

\*DRAFT\*

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (Department)  
FEED INSPECTION ADVISORY BOARD (FIAB) WEB CONFERENCE MEETING**

**April 21, 2021  
9:00 AM – 12:00 PM**

**MINUTES**

**MEMBERS**

Dan Rice  
David Meeker  
Jed Asmus  
Jeremy Banducci  
Marit Arana, Chair  
Michael Koewler  
Paul Parreira, Vice Chair  
Shay Rambur

**MEMBERS ABSENT**

Kate Horstmann

**CDFA STAFF**

Adriana Avalos  
Amadou Ba  
Angelia Johnson  
Barzin Moradi  
Brittnie Williams  
Carla Sanchez  
Casey Dykier  
Cathryn McCandless  
Elizabeth Moseby  
Erika Lewis-Ortega  
Jenna Leal  
Maryam Khosravifard  
Natalie Krout-Greenberg  
Rachelle Kennedy  
Samantha Moran-Defty  
Stacy Aylesworth  
Valerie Brott

**INTERESTED PARTIES**

David Isen  
Erin Merrill  
Katherine Swanson  
Michael Filigenzi  
Ranjani Youngman  
Robert Poppenga  
Sabine Hargrave  
Tad Bell

**INTRODUCTIONS AND ANNOUNCEMENTS**

Dr. Marit Arana, Chair, called the meeting to order at 9:02 a.m. A quorum was established. Kate Horstmann was absent.

**APPROVE JANUARY 26, 2021 MEETING MINUTES**

Chair Arana requested the board review the minutes of the January 26, 2021 FIAB meeting.

**MOTION:** Michael Koewler moved to approve the meeting minutes; Shay Rambur seconded. The motion passed unanimously with a vote by all board members present of 8 - 0.

**DEPARTMENT / DIVISION / BRANCH UPDATE**

Natalie Krout-Greenberg reported that the Division was tasked to reduce its footprint of lease space by consolidating workspaces in field and headquarter offices. Other Divisions will move to the headquarters office and the Inspection Services Division (ISD)

will continue to stay at the Gateway Oaks Drive office with the Marketing Division; more information to come as ISD works through the process in the coming months.

Krout-Greenberg announced that the Office of Farm to Fork awarded \$8.49 million for 60 projects throughout the state via the 2021 California Farm to School Incubator Grant Program. The Farm to School Program continues to engage and assist in connecting the lunchroom to the bounty of California. The ISD released a video blog about reducing food waste through recovery and upcycling. The video demonstrates the bounty of what California produces, recycling and repurposing, and what is recovered to food banks. The video includes animal feed and highlights other Division's work related to compost.

The Food and Drug Administration (FDA) released a report of the sample findings from the Salinas foodborne illness outbreaks that occurred last year. FDA reported that a reasonably foreseeable hazard was identified in the southern Salinas area and called out adjacent land use. The Department has been working with the California Agricultural Neighbors workgroup and the University of California (UC), Davis, to focus on viable solutions. Another effort by the Division is the California longitudinal research study, a partnership with the Western Center for Food Safety, Center for Food Safety and Applied Nutrition, FDA, and industry, focusing on the movement of potential pathogen sources in the environment and how to enhance preventive control measures. The Department is also conducting a soil amendment surveillance sampling project looking at soil inputs in compost, liquid, and heat-treated products.

Krout-Greenberg announced that ISD applied for a five-year Produce Safety grant with FDA; more updates to come at the start of the fiscal year.

Dr. Amadou Ba announced that Nick Young was appointed as the new Environmental Program Manager I for the Fertilizer Materials Inspection Program. Maria Tenorio Alfred, former supervisor in the Branch, was appointed to Research Data Specialist II for the Branch; she is currently working with the Feed and Fertilizer programs in efforts to update the ExtraView database. Elizabeth Moseby, Staff Services Analyst, will be Brittne Williams', Board Liaison backup. Jason Cho, Office Technician, received a job opportunity with the Department of Industrial Relations and Julia Garcia, Agricultural Technician II, received a job opportunity with the Department of Pesticide Regulations.

Dr. Ba reported that the Fertilizer program continues to be engaged in enforcement issues concerning adulterated organic input material products. A current case was elevated to the Attorney General's Office, which has devoted hours assisting the Fertilizer program with the case. The Fertilizer program requested a suspension of license and scheduled a hearing; however, the entity decided not to renew their license.

Dr. Ba announced that the National Organic Standards Board (NOSB) is holding a hearing on diverse issues impacting the organic system. NOSB is requesting comments on ammonia extract which can be extracted from manure or animal byproducts. The Department and the Organic Materials Review Institute (OMRI) have approved

registered products. OMRI and Dr. Martin Burger, the Fertilizer program's Senior Environmental Scientist (SES) (Supervisor), commented in support of affirmative action on those product types.

Dr. Ba reported that the Fertilizer Inspection Advisory Board has recently advised the Fertilizer Research and Education Program (FREP) to work with coalitions in compliance with the water quality regulations impacting California growers. FREP has been engaged with six coalitions surveying their needs with a goal to have technical staff assisting growers to comply with the regulations. The Central Coast Regional Water Quality Control Board adopted Agricultural Order 4.0 including incentives for the use of compost, organic fertilizers and cover crops to improve soil health, moisture retention and carbon and nitrogen sequestration and the utilization of nitrogen in irrigation water to reduce fertilizer applications of nitrogen. FREP has contacted Dr. Doug Parker, Director of the California Institute for Water Resources, UC Agriculture and Natural Resources (UCANR), who agrees with the need for structure and understands FREP's goal to meet the coalitions' needs. A consultation with UCANR will take place to review the implementation process in hopes to implement a sustainable program for the future.

### **BOARD VACANCIES**

Jenna Leal announced that board terms for Chair Arana, Paul Parreira, and Shay Rambur expire on April 30, 2021. Leal presented an overview of the three applicants that applied, Arana, Parreira and Rambur, requesting board recommendations to the secretary.

**MOTION:** Michael Koewler moved to approve the board reappointments of Chair Arana, Paul Parreira and Shay Rambur to the secretary; Jed Asmus seconded. The motion passed unanimously with a vote by all board members present of 8 - 0.

### **FUND CONDITION / TONNAGE REPORTING**

Leal reported that as of February 28, 2021, the beginning balance combined total for the Feed and Safe Animal Feed Education (SAFE) programs was about \$4.2 million; total revenue was about \$2.7 million; expenditures were about \$2.7 million; encumbrances were \$772,582; and the adjusted total balance was about \$3.4 million. Feed tonnage presented in the materials reflects a rate of \$0.10 cents per ton effective January 1, 2021. Feed tonnage is projected to reach 23 million tons as presented in previous years.

### **PROGRAM UPDATES**

Leal stated the two SES (Specialist) positions on the Branch's Organizational Chart that are part of Feed Program's strategic planning, were advertised. One SES (Specialist) will be assigned as contract lead including Food Safety Modernization Act (FSMA) and Animal Feed Regulatory Program Standards (AFRPS). The program interviewed and selected Samantha Moran-Defty, SAFE's SES (Specialist), to lateral into the position leaving the Feed program to backfill Moran-Defty's vacant position. The other SES

(Specialist) was reclassified to an Environmental Scientist (ES) and will be assigned as compliance lead for the Feed program's field activities to help build administrative penalty cases and train employees. Leal announced the program interviewed and selected Ted Bert, the Feed program's FSMA inspector into the position also leaving the Feed program to backfill Bert's vacant position. The Feed program continues to advertise for the ES position in Southern California; more interviews are scheduled in the coming week. Jessica Lugo, ES, is on a contact tracing assignment until July 1, 2021 and Ashley James, Research Data Analyst II, who is responsible for the billing of the program's federally funded contracts, grants, and agreements, will return from maternity leave on May 1, 2021.

Leal gave a field activity update, reporting that the Feed program completed 56 violation follow-ups, five complaint follow-ups, 237 routine samples, seven Preventive Controls inspections, and two FSMA visits.

The Feed program met with FDA to discuss the impact its budget would have on federal fund allocations. FDA announced that they have a \$30 million deficit; programs that do not spend all funds will be cut for the next year. The Feed program has \$200,000 remaining from the AFRPS Cooperative Agreement (AFRPS-CA) and is working with UC Davis to utilize the federal funds for laboratory (lab) equipment purchases and method development costs.

Leal reported the Feed program has been involved in Assembly Bill (AB) 866; this bill changes the type of labs the board can designate to administer any part of the feed law in Chapter Six of the Food and Agricultural Code from "State accredited or certified chemistry laboratories" to "State accredited, certified, or licensed laboratories." This slight change in verbiage allows the board the ability to outsource to any licensed lab. Leal presented AB 125, a \$3.122 billion bond measure regarding human food waste diversion to compost, expressing the importance of highest and best use of the Environmental Protection Agency's hierarchy and that some funds should go to highest and best use to animal feed. Additionally, the Feed program met with Stanford University graduate students who are working on a diversion by-products project looking at the new technology marketplace to connect products with the animal feed industry.

The Feed program received an annual visit for the AFRPS-CA; a 60-month audit for the first five-year CA with FDA is scheduled in October.

Leal stated that since the last FIAB meeting discussion about incentivizing byproducts, the program has drafted regulations that continue to move through Department's Legal and Executive Office for submission to the Office of Administrative Law. The Feed program was also working with the Department's Office of Information Technology on several changes to the license and tonnage portion of the database; however, Legal rejected the changes stating the program cannot create its own category of reporting without regulations. Legal advised that the program can make all the changes in the database, and require detailed reporting, but cannot charge lower incentivized tonnage

rates until the proposed regulations are finalized. The program moved forward with implementing additional reporting requirements more specific to human food waste diversions, an easy to read guide for label requirements, and an auditing strategy for the program to audit tonnage rates once regulations are finalized. The program will continue outreach and education efforts and collaborate with the feed industry.

Leal reported that at the Almond Hull workgroup meeting, the workgroup recommended to the board that the Feed program 1) discontinue all research, discussion, consideration, and reporting of neutral detergent fiber (NDF); 2) continue with crude fiber as the almond hulls standard; 3) adjust the compliance/enforcement model to minimize repeat violator's ability to blend hull and shell; 4) consider an Administrative Fee post product quarantine to recoup employee time taken following-up on repeat violations; and 5) work with the Department's Legal Office to ensure the complaint process is not an underground regulation.

Chair Arana stated the outcomes and recommendations presented by the almond hull workgroup are in the form of a motion requesting a second motion and board vote to accept the recommendations as presented.

Paul Parreira commented stating the purpose of discontinuing the discussion and reporting of NDF was due to lack of support at this time. Leal shared the difficulties moving forward without full support from merchandisers to move from crude fiber to NDF.

Tad Bell, California Grain and Feed Association (CGFA), expressed the importance of transparency with the Feed program's enforcement and compliance policy for others to understand the ramifications if in violation, suggesting the administrative fee be included.

Discussion ensued regarding compliance and enforcement model within the Feed program to minimize violator's ability to blend hull and shell.

**MOTION:** Chair Arana moved to approve the workgroup recommendations to the board; Shay Rambur seconded. The motion passed with a vote of 7 – 0 with 1-member abstaining.

Rachelle Kennedy reported that Shelly King has continued to work on veterinary feed directive (VFD) compliance and outreach. The program's field staff will be visiting firms with VFD compliance errors. Common errors include issue/expiration dates, dosage, special instructions, Category II Type A drugs, withdrawal time, and veterinarian signature. The first visit to firms will be outreach and education only on how to verify the accuracy of a VFD. Firms will be provided with a list of common errors on VFD orders, a lawful VFD order checklist, and a VFD "how-to" Guide for Distributors and Manufacturers to verify VFD orders are accurately completed.

Moran-Defty gave a 2020 sampling summary, reporting a total of 704 samples: 53 percent were food safety and 47 percent were label compliance. Of the 147 violative samples, 52 percent were guarantee violations. Moran-Defty reported the program completed 161 almond hull samples, 48 corn samples, and 36 cottonseed samples. Moran-Defty presented a food safety sample summary: 41 mycotoxin tests, 20 pesticides screens, 3 heavy metals screens, 41 vitamin/mineral samples, 135 medicated feed samples, and 145 nutrition tests. Moran-Defty presented a map identifying samples obtained in California from incoming commodities throughout the world. Moran-Defty continues to perform food safety plan consultations and act as liaison between industry and FDA to address technical questions. SAFE has a new Food Waste By-product Diversion webpage on the Department's website.

### **TECHNICAL ADVISORY SUBCOMMITTEE (TASC) UPDATE AND RECOMMENDATIONS**

Cathryn McCandless gave a TASC update. McCandless requested a board recommendation to reappoint Dr. Marit Arana as Chairperson for TASC.

**MOTION:** Dan Rice moved to approve Dr. Marit Arana as TASC Chairperson; Michael Koewler seconded. The motion passed with a vote of 7 – 0 with 1-member abstaining.

McCandless stated TASC continues to seek more applicants to fill vacancies on TASC and provided information on a new applicant, Liljana Dojcinovsk. Dojcinovsk has a Ph.D. in Food Microbiology and Doctor of Veterinary Medicine in Bulgaria with 20 plus years of experience in market, factory, supply chain, research, and development as a Seasoned Quality Manager in food quality control.

Chair Arana commented that there is no connection between human food microbiology and animal feed industry and Chair Arana advised that if the board does not feel strongly about making a motion to approve the applicant to TASC, they should wait for future applicants.

Katherine Swanson, Ph.D., UC Davis, provided a hemp feeding trial update. The trial consisted of feeding 34 grams of hemp pellets/126 milligram cannabinoid (CBD) and 180 milligram CBD-A to low group of goats and 68 grams of hemp pellets/250 milligrams CBD/360 milligrams of CBD-A to high group. The purpose of the feeding trial is to identify effects on production and what happens to the cannabinoids in the goats. Swanson stated there was no effect on milk or body weights, but there was a drop in milk fats due to high fat in hemp residue. Seven different cannabinoids were tested; an increase in blood levels for CBD and CBD-A was shown with increased feeding; and some tetrahydrocannabinol (THC) was detected in the goat's blood. UC Davis is working with UC Davis' Medical Center on developing a method for CBD extractions and protocols to measure cannabinoids. UC Davis will be able to do all extractions in the lab as soon as protocols are in place.

McCandless stated the SAFE program received one industry and one UC Davis requests for potential research grant projects: dairy cattle ethanol extracted hemp project and the camelina dairy cattle feeding project. The goal of the dairy cattle ethanol extracted hemp project is to determine the chemical composition of ethanol extracted hemp residue and the impact of feeding a hemp residue to lactating dairy cows. Data from this project will provide information to the Department to support decisions on the safety of feeding hemp residue to cattle and the products produced by cattle and will also provide information about the composition of hemp residue as a potential byproduct feedstuff for lactating dairy cows to the animal feed industry, nutritionists, veterinarians and dairy farmers. The amount of hemp acreage has decreased; however, it is the direct product of not having enough facilities to extract CBD from hemp. Due to the interest in the hemp product, the program determined that it would be logical to look at ethanol extracted hemp. McCandless requested a board recommendation to move the dairy cattle ethanol extracted hemp project to TASC.

**MOTION:** Chair Arana moved to approve the dairy cattle ethanol extracted hemp project to TASC for further review; Jed Asmus seconded. The motion passed unanimously with a vote by all board members present of 8 – 0.

McCandless presented the camelina dairy cattle feeding project submitted by Sustainable Oils for approval of a supervised dairy cattle feeding study in California and assistance to establish a revised Association of American Feed Control Officials definition for 'camelina meal' to include dairy cattle at a maximum of 10 percent inclusion rate.

**MOTION:** Jed Asmus moved to approve camelina dairy cattle feeding project to TASC for further review; Paul Parreira seconded. The motion passed unanimously with a vote by all board members present of 8 – 0.

Leal reported that the Feed program continues to coordinate with the UC Davis Analytical Laboratory (Anlab) and California Animal Health and Food Safety Laboratory System (CAHFS) on AFRPS Standard 10 documentation and implementation. The Program has continued to track turnaround times from both labs and the Department's Center for Analytical Chemistry (CAC) lab. The average turnaround time from sample to published report is about 19 days. The average turnaround time for the Anlab is nine days, CAHFS lab is four and a half days, and CAC lab is four days.

### **UC DAVIS LABS UPDATE**

Mike Filigenzi, CAHFS, reported turnaround times by test type. CAHFS is moving forward with method development on tetracyclines and Vitamin A in feed. CAHFS purchased a Romer Analytical Sampling (RAS) mill for grinding corn and established a procedure for its use in grinding and homogenization and a procedure using Robot Coupe Blixer processors for grinding and homogenizing cottonseed. CAHFS is in the process of hiring a fulltime chemist who will start on May 5, student assistant, lab supervisor and method development specialist.

Filigenzi reported issues CAHFS has encountered including non-homogeneity in mineral mixes. CAHFS found a sample with a higher selenium concentration than listed and discovered that CAHFS had not adequately homogenized the sample. CAHFS has since changed the homogenized procedure and continues to improve sample preparation procedures by purchasing new equipment as needed.

Ranjani Youngman, UC Davis' Anlab, gave a follow up on turnaround times. Anlab has identified areas for improvement of grinding samples for cottonseed. A hydrolysis apparatus was ordered that will allow Anlab to expand testing for fat samples such as dried milk, whey, other dairy products, milk replacer, liquid feeds, dried bakery products, pet food, and fish foods.

### **CENTER FOR ANALYTICAL CHEMISTRY (CAC) LAB UPDATE**

Maryam Khosravifard reported 117 almond hulls analyses with an average number of assays per sample of 2.8. The average turnaround time for crude fiber is four days and NDF is three days. Turnaround times include sample receiving, drying, grinding, analysis, review, and reporting.

Khosravifard announced the retirement of CAC's Senior Lab Assistant on March 9, 2021, and the upcoming retirement of CAC's Lab Technician on June 15, 2021.

### **CALIFORNIA GRAIN AND FEED ASSOCIATION UPDATE**

Bell expressed appreciation to the Feed program's leadership on coordination with AB 866.

Leal stated that at the last FIAB meeting, the board recommended to move forward on an outreach and education campaign with Diversion Strategies. Leal introduced Erin Merrill and Rachel Oster, Principals of Diversion Strategies, to provide an update on the byproducts strategic plan project.

Merrill reported Diversion Strategies has been working with stakeholders for education and outreach related to Senate Bill (SB) 1383. The project started in February of 2021 and is currently in the information gathering stage. Diversion Strategies has conducted 15 interviews and has discovered SB 1383's edible food recovery program starting to emerge as key compliance for licensees that may be considered food distributors; a discussion is in place with CalRecycle. Another discussion in place is identifying the impact of SB 1383 and the gap in understanding on the CalRecycle side of how the industry is impacted. Diversion Strategies has also seen a distinction between when a byproduct stops becoming a commodity and becomes a waste, which is an area to be refined.

The interviews will form the basis for a broader survey to be developed and distributed in the next several weeks with feedback from the Department, CGFA, and the California Farm Bureau Federation. Based on the information gathered, Diversion Strategies will



focus on the education and outreach component of the project and work with staff to develop a strategic communication plan which will ultimately lead to a one-hour webinar. The webinar will be hosted by Diversion Strategies to educate municipal solid waste managers, public works officials, recycling coordinators, and other parties throughout the state.

Oster commented stating the goal is to create educational resources and tools such as infographics that will better describe licensees that fall under the SB 1383 requirement, while understanding the challenges and educational gaps.

### **PUBLIC COMMENT**

No public comments were made.

### **AGENDA ITEMS FOR FUTURE MEETINGS**

Chair Arana asked the board for agenda items for the next meeting.

Leal requested the goat hemp research trial update as an agenda item. Chair Arana requested a TASC update on the dairy cattle projects.

### **NEXT MEETING**

Leal proposed that the next FIAB meeting be held at the end of July or beginning August. Members will be polled to select a date for July and August. The meeting could potentially be in-person but is yet to be determined.

Dr. Ba commented stating the Department's Executive Office encourages hybrid meetings via Zoom considering that there may be attendees that have pre-existing conditions.

**MOTION:** Michael Koewler moved to adjourn the meeting; David Meeker seconded. The motion passed unanimously with a vote by all board members present of 8 - 0.

### **ADJOURN**

The meeting was adjourned at 11:10 a.m. by Chair Arana.

Respectfully Submitted By

**ORIGINAL SIGNED BY JENNA LEAL**

4/21/2021  
Date

Jenna Leal, Feed Program Manager  
Feed, Fertilizer, and Livestock Drugs Regulatory Services



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# FEED INSPECTION ADVISORY BOARD MEETING

JULY 28, 2021

PRESENTED BY THE FEED  
LEADERSHIP TEAM

# FUND CONDITION

## FINANCIAL SUMMARY Feed, Livestock Drugs, AUS, and SAFE

### FUND CONDITION REPORT As of April 30, 2021

	FY 2020/21				
	FEED	SAFE	TOTAL FEED/SAFE	LIVESTOCK DRUGS	AUS
<b>Beginning Balance as of 7/01/2020:</b>					
CDFA Account	\$ 1,933,647	\$ 662,745	\$ 2,596,392	\$ 447,796	\$ -
Bank of America Account	\$ 1,628,004	\$ -	\$ 1,628,004		\$ -
General Funds					\$ 751,931
<b>Total Funds</b>	<b>\$ 3,561,651</b>	<b>\$ 662,745</b>	<b>\$ 4,224,396</b>	<b>\$ 447,796</b>	<b>\$ 751,931</b>
<b>Revenue*</b>	\$ 3,003,176	\$ 316,131	\$ 3,319,307	\$ 28,286	\$ -
<b>Expenditures and Encumbrances</b>					
Expenditures**	\$ 3,094,356	\$ 294,842	\$ 3,389,198	\$ 125,257	\$ 548,544
Encumbrances	\$ 648,138	\$ 49,129	\$ 697,267	\$ 1,422	\$ 54,406
<b>Ending Balance as of 4/30/2021</b>					
CDFA Account	\$ 1,804,760	\$ 684,034	\$ 2,488,794	\$ 350,825	\$ 203,387
Bank of America Account	\$ 1,665,711	\$ -	\$ 1,665,711	\$ -	\$ -
<b>Total Funds</b>	<b>\$ 3,470,471</b>	<b>\$ 684,034</b>	<b>\$ 4,154,505</b>	<b>\$ 350,825</b>	<b>\$ 203,387</b>
<b>Adjusted Balance***</b>	<b>\$ 2,822,333</b>	<b>\$ 634,905</b>	<b>\$ 3,457,238</b>	<b>\$ 349,403</b>	<b>\$ 148,981</b>
<b>Recovery - Funds received from Federal grants and contracts</b>					
BSE/Feed	\$ 34,871	\$ -	\$ 34,871	\$ -	\$ -
Tissue Residue	\$ -	\$ -	\$ -	\$ 30,163	\$ -
AFRPS	\$ 77,480	\$ -	\$ 77,480	\$ -	\$ -
<b>Total Recovery</b>	<b>\$ 112,351</b>	<b>\$ -</b>	<b>\$ 112,351</b>	<b>\$ 30,163</b>	<b>\$ -</b>

\*NOTE: Revenue includes feed tonnage tax, feed and livestock drugs licensing, restricted livestock drugs registration, interest accrued in the CDFA Fund Account and Bank of America Corporate Account.

\*\* Expenditure total per CDFA Financial Services Budget Report April 30, 2021. Amount does not reflect outstanding lag expenditures.

\*\*\* Adjusted balance accounts for all program encumbrances through April 30, 2021.

# TONNAGE TAX

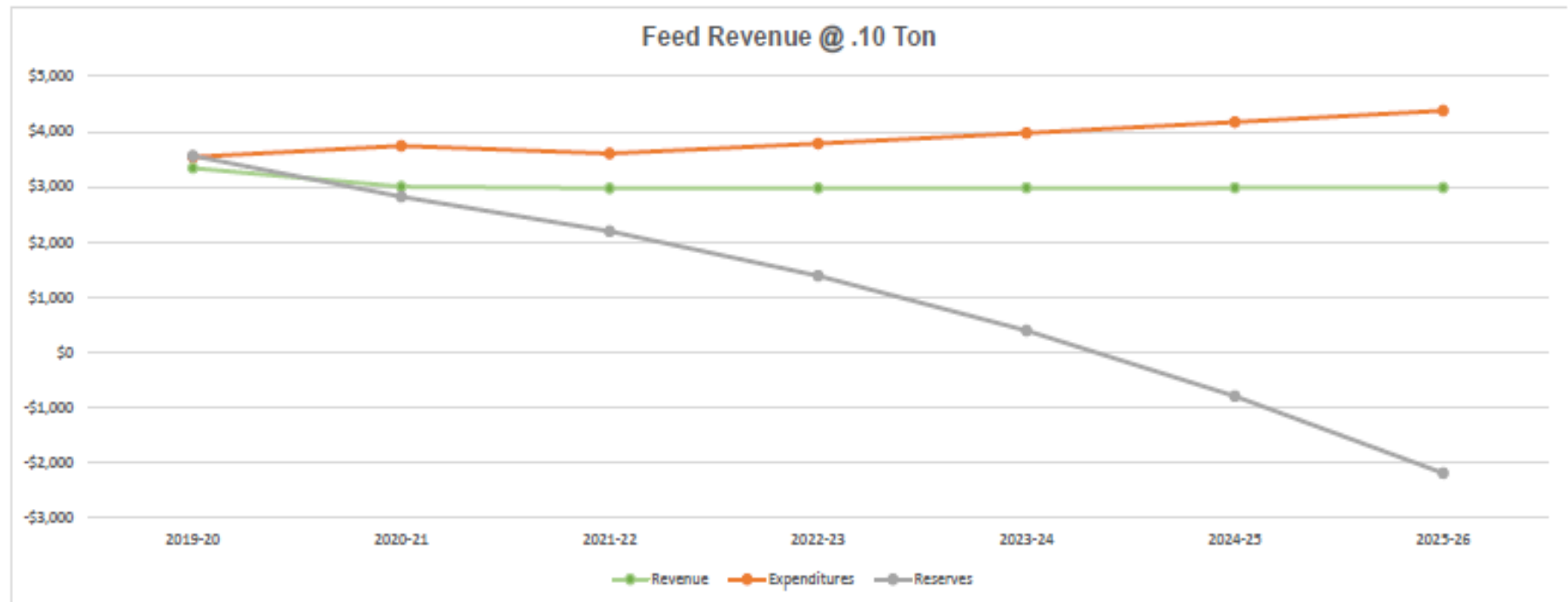
## Feed Tonnage Breakdown by Fiscal Year

	2016/17			2017/18			2018/19			2019/20			2020/21		
	\$0.12			\$0.12/0.10			\$0.10			\$0.10/0.12			\$0.12/0.10		
	Tonnage Revenue	Rate	Tons	Tonnage Revenue	Rate	Tons	Tonnage Revenue	Rate	Tons	Tonnage Revenue	Rate	Tons	Tonnage Revenue	Rate	Tons
JULY	\$ 257,594	\$ 0.12	2,146,617	\$ 214,225	\$ 0.12	1,785,208	\$ 213,856	\$ 0.10	2,138,560	\$ 325,723	\$ 0.10	3,257,230	\$ 242,493	\$ 0.12	2,020,775
AUGUST	\$ 314,325	\$ 0.12	2,619,375	\$ 454,422	\$ 0.12	3,786,850	\$ 333,146	\$ 0.10	3,331,460	\$ 252,247	\$ 0.10	2,522,470	\$ 432,324	\$ 0.12	3,602,700
SEPTEMBER	\$ 21,459	\$ 0.12	178,825	\$ 16,532	\$ 0.12	137,767	\$ 15,002	\$ 0.10	150,020	\$ 20,199	\$ 0.10	201,990	\$ 287	\$ 0.12	2,392
Q1 Subtotal	\$ 593,378		4,944,817	\$ 685,179		5,709,825	\$ 562,004		5,620,040	\$ 598,169		5,981,690	\$ 675,104		5,625,867
OCTOBER	\$ 257,794	\$ 0.12	2,148,283	\$ 334,973	\$ 0.12	2,791,442	\$ 237,886	\$ 0.10	2,378,860	\$ 102,089	\$ 0.12	850,742	\$ 470,190	\$ 0.12	3,918,250
NOVEMBER	\$ 269,538	\$ 0.12	2,246,150	\$ 287,669	\$ 0.12	2,397,242	\$ 207,927	\$ 0.10	2,079,270	\$ 551,670	\$ 0.12	4,597,250	\$ 24,823	\$ 0.12	206,858
DECEMBER	\$ 78,522	\$ 0.12	654,350	\$ 26,905	\$ 0.12	224,208	\$ 41,763	\$ 0.10	417,630	\$ 472	\$ 0.12	3,933	\$ 271,127	\$ 0.12	2,259,392
Q2 Subtotal	\$ 605,854		5,048,783	\$ 649,547		5,412,892	\$ 487,576		4,875,760	\$ 654,231		5,451,925	\$ 766,140		6,384,500
JANUARY	\$ 108,393	\$ 0.12	903,275	\$ 196,580	\$ 0.12	1,638,167	\$ 108,257	\$ 0.10	1,082,570	\$ 66,551	\$ 0.12	554,592	\$ 51,798	\$ 0.10	517,980
FEBRUARY	\$ 483,128	\$ 0.12	4,026,067	\$ 406,493	\$ 0.12	3,387,442	\$ 457,201	\$ 0.10	4,572,010	\$ 678,316	\$ 0.12	5,652,633	\$ 384,811	\$ 0.10	3,848,110
MARCH	\$ 210,352	\$ 0.12	1,752,933	\$ 23,005	\$ 0.12	191,708	\$ 110,846	\$ 0.10	1,108,460	\$ 1,384	\$ 0.12	11,533	\$ 303,336	\$ 0.10	3,033,360
Q3 Subtotal	\$ 801,873		6,682,275	\$ 626,078		5,217,317	\$ 676,304		6,763,040	\$ 746,251		6,218,758	\$ 739,945		7,399,450
APRIL	\$ 229,254	\$ 0.12	1,910,450	\$ 297,684	\$ 0.10	2,976,840	\$ 328,018	\$ 0.10	3,280,180	\$ 105,348	\$ 0.12	877,900	\$ 213,800	\$ 0.10	2,138,000
MAY	\$ 382,272	\$ 0.12	3,185,600	\$ 242,073	\$ 0.10	2,420,730	\$ 231,046	\$ 0.10	2,310,460	\$ 591,433	\$ 0.12	4,928,608		\$ 0.10	0
JUNE	\$ 95,899	\$ 0.12	799,158	\$ 104,489	\$ 0.10	1,044,890	\$ 16,542	\$ 0.10	165,420	\$ 22,131	\$ 0.12	184,425		\$ 0.10	0
Q4 Subtotal	\$ 707,425		5,895,208	\$ 644,246		6,442,460	\$ 575,606		5,756,060	\$ 718,912		5,990,933	\$ 213,800		2,138,000
TOTAL	\$ 2,708,530		22,571,083	\$ 2,605,050		22,782,493	\$ 2,301,490		23,014,900	\$ 2,717,563		23,643,307	\$ 2,394,989		21,547,817



# 5-YEAR PROJECTION OF REVENUE & BUDGETED EXPENDITURES

SOURCE DESCRIPTION		\$0.12 Per Ton	\$0.12/\$0.10 Per Ton	\$0.10 Per Ton	\$0.10 Per Ton	\$0.10 Per Ton	\$0.10 Per Ton	\$0.10 Per Ton
		ACTUAL 2019-20	YTD (April 2021) 2020-21	PROJECTED 2021-22	PROJECTED 2022-23	PROJECTED 2023-24	PROJECTED 2024-25	PROJECTED 2025-26
Total Feed Revenue		\$ 3,339,144	\$ 3,003,176	\$ 2,975,000	\$ 2,977,500	\$ 2,980,000	\$ 2,982,500	\$ 2,985,000
Prior Year Reserves	+	\$ 3,763,415	\$ 3,561,651	\$ 2,822,333	\$ 2,193,606	\$ 1,387,192	\$ 394,083	\$ (795,181)
Total Expenditures (Includes Encumbrances)	-	\$ 3,540,908	\$ 3,742,494	\$ 3,603,727	\$ 3,783,913	\$ 3,973,109	\$ 4,171,764	\$ 4,380,353
<b>Reserves</b>	<b>Total</b>	<b>\$3,561,651</b>	<b>\$2,822,333</b>	<b>2,193,606</b>	<b>1,387,192</b>	<b>394,083</b>	<b>(795,181)</b>	<b>(2,190,534)</b>
		FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
RESERVE @ 25% =	\$	885,227	935,624	900,932	945,978	993,277	1,042,941	1,095,088
RESERVE @ 50% =	\$	1,770,454	1,871,247	1,801,864	1,891,957	1,986,555	2,085,882	2,190,176



## PERSONNEL UPDATES

- Samantha Moran-Defty accepted a lateral transfer to lead Animal Feed Regulatory Program Standards (AFRPS)/Contracts/Administration functions for Feed Program
- Cathryn McCandless accepted a promotion to Safe Animal Feed Education (SAFE) Lead
- Feed/Antimicrobial Use and Stewardship AUS Programs hired Environmental Scientist (ES) – Kelly Mammen (July 1 start)
- Jessica Lugo returns from Public Health contract tracing assignment – July 1, 2021
- Ted Bert accepted promotion to lead field position for all field operations
- Advertising ES –Tulare area

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## WORK-PLANNING SHIFTS

- Shelly King to focus on Food Safety Modernization Act (FSMA) Contract inspections, Livestock Drug compliance, and Veterinary Feed Directive (VFD) inspections
- Split Southern California territory for Feed, Livestock Drugs, AUS between Shelly and Kelly
- Alejandro Ramirez to shift workload north to Madera/Merced/Fresno area and cover Ted's old territory in the interim until a Tulare ES is hired

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## ... BY THE NUMBERS

- 2021 Complaints - 7 (6 almond hull, 1 moldy feed)
- Violations resulting from obtaining samples (label, license, sample, or other) - 79
- Violation follow-ups completed - 64
- Samples obtained (as of June 23, 2021) - 391
- Average lab report turn-around-time - 22 days
- 20 contract inspections complete (out of 30 total)



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## **JULY – DECEMBER PROGRAM ACTIVITIES**

- Food facility visits - Via SAFE Program
- AUS VFD and retail inspections
- VFD Compliance Inspections at manufacturers and distributors
- Restricted Livestock Drug inspections
- SAFE Newsletter for July - Published
- VFD Report in the works

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## COMPLIANCE AND ENFORCEMENT – FIELD ACTIVITIES

- Food and Drug Administration (FDA) 483 forms issued for lack of food safety plan and /or lack of hazard analysis for processes and ingredients
- Notice of Warnings issued for continuous non-compliance issues

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# COMPLIANCE AND ENFORCEMENT - CONSISTENCY

- Decision trees implemented to ensure enforcement consistency for all field violations in the areas of:
  - Inspection
  - Labeling
  - Sampling
  - Firm license violation



# ORGANIC SAMPLING PROJECT

Commercial Feed Regulatory Program (CFRP) has signed Memorandum of Understanding with the State Organic Program to:

- Obtain 35 samples of organic feed commodities
- Conduct inspections at feed mills and distributors of organic feed
- Aseptic sampling procedures will be utilized
- 12-month agreement; inspections/sampling to start on July 1, 2021

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# AFRPS

- Continue working with the laboratories to implement AFRPS requirements in various areas
- Preparing/updating SOPs due to the lab transition to be ready for October 2021 audit
- Opted for virtual rather than in-person October 2021



## CONTRACTS UPDATE

- Working on 2021-2022 Federal Contract
- Change from specific inspection assignments to Comprehensive Firm Assignments
- Proposed 20 Preventive Control (PC) contact inspections and 10 VFD and Bovine Spongiform Encephalopathy (BSE) inspections at distributors – 2021-2022 contract year
- 2021/2022 Estimated contract amount ≈ \$140,000

## **SAFE**

- Working on updating SAFE website, forms, and templates
- Still performing Food Safety Plan consultations as needed/requested by industry
- Updates on Hemp Goat Feeding Trial - Dr. Katie Swanson
- Asparagopsis feeding trial at Straus Dairy - Sampling to begin in July 2021
- Recommendations from Technical Advisory Subcommittee (TASC) Meeting
  - Hemp By-Product Cattle Feeding Trial
  - Camelina Feeding Trial
- Outreach to Nutritionists for By-Product Capacity Planning - American Registry of Professional Animal Scientists (ARPAS) Meeting Fall, 2021
- By-products outreach to local governments and new technology grant opportunities
- VFD outreach, general other By-product outreach, and VFD online training

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# REGULATIONS UPDATE

- Human Food By-Product Diversion
  - Notice published: June 25
  - Public comment period: June 25 - August 9
  - Email: [feed\\_lvstk@cdfa.ca.gov](mailto:feed_lvstk@cdfa.ca.gov)
  - Administrative Penalties
  - New compliance officer and enforcement workgroup
  - Regulations will define the factors listed in Food and Agricultural Code (FAC) Section 15071.1
    - When to assess a penalty - severity, intent, recurrence
    - Amount of penalty - nature, effect, impact



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# IMPORTANT INDUSTRY AND BOARD REMINDERS:

- Tonnage Reporting Changes
- License and Renewal Changes
- By-product Regulation Comments

# CDFA/CAHFS/FDA-LFFM PROGRAM



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## NAME CHANGE AND PURPOSE

- In 2005, the FDA initiated the Food Emergency Response Network (FERN), a cooperative agreement program establishing a network of federal and state labs, to assist in handling food defense emergencies.
- In 2020, the program changed to the Laboratory Flexible Funding Model (LFFM) program with separate tracks for human food safety, animal feed safety, food defense, and several others.
- Purpose is “...to enhance the capacity and capabilities of state human and animal feed testing laboratories in support of an integrated food safety system.”

## TRANSITION TO NEW LABS

- Each lab agrees to analyze a specific number of samples for specific analytes.
- California Animal Health and Food Safety Laboratory System (CAHFS) obligation in 2020-2021 was for 50 vitamin/mineral premixes for heavy metals and 50 corn/cottonseed samples for mycotoxins.
- FDA requires that samples be taken by trained investigators. That generally requires a partnership with a state regulatory agency.
- This dovetailed perfectly with our becoming the new CFRP lab and we were very happy to have CDFA agree to do the sampling for us.
- CDFA has access to the data generated by analysis of these samples.
- Sampling was delayed significantly but because CDFA was committed to assisting us in meeting our obligation, we were able to analyze all 100 samples.

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## SAMPLING PLANS

- For 2021-2022, the current plan is to analyze 73 poultry and dairy feed samples for aflatoxins, 10 horse feed samples for fumonisins, five swine feeds for zearalenone, and 12 meat and bone meal samples from rendering plants for pentobarbital. (Still waiting for word that the plan has been finalized.)
- Sample types and numbers were largely driven by the FDA but CAHFS and CDFA had significant input as well.



**THANKS!**

**ANY QUESTIONS?**

# **CENTER FOR ANALYTIC CHEMISTRY [CAC] PRESENTATION TO FEED BOARD**

MARYAM KHOSRAVIFARD,  
ENVIRONMENTAL PROGRAM MANAGER I  
JULY 28, 2021

# SAMPLES AND ASSAYS

## Center for Analytical Chemistry-Almond Hulls January 1, 2021 – May 31, 2021

<b>Total Number of Samples Received</b>	<b>67</b>	<b>Total Number of Assays Run</b>	<b>207</b>
<b>Routine Samples</b>	<b>56</b>	<b>Routine</b>	<b>161</b>
<b>Priority Samples</b>	<b>0</b>	<b>Rush</b>	<b>18</b>
<b>Rush Samples</b>	<b>11</b>	<b>Re-Runs</b>	<b>28</b>
<b>Total Number of Samples Completed</b>	<b>67</b>	<b>Average Number of Assays per Sample</b>	<b>3.1</b>



# ASSAY COUNT

## ASSAYS COMPLETED FOR ALMOND HULLS RECEIVED 1/1/21 - 5/31/21

Assay	Number of Assays	Average Turn-around Time* (Business Days)	0 – 10 Days	0 – 15 Days
Fiber - Crude	67	5	96%	96%
Fiber - Neutral Detergent Fiber	48	3	100%	100%
Moisture	64	4	91%	97%
<b>Total Assays</b>	<b>179</b>	<b>4</b>		

\* Turn around times include sample receiving, drying, grinding, analysis, review, and reporting.

**Reruns not included in assay count**



# QUESTIONS?

## **Additional Information Contacts:**

Maryam Khosravifard, Environmental Program Manager I

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Sarva Balachandra, Quality Manager

[Sarva.Balachandra@cdfa.ca.gov](mailto:Sarva.Balachandra@cdfa.ca.gov)

Stacy Aylesworth, Senior Environmental Scientist (Supervisory)

[Stacy.Aylesworth@cdfa.ca.gov](mailto:Stacy.Aylesworth@cdfa.ca.gov)



**THANK YOU!**

**FEED INSPECTION ADVISORY BOARD  
FINANCIAL SUMMARY**

**Feed, Livestock Drugs, AUS, and SAFE**

**FUND CONDITION REPORT  
As of April 30, 2021**

	FY 2020/21				
	FEED	SAFE	TOTAL FEED/SAFE	LIVESTOCK DRUGS	AUS
<b>Beginning Balance as of 7/01/2020:</b>					
CDFA Account	\$ 1,933,647	\$ 662,745	\$ 2,596,392	\$ 447,796	\$ -
Bank of America Account	\$ 1,628,004	\$ -	\$ 1,628,004		\$ -
General Funds					\$ 751,931
<b>Total Funds</b>	<b>\$ 3,561,651</b>	<b>\$ 662,745</b>	<b>\$ 4,224,396</b>	<b>\$ 447,796</b>	<b>\$ 751,931</b>
<b>Revenue*</b>					
	\$ 3,003,176	\$ 316,131	\$ 3,319,307	\$ 28,286	\$ -
<b>Expenditures and Encumbrances</b>					
Expenditures**	\$ 3,094,356	\$ 294,842	\$ 3,389,198	\$ 125,257	\$ 548,544
Encumbrances	\$ 648,138	\$ 49,129	\$ 697,267	\$ 1,422	\$ 54,406
<b>Ending Balance as of 4/30/2021</b>					
CDFA Account	\$ 1,804,760	\$ 684,034	\$ 2,488,794	\$ 350,825	\$ 203,387
Bank of America Account	\$ 1,665,711	\$ -	\$ 1,665,711	\$ -	\$ -
<b>Total Funds</b>	<b>\$ 3,470,471</b>	<b>\$ 684,034</b>	<b>\$ 4,154,505</b>	<b>\$ 350,825</b>	<b>\$ 203,387</b>
<b>Adjusted Balance***</b>	<b>\$ 2,822,333</b>	<b>\$ 634,905</b>	<b>\$ 3,457,238</b>	<b>\$ 349,403</b>	<b>\$ 148,981</b>
<b>Recovery - Funds received from Federal grants and contracts</b>					
BSE/Feed	\$ 34,871	\$ -	\$ 34,871	\$ -	\$ -
Tissue Residue	\$ -	\$ -	\$ -	\$ 30,163	\$ -
AFRPS	\$ 77,480	\$ -	\$ 77,480	\$ -	\$ -
<b>Total Recovery</b>	<b>\$ 112,351</b>	<b>\$ -</b>	<b>\$ 112,351</b>	<b>\$ 30,163</b>	<b>\$ -</b>

\*NOTE: Revenue includes feed tonnage tax, feed and livestock drugs licensing, restricted livestock drugs registration, interest accrued in the CDFA Fund Account and Bank of America Corporate Account.

\*\* Expenditure total per CDFA Financial Services Budget Report April 30, 2021. Amount does not reflect outstanding lag expenditures.

\*\*\* Adjusted balance accounts for all program encumbrances through April 30, 2021.

## Feed Tonnage Breakdown by Fiscal Year

	2016/17			2017/18			2018/19			2019/20			2020/21		
	\$0.12			\$0.12/0.10			\$0.10			\$0.10			\$0.10		
	Tonnage	Revenue	Tons	Tonnage	Revenue	Tons	Tonnage	Revenue	Tons	Tonnage	Revenue	Tons	Tonnage	Revenue	Tons
JULY	\$ 257,594	\$ 0.12	2,146,617	\$ 214,225	\$ 0.12	1,785,208	\$ 213,856	\$ 0.10	2,138,560	\$ 325,723	\$ 0.10	3,257,230	\$ 242,493	\$ 0.12	2,020,775
AUGUST	\$ 314,325	\$ 0.12	2,619,375	\$ 454,422	\$ 0.12	3,786,850	\$ 333,146	\$ 0.10	3,331,460	\$ 252,247	\$ 0.10	2,522,470	\$ 432,324	\$ 0.12	3,602,700
SEPTEMBER	\$ 21,459	\$ 0.12	178,825	\$ 16,532	\$ 0.12	137,767	\$ 15,002	\$ 0.10	150,020	\$ 20,199	\$ 0.10	201,990	\$ 287	\$ 0.12	2,392
Q1 Subtotal	\$ 593,378		4,944,817	\$ 685,179		5,709,825	\$ 562,004		5,620,040	\$ 598,169		5,981,690	\$ 675,104		5,625,867
OCTOBER	\$ 257,794	\$ 0.12	2,148,283	\$ 334,973	\$ 0.12	2,791,442	\$ 237,886	\$ 0.10	2,378,860	\$ 102,089	\$ 0.12	850,742	\$ 470,190	\$ 0.12	3,918,250
NOVEMBER	\$ 269,538	\$ 0.12	2,246,150	\$ 287,669	\$ 0.12	2,397,242	\$ 207,927	\$ 0.10	2,079,270	\$ 551,670	\$ 0.12	4,597,250	\$ 24,823	\$ 0.12	206,858
DECEMBER	\$ 78,522	\$ 0.12	654,350	\$ 26,905	\$ 0.12	224,208	\$ 41,763	\$ 0.10	417,630	\$ 472	\$ 0.12	3,933	\$ 271,127	\$ 0.12	2,259,392
Q2 Subtotal	\$ 605,854		5,048,783	\$ 649,547		5,412,892	\$ 487,576		4,875,760	\$ 654,231		5,451,925	\$ 766,140		6,384,500
JANUARY	\$ 108,393	\$ 0.12	903,275	\$ 196,580	\$ 0.12	1,638,167	\$ 108,257	\$ 0.10	1,082,570	\$ 66,551	\$ 0.12	554,592	\$ 51,798	\$ 0.10	517,980
FEBRUARY	\$ 483,128	\$ 0.12	4,026,067	\$ 406,493	\$ 0.12	3,387,442	\$ 457,201	\$ 0.10	4,572,010	\$ 678,316	\$ 0.12	5,652,633	\$ 384,811	\$ 0.10	3,848,110
MARCH	\$ 210,352	\$ 0.12	1,752,933	\$ 23,005	\$ 0.12	191,708	\$ 110,846	\$ 0.10	1,108,460	\$ 1,384	\$ 0.12	11,533	\$ 303,336	\$ 0.10	3,033,360
Q3 Subtotal	\$ 801,873		6,682,275	\$ 626,078		5,217,317	\$ 676,304		6,763,040	\$ 746,251		6,218,758	\$ 739,945		7,399,450
APRIL	\$ 229,254	\$ 0.12	1,910,450	\$ 297,684	\$ 0.10	2,976,840	\$ 328,018	\$ 0.10	3,280,180	\$ 105,348	\$ 0.12	877,900	\$ 213,800	\$ 0.10	2,138,000
MAY	\$ 382,272	\$ 0.12	3,185,600	\$ 242,073	\$ 0.10	2,420,730	\$ 231,046	\$ 0.10	2,310,460	\$ 591,433	\$ 0.12	4,928,608		\$ 0.10	0
JUNE	\$ 95,899	\$ 0.12	799,158	\$ 104,489	\$ 0.10	1,044,890	\$ 16,542	\$ 0.10	165,420	\$ 22,131	\$ 0.12	184,425		\$ 0.10	0
Q4 Subtotal	\$ 707,425		5,895,208	\$ 644,246		6,442,460	\$ 575,606		5,756,060	\$ 718,912		5,990,933	\$ 213,800		2,138,000
TOTAL	\$ 2,708,530		22,571,083	\$ 2,605,050		22,782,493	\$ 2,301,490		23,014,900	\$ 2,717,563		23,643,307	\$ 2,394,989		21,547,817

**FEED PROGRAM  
5-YEAR PROJECTION OF REVENUE & BUDGETED EXPENDITURES**

SOURCE DESCRIPTION		\$0.12 Per Ton	\$0.12/\$0.10 Per Ton	\$0.10 Per Ton	\$0.10 Per Ton	\$0.10 Per Ton	\$0.10 Per Ton	\$0.10 Per Ton
		ACTUAL 2019-20	YTD (April 2021) 2020-21	PROJECTED 2021-22	PROJECTED 2022-23	PROJECTED 2023-24	PROJECTED 2024-25	PROJECTED 2025-26
Total Feed Revenue		\$ 3,339,144	\$ 3,003,176	\$ 2,975,000	\$ 2,977,500	\$ 2,980,000	\$ 2,982,500	\$ 2,985,000
Prior Year Reserves	+	\$ 3,763,415	\$ 3,561,651	\$ 2,822,333	\$ 2,193,606	\$ 1,387,192	\$ 394,083	\$ (795,181)
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	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
<b>RESERVE @ 25% =</b>	\$ 885,227	\$ 935,624	\$ 900,932	\$ 945,978	\$ 993,277	\$ 1,042,941	\$ 1,095,088
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