide correction of such findings;
- Identify the underlying causes of specific findings at individual establishments and ensure that the State MPI program verifies that the establishments address such findings; and

⁹ All states have adopted applicable portions of 9 CFR by reference.

- Identify the verification plan or management controls that the State MPI program will implement throughout the year to verify adequate implementation of the corrective actions.

Determination Process

Each year, FSIS determines whether each State MPI program meets the “at least equal to” standard based on one or both parts of the comprehensive audit. If the State MPI program is not scheduled for an onsite audit during the fiscal year, FSIS makes an annual determination based on the results of the comprehensive self-assessment audit. If the State MPI program is scheduled for an onsite audit during the fiscal year, then FSIS makes an annual determination based on the results of both the self-assessment and onsite audit.

Following each self-assessment and onsite audit, FSIS determines whether each State MPI program meets the “at least equal to” standard. FSIS makes one of the following three determinations for each of the nine components and on the State’s overall ability to maintain its MPI program for the next 12 months:

- (1) “At Least Equal To”_means the State MPI program has adopted laws, regulations, and programs, and has implemented them in a manner that is “at least equal to” the Federal inspection program for all audit components.
- (2) “At Least Equal To with Provisions” means FSIS makes a provisional determination of the State MPI program’s “at least equal to” status provided the program takes additional action to resolve the audit findings.
- (3) Not “At Least Equal To”_means the State MPI program has not adopted laws, regulations, or programs, or does not implement them in a manner that is “at least equal to” the Federal inspection program for one or more of the audit components.

If the results of the self-assessment or the onsite audit are that the State MPI program is “at least equal to” the Federal inspection program, FSIS promptly notifies State MPI program officials in writing of this fact. If FSIS needs additional information from State MPI program officials to reach a determination, FSIS requests that State MPI program officials provide that information. FSIS does not make a determination until all necessary information is collected and analyzed. If FSIS determines that a State MPI program is unable or unwilling to maintain an inspection program that is “at least equal to” the Federal inspection program, the Secretary of the U.S. Department of Agriculture will promptly notify the Governor of the State and allow the State an opportunity to discuss the Agency’s findings and recommendation to designate the State. If a State MPI program becomes subject to the designation process, the FSIS Office of Policy and Program Development’s Issuance Staff will prepare a Federal Register notice informing the public that the State has been designated, as required by the FMIA (Section 301(c), 21 U.S.C. 661(c) and PPIA (Section 5(c), 21 U.S.C. 454(c)), and that the designated State’s meat or poultry product establishments will be subject to Federal inspection 30 days after publication of the notice.

Audit Results

The FY 2022 FSIS determinations are summarized in this section and in Tables 1 and 2. All identified findings for each State MPI program are detailed in the attached corresponding individual State report.

Based on the 27 self-assessment audits received during FY 2022, FSIS determined all States developed and maintained laws, administrative rules, regulations, program policies, and related operational records necessary to support that they continue to administer “at least equal to” MPI programs. The self-assessment determinations for each State MPI program are summarized in Table 1.

FSIS determined through 27 annual comprehensive desk audits and 9 routinely scheduled onsite audits, that 27 States maintained MPI programs that were “at least equal to” the Federal programs. Table 2 lists determinations based on the results of this year’s onsite verification audits. Further details are found in applicable individual State reports included as attachments to this summary report.

Next Steps

By the end of January 2023, FSIS will publish to the FSIS website this annual summary report and attached 29 individual State MPI program reports detailing findings and final determinations of the onsite audits.

In FY 2023, FSIS plans to conduct self-assessment audits of all 29 State MPI programs and, if possible, onsite audits of at least 11 State MPI programs in accordance with FSIS Directive 5720.3, Methodology for Performing Scheduled and Targeted Reviews of State Meat and Poultry Inspection Programs.

FSIS and the State MPI programs will continue to monitor media and other information sources for new or revised State laws, financial expenditures, and program governance practices that may detrimentally impact the abilities of the 29 States to administer meat and poultry inspection programs that continue to meet “at least equal to” standards.

**Table 1. FSIS’ FY 2022 State MPI Program Determinations
Based on the Self-Assessment Audit Results Only**

State	“At Least Equal To”¹	“At Least Equal To” with Provisions²	Not “At Least Equal To”³
Alabama	✓		
Arizona	✓		
Delaware	✓		
Georgia	✓		
Illinois	✓		
Indiana	✓		
Iowa	✓		
Kansas	✓		
Louisiana	✓		
Maine	✓		
Minnesota	✓		
Mississippi	✓		
Missouri	✓		
Montana	✓		
North Carolina	✓		
North Dakota	✓		
Ohio	✓		
Oklahoma	✓		
South Carolina	✓		
South Dakota	✓		
Texas	✓		
Utah	✓		
Vermont	✓		
Virginia	✓		
West Virginia	✓		
Wisconsin	✓		
Wyoming	✓		
Arkansas	NA ⁴		
Oregon	NA ⁴		

¹ “At Least Equal To” – The State MPI program has adopted laws, regulations, and programs, and has implemented them in a manner that is at least equivalent to the Federal inspection program for all audit components.

² “At Least Equal To” with Provisions – FSIS makes a provisional determination of the State MPI program’s “at least equal to” status provided the program takes additional action to resolve the audit findings.

³ Not “At Least Equal To” – The State MPI program has not adopted laws, regulations, and programs, or does not implement them in a manner that is “at least equal to” the Federal inspection program for one or more of the audit components.

⁴ Arkansas and Oregon have new State MPI programs and do not have enough documentation to support an ALET determination at this point.

**Table 2. FSIS’ FY 2022 State MPI Program Determinations
Based on the Onsite Verification Audit Results**

State	<u>“At Least Equal To”¹</u>	<u>“At Least Equal To” with Provisions²</u>	<u>Not “At Least Equal To”³</u>
Indiana	✓		
Kansas	✓		
Minnesota	✓		
Mississippi	✓		
Missouri	✓		
North Dakota	✓		
South Dakota	✓		
Texas	✓		
Wisconsin	✓		

¹ “At Least Equal To” – The State MPI program has adopted laws, regulations, and programs, and has implemented them in a manner that is at least equivalent to the Federal inspection program for all audit components.

² “At Least Equal To” with Provisions – FSIS makes a provisional determination of the State MPI program’s “at least equal to” status provided the program takes additional action to resolve the audit findings.

³ Not “At Least Equal To” – The State MPI program has not adopted laws, regulations, and programs, or does not implement them in a manner that is “at least equal to” the Federal inspection program for one or more of the audit components.