CHAPTER 10

GOVERNMENT CONTRACTS

PART I – DPSC INSPECTIONS

PART II - VA INSPECTIONS

PART III - ASCS INSPECTIONS

PART IV - PL 480 INSPECTIONS

PART I DPSC INSPECTIONS

10.1 INTRODUCTION TO DPSC INSPECTIONS

A. FGIS is responsible for the inspection, certification, and acceptance of rice for the Defense Personnel Supply Center (DPSC).

B. To determine contract compliance:

1. Official personnel must carefully study and apply the appropriate Federal Specifications, Military Specifications, and DPSC Articles;

2. Official personnel must ascertain that **all** contract provisions have been met; and

3. Then, official personnel must affix their signatures to a properly completed form DD-250, "Material Inspection and Receiving Report." This affirms that the lot, including nonfood components, is acceptable for DPSC. The signed form DD-250 is the basis on which DPSC accepts the shipment and pays the vendor.

10.2 DEFINITIONS

Administrative Contracting Officer (ACO). Department of Defense (DOD) officer, who along with PCO, originates and administers DPSC contracts.

Acceptable Quality Level (AQL). Maximum percent defectives or maximum number of defects per hundred units that, for purposes of inspection, can be considered satisfactory as a process average.

Certificate of Conformance (COC). A document submitted by the contractor to official personnel stating that items used in a particular contract meet contract specifications. A COC is required on all nonfood components, whether samples of the nonfood component are sent to the Clothing and Textile Laboratory (C&T) or not. The contractor may also furnish a COC for enrichment, when enrichment is required.

Clothing and Textile Laboratory (C&T). The DOD laboratory responsible for testing samples of nonfood components used in DPSC purchases.

Commodity Testing Laboratory (CTL). The FGIS laboratory that performs verification testing on rice that has been certified by the contractor as meeting contract specifications.

Contractor's Test Report. A document submitted by the contractor to official personnel that lists the required tests (rice component) that were performed by the contractor's laboratory or by a commercial laboratory. This document is required when a contractor elects to perform required tests.

Defense Personnel Support Center (DPSC). The DOD agency responsible for purchasing military food items.

Defense Supply Agency (DSA). The DOD agency that provides logistics management for DOD common item procurements.

Form 3595, "DPSC Master Solicitation for Nonperishable." Contains and references standards and specifications that pertain to the contract. DSA sends a Headquarter Notice with the current Master Solicitation to FGIS.

Form DD-250, "Material Inspection and Receiving Report." Used for the acceptance of all required items listed on the contract, along with a form FGIS-956, "Rice Inspection Services Certificate," which verifies the grade and class of the rice.

NOTE: Official personnel are responsible only for the completing Section 21 of the form, "Procurement Quality Assurance, and Acceptance." The contractor is responsible for completing all other sections of this form. Official personnel shall check the items listed on the form DD-250 to verify that the items listed are the items actually inspected.

Nonfood Components. Items used in packaging, packing, and marking; such as ink, adhesive, cap, pad, lag bolts, wax seals, plywood boxes, fiberboard boxes, nails, staples, and nonmetallic and flat steel strapping.

Packaging. The container that is used to protect, preserve, or maintain the quality of the rice. This container is sometimes referred to as a "primary container."

Packing. The container used to enclose one or more primary containers. This container is usually a fiber-board box or paper baler and is usually referred to as a "secondary container."

Procuring Contracting Officer (PCO). DOD officer who, along with ACO, originates and administers DPSC contracts.

Form DD-1222, "Request for and Results of Tests." Accompanies each sample submitted to CTL and C&T for testing.

Solicitation to Purchase. References the various federal and military specifications, clauses, and forms that apply to a particular contract and cites the specific packaging, packing, and marking requirements for each item listed in the contract. The award contract will verify the awarded item numbers, as sometimes the item numbers listed are divided between or among contractors.

10.3 DPSC ARTICLES, FORMS, AND NOTICES

DPSC Article 244. Inspection requirements for containerized and palletized unit loads. Inspection of pallets and unit loads, and deviations to specifications thereof.

DPSC 271. General requirements for contractor-paid USDA inspections. Contains standard wording for COC's, authorization for standby samples, and particular inspection requirements.

DPSC 513. Contains inspection requirements for milled rice milled (N-R-351); preservation, packaging, and packing; unit load data; and markings of containers and unit loads.

DPSC 720. Contractor optional testing.

DPSC 3556. Marking instructions for shipping sacks (balers), bags, boxes, and containerized and palletized unit loads.

Headquarters Notice. Notification of pending changes.

DPSC General Article 75. Up-to-date listing of nonfood components, including amendments, changes, deviations, and publications.

Federal Specification. Those pertaining to official inspections, including N-R-346 "Rice, Brown" and N-R-351 "Rice, Milled."

10.4 RESPONSIBILITIES OF CONTRACTOR AND OFFICIAL PERSONNEL

A. The contractor is responsible for:

1. Employing the services of the U.S. Department of Agriculture, Federal Grain Inspection Service (FGIS), to determine all required tests and analyses.

2. Notifying the appropriate FGIS field office or Federal-State office manager (FOM or FSM), in a timely manner, prior to shipments.

3. Furnishing the appropriate specifications, amendments, and military standards needed to perform the inspection.

4. Marking the lot with an appropriate code number.

5. Making the lot available and accessible for examination and sampling.

6. Recooping or replacing balers opened for checkweighing and/or sampling.

7. Fumigating in-transit railcars in accordance with MIL-STD-1486.

8. Completing and submitting to official personnel the following documents:

a. COC's for packaging, packing, marking, and when required, the kinds and amount of enrichments according to DPSC Article 271.

b. "Contractor's Test Report" listing the test results of the end items (rice). This is necessary only if the contractor elects to perform the tests in lieu of having FGIS perform the tests. The contractor shall prepare this test report as shown in DPSC Article 720.

c. A report of moisture tests performed on pallets, if required by the contract.

d. A form DD-250. The Defense Contract Management District (DCMD) is responsible for instructing the contractor in all phases of preparing and distributing form DD-250.

B. Official personnel are responsible for:

1. Discussing the contract provisions and inspection procedures with the contractor prior to production.

2. Preparing a file for each contract.

3. Obtaining samples of nonfood and end item(s) (rice).

4. Completing and sending form DD-1222 and associated sample(s) to the appropriate laboratories.

5. Sampling and inspecting the rice under the U.S. Standards for Rice and under any other provisions of the contract, completing all required worksheets, and issuing a rice inspection certificate.

6. Filing worksheets with the contract, including any worksheets on pallets,

unit loads, condition of container inspections, and checkweighing.

7. Checking the completed form DD-250 for accuracy with respect to specific information; such as, special marks, item numbers, contract numbers, and a description of the product.

8. Examining the immediate production area, rice, and the nonfood components for filth. The existence or possible existence of filth should immediately be brought to the attention of the FOM.

10.5 MILITARY AND FEDERAL SPECIFICATIONS WITH ABBREVIATIONS

ABBREVIATIONS	TITLE OF SPECIFICATIONS
MIL-A-43529	ADHEASIVE (FOR PALLETIZED LOADS)
MMM-A-260	ADHESIVE, WATER-RESISTANT (FOR SEALING WATERPROOFED PAPER)
PPP-B-35	BARRIER MATERIAL, WATERPROOFED, FLEXIBLE
PPP-B-1035	BARRIER MATERIAL, WATERPROOFED, FLEXIBLE
PPP-B-1163	BOX, CORRUGATED FIBERBOARD, HIGH COMPRESSION STRENGTH, WATER RESISTANT, WAX AND RESIN IMPREGNATED
PPP-B-1364	BOX, DOUBLE-WALL, WEATHER RESISTANT, HIGH STRENGTH, CORRUGATED FIBERBOARD
PPP-B-640	BOXES, FIBERBOARD, CORRUGATED, TRIPLE-WALL
MIL-B-43666	BOXES, SHIPPING INSERTS CONSOLIDATION
PPP-B-601	BOXES, WOOD, CLEATED PLYWOOD
PPP-F-320	FIBERBOARD, SHEET, STOCK, CUT SHAPES
FEB-TD-75	GLOSSARY OF PACKAGING TERMS
MIL-STD-1486	IN-TRANSIT FUMIGATION OF FREIGHT CARS
MIL-L-0035078	LOADS, UNIT; PREPARATION OF NONPERISHABLE SUBSISTENCE
MIL-STD-105	SAMPLING PROCEDURES AND TABLES FOR INSPECTION BY ATTRIBUTES
MIL-STD-129	MARKING FOR SHIPMENT AND STORAGE
DPSC 3556	MARKING INSTRUCTION SUBSISTENCE (SACK, BAG AND UNIT LOAD)

ABBREVIATIONS	TITLE OF SPECIFICATIONS
DD-250	MATERIAL INSPECTION AND RECEIVING REPORT
FF-N-105	NAILS, WIRES, BRADS, AND STAPLES
MIL-P-3938	PALLETS, MATERIAL HANDLING, HARDWOOD STRINGER CONSTRUCTION (4-WAY PARTIAL)
NN-P-71	PALLETS, MATERIAL HANDLING, WOOD, DOUBLE FACED, STRINGER CONSTRUCTION
MIL-P-15011	PALETS, MATERIAL HANDLING, WOOD, POST COSTRUCTION, 4-WAY ENTRY
UU-P-268	PAPER, KRAFT, WRAPPING
NN-P-530	PLYWOOD, FLAT PLANEL
MIL-STD-731	QUALITY OF WOOD MEMBERS FOR CONTAINERS AND PALLETS
DD-1222	REQUEST FOR AND RESULTS OF TESTS
NR-346	RICE, BROWN
NR-351	RICE, MILLED
UU-S-48	SACKS, SHIPPING PAPER
QQ-S-781	STEEL, STRAPPING, FLAT
QQ-S-790	STEEL, STRAPPING, ROUND
PPP-S-760	STRAPPING, NONMETALLIC (AND CONNECTORS)
PPP-T-76	TAPE, PRESSURE-SENSITIVE ADHESIVE, PAPER WATER-RESISTANT

10.6 LOT IDENTIFICATION REQUIREMENTS

The shipping container must be distinctly marked by embossing, stamping, or stenciling to identify the lot from any other lot produced by the contractor.

1. Lots of rice are identified by item number(s) and the contractor's lot number(s) recorded on the form DD-250 and the rice inspection certificate. The contractor's lot number and the National Stock Number (NSN), when checked against form DD-250, must provide positive identification of the lot and must be on the shipping containers at the time of sampling, or at the time of inspection of the unit loads.

2. Lots may also be marked with USDA lot identification numbers. To mark the lots, official personnel shall:

a. Insert the proper identification numbers in the slot on the rubber roller-stamp. The USDA lot identification numbers consist of the Julian day, calendar year, and a lot number.

(1) The first, second, and third digits indicate the "day number" of the year. (Julian days are shown on government calendars.

(2) The fourth digit indicates the last number of the current calendar year.

(3) The fifth digit indicates the lot number. Starting with the first lot packed each day, consecutively number each lot inspected.

EXAMPLE: The second lot inspected on April 1, 1992, is shown as 091 (Julian day), 2 (current year), and 2 (lot); i.e., 09122

b. Roller-stamp the containers, including balers and unit loads, comprising the lot with the USDA lot number. Do not obliterate other markings.

NOTE: A Material Safety Data Sheet must be on hand for the ink used in roller-stamps.

10.7 INSPECTION PROCEDURES

Official personnel shall inspect each line item listed in the DPSC contract, unless the contract specifies that the contractor may provide a COC for end items having a value of less than $2,500. Official inspection is not required when the contract provides for a destination inspection for identity and quantity by DPSC personnel. If it is not clear whether or not inspection is required, contact FGIS headquarters for clarification.

1. Closely review the DPSC contract requirements and applicable specifications. Each contract contains **specific** inspection requirements that are referenced to many different Federal and military specifications.

2. Determine the sampling plan and inspection procedures by referring to the U.S. Standards for Condition of Food Containers and MIL-STD-105, "Sampling Procedures and Tables for Inspection by Attributes."

3. Perform the inspection as follows:

a. Examine the construction of the pallets, when required, according to MIL-L-0035078/GEN and applicable specifications: MIL-P-15011 or MIL-P-3938.

b. Examine the unit loads, when required, according to MIL-L-0035078/GEN and 1 through 7, as applicable.

c. Examine the units loads and the containers for correct markings according to MIL-STD-129, and/or DPSC Form 3556.

d. Examine the condition of the primary and secondary containers according to the applicable Federal Specification. The Federal Specification will state the types of defects, AQL's, and categories in which defects are to be scored.

e. Weigh the primary containers according to Federal Specification N-R-351, "Rice, Milled."

f. Ensure that the lot is properly identified by the contractor.

g. Obtain and submit samples of nonfood components, if necessary, to C&T. Follow the ration component and visual examination criteria, including the "Acceptable Suppliers List" to determine whether or not to submit samples.

h. If the contractor elects to furnish test results, obtain and submit samples of rice components for filth tests, when requested, to CTL.

i. If the contractor elects to have FGIS provide the test results, obtain and submit samples of rice components for filth test, when required, to CTL.

j. Review Federal Specification N-R-351, "Rice, Milled" and/or N-R-346, "Rice, Brown." The rice must be sampled, inspected, graded, and certificated in accordance with the U.S. Standards for Rice and the instructions in the applicable specifications.

k. Sample the rice online during packing or at rest after all units have been assembled. If the rice is sampled at rest, use the procedures in Chapter 9, "Warehouse-Lot Inspection Plan."

l. Complete all required worksheets.

m. Complete form DD-250, Material Inspection and Receiving Report, PQA and Acceptance, Section 21, A. "Origin for Nonfood Items," and issue a rice inspection certificate to verify the quality and class of the rice.

10.8 CONTAINERIZED AND PALLETIZED UNIT LOAD REQUIREMENTS

A. DPSC rice shipments are usually packed and assembled as containerized unit loads and/or palletized unit loads.

1. Containerized unit loads consist of multiple packaged units packed on one large container.
2. Palletized unit loads consist of several individual units fastened to a pallet.

B. All material used in the unit loads must comply with the following specifications, as applicable:

1. DPSC Article 244 contains particular requirements for unitization and for detail specifications. It also provides deviations from MIL-L-0035078, MIL-P-3938 Amendment 2, and MIL-STD-731.

2. DPSC Article 271 contains general requirements where contractor-paid FGIS inspection is required and also contains wording for the COC, authorization for standby samples, and particular inspection requirements.

3. DPSC Article 513 contains requirements for milled rice, preservation, packaging and packing, unit load data, and marking of containers and unit loads.

4. DPSC Form 3556 contains marking instructions for shipping containers and unit loads.

5. DPSC Form 3595 contains general instructions, schedules, general provisions, and a list of documents and attachments.

6. MIL-L-0035078/GEN contains general requirements for unitization and containerization of nonperishable subsistence items.

7. MIL-L-0035078/1 through 7 contains specific requirements for unitization.

8. MIL-P-3938 and Amendments contains requirements for design and quality of stringer-type pallet.

9. MIL-P-15011 contains requirements for design and quality of post block-type pallets.

10. MIL-STD-731 contains definitions of pallet components and lumber defects.

11. Fed. Spec. N-R-00351 and Amendments contains specific requirements for milled rice.

10.9 UNIT LOAD INSPECTION

A. GENERAL. A unit load inspection consists of an examination of pallets, sleeves, pads, nails, caps, and strappings for visual defects in according with table II of MIL-L- 0035078/GEN and an end item examination in accordance with table I of MIL-L-0035078/1 through 7.

1. MIL-L-0035078/GEN covers specifications for pallets, pads, strapping, load formation, construction boxes, and markings.

2. MIL-L-0035078/1 through 7 covers specifications for strappings, caps, pads, shrouds, sheathing, and related items.

NOTE: Each number, 1 through 7, is associated with a particular type and class of unit load; e.g., MIL-L- 0035078/1 refers to a Type I, Class A load.

B. Types and Classes of Unit Loads.

Type I - Palletized Loads

Class A - Strapped

Class B - Strapped, capped

Class C - Strapped, capped, sheathed

Class D - Strapped, capped, sheathed, shrouded

Type II - Containerized Loads

Class E - Triple-wall and Double-wall fiber-board tube with pallet base, pad, cap, and strapping.

Class F - Nailed wood-cleated plywood consolidation box with base or a wirebound plywood consolidation box with skid base.

Type III - Commercial Load Base (Palletized)

Class G - Strapped and/or shrink film, or other means acceptable to the mode of transportation.

Class H - Carrier rules and regulations applicable to the mode of transportation.

C. Military and USDA Standards. To perform unit load inspections, official personnel must be familiar with the following standards:

1. Mil. Std. 105, "The Sampling Procedures and Tables for Inspection by Attributes" table I and table II-A. These are the only tables used to determine the sampling size and the acceptable quality levels (AQL's).

2. AMS Handbook "Procedures for Inspection of the Condition of Food Containers." (Use this handbook and the U.S. Standard for Condition of Food Container to determine the condition of the primary bags.)

a. Procedures, guidelines and aids to assist the official inspection personnel in applying acceptance procedures in accordance with the U.S. Standard for Condition of Food Containers;

b. Instructions for recording results of examination on form AD-749, "Cumulative Original Inspection of Condition of Containers;" and

c. States, as shown on the reverse side of form AD-749, the conditions for switching to and from normal inspection.

3. U.S. Standards for Condition of Food Containers, particularly pages 2 through 7, provides information about the single and double sampling plans.

D. Sampling Plans. Contractor's may request that official personnel use either a single or double sampling plan. The double sampling plan saves time and effort because it allows the sampling of a smaller number of containers provided the selected samples meet the contract specifications.

NOTE: Plants that have a history of very few defects per lot may want official personnel to select only the first sample of the double sampling plan. If so, advise the contractor of his responsibilities to make the second sample available if a decision cannot be made on the first sample.

1. Single Sampling Plan. Use the following tables to determine sample size and the acceptable quality levels:

Table I (normal condition of container inspection)

Table II (tightened condition of container inspection

Table III (reduced condition of container inspection)

2. Double Sampling Plan. Use the following tables to determine sample size and the acceptable quality levels.

Table I-A (normal condition of container inspection)

Table II-A (tightened condition of container inspection)
Table III-A (reduced condition of container inspection)

E.. Inspection Worksheets.

1. For the unit load inspection, use form AMS-104, Unit Load Inspection Record and Report. Since form AMS-104 contains defects only for Type I, Classes A, B, C, and D, the field office performing DPSC inspection for Type II, Classes E and F, and Type III, Classes G and H, shall be responsible for preparing worksheets according to Table I in the MIL-L-0035078/5, 6, and 7, whichever is applicable. Form AMS-104 is the worksheet that is used for the examination for visual defects (table II in MIL-1-0035078/H/GEN) and for the examination of the end item (table I in MIL-L-0035078/1 through 7).

NOTE: Worksheets for MIL-L-0035078/5, 6, and 7 should be attached to form AMS-104.

2. For the baler (sack) inspection, prepare worksheets for the balers in accordance with Federal Specifications UU-S-48 and the following:

a. Content (sack) Inspection Record and Report for Examination for Dimensional Defects.

b. Content (sack) Inspection Record and Report for Defects in Material, Workmanship, Construction.

c. Content (sack) Inspection Record and Report for Examination for Closure.

3. For the primary bag inspection, use the following:

a. Form AD-741 (Reverse), "Container Examination Worksheet" (table VII Flexible Containers).

b. Content (primary bag) Inspection Record and Report Examination for Net Weight. Prepare worksheets for the weighing of the primary bags in accordance with table II of Interim Federal Specification N-R 00351.

c. Form FGIS-991, "General Services Worksheet," is used to record the weights of the primary containers.

d. Form AD-749, "Cumulative Original Inspections of Condition of Container." Record the results of the inspection of the primary bags recorded on form AD-741 (Reverse) and on form AD-749.

e. Form AD-749 (Reverse), "Condition for Switching to and from Normal Inspection," contains instruction for switching from normal inspection to reduced inspection; reduced inspection to normal inspection: normal inspection to tightened inspection; and tightened inspection to normal inspection.

F. Pallet Inspection. MIL-L-035078/GEN requires that unit loads be inspected for visual defects and that the sample unit be one complete unitized or containerized load; that is, a pallet plus the top portion.

NOTE: Many contracts awarded by DPSC permit the contractor to use commercial pallets. The only specifications for these commercial pallets are the definitions stated in the contract and the existence of strapping slots in the stringers if the pallets are to be used for strapped unit loads.

1. Prior to a Unit Load Inspection. The contractor may request that pallets be inspected at the pallet plant prior to shipment. If such a request is made, use the criteria under 4.2.1.1 of MIL-L-0035078/GEN and proceed as follows:

a. Issue a form FGIS-993 using the information already recorded on the form FGIS-991; i.e., the size of lot, size of the sample, and the number and types of defects found.

b. Inform the contractor that the pallets must be inspected again as part of the unit load inspection.

2. Prior To Assembling the Unit Loads. Ascertain that the pallets are the same ones that will be used for the unit load lots; e.g., if 90 pallets are offered for inspection, then only those 90 pallets shall be used for the unit load. Then, sample and inspect the pallets as follows:

(a) Select the proper number of pallets at random, examine, and score for the defects listed for pallets, using form AMS-104.

(b) Select the proper number of unit loads at random and score for the remaining defects, using form AMS-104.

(c) Total the defects for both examinations and make the decision to accept or reject the lot of unit loads.

3. After the Units Have Been Assembled. If the pallet inspection is made after the units have been assembled, then chose five unit loads at random and request that they be completely disassemble. Examine the pallets using form AMS-104, "General Section."

4. Definitions of Defects Listed on Form AMS-104.

a. "Not as specified or missing" means there is no pallet or the pallet does not conform to the specifications stated in 3.1 of MIL-L-0035078/GEN and 1.2:

---MIL-P-3938B, 4 May 1960 (Pallet, Material Handling, Hardwood, Stringer Construction, 4-Way (Partial); namely, a pallet, material handling, hardwood, 40 inches long by 48 inches wide, double wing, stringer construction, 4-way entry (partial) Type I, Class A or B.

---MIL-P-15011G, 5 May 1971 (Pallets, Material Handling, Wood Post Construction, 4-Way Entry); namely, a pallet, wood post-style, construction, 4-way entry, 40 inches long by 48 inches wide, style 1 or 1A, Type 1, Class 1or 2.

b. "Blocks not as specified" means that the blocks (posts) do not conform to the specifications stated in 3.3, 3.3.2.3, and 3.3.4, and figures 1 and 2 of MIL-P-15011G:

---Design and construction must be according to figure 1 or 2.

---Blocks (posts) shall be finished or smooth sawn on both top and bottom to a uniform height. Ends of posts shall be cut square with the sides.

---Blocks (posts) shall not protrude on any side.

c. "Nailing not as specified" means that the nailing procedure does not conform to the specifications stated in items 3.4.3 (except for nail diameter) and 3.6.1.2 of MIL-P-3938B and 5.3 of DPSC Articles 244a - b, 22 June 1973, for stringer-construction type pallets, or items 3.2.2 and 3.3.3 of MIL-P-15011G for post-construction type pallets.

d. "Strapping slots missing" can mean either the absence of slots or that the approximate position of the slots does not conform to the specifications stated in item 3.4.2 and figure 2 of MIL-P-3938B for stringer- construction type pallets, or item 3.3.2.1 and figure 1 or 1A of MIL-P-15011G for post-construction type pallets.

5. Basis for Acceptance. Acceptance is based on the total number of defects found rather than on the number of individual unit loads with defects; e.g., one unit load may be scored for more than one defect.

G. Tests for Moisture. Moisture tests, when required in the contract, are normally made by the manufacturer or contractor, and the results reported to FGIS.

1. The report shall include three duplicate readings in the deckboards and three duplicate readings on the stringers or posts of each pallet tested.

2. The average of these readings shall not exceed the maximum limit specified in the contract.

Lot Size (Pallets)	Number of Samples (Pallets)
1 to 1,200	5
1,201 or more	8

3. The report shall indicate that:

a. The tests were in conformance with requirements,

b. The information is accurate and complete, and

c. The pallets are representative of the lot.

4. The contractor must sign the report and sign an additional statement indicating that the report is valid for supplies tendered for the contract (show contract number) for which the inspection is being made.

H. Identifying Pallets. Use the following method to identify pallets, when identification is necessary:

1. Hand stamp each pallet with an imprint showing the USDA logo and date inspected.

2. Use adjustable digits to identify the date and lot number as follows:

a. The first, second, and third digits shall be used to indicate the day number of the year; i.e., Julian date.

b. The fourth digit shall be used to indicate the last number of the current calendar year.

c. The fifth, sixth, and a seventh digit shall be used as the lot number. Starting with the number one each day, each lot inspected shall be consecutively numbered.

3. Apply the stamp to the outside middle portion of a stringer or post.

I. Consolidated Box Examination. The contractor should supply official personnel with the contract and COC for the packaging, packing, and labeling and, when applicable, for enrichment.

NOTE: Lot sizes are limited to the number of unit loads (containerized and/or palletized) offered for examination. The shipment of rice is identified by item number(s) and lot identification code.

1. Reviewing the Contract. Read the contract and all related documents necessary to perform the inspection.

2. Identifying the Lot.

a. Handstamp the USDA logo on form AMS-104, which shall be identical in all respects to the one stamped on the pallets for that particular offered lot.

b. Roller-stamp the official USDA impression on any of the appropriate worksheets identical in all respects with the USDA impression already roller-stamped on the containers for that particular lot.

c. Show on the worksheet the markings of the unit loads, balers, and bags.

d. Show the name and address of the contractor, the lot size, location of lot, and destination of end item on the worksheets .

3. Obtaining the Samples. Obtain samples on nonfood components, when required, and rice components, when requested, in accordance with established procedures.

4. Visual Examination.

a. Using the sampling plan, examine the unit loads in accordance with MIL-STD 105.

b. Score the correctness of the markings, including the accuracy of the gross weight and cubic markings, on form AMS-104, under the defect marking, "Not as specified" or "Missing or Illegible." Verify the gross weight and cubic markings as follows:

For gross weight:

Step 1 Weigh five pallets (with pads and straps).

Step 2 Divide the total weight of the five pallets by five to establish an average gross weight of a pallet.

Step 3 Weigh 10 filled-and-closed shipping containers.

Step 4 Divide the total weight of the 10 shipping containers by 10 to establish an average gross weight of a shipping container.

Step 5 Multiply the average gross weight of a shipping container by the number of shipping containers used in a unit load.

Step 6 To obtain the total gross weight of the unit load, add the average gross weight of a pallet and the average gross weight of all shipping containers used in a unit load.

For cubic feet:

Step 1 Measure the length (L), width (W), height (H), in inches (to the nearest quarter inch) of each unit load in the sample

Step 2 Multiply the length by the width, and by the height.

Step 3 Divide the results by 1,728; i.e., the number of cubic inches in a cubic foot. Express results in cubic feet.

NOTE: Be sure the pallets that are weighed are the same ones that were examined and accepted prior to assembling the unit loads. If the pallets have not been examined or identified prior to the assemblying of the unit loads, completely disassemble the five unit loads chosen at random, examine the pallets, and score for visual defects listed in the "General Section" in form AMS-104.

c. Whether the consolidated boxes are accepted or rejected, continue the examination by completing the worksheets.

J. Examination of Balers. After examining the consolidated boxes, cut the straps, lift the caps off the consolidated boxes, pull-out balers at random, and score the balers for visual defects.

1. Pre-Inspection of Balers. If a pre-inspection of the balers is requested by the contractor and the balers are found to be not a "tight pack," as required:

a. The contractor shall notify the contracting officer of the defect. Official personnel shall verify the defects.

b. If the contracting officer agrees to having the balers tightened by taping without marring the markings on the balers, show a statement to that effect in block 23 of form DD-250. (Since no written waiver has been issued, this statement protects the USDA when accepting the offered lot at a later date.)

2. Sampling Plan for Examination of Balers.

a. The examination of balers (sacks) requires two different acceptable quality levels: "percent defective" and "defects per hundred units."

b. Record the defect figures on the applicable worksheets.

NOTE: Whether the unit loads are accepted or rejected, continue the examination by completing the worksheets.

K. Examination of Primary Bags.

1. After examining the balers, cut the balers open and pull out bags, at random, scoring them for visual defects, in accordance with AMS Handbook, "Procedures for Inspection of the Condition of Food Containers," and the U.S. Standards for Condition of Food Containers.

2. Use the acceptable quality levels (AQL's) as stated in paragraph 42.107 on page 4 of the U.S. Standards of Food Containers and/or as stated on the reverse of worksheet form AMS-331.

NOTE: The sample must be based on table I and table I-A of the U.S. Standards for Condition of Food Containers.

3. The contractor has the option of using either the double or single sampling plan.

4. Post the results recorded on the reverse of form AD-741 and form AD-749.

NOTE: When using the double sampling plan, post only the results of the first sampling on form AD-749, whether it is accepted or rejected. DO NOT post the results of the second sampling (total) to form AD-749.

L. Checkweighing Primary Bags. The sampling and weighing plan for checkweighing primary bags shall be in accordance with Federal Specification N-R 00351 and the FGIS Weighing Handbook.

1. Choose the bags to be weighed at random from the bags already chosen at random.

2. Show the defect figures on the applicable worksheet.

3. Score for defects listed on the applicable worksheet.

4. Record the weights and other pertinent information concerning the offered lot on form FGIS-991.

M. Inspecting the Rice.

1. Complete a work record for the rice sampled and inspected.

NOTE: If the rice was not sampled on-line, draw samples from the same primary bags that were randomly selected for checkweighing.

2. Notify the contractor if the rice fails to meet contract specifications for grade or other criteria.

3. Issue a rice inspection certificate, even if the rice fails to make grade. Show the item no.(s) and contract no. in the "Remarks" section of the work record and the certificate.

N. Accepting or Rejecting the Unit Load. As soon as all worksheets have been scored, review each set and deter- mine whether the unit loads will be accepted or rejected.

1. If the unit loads meet specifications, check and sign the form DD-250.

2. If the unit load fails to meet specifications, the contractor may:

a. Rework the lot and then request a new inspection of the unit loads.

b. Request a new inspection based on the same sample size and the corresponding acceptance and rejection numbers.

c. Request an appeal inspection. If an appeal is requested, base the inspection on the same sample size and corresponding acceptance and rejection numbers.

d. Request a waiver from the contracting officer.

(1) The contractor and official personnel must contact the contracting officer.

(2) Official personnel shall inform the contracting officer of the defects, but make no other statements.

e. The contracting officer will either approve or reject the unit loads. If approved, the contracting officer must send a written waiver verifying his approval acceptance of the unit loads

NOTE: The contracting officer's approval need not be shown on form DD-250. If the form DD-250 must be corrected at a later date, make the correction on the original form and circle the error in RED and place the corrected information in the same block. If space is limited, enter the corrected information in Block 16. In block 23, type the statement "Corrections have been verified--corrected as to (reason of correction)."

10.10 ONLINE INSPECTION OF UNIT LOAD

A. If the contractor requests that the unit loads be inspected online, official personnel shall perform the following tasks:

1. Sample and weigh the bags as they are being assembled.

2. Examine the bags and balers for defects.

3. Examine unit loads for defects; such as the strapping (in a slot hole), markings, pads, and related items.

B. Use the worksheets, disregarding the inspection level, acceptable quality level, lab size, sample size, acceptance and rejection numbers, and form AD-749.

C. Score the defects, then complete the appropriate worksheets and sign the forms DD-250 and rice inspection certificate.

10.11 QUALITY ASSURANCE - SAMPLING AND TESTING OF NONFOOD COMPONENTS

A. DPSC contracts may require one or more of the nonfood components to be sampled and submitted to C&T. Use the following criteria to determine whether or not an individual nonfood component must be sampled:

1. Nonfood components need not be sampled when the component is not intended for use in connection with a ration component or assembly and when a visual examination of the component indicates that the supplies conform to the contract.

2. Nonfood components shall be sampled when the above conditions are not met or when the COC submitted by the contractor is determined to be unreliable because of a previously unacceptable lot(s) of nonfood components.

NOTE: When sampling is not required, visually examine every component of each lot or shipment; such as related labels, invoices, contractor's purchase instruments, test results, to determine compliance with contract requirements. The examination of the COC for completeness and accuracy is not, in itself, adequate verification.

B. When sampling is required, draw and submit verification samples of the component from one in every 10 lots.

1. If the component has not been sampled during the previous 12 months or in the previous nine lots, draw and submit verification samples from the initial lot received and from one in every 10 lots thereafter.

2. If the supplier's lot is applied against more than one contract, cross reference form DD-1222, as required. Lots of components used for more than one contract need not be verified more than once unless cause exists.

3. Submit additional samples whenever reason exists to question the validity of COC's.

C. Determine sample size and submit samples of nonfood components as follows:

1. Draw two sets of samples of nonfood components: a laboratory sample and a standby sample.

2. Distribute these component samples as follows:

a. Send one set, along with the properly prepared Form DD-1222 (original and five copies) to C&T.

b. Sent the sixth copy of completed form DD-1222 to DPSC, STQP.

c. Keep one set of component samples as standby samples for a period of 30 days, then return them to the contractor, as required in DPSC Article 271.

3. C&T will not return the form DD-1222 if the nonfood component is found to be acceptable. (FGIS shall assume the component is acceptable unless notified to the contrary within 21 days.) DPSC may hold the contractor liable if the nonfood components do not meet specifications, even though FGIS has signed the form DD-250.

NOTE: Official personnel must be able to associate every sampled nonfood component lot with the end item lot in which it was used.

10.12 QUALITY ASSURANCE - SAMPLING AND TESTING OF RICE COMPONENTS

Official personnel must be able to associate every sampled rice component with the end item lot in which it was used. Quality assurance responsibilities for sampling and testing rice components may be satisfied by any one of the following procedures:

1. Contractor Testing. The contractor may elect to have the contractor's laboratory or a commercial laboratory perform a filth test at the beginning of a contract.

a. The contractor must furnish official personnel with two copies of the results of the tests that are performed.

(1) Official personnel shall send a copy of the contractor's test results to DPSC, STQP.

(2) Official personnel shall attach a copy of the contractor's test results to the completed copy of form DD-1222 sent to STQP (required for verification testing only.)

b. Official personnel shall submit samples for verification testing after the contractor's test reports are made available and the results show that the rice component(s) meets contract specifications.

c. Official personnel shall obtain a standby (file) sample from each lot of the contract. Properly protect the file sample at all times and then return the file sample to the contractor at the end of 30 days.

d. Official personnel shall submit to CTL--to establish a reliability history--samples from the first three lots and thereafter every fourth lot offered for inspection by a contractor.

e. Official personnel shall send a completed form DD-1222 (original and five copies) with each sample submitted for verification testing. Send the sixth copy to DPSC, STQP.

2. Vendor-Paid FGIS Testing. When requested, official personnel shall perform the test, charge the contractor the current fee, and sign the form DD-250 when the test results show that the filth test meets contract specifications.

3. Other Procedures. Occasionally, DPSC purchases rice that does not utilize form DD-250 as an acceptance document. In such cases, official personnel shall issue a form FGIS-956 covering all contractual provisions, provided that, the contractor furnishes test results. Record a statement to this fact on the certificate(s).

10.13 QUALITY ASSURANCE CERTIFICATE OF CONFORMANCE (COC) FOR NONFOOD COMPONENTS, CONTRACTOR'S TEST REPORT AND LOT INSPECTION CERTIFICATE FOR END ITEM (RICE)

A. Certificate of Conformance for Nonfood Components.

1. The contractor may furnish a COC for each lot of nonfood components for each DPSC contract, thereby self-certifying that the packaging, packing, and marking materials meet DPSC specifications.

2. If DPSC tests a sample of the material covered by the COC and finds it unacceptable, DPSC will inform FGIS that either:

a. The contractor is unreliable;

b. The lot meets specifications, but the contractor's COC cannot yet be considered reliable until a sufficient number of future lots meet specifications to reestablish COC reliability; or

c. The lot meets specifications and the contractor's COC is again considered reliable.

3. When notified by DPSC that the contractor's COC for a specific nonfood component is considered unreliable, FGIS shall:

a. Cease signing form DD-250's on the strength of the contractor's COC.

b. Submit, along with a properly completed form DD-1222, samples from all successive new lots of that particular component to the C&T;

c. Delay signing form DD-250's until notified by DPSC that the component(s)/lot(s) meets contract requirements.

NOTE: Even though all successive samples meet specifications according to the contractor's COC, each COC shall be considered unreliable until DPSC notifies FGIS otherwise.

4. When the COC's are again reliable, commence signing the form DD-250's without waiting for results from the C&T.

B. Contractor's Test Report and Lot Inspection Certificate for Rice.

1. Official personnel shall sign the form DD-250 on the basis of the COC and/or the contractor's test results when:

a. The contractor's test report meets contract specifications,

b. The Test System Status of the contractor is reliable for those test results, and

c. If the results of all required tests and analyses shows that the rice meets contract requirement.

2. If the results do not meet contract specifications, do not sign the form DD-250, report the nonconformance to the contracting officer, and record on the report the contracting officer's decision.

3. If verification testing by CTL proves the contractor's Test System Status for the filth test to be unreliable, submit samples from all future lots to the CTL and withhold signing the form DD-250 pending receipt of results from CTL.

4. When the contractor's Test System Status is again considered reliable, return to the normal procedure for sampling and signing form DD-250's on the basis of the contractor's filth tests results.

5. Issue a rice inspection certificate for the rice that was sampled and inspected for class, grade, quality, and condition

C. Unreliable Certificates of Conformance and Unreliable Test System Status. Official personnel shall:

1. Advise the contractor to contact the PCO if the contractor's COC or Test System Status is determined to unreliable.

2. Advise the contractor that the signing of form DD-250's on initial lots of any subsequent contracts will be delayed pending receipt of results from the appropriate DPSC laboratory.

3. Continue the above procedure until the contractor's COC or Test System Status is considered reliable.

D. Charges. No charge shall be levied by DPSC for testing; provided that, the contractor's COC and Test System Status remain reliable. However, FGIS shall levy a charge for all sampling and inspecting, based on the current hourly rate. In addition, the contractor shall be billed for all postage and the cost of all materials (paper, special containers, etc.) used in preparing the samples for mailing, unless the materials were furnished by the contractor.

10.14 FAILURE TO MEET CONTRACT REQUIREMENTS

A. Official personnel must notify the contractor immediately of any failure to meet one or more contract requirements.

B. It is the contractor's responsibility to notify the PCO or ACO.

C. If FGIS receives a written waiver from PCO or ACO that specifically states that the failures are waived, the form DD-250 may be signed without indicating that the lots had originally failed.

NOTE: Official personnel shall not sign the form DD-250 in cases of noncompliance, unless they receive a telephone call from the Contracting Officer or the Contract Quality Assurance Office stating that the lot is acceptable and that the noncompliance is waived. The telephone call must verified in writing.

D. To ensure that DPSC is informed when a contract failure occurs, official personnel shall phone and/or write the appropriate quality assurance representative stating the nature of the failure.

10.15 SIGNING FORM DD-250 AND ISSUING LOT INSPECTION CERTIFICATE

A. The completed form DD-250 signed by official personnel signifies that all components of the lot (including the rice) have been accepted for DPSC by FGIS.

1. Official personnel shall issue a lot inspection certificate for the rice inspected in the lot.

2. The person who signs the form DD-250 need not necessarily be the one who inspected the lot for quality, condition of container, unit loads, etc. However, the person who signs the form must have access to all necessary papers and backup documents in the contract file in order to attest to contract compliance.

B. The contractor shall give the fully completed form DD-250 to the appropriate official personnel. When it is received, the official personnel shall:

1. Thoroughly check the contract number and other identification for the correct description of the product; i.e., item number, national stock number, product description, extension of quantity shipped, and amount in dollar value.

2. Check the descriptions on the form DD-250 to ensure they are the same as the descriptions shown on the worksheets.

3. Verify, by means of a running tally in the file, that the cumulative number of pounds inspected and listed on the form DD-250.

NOTE: Do not sign the form DD-250 if the amount shown exceeds the amount inspected. However, the amount inspected can exceed the number of pounds listed on the form DD-250.

4. Complete block 21 under A. "Origin."

a. If the contract specified both inspection and acceptance at origin, place an "X" in both the PQA square and the Acceptance square.

b. If the contract specifies inspection at origin and acceptance at destination, make an "X" in the PQA square only.

c. Sign on the line designated "Signature of Authorized Government Representative." Under the signature write "USDA" and the address of the supervising office. Sign the continuation sheet, if one has been used.

d. Date the signature with the date of the last examination for quality or condition.

e. Never sign Block 21 under B. "Destination."

f. Give or mail the signed form DD-250 to the contractor. Retain one copy in the contract file.

10.16 PROPERTY RECEIPT STORAGE

A. Property receipt storage refers to merchandise that is inspected and accepted for DPSC and then stored in the contractor's warehouse for delivery.

B. A special form DD-250 must be completed by the contractor and be signed by official personnel before the contractor can receive payment for the undelivered merchandise.

C. A second form DD-250 must be completed by the contractor and signed by official personnel when the merchandise is delivered. If the merchandise is not inspected again before delivery, the date in block 21 should be the date the product was last inspected and accepted.

D. All costs of DPSC inspections will be billed to the contractor.

10.17 NEGOTIATION BETWEEN CONTRACTOR AND DPSC FOR LOTS THAT FAIL

A contractor may want to negotiate with DPSC for acceptance of a lot of rice that has failed one or more contract requirements. Such negotiations are solely between the contractor and DPSC. Official personnel may assist in these negotiations either by calling DPSC or by writing a letter to the contractor.

1. When a telephone call is necessary to facilitate the shipment:

a. State only the facts. Do not state opinions concerning the advisability of accepting the lot.

b. Clearly state the nature and extent of the deviation.

2. When writing, send the original and several copies of the letter to the contractor.

10.18 VISITS TO CONTRACTOR'S PLANT BY DEPARTMENT OF DEFENSE (DOD) PERSONNEL

A. The agreement between the FGIS and DOD provides that authorized DPSC personnel may:

1. Make observational visits to plants and inspection offices where official personnel are performing inspections of products for delivery to DPSC.

2. Review records, standards, specifications, and any other worksheets/ documents related to the contract.

B. Upon request, official personnel shall make mutually agreeable arrangements for the DPSC representative to accompany official personnel in the performance of those phases of the inspection that the DPSC representative desires to observe.

NOTE: Official personnel may accompany DPSC officials to plants only on the occasion of inspection for DPSC. Other inspections are not to be discussed with DPSC.

10.19 PREAWARD INSPECTION

At the request of the contractor, an inspection of the rice may be made prior to the date of the award of a contract. When the contractor receives the award, the contract and other related documents must be reviewed and a new inspection made for compliance with all terms of the contract. The condition-of-container sample will be examined at the time of the final inspection.

10.20 ACCEPTANCE INSPECTION

A. Acceptance inspection for identity and condition on all supplies procured FOB destination is normally performed at destination by DPSC.

B. If the supplies do not conform to contract requirements, the DPSC inspector will report the findings to the contracting officer, who will notify the contractor.

C. On request of the contractor, the contracting officer will request a new inspection by FGIS.

D. Sampling for a new inspection shall be performed in the same manner as the original inspection and the results of a new inspection will be reported to the contracting officer.

1. If the new inspection upholds the findings of the original inspection, the costs of the new inspection will be billed to DPSC.

2. If the new inspection upholds the results of the destination inspection, the osts of the new inspection will be billed to the contractor.

PART II – VA INSPECTIONS

10.21 INTRODUCTION TO VA INSPECTIONS

A FGIS is responsible for the inspection, and certification of rice for the Veterans Administration Marketing Service. To ascertain contract compliance, official personnel may have to perform additional inspections to those performed during routine rice inspections.

B. Veterans Administration Marketing Service (hereafter referred to as VA) form 07-2133 "Uniform Order Form -- Supplies or Services" contains information and requirements necessary for procuring rice and special services. Official personnel shall carefully study this form and all applicable Federal specifications.

10.22 RESPONSIBILITIES OF CONTRACTOR AND OFFICIAL PERSONNEL

A The contractor is responsible for:

1. Employing the services of the U.S. Department of Agriculture, Federal Grain Inspection Service, to determine all required tests and analyses.

2. Notifying the appropriate FGIS Field Office Manager (FOM), in a timely manner, prior to shipments so that official personnel may properly inspect the lot.

3. Furnishing the appropriate specifications, amendments, and military standards needed to perform the inspection.

4. Marking the lot with an appropriate code number.

5. Making the lot available and accessible for examination and sampling.

B. Official personnel are responsible for:

1. Discussing the contract provisions and inspection procedures with the contractor prior to production.

2. Preparing a file for each contract.

3. Sampling and inspecting the rice under the U.S. Standards for Rice and under any other provisions of the contract, completing all required worksheets, and issuing a rice inspection certificate.

4. File the worksheets and certificate with the contract.

5. Examine the immediate production area and rice for filth. The existence or possible existence of filth should immediately be brought to the attention of the FOM.

10.23 LOT IDENTIFICATION REQUIREMENTS

Each lot should be distinctly marked by embossing, stamping, or stenciling to identify the lot from any other lot produced by the contractor.

1. Lots of rice may be identified by item number(s) and the contractor's lot number(s).

2. Lots may also be marked with USDA lot identification numbers. To mark the lots, official personnel shall:

a. Insert the proper identification numbers in the slot on the rubber roller-stamp. The USDA lot identification numbers consist of the Julian day, calendar year, and a lot number.

(1) The first, second, and third digits indicate the "day number" of the year. (Julian days are shown on government calendars.)

(2) The fourth digit indicates the last number of the current calendar year.

(3) The fifth digit indicates the lot number. Starting with the number one (1) each day, each lot inspected shall be consecutively numbered.

b. Roller-stamp the containers, including balers and unit loads, comprising the inspection lot with the USDA lot number. Do not obliterate other markings.

10.24 INSPECTION PROCEDURES

Closely review the VA contract requirements and applicable specifications. Each contract contains specific inspection requirements that are referenced to many different Federal specifications.

NOTE: The contract may specify that the marking of the bags conform only to specifications.

1. Prior to bagging, examine the bags used in the lot according to the applicable Federal specification. The federal specification will state the types of defects, AQL's (acceptable quality levels), and categories in which defects are to be scored.

2. Examine the bags for correct markings according to Interim Federal Standard 123.

3. Examine the condition of the bags used in the lot according to form AD-741 (reverse).

a. If the lot is on the floor, use "Table of Random Numbers" (AMS Handbook Procedures for Inspection of the Condition of Food Containers) to select samples.

b. If the lot is on a moving line, do not use the "Table of Random Numbers" because it may not be practicable.

4. Weigh the bags in accordance with Federal Specification N-R 00351.

5. Sample, inspect, and grade the lot in accordance with Federal Specification N-R 00351 and applicable specifications.

6. If the contract specifies, obtain and submit samples to CTL for a rice component filth test.

7. Checkload the lot.

8. Complete the required worksheets.

10.25 UNIT REQUIREMENTS

A. VA rice shipments are usually packed and assembled in 25-pound multi-kraft sacks.

B. The kraft sacks must meet the applicable specifications found in UU-S-48, "Sacks, Shipping Paper."

10.26 UNIT INSPECTION

A. A unit inspection consists of an examination for visual defects specified on form AD-741 (reverse), Table VII - Flexible Containers and in the "Content Inspection Record and Report for--Examination for New Weight."

B. To perform unit inspections correctly, it is necessary to understand and be able to apply the provisions of:

1. AMS Handbook "Procedures for Inspection of the Condition of Food Containers." (Use this handbook and the U.S. Standard for Condition of Food Container to determine the condition of the primary bags.) This publication provides:

a. Procedures, guidelines and aids to assist official personnel in applying acceptance procedures in accordance with the U.S. Standard for Condition of Food Containers;

b. Instructions for recording results of examination on form AD-749, "Cumulative Original Inspection of Condition of Containers;" and

c. States, as shown on the reverse side of form AD-749, the conditions for switching to and from normal inspection.

2. U.S. Standards for Condition of Food Containers, particularly pages 2 through 7, provide information about the single and double sampling plans.

C. Contractor's may request that official personnel use either the single sampling plan or a double sampling plan. The double sampling plan saves time and effort because it allows the sampling of a smaller number of containers provided the selected samples meet the contract specifications.

NOTE: Plants that have a history of very few defects per lot may want official personnel to select only the first sample of the double sampling plan. If so, advise the contractor of his responsibilities to make the second sample available if a decision cannot be made on the first sample.

1. Single Sampling Plan. Use the following tables to determine sample size and the acceptable quality levels:

Table I (normal condition of container inspection)

Table II (tightened condition of container inspection)

Table III (reduced condition of container inspection)

2. Double Sampling Plan. Use the following tables to determine sample size and the acceptable quality levels.

Table I-A (normal condition of container inspection)

Table II-A (tightened condition of container inspection)

Table III-A (reduced condition of container inspection)

D. Inspection Worksheets.

1. Form AD-741 (reverse), "Container Examination Worksheet" (Table VII, Flexible Containers).

2. Form AD-749, "Cumulative Original Inspections of Condition of Container." Post the results recorded on the reverse of form AD-741 or form AD-749.

NOTE: Roller-stamp the identical official USDA impression (that has already been roller-stamped on the bags for that particular official lot) on the appropriate worksheets.

3. Form AD-749 (Reverse), "Condition for Switching to and from Normal Inspection."

4. Form FGIS-991, "General Services Worksheet," to record the weights of the bags.

5. Content Inspection Record and Report for -- Examination for Net Weight

E. Bag Examination Procedure. The contractor must supply official personnel with the contract.

NOTE: The shipment of rice is identified by item number(s) and lot identification code.

1. Reviewing the Contract. Read the contract and all related documents necessary to perform the inspection.

2. Identifying the Lot.

a. Hand stamp the USDA logo on form AMS-104, which shall be identical in all respects to the one stamped on the pallets for that particular offered lot.

b. Show on the worksheet the markings of the unit loads, balers, and bags.

c. Roller-stamp the official USDA impression on any of the appropriate worksheets identical in all respects with the USDA impression already roller-stamped on the containers for that particular lot.

d. Show the name and address of the contractor, lot size, location of lot, and destination of end item on the worksheets.

3. Visual Examination.

a. Select the bags at random, either on the line or on the warehouse floor, scoring them for visual defects in accordance with the U.S. Standards for Condition of Food Containers.

b. Use the AQL's as stated in paragraph 42.107 on page 4 of the U.S. Standards for Condition of Food Containers and/or as stated on the reverse of worksheet form AD-741.

NOTE: Determine the sampling rate, and acceptance and rejection numbers for the bag examination by using the U.S. Standard for Food Containers. For checkweighing, use MIL-STD 150.

4. Checkweighing. The sampling and weighing plan for checkweighing primary bags shall be in accordance with Federal Specification N-R 00351.

a. Choose the bags to be weighed at random from the bags already chosen at random.

b. Show the defect figures on the applicable worksheet.

c. Score for defects listed on the applicable worksheet.

d. Record the weights and other pertinent information concerning the offered lot on form FGIS-992.

5. Inspecting the Rice.

a. Complete a work record for the rice sampled and inspected.

NOTE: If the rice was not sampled online, draw samples from the same primary bags that were randomly selected and checkweighed.

b. Notify the contractor if the rice fails to meet contract specifications for grade or other criteria.

c. Issue a rice inspection certificate even if the rice fails to make grade. Show the item no.(s) and contract number in the “Remarks” section of work record and certificate.

NOTE: When using the double sampling plan, post only the results of the first sampling to form AD-749, whether it is accepted or rejected. Do not post the results of the second sampling (total) on form AD-749.

10.27 FAILURE TO MEET CONTRACT REQUIREMENTS

As soon as all worksheets have been scored, review each item to determine whether the lot will be accepted or rejected. If the lot fails to meet specifications, notify the contractor immediately. The contractor may:

1. Rework the lot and then request a new inspection of the unit loads;

2. Request a new inspection based on the same sample size and the correspondence acceptance and rejection numbers;

3. Request an appeal inspection; and

NOTE: If an appeal is requested, base the inspection on the same sample size and corresponding acceptance and rejection numbers.

4. Request a waiver from the contracting officer.

NOTE: If the containers are rejected, the contractor will have to furnish containers that are in compliance.

PART III - ASCS INSPECTIONS

10.28 INTRODUCTION TO ASCS INSPECTIONS

A. FGIS is responsible for the inspection and certification of rice for the Agricultural Stabilization and Conservation Service (ASCS).

B. ASCS's Announcements and Amendments to the Announcements and General Terms and Condition, Short Reference - USDA - 1 contains information and requirements with respect to offers and general terms and condition applicable to the procurement of rice and services. Official personnel should closely study Part V - Post Award Provisions of the USDA-1.

1. ASCS will, at appropriate times, issue an Invitation for offers, hereinafter referred to as "invitations," under Announcements to sell milled rice to the Commodity Credit Corporation (CCC) for use in Domestic and Export Programs. The offers (contractors) are subject to the terms and conditions of the applicable Announcements. For example:

a. Announcement MR-3. Announcement and Amendments to the Announcement for the Purchase of Milled Rice, Enriched, for use in Domestic Programs.

b. Announcement MR-15. Announcement and Amendments to the Announcement for the Purchase of Milled Rice for use in Export Programs.

c. Announcement BMR-14. Announcement and Amendments to the Announcement for the Purchase of Milled Rice in Bulk for use in Export Programs.

2. ASCS will, at appropriate times, issue an Invitation under Announcements for Sale CCC-owned Rough Rice or the Processing of CCC-owned Rough Rice. The offers (contractors) are subject to the terms and conditions of the applicable Announcements. For example:

a. Announcement KC-S-RR-2. Announcement and Amendments to the Announcement for Sale of CCC-owned Rough Rice for Unrestricted use.

b. Announcement KC-ERP-3. Announcement and Amendments to the Announcement for Processing, CCC-owned Rough Rice and delivery of Milled Rice for use in Export Programs.

10.29 RESPONSIBILITIES OF CONTRACTOR AND OFFICIAL PERSONNEL

A. The contractor is responsible for:

1. Employing the services of the U.S. Department of Agriculture, Federal Grain Inspection Service, to determine all required tests and analyses.

2. Notifying the appropriate FGIS FOM, in a timely manner, prior to shipments.

3. Furnishing appropriate specifications, amendments, and military standards needed to perform the inspection.

4. Marking the lot with an appropriate code number.

5. Making the lot available and accessible for examination and sampling.

6. Recooping and replacing primary bags or bales opened for sampling and/or checkweighing.

B. Official personnel are responsible for:

1. Discussing the contract provisions and inspection procedures with the contractor prior to production.

2. Preparing a file for each contract.

3. Sampling and inspecting the rice under the U.S. Standards for Rice and under any other provisions of the contract, completing all required worksheets, and issuing a rice inspection certificate.

4. File the worksheets and certificate with the contract.

5. Examine the immediate production area and rice for filth. The existence or possible existence of filth should immediately be brought to the attention of the FOM.

6. Examine the packaging and/or packing in accordance with Announcement COC-1, Revision No. 1.

7. Examine bags and/or baler markings for compliance with appropriate Announcements.

10.30 LOT IDENTIFICATION REQUIREMENTS

Each lot should be distinctly marked by embossing, stamping, or stenciling to identify the lot from any other lot produced by the contractor.

1. Lots of rice may be identified by item number(s) and the contractor's lot number(s).

2. Lots may also be marked with USDA lot identification numbers. To mark the lots, official personnel shall:

a. Insert the proper identification numbers in the slot on the rubber roller-stamp. The USDA lot identification numbers consists of the Julian day, calendar year, and a lot number.

(1) The first, second, and third digits indicate the "day number" of the year. (Julian days are shown on Government calendars.)

(2) The fourth digit indicates the last number of the current calendar year.

(3) The fifth digit indicates the lot number. Starting with the number one (1) each day, each lot inspected shall be consecutively numbered.

b. Roller-stamp the containers, including balers and unit loads, comprising the inspection lot with the USDA lot number. Do not obliterate other markings.

10.31 INSPECTION PROCEDURES

Closely review the Announcements and Amendments and applicable specifications. Establish sampling plans and inspection procedures using the U.S. Standards for Condition of Food Containers and the AMS Handbook.

1. Determine that the rice meets ASCS specifications according to applicable Announcement.

2. Examine the bags and/or balers (sacks) for correct marking according to applicable Announcement.

3. Examine the packaging and packing according to applicable Announcement.

4. Inspect, checkweigh, and checkload the rice according to USDA-1.

5. Examine the condition of the packaging (primary) used in the lot according to U.S. Standards for Condition of Food Containers.

6. Weigh the primary bags according to FGIS, Weighing Handbook.

7. Examine the lots on floor for identification so it can be properly identified at a later date. (The contractor may apply identification or the inspector may use the USDA rubber rolled stamp for identification.)

8. Sample, inspect, grade and certificate the rice in accordance with the U.S. Standards for Rice and the instructions and procedures in the applicable specifications.

9. Sample and checkweigh the rice online and checkload it into the carrier, or after all bags and/or balers comprising the lot have been put on the floor.

a. If the lot is on the floor, use the "Table of Random Numbers" in AMS Handbook, "Procedures for Inspection of the Condition of Food Containers," in selecting samples.

b. If the lot is a moving line do not use "Table of Random Numbers" as it may not be practicable.

10. Complete all required worksheets.

11. Issue a rice inspection certificate for the services performed; e.g., quality, class, enrichment condition, checkweighing, checkcounting, and check- loading.

10.32 CONTAINER INSPECTION

A. ASCS rice shipments for domestic programs are usually shipped in:

Paper bales or fiberboard boxes containing:
24 - 2 pound paper packages or bags
24 - 2 pound polyethylene packages
24 - 2 pound cellophane packages
24 - 2 pound chipboard folding boxes
or
Fifty-pound multi-wall paper bags.

B. ASCS rice shipments for export program are usually shipped in 100-pound jute, burlap, woven polypropylene or polyethylene bags.

C. The primary bags or bales will be examined for contract requirements according to applicable Announcement, and also the primary bags will be examined for visual defects using the U.S. Standards for Food Containers.

D. Official personnel must be familiar with the application of the following standards:

1. Announcement MR-3 and the Amendments to the Announcement.

2. Announcement MR-15 and the Amendments to the Announcement.

3. AMS Handbook, "Procedures for Inspection of the Condition of Food Containers."

4. Announcement CMO-1, Revision 1, for Specification for Packaging and Packing of Dairy Products, Processed Grains, Salad Oil and Shortening.

5. General Terms and Conditions, Short Reference, USDA-1 for the procurement of Agricultural Commodity of Service.

6. U.S. Standards for Condition of Food Containers.

E. The following worksheets are used in performing lot inspections:

For the primary bags and/or folding boxes:

1. Form AD-471 (Reverse), "Container Examination."

2. Form AD-479, "Cumulative Original Inspections of Condition of Container."

3. Form FGIS-991, "General Services Worksheet," is used to record markings of the balers, primary bags, weights of primary bags and also the stamp of the official USDA Impression roller-stamped for identifying the lot at or later date, if necessary.

4. Form FGIS-911 is used to record factors and grade and other pertinent information as requested.

For the bales (sacks) and/or fiberboard boxes:

1. Form FGIS-991, "General Services Worksheet," is used to record whether or not the 48-pound bales meet the requirement of Package 38 Uniform Freight Classification, Rating, Rules and Regulations.

2. Form FGIS-991 is used to record whether or not the 48-pound fiberboard boxes conform to the requirements of Federal Specifications PPP-B-636.

NOTE: The contractor must supply official personnel with the ASCS Abstract (Contract). The abstract contains Contract Number, Item Numbers Destination, Quantity, Grade and Class and the Delivery Schedule.

F. Official personnel shall:

1. Review the contract. Read the contract and all related documents necessary to perform the inspection.

2. Identify the lot, if necessary.

a. The balers for the domestic program may be identified by using the official USDA Impression, Rubber roll stamp, where it will not obliterate other markings.

b. Roller-stamp any one of the appropriate worksheets identical in all respect with the rubber rolled stamp already stamped on the balers for that particular offered lot.

3. After examining the balers for conformance, open the balers and examine the primary bags (MR-6, Domestic Program) at random, and/or if the shipment consists of 100-pound bags, scoring the primary bags for visual defects, in accordance with the AMS Handbook (if applicable) and the U.S. Standards for Condition of Food Containers.

a. Use the acceptable quality levels (AQL) as stated in paragraph 42.107 page 4 of the U.S. Standards for Condition of Food Containers or as stated on the reverse of worksheet form AD-741.

b. The contractor has the option of using either the double or single sampling plan.

c. Show results on the applicable worksheets.

d. Score for the visual defects listed on the applicable worksheets.

NOTE: The contractor may make shipment prior to receipt of the inspection results if he assumes all risks and liabilities which arise with respect to the failure of the shipment to meet contract requirements and specifications, including those with respect to packages and containers subject to other provisions of Article No. 35.

4. Checkweigh the rice as follows:

a. Choose the bags to be weighed at random from the bags already chosen at random.

b. Show the defect figures on the applicable worksheet.

c. Score for defects listed on the applicable worksheet.

5. Record the weights and other information concerning the offered lot on form FGIS-932.

6. Inspecting the rice as follows:

a. Domestic Program. In some instances, more than one delivery order will be applied to a lot offered for inspection. It is permissible to show in the “Remarks” section of the rice inspection certificate the number of containers in each delivery order, provided this information is shown by the applicant on form FGIS-955, "Application for Inspection Under the Agricultural Marketing Act of 1946."

b. Export Program. In most instances, a designated lot will consist of more than one carrier. Make these inspections in accordance with Chapter 7, "Roundlot Inspection Plan."

(1) Complete a form AD-471 (Reverse) worksheet; a form FGIS-911; and a form FGIS-992 for each designated lot.

(2) Notify the contractor of the results of the inspection.

(3) Issue rice inspection certificates.

7. As soon as the worksheets have been scored, review and determine whether the lot will be accepted or rejected.

a. Notify the contractor if the lot meets specification.

b. If the lot fails to meet specification, the contractor may:

(1) Request a new inspection of the containers. If so, the contractor must rework the lot before a new inspection is made; or base the lot on the same sample size and the corresponding acceptance and rejection numbers.

(2) Request an appeal inspection. If an appeal is requested, base the inspection on the sample size and corresponding acceptance and rejection numbers.

(3) Request a waiver from ASCS if the containers fail to meet AQL requirements. ASCS will either waiver the requirement that caused the containers to be rejected, or reject the containers.

NOTE: If the containers are rejected, the contractor may rework the lot, and/or reorder containers that are in compliance.

10.33 FAILURE TO MEET ASCS REQUIREMENTS

A. If the lot fails to meet FSA requirements, notify the contractor immediately. The contractor may:

1. Rework the lot and then request a new inspection of the unit loads.

2. Request an appeal inspection.

NOTE: If the lot still fails to meet ASCS requirements, the contractor must offer another lot for inspection.

B. Official personnel must notify the contractor and ASCS of the results of the enrichment test if the rice fails to meet ASCS enrichment requirement.

1. If the enrichment of the rice meets the ASCS enrichment requirements, show the appropriate statement in “Remarks” section on the work record; e.g., "Results of enrichment test as prescribed in Rice Inspection Handbook: Enriched."

2. If the enrichment of the rice fails to meet ASCS enrichment requirements, show an appropriate statement in “Remarks” section on the work record; e.g., "Results of enrichment test as prescribed in Rice Inspection Handbook: Underenriched," or "Results of enriched test as prescribed in Rice Inspection Handbook: Overenriched."

NOTE: There is a penalty for failure to meet the enrichment test requirement.

C. Official personnel must notify the contractor and ASCS if the container markings fail to meet ASCS requirements.

PART IV - PL 480 INSPECTIONS

10.34 INTRODUCTION TO P.L. 480 INSPECTIONS

A. FGIS is responsible for the inspection, and certification of rice sold under Title I, Public Law 480.

B. Purchase Authorizations (P/A) contain language that require specific inspection services be performed and that key phrases appear on the rice inspection certificate. Rice sold under current P/A's must be:

1. Inspected for quality.
2. Checkcounted.
3. Checked for condition immediately prior to loading.
4. Checkweighed.
5. Carrier examined and found suitable to receive rice immediately prior to loading.
6. Observed being loaded.

10.35 PROCEDURES

A Inspection for Quality. Inspection for quality is the actual grading of the rice. Rice is identified and sampled in the warehouse according to procedures found in chapter 9.

NOTE: The lot must be marked while in the warehouse to identify the lot during the observation of loading phase.

B. Checkcount. Checkcounting of rice in bags shall consist of determining the total number of filled outer containers in a lot to verify the number of bags. Check- counting shall be performed while rice is at rest in the warehouse and accomplished under the FGIS procedures.

C. Condition Inspection. Condition inspection may be performed at time of warehouse inspection and verified at time of loading to the vessel. A condition inspection consists of an inspection for conditions such as water damage, insect infestation, bird or rodent damage or any other adverse condition which would cause the lot to be graded U.S. Sample grade. A condition inspection, in the case of bagged rice, would also include an inspection for containers that are torn, leaking and/or obviously under- filled at the time of checkweighing. Out-of-condition rice and/or containers must be removed from the lot and marked as rejected.

D. Checkweighing. Checkweighing shall be performed at the time of the warehouse inspection and performed according to chapter 4 of the Weighing Handbook.

E. Carrier Examinations. The carrier must be inspected immediately prior to loading and must be found to be clean, dry, free of insect infestation and in such condition as not to contaminate the rice. "Immediately prior to loading" means the inspection must be performed immediately preceding loading the vessel.

F. Observation of Loading. This part of the PL 480 inspection is performed when the rice is loaded into the holds of the vessel. A condition inspection of the containers and rice is usually performed concurrently with the observation of loading.

NOTE: The applicant is responsible for the rice until the lots are assigned to the stevedores for loading. The rice inspection certificates will reflect the quality and conditions of the rice at rest in the warehouse. If, the condition of the rice changes during loading (e.g., caught in a sudden rain) or if undetected rodents or insects are discovered, a letter will be issued to the applicant or his/her agent noting the adverse condition. Copies will be sent to the Office of the General Sales Manager, Washington, D.C. If the agent elects not to ship the rice, no letter will be necessary.

10.36 CERTIFICATION

A. The current P/A's require specific documentation, of which the rice inspection certificates are only one part. Rice inspection certificates must be issued to reflect: quality (grade), number of containers, estimated weight of the lot as a whole, condition of the carrier prior to loading, condition of the rice and containers at time of loading, and observation of loading.

B. These requirements may be satisfied by issuing separate certificates as each service is performed or by combining all services on one certificate. A separate certificate must be issued for the carrier examination.

C. A rice inspection certificate must be issued for all inspections performed. If official weighing is performed for bulk rice, a weighing certificate must also be issued.

1. If the quality certificates are issued as separate documents, certificates issued covering other phases of the inspection must reference the quality certificate.

2. When one certificate is issued to cover all services (except carrier examination) the approved statement to be shown in the Remarks section will be: "Inspection for quality, checkweighing and checkcount was performed on (date). The inspection for condition was performed at time of loading. This lot of rice was observed being loaded aboard (name of vessel) on (show all dates rice was loaded)."

3. The certificate must show that the condition inspection was performed "at time of loading." A condition inspection may be made prior to the start of loading, while rice is at rest in a warehouse. But to ensure that the condition of the rice and bags remains "good," a condition inspection must be made at the time of loading.

4. The certificate covering the carrier examination must show "immediately prior to loading." An examination may be made the day before loading, but an examination must also be performed immediately prior to loading to ensure that the previous results have not changed.

10.37 TIME LIMITATION

If reasonably continuous inspection is not maintained because of the non-availability of part of an identified lot, or a pause in loading of a vessel, the inspection certificate (or certificates) shall be issued for the portion inspected prior to the break in inspection, and one shall be issued for the portion inspected after the break in inspection or after each additional break in inspection. "Reasonably continuous inspection can include inactive periods of not more than 88 consecutive hours. To be considered "reasonably continuous inspection" at least one block or sublot must be inspected.

NOTE: After inactive periods, a new carrier examination must also be performed and certificated.

APPENDIX 1. TOLERANCES

TABLE OF CONTENTS

Granulated Brewers Milled Rice - -Percentage	7	24
Heat-Damaged Kernels - Number	4	2
Heat-Damaged Kernels and Objectionable Seeds (Singly or Combined) - Number	4	2
Heat-Damaged Kernels, Kernels Damaged by Heat and/or Parboiled Kernels in Nonparboiled Rice – Percentage	6	9
Heating Milled Rice	None	
Kind - Percentage of Milled Rice Kernels	6	9
Live Weevils and Other Live Insects	None	
Milling Analysis (Breakdown) - Percentage	7	24
Milling Yield - Percentage	1	1
Moisture - Percentage Using Appropriate Conversion Charts	2	1
Nonparboiled Rice - Percentage	6	9
Objectionable Seeds - Number	4	2
Odor	None	
Other Types - Percentage	6	9
Paddy Kernels - Number	4	2
Paddy Kernels - Percentage	5	8
Parboiled Color Levels	None	
Red Rice - Percentage	6	9
Red Rice and Damaged Kernels (Singly or Combined) - Percentage	6	9
Related Material – Percentage	6	9
Seeds - Number	4	2
Smutty Kernels - Percentage	6	9
Test Weight per Bushel	None	
Total Broken Kernels – Percentage	7	24
Total Seeds and Heat-Damaged Kernels - Number	4	2
Types (Length/Width Ratio)	None	
Ungelatinized Kernels - Percentage	6	9
Unrelated Material – Percentage	6	9
Well Milled Kernels - Percentage	6	9
Whole Kernels--See “Classes” or “Milling Yield”	None	

(RESERVED)