



QAD APPLICATION FOR SERVICE

PURPOSE

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

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.

REFERENCES

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

[Application for Service \(LP-109\)](#)

[Work Schedule Request \(LP-110\)](#)

[QAD 100A Appendix: How to Complete Application for Service LP-109](#)

[QAD 101 Procedure: Work Schedule Request](#)

[QAD 103 Procedure: Plant Survey, Inauguration and Termination of Service](#)

QAD 421 Procedure: *QAD Billing and Collection*

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

[Federal Register Notice: 2018 Rates Charged for AMS Services](#)

[7 CFR 50: Rules of Practice Governing Withdrawal of Inspection and Grading Services](#)

[7 CFR 54: Meats, Prepared Meats, and Meat Products \(Grading, Certification, and Standards\)](#)

[7 CFR 56: Voluntary Grading of Shell Eggs](#)

[7 CFR 62: Quality Systems Verification Programs](#)

[7 CFR 70: Voluntary Grading of Poultry Products and Rabbit Products](#)

POLICY

The QAD operates primarily on user fees in accordance the *Agricultural Marketing Act (AMA) of 1946* and implementing regulations: 7 CFR 54, 56, 62, and 70. As such, the QAD must collect fees and other costs of doing business such as salaries, benefits, training, travel and per diem costs, office rent, utilities, equipment, etc.



Agricultural Marketing Service (AMS) Customer Standards

1. You will be treated with courtesy and respect by a responsive and knowledgeable staff.
2. You will be provided accurate, unbiased, and reliable services based on established standards, procedures, and/or specifications.
3. All services will be provided in a cost-effective manner within established time frames.
4. Your suggestions and comments will be considered to continually improve and tailor the services to meet your needs.
5. We will respond to your inquiries and strive to resolve your complaints quickly and efficiently.

RESPONSIBILITY

Applicants 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. Applicants shall designate primary company representatives to discuss grade placements and verification determinations with QAD employees. AMS regulations [7 CFR 50](#) allow services to be denied or withdrawn from any person who, or whose employee or agent has interfered or obstructed any employee or representative of the Department by intimidation, threats, assaults, abuse, or any improper means. The regulation has in place an appeal process for applicants who question the services provided.

Applicants will make products and related records (Approved labeling, Technical Proposals, Quality Plans, Specifications, End Product Data Schedules, volume information, etc.) easily accessible; provide assistance and any necessary equipment to accomplish the requested services. For resident/commitment service, equipment includes office space, internet, telephone, storage lockers/cabinets/file cabinet(s) with an approved locking devices, grading stamps, branding ink, food blenders, processors, grinders, sampling containers, sanitation equipment, thermometers, certified scales, test weights, and other equipment as applicable, such as a cart to transport samples, adequate lighting, weight tags and/or display monitors, video equipment for monitoring live animal schedules, etc. must be available before service is initiated.

Applicants 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.

1. Meat Grading Services:

Applicants requested meat grading services on a non-commitment basis 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 employee's regular duty point. Requests for service are to be made through the QAD office and are to be made by 12:00 noon Central Time on Tuesday of the week prior to service, and will be scheduled on a first come first serve basis. Applicants will be charged for all scheduled services and travel expenses, if applicable, that have not been cancelled by 12:00 noon Central Time on Friday of the week prior to service unless the scheduled QAD employee can be utilized elsewhere.



2. Poultry and Shell Egg Grading Services:

Poultry and shell egg industry applicants requesting grading services on a resident basis will be charged a minimum of \$275.00 and a maximum of \$3,225.00 as an administrative fee each billing period.

3. Audit Services:

Applicants requesting audit services will be charged for all scheduled services and travel related expenses.

GENERAL PROCEDURES

1. Grading 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 service must be filed on the *Application for Service (LP-109)*. Requests for immediate service can be provided by oral request, letter, express mail, facsimile, etc., as long as the *Application for Service (LP-109)* is submitted within 3 working days of the request.

Companies interested in having services provided under a commitment/resident agreement should complete the *Work Schedule Request (LP-110)*. Procedural guidance concerning a commitment/resident agreement is available in QAD 101 Procedure: *Work Schedule Request*.

Companies requesting QAD grading services are required to undergo a plant survey. Additional details regarding plant surveys can be found in QAD 103 Procedure: *Plant Survey, Inauguration and Termination of Service*.

When a signed *Application for Service (LP-109)* has been received, the respective supervisor or designee shall perform a survey of the plant and grading facilities, conduct a preliminary safety inspection, and obtain a satisfactory water potability report, if applicable. The survey must be reviewed and signed by the respective Regional Director or designee prior to implementing service. Surveys, safety inspections, and water potability reports are maintained by the respective Regional and/or supervisor's office.

Applicants will be charged the applicable fee rate for time and expenses necessary to perform the initial plant survey and any subsequent surveys needed to gain final approval.

Products may not be officially graded or certified until all facility and grade station requirements are met and final approval is received from the respective Regional Office.

2. Audit Services:

Companies requesting audit services must submit an *Application for Service (LP-109)*, a cover letter explaining the type of service requested, and a copy of their applicable program documentation.

APPLICATION FOR SERVICE (LP-109):

1. Guidance:



The QAD Business Operations Branch (BOB) office provides general information on QAD services, hourly fees, regulations, the *Application for Service* (LP-109) and the *Work Schedule Request* (LP-110).

Guidance for how to complete the *Application for Service* is contained in QAD 100A Appendix, *How to Complete the Application for Service (LP-109)*.

Multiple applicants/one facility – When more than one applicant operating in the same facility requests service, each applicant must complete an *Application for Service* (LP-109).

Single applicant/multiple facilities – When one applicant operates multiple facilities, each facility requesting service must complete an *Application for Service* (LP-109).

2. Processing Procedure:

The applicant completes, signs, and returns the *Application for Service* (LP-109). Applications may be submitted by mail, fax, or scanned and emailed to QAD.BusinessOps@ams.usda.gov. The BOB will forward approved applications to the serving office.

USDA, AMS, L&P, QAD, Business Operations Branch
10809 Executive Center Drive, Suite 318
Little Rock, AR 72211
Phone: 501-312-2962
Fax: 1-844-345-3575

Upon receipt of the completed *Application for Service* (LP-109):

1. The application will be reviewed for completeness and accuracy.
2. The applicant may be contacted to ensure the type of service requested and to verify the information provided.
3. The application will be signed by the BOB Chief or designee and approved for processing.
4. The applicant will be assigned a QAD account number and, if applicable, a plant number.
5. The application will be posted to the applicant folder.
6. The applicant will be notified by email that the application has been processed and will be provided with the account number and, if applicable, their plant number.

All applicants must submit a new *Application for Service* (LP-109) when significant changes occur such as name change, ownership change, location change, etc.

Approved applications remain valid until:

1. Voided in writing by the applicant or QAD;
2. A change in name, ownership, and/or location of applicant occurs; or,



3. A period of 1 year has elapsed since service was last performed at the establishment.

DEBT COLLECTION

Applicants 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 may be subject to a 15% interest charge for all amounts not received by the due date.

QAD reserves the right to place an applicant in a pre-pay status. Accounts that demonstrate a history of late payments will be converted to a pre-payment status. Once accounts are converted to a pre-payment status, written approval is required from the BOB Chief to revert back to a normal billing cycle.

Pre-payment applicants 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. Applicants 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.

Accounts determined to be in arrears will be referred to claims for collection of monies due.

PAYMENT OPTIONS

All applicants are encouraged to make payment for services rendered by electronic means. There are three types of payment methods that will be accepted by the QAD. It is the applicants responsibility to assure payment is processed to meet the billing due date.

1. Pay.Gov:

Applicants may choose to make payments using www.pay.gov. This system allows payment via a credit card or an Automated Clearing House (AHC) account.

2. Electronic Funds Transfer (EFT):

Applicants may choose to make payment using EFT. The QAD will provide the information necessary for setting up an EFT account upon request.

3. Check:

Applicants may choose to make payments using paper check. When using checks as the method of payment, sufficient time should be allowed for mailing and subsequent processing of the check. The time lapse between mailing and application of payment to the account is 7 to 10 working days. Ensure your NFC account number is included on the memo portion of the check and include the Account Statement stub with the payment.

SCHEDULED WORK DAY

Management personnel are instructed not to permit QAD employees to work such long hours as will endanger their health or cause unsatisfactory work performance. Applicants may not schedule more than a 10-hour regularly scheduled work day per QAD employee.



CALLBACK

Applicants requesting a callback will be charged a minimum of 2-hours premium time. A callback is unscheduled time for work performed when a QAD employee 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 employee. Callback requests will include an estimated amount of time to be worked.

FEDERAL HOLIDAYS

On Federal legal holidays that are a non-workday by law for QAD employees, services may be provided for that day at the established holiday rate.

1. Meat Grading Services:

Applicants that have an established commitment work schedule are not charged on Federal legal holidays when no work is performed.

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. Applicants that have an established commitment work schedule will be charged at the appropriate rates per the work schedule on designated holidays whether services are provided or not.

2. Poultry and Shell Egg Grading Services:

Applicants that have an established resident work schedule are charged at the regular rate on Federal legal holidays regardless of whether or not work is performed.

Applicants that request service on a designated paid holiday for Federal employees will be charged at the holiday rate when the QAD employee claims the day as a holiday or claims the day as an in lieu of holiday for the scheduled hours.

FEES FOR SERVICE

Mileage rates reimbursed to Federal employees are established by the [General Services Administration](#). QAD bills applicants that rate. The current rate for all service areas: \$0.58/mile.

1. Audit Services

Audit Fee Rate:		
All commodities:	\$ 108.00	Plus all travel expenses incurred



2. Grading Services

A. Meat Industry

	Regular	Overtime	Holiday
Commitment: (8 hours per day between 0600 – 1800, 40 hours per week)	\$ 74.00	\$ 91.00	\$ 109.00
Night Differential: (any hours worked between 1800 – 0600)	\$ 81.00	\$ 100.00	\$ 120.00
*Non-Commitment: (8 hours or less per day between the hours of 0600 – 1800)	\$ 99.00	\$ 115.00	\$ 134.00
*Additionally, Applicants will be billed for travel time and expenses incurred while providing this service.			
Other Services:			
Official Carcass Grade Data	\$0.50 per grade factor, per carcass		
Chicago Mercantile Exchange Beef Carcasses	\$350.00/load		

B. Poultry and Shell Egg Industry

Administrative Volume Charge: (Minimum charge is \$ 275.00, maximum charge is \$ 3,225 per billing cycle)			
Poultry	\$.00047/pound (total weight of all live poultry which enters the plant and is eviscerated)		
Shell Egg	\$.058/30 dozen case (total 30 dozen cases that enter and received at the plant)		
Resident Service:			
Regular:	\$ 52.00	Approved contracted work schedule: Monday through Saturday	all hours scheduled between 0600 – 1800
Overtime:	\$ 69.00		all hours worked above and beyond the contracted work schedule between 0600 – 1800
Regular/Night Differential (ND):	\$ 55.00		all hours scheduled between 1800 – 0600
Overtime/ND:	\$ 77.00		all hours worked above and beyond the work schedule between 1800 – 0600
Regular/Sunday Differential (SD):	\$ 64.00	Approved contracted work schedule: Sunday	all hours scheduled between 0600 – 1800
Overtime/SD:	\$ 86.00		all hours worked above and beyond the contracted work schedule between 0600 – 1800
Regular/SD/ND:	\$ 71.00		all hours scheduled between 1800 – 0600
Overtime/SD/ND:	\$ 96.00		all hours worked above and beyond the work schedule between 1800 – 0600
Holiday:	\$ 85.00	Approved contracted work schedule all days	all holiday hours scheduled between 0600 – 1800
Holiday/ND:	\$ 95.00		all holiday hours worked above and beyond the work schedule between 1800 – 0600
Fee - is defined as not under an approved contracted work schedule.			
Regular:	\$ 90.00	services rendered Monday through Friday	
Overtime:	\$ 111.00	services rendered on Saturdays or Sundays	
Holiday:	\$ 134.00	services rendered on legal holidays	
Additionally: Applicants will be billed for travel time and expenses incurred while providing this service.			



TERMINATION OF SERVICES

Federal regulations require a 30-day written notice when the applicant elects to terminate service.

An application for service may be terminated through mutual consent in less than 30 days. However, this will be done only when it is advantageous to the QAD and is approved by the BOB Chief.

For facilities with resident service, there will be a termination fee of \$300 when the applicant requests the termination of service within 12 months from the inauguration of service date. The \$300 termination fee remains applicable should the applicant convert to temporary status.

CHANGE OF RECORD

1. POV mileage updated.

SUPERSEDES

QAD 100 Procedure: *QAD Application for Service*; October 1, 2018.

Angela Snyder, Acting Director
Quality Assessment Division
Livestock and Poultry Program

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