

**Preliminary Performance Review**

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***Meat & Poultry Inspection Division***  
**Department of Agriculture**

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**Meat and Poultry Inspection Division of the  
Department of Agriculture Provides for  
the Safety of Consumers of West Virginia  
Meat and Poultry Products**



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John Sylvia  
Director

July 13, 2003

The Honorable Edwin J. Bowman  
State Senate  
129 West Circle Drive  
Weirton, West Virginia 26062

The Honorable J.D. Beane  
House of Delegates  
Building 1, Room E-213  
1900 Kanawha Boulevard, East  
Charleston, West Virginia 25305-0470

Dear Chairs:

Pursuant to the West Virginia Sunset Law, we are transmitting a Preliminary Performance Review of the *Meat & Poultry Inspection Division*, within the Department of Agriculture, which will be presented to the Joint Committee on Government Operations on Sunday, July 13, 2003, in Parkersburg, West Virginia. The issue covered herein is the "Meat and Poultry Inspection Division of the Department of Agriculture Provides for the Safety of Consumers of West Virginia Meat and Poultry Products."

We transmitted a draft copy of the report to the Meat & Poultry Inspection Division on June 30, 2003. The Division opted not to have an exit conference. We received the agency response on July 1, 2003.

Let me know if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "John Sylvia".

John Sylvia

JS/wsc

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*Joint Committee on Government and Finance*

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# Executive Summary

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The Meat and Poultry Inspection Division within the West Virginia Department of Agriculture is a cooperative program with the United States Department of Agriculture (USDA). As a state-federal program, funding is shared 50/50. In fiscal year 2002, the State's share was approximately \$605,000. The program operates under federal guidelines for meat and poultry inspection. The Federal Food Safety and Inspection Service (FSIS) also does routine comprehensive reviews of the state meat and poultry program. The past two federal reviews assigned the highest possible score to the state program (West Virginia has the only state program to receive this rating twice in a row). The most recent FSIS review was initiated in 2002 and is still ongoing.

## **Issue 1: The Meat and Poultry Inspection Division of the Department of Agriculture Provides for the Safety of Consumers of West Virginia Meat and Poultry Products.**

Meat and poultry inspectors engage in continuous daily inspection on each day a slaughterhouse is open for operation. The Division is also responsible for risk-based inspection of custom plants and for the licensing of meat and poultry distributors throughout the state. All meat and poultry products manufactured in West Virginia for commercial sale, that are not inspected by the Federal Meat Inspection Program, fall under the jurisdiction of the West Virginia Meat and Poultry Inspection Division.

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*Meat and Poultry Inspectors are present at all times during the slaughter process. Animals are inspected antemortem (before death) and postmortem (after death).*

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The Legislative Auditor has found that the Meat and Poultry Inspection Program is providing for the safety of consumers of West Virginia meat and poultry products. Meat and poultry inspectors are always present during the slaughter of animals. Animals are inspected antemortem (before death) and postmortem (after death). The carcass is then stamped for approval if it passes inspection.

The Division has adopted a **Performance Based Inspection System** (PBIS) which utilizes computer software provided by the USDA which allows inspectors to enter information into a federal database to aid in the identification of any trends so that they might be addressed before such potential problems become critical. The Legislative Auditor has found the division to be in complete compliance with state and federal regulations, thereby providing for the safety of consumers of West Virginia meat and poultry products.

The Legislative Auditor has further determined that the Meat and Poultry Inspection Division helps to promote agriculture in West Virginia by allowing for the required inspection at smaller commercial and custom facilities that

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might not receive attention by the USDA if there were a federal takeover of the program.

### **Recommendation 1**

*The Legislative Auditor recommends that the Meat and Poultry Inspection Division of the Department of Agriculture be continued.*



# Review Objective, Scope and Methodology

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This Preliminary Performance Review of the Meat and Poultry Inspection Division of the West Virginia Department of Agriculture is required and authorized by the West Virginia Sunset Law, Chapter 4, Article 10 of the West Virginia *Code*, as amended. The Division is designed to provide for the safety of consumers of West Virginia meat and poultry products by inspecting the labeling and disposition of animals, poultry, carcasses, meat products and poultry products that are to be sold or offered for sale through commercial outlets for human consumption in West Virginia.

## Objective

The objective of this audit is to determine whether there is a need for such a state agency and the effectiveness of its operations. It is also the intent of the Legislative Auditor to determine whether the licensing and inspection process is providing for the safety of consumers of West Virginia meat and poultry products.

## Scope

The performance evaluation covers the period from the last PERD performance review in August 1997 to the present.

## Methodology

Information compiled in this report has been acquired through interviews and correspondence with the Director of the Meat and Poultry Inspection Division of the West Virginia Department of Agriculture. Documents obtained from the Division include: 1) Annual Reports for Fiscal Years 2000 through 2002; 2) Information describing the inspection process and resulting determinations; 3) Lists of licensed commercial establishments under the jurisdiction of the West Virginia Department of Agriculture; 4) An organizational chart of the Division; 5) Noncompliance Records resulting from past inspections; 6) A Procedure Summary of Trend Indicators for the period of January 1, 2000 to December 31, 2002 and an Establishment Summary of Verification Results for the same period. Other information obtained includes: 1) Budget information from the Governor's Office, State of West Virginia Executive Budget, Fiscal Years 2000 through 2003; and 2) The Code of Federal Regulations including the Meat Inspection Act and the Poultry Products Inspection Act. Every aspect of this review complied with Generally Accepted Government Auditing Standards.



# Issue 1

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## The Meat and Poultry Inspection Division of the Department of Agriculture Provides for the Safety of Consumers of West Virginia Meat and Poultry Products.

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### Issue Summary:

West Virginia's Meat and Poultry Inspection Division of the Department of Agriculture is responsible for the continuous inspection of 28 commercial slaughterhouses and/or processing plants, risk based inspection of 35 custom plants, and the licensing of 219 meat and poultry distributors throughout the state. All meat and poultry products manufactured in West Virginia for commercial sale, that are not inspected by the Federal Meat Inspection program, fall under the jurisdiction of the West Virginia Meat and Poultry Inspection Division. This includes inspection of the facilities where meat or poultry is processed, equipment used, employee health, sanitation, water supply, sewage system, and rodent control, as well as antemortem (before death) and postmortem (after death) inspections of all animals. **The Legislative Auditor has found that the Division meets or exceeds regulations outlined in the Federal Meat Inspection Act and the Federal Poultry Products Inspection Act thereby providing for the safety of consumers of West Virginia meat and poultry.**

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### The Inspection Process is Efficient and Effective

*The USDA conducts periodic reviews of the State Meat and Poultry Inspection Program. West Virginia is the only state that has received the highest USDA rating in two consecutive reviews.*

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As a State-Federal Cooperative Meat and Poultry Inspection Program, it is required that state laws, regulations, inspection procedures and techniques, laboratory methodology, etc. be at least equal to federal procedures and regulations in order to receive federal funding amounting to 50% of all operational expenses. Periodic comprehensive reviews are conducted by the Federal Food Safety and Inspection Services (FSIS), which is a section of the United States Department of Agriculture (USDA). These reviews ensure that the Division is complying with federal laws and regulations. West Virginia Code §19-2B-6 requires that:

*(a) The Commissioner shall provide antemortem and postmortem inspection of all animals and poultry which are to be sold or offered for sale through a commercial outlet, establishment or distributor.*

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*(b) The Commissioner shall provide reinspection of carcasses, meat products and poultry products during further processing which have previously been inspected.*

*(c) All inspections under the provisions of this article shall be performed in accordance with reasonable rules promulgated by the Commissioner.*

*(d) The Commissioner shall inspect all establishments under state inspection to make certain that they are operating in accordance with the provisions of this article and all reasonable rules promulgated by the Commissioner.*

To further ensure compliance with Federal regulations, the Code of State Rules, 61CSR16, promulgated by the Division adopts rules and regulations issued under the Federal Meat Inspection Act and the Federal Poultry Products Inspection Act.

## **Meat and Poultry Inspection Program Inspects Products Made and Sold in West Virginia**

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*Inspectors are responsible for 28 commercial slaughter houses and/or processing plants.*

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The Meat and Poultry Inspection Program currently employs 13 inspectors separated into two districts. Inspectors are responsible for the continuous inspection of 28 commercial slaughterhouses and/or processing plants, risk based inspection of 35 custom plants, and the licensing of 219 meat and poultry distributors throughout the state. All meat and poultry products sold in West Virginia must be inspected by the Federal or State Meat and Poultry Inspection Programs. The State Program only inspects products made and sold in West Virginia. Products inspected by the State Program cannot be sold in other states, with those facilities being inspected by the USDA. Likewise meat and poultry products made in other states and sold in West Virginia must be inspected by the USDA. All meat and poultry products available for consumer purchase in West Virginia are either inspected by the West Virginia Meat and Poultry Inspection Program or the United States Department of Agriculture.

## **Inspectors Are Present During the Entire Operation of Slaughterhouses**

Field inspectors are well trained and must be present during the operation at all 17 commercial slaughterhouses. **Facilities must be inspected**

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*Inspectors are present at all times during the slaughter process.*

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**before operations can begin. Each animal is inspected by the inspector antemortem and postmortem, and inspectors are present at all times during the slaughter process.** Certain organs are retained for inspection as well. In the past, the process was a paper based system in which inspectors would fill out forms and mail them back to the Division for entry into a database. The Division would then assess the inspector's findings and mail back to the inspectors a list of tasks to perform based on any recognizable trends. The Division is currently moving toward an electronic based inspection. Recent changes have made the system more efficient and effective, **and there have been no recalls of state-inspected meat in the last 20 years.**

### **Performance Based Inspection System (PBIS)**

In July of 1996, the Division adopted the Performance Based Inspection System (PBIS). PBIS is a computer based inspection system that uses software provided by the U.S. Department of Agriculture, Food Safety and Inspection Service. PBIS is a sophisticated tool based on public health risk assessment principles. The System eliminates the inspector's subjectivity and allows for the most efficient utilization of manpower. This System provides three important functions for inspectors and inspection officials:

1. **Risk management:** Determines the degree of risk and type of process and other factors to help determine the degree of oversight necessary to meet safety standards.
2. **Automated support systems:** Provides the Director of the Meat and Poultry Inspection Program with computer generated reports that can help determine the extent of how well plants and inspectors are controlling operations and sanitation.
3. **Scheduling of tasks:** Automatically targets inspection tasks for each inspector which allows the Director to establish oversight and identify priorities on the most vital of tasks which can be critical to the safety of meat and poultry consumers. This computerized scheduling of tasks also allows the Director better management of time and employees. The schedule also allows for unscheduled tasks to be performed at the discretion of the individual inspector.

In fiscal year 2001, all field inspectors were provided laptop computers which allow them to feed information directly into the system rather than mailing forms to the central office to be entered by a third party, thereby making the system more efficient. The Director of the Division maintains that by August

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or September of 2003, the federal database will be equipped to receive direct information from, and provide immediate feed back to inspectors with regards to the identification of national trends. To ensure that proper oversight of inspectors is not compromised, the Director will be capable of viewing, but not altering information as it is sent to the federal database.

## **Hazard Analysis and Critical Control Point (HACCP) Inspection System**

*Individuals at regulated establishments must complete a course in the 7 HACCP principles.*

Since 1999, inspection of meat and poultry in the U.S. in all state and federal establishments is performed on the basis of new regulations which require the use of the Hazard Analysis and Critical Control Points Inspection System (HACCP). HACCP is the most sophisticated inspection system based on risk assessment and proven scientific facts rather than prescriptive regulations. Regulations require that individuals performing certain functions at the regulated establishment must have successfully completed a course in the application of the seven HACCP principles, which are as follows:

1. ***Hazard Analysis:*** This requires preparation of a list of steps in the process where significant hazards occur and describe the preventive measures.
2. ***Identification of Critical Control Points (CCPs):*** A critical control point is defined as a point, step or procedure in a food process at which control can be applied and as a result, a food safety hazard can be prevented, eliminated or reduced to acceptable levels.
3. ***Critical Limits for Each Critical Control Point:*** A critical limit is the maximum or minimum value to which a biological, chemical, or physical hazard must be controlled at a critical control point to prevent, eliminate or reduce to an acceptable level the occurrence of the identified food safety hazard.
4. ***Monitoring Procedures:*** These are needed to adjust the process and maintain control. Monitoring procedures are crucial to assess whether a CCP is under control and to produce an accurate record for future use in verification.
5. ***Corrective Actions:*** These are to be taken when monitoring indicates there is a deviation from an established critical limit. Since HACCP is a preventive system to correct problems before they affect the safety of food, establishments have to plan in advance to correct potential problems.

6. **Record Keeping Procedures:** Record keeping is essential to document that the HACCP system works.
7. **Verification Procedures:** Verification entails the use of methods, procedures, or tests in addition to those used in daily monitoring to determine whether the HACCP system is operating as intended.

The Division worked with each establishment to help it to establish a HACCP plan. Plans are periodically reassessed whenever potential new hazards are identified that may be introduced into the product.

The Division has also worked with establishments to bring each into compliance with other new federal regulations in addition to developing a HACCP plan. Such new regulations require that each establishment:

1. Develop and implement written sanitation standard operating procedures (Sanitation SOPs);
2. Perform regular microbiological testing for the presence of *Escherichia coli*, also known as *E-coli*, (biotype I) to verify that adequacy of the establishment's process controls for the prevention and removal of fecal contamination and associated bacteria; and
3. Establish pathogen reduction performance standards for *Salmonella spp.* that slaughter establishments and plants producing raw ground products must meet.

### Division Funding is Federally Matched

As a State-Federal Meat Inspection Program, the Division is privy to 50/50 matching funds from the Federal Government. The table below indicates the State's share for the past four fiscal years.

**Table 1**  
**State's Share of Program Expenditures**

FY 2000	FY 2001	FY 2002	FY 2003
\$661,557	\$613,003	\$605,444	\$589,968*
* Value reflects expenditures as of May 31, 2003			

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*West Virginia is one of 28 states with an inspection program. Other states have federal inspection programs.*

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*The State Meat and Poultry Inspection Program essentially performs the USDA's function at half the cost to the Federal Government.*

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*The Division examined 7,130 animals before and after slaughter during fiscal year 2002.*

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West Virginia is one of 28 states that have state inspected cooperative programs. Since the State falls under federal guidelines, requirements must be met in order to receive funding. If a state fails to meet such requirements, the federal government will takeover the program. Florida is the most recent case of a federal takeover. According to federal officials, the option of a state program is up to the individual state. **The Director of the State Meat Program maintains that the advantage to having a state meat inspection program is that the state inspectors can be more responsive than federal officials. Also, the State Program allows smaller establishments to be commercially licensed. The USDA may not see it worthwhile to inspect and license these smaller facilities, which could cause them to cease to exist.** Similarly, if a small processor or slaughter facility needed to change its hours of operation, the state program could promote and assist the individual business owner in providing meat inspection during those hours. The advantage to the USDA of a state-federal inspection program is that the Division essentially performs the USDA's function at half the cost to the Federal Government. Given the Division's exemplary comprehensive federal reviews, the Director of the Division does not foresee a federal takeover.

## **The Division Helps to Promote Agriculture in West Virginia**

A state-run Meat and Poultry Inspection Division helps to promote agricultural business in West Virginia which is part of the mission of the Department of Agriculture. During fiscal year 2002, the Division provided continuous slaughter inspections and daily meat and poultry processing inspections at 28 commercial establishments. The tables below indicate the number of licenses the Division has issued for the slaughtering and the processing of meat and poultry products. At these establishments, the Division examined 7,130 animals before and after slaughter during fiscal year 2002. Of these animals inspected, 45 were condemned at postmortem inspection. When an animal is condemned by an inspector, the meat cannot be used for commercial purposes and must be destroyed. The condemned carcasses represent 0.63% of all inspected animals.



**Table 2**  
**Number of Commercial**  
**Meat Slaughter Licenses**

<b>Class</b>	<b>Avg. Slaughtered Per Year</b>	<b>No. of Licenses</b>	<b>Annual Fees</b>
<b>Small</b>	1 - 500	7	\$10
<b>Medium</b>	501 - 1,000	6	\$25
<b>Large</b>	1,001 - 5,000	4	\$50
<b>Extra Large</b>	Over 5,000	0	\$75

**Table 3**  
**Number of Commercial**  
**Meat and Poultry Processor Licenses**

<b>Class</b>	<b>Avg. Poundage Processed Per Year</b>	<b>No. of Licenses</b>	<b>Annual Fee</b>
<b>Small</b>	1 - 25,000	13	\$10
<b>Medium</b>	25,001 - 250,000	7	\$25
<b>Large</b>	250,001 - 1,000,000	5	\$50
<b>Extra Large</b>	Over 1,000,000	0	\$75

*The Division inspected 8.6 million pounds of meat and poultry products in 2002.*

During fiscal year 2002, the Division also inspected about 8.6 million pounds of processed meat and poultry products to ensure that every pound was wholesome, safe and accurately labeled. In addition to providing daily and continuous inspection in all commercial establishments, the Meat and Poultry Inspection Division inspected 35 custom plants on a risk assessment basis.

As of the end of fiscal year 2002, the Division licensed 219 meat and poultry distributors. These facilities are subject to a precicensing review to ensure that technical requirements for such distributors are met. Licensed distributors are not allowed to conduct processing in any form. After licensing they are subject to scheduled compliance reviews at least annually if no deficiencies are found. Any significant deficiency triggers more frequent compliance reviews.

The Director of the Division maintains that without the Division's assistance in developing plans to comply with such federal regulations as the

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development of a HACCP plan, many of West Virginia's meat and poultry producing and processing facilities would not have survived.

## **Conclusion**

**The Legislative Auditor concludes that the Meat and Poultry Inspection Division of the Department of Agriculture provides for the safety of consumers of West Virginia meat and poultry products and should be continued.** Furthermore, the Legislative Auditor has found the Division to have exemplary performance. In the past two federal USDA reviews, the Division received the highest possible rating. No other state meat inspection program has ever received the highest score in consecutive reviews. The Division is currently under a USDA review initiated in 2002, and the Director is hopeful that its score will again be the highest possible. **Were the Meat and Poultry Inspection Division not allowed to continue, many meat and poultry producing and processing facilities throughout the state would cease to exist.**

## **Recommendation 1**

*The Legislative Auditor recommends that the Meat and Poultry Inspection Division of the Department of Agriculture be continued.*

# Appendix A: Transmittal Letter

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## WEST VIRGINIA LEGISLATURE *Performance Evaluation and Research Division*

Building 1, Room W-314  
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John Sylvia  
Director

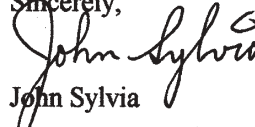
June 30, 2003

Dr. W. Jan Charminski, Director  
Meat and Poultry Inspection Division,  
West Virginia Department of Agriculture  
1900 Kanawha Boulevard East  
Charleston, West Virginia 25305

Dear Dr. Charminski:

This is to transmit a draft copy of the Preliminary Performance Review of the Meat and Poultry Inspection Division of the West Virginia Department of Agriculture. This report is scheduled to be presented at the July 2003 interim meetings of the Joint Committee on Government Operations. July interim meetings are to be held in Parkersburg, West Virginia July 13<sup>th</sup> - 15<sup>th</sup>. A representative from our office will contact you with the exact time, date, and location of the meeting as soon as the final interim meeting schedule is released. It is expected that a representative from your agency be present at the meeting to respond to the report and answer any questions the committee may have. If you would like to schedule an exit conference to discuss any concerns you may have with the report, please notify us. We need your written response by noon on July 8, 2003 in order for it to be included in the final report. If your agency intends to distribute additional material to committee members at the meeting, please contact the House Government Organization staff at 340-3192.

We request that your personnel treat the draft report as confidential and that it not be disclosed to anyone not affiliated with your agency. Thank you for your cooperation.

Sincerely,  
  
John Sylvia

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*Joint Committee on Government and Finance*

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# Appendix B: Agency Response

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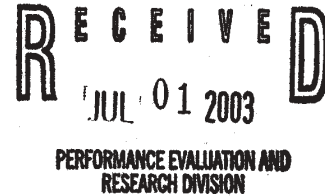
State of West Virginia  
**DEPARTMENT OF AGRICULTURE**  
Gus R. Douglass, Commissioner

Janet L. Fisher  
Deputy Commissioner

Steve Hannah  
Deputy Commissioner

July 1, 2003

Mr. John Sylvia, Director  
Performance Evaluation and Research  
Division  
West Virginia Legislature  
Building 1, Room W-314  
Charleston, WV 25305-0610



Dear Mr. Sylvia:

I have carefully reviewed the draft copy of the Preliminary Performance Review of the Meat and Poultry Inspection Division, West Virginia Department of Agriculture, and have found the review to be accurate. Therefore, I do not have any suggestions for corrections or amendments.

I would like to express my gratitude to Mr. Denny Rhodes and Mr. William Laird for their professionalism in conducting the review.

Sincerely,

A handwritten signature in black ink, appearing to read "W. Jan Charminski".

W. Jan Charminski, DVM, PhD  
Director  
Meat and Poultry Inspection Division

WJC:sm

