CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
FEED INSPECTION ADVISORY BOARD (FIAB) MEETING

2800 Gateway Oaks Drive, Room 101
Sacramento, CA 95833
(916) 900-5022

October 22, 2015

MINUTES

Members	**CDFA Staff**	**Interested Parties**
John Walth, Chair	Amadou Ba	Kelly Covello
John Kauffmann, Vice Chair	Angelia Johnson	Michael Kelley
Bob Berczynski	Cathryn McCandless	Shay Rambur
John Silva	Elaine Wong	Tad Bell
Marit Arana	Gary Castro	
Paul Parreira	Jenna Areias	
Thomas Prokop	Jennifer Goucher	
Tim Riordan	Maria Tenorio	
	Marilyn Boehnke	
Members Absent	Natalie Krout-Greenberg	
Michael Koewler	Nirmal Saini	
	Rick Jensen	
	Samantha Moran	
	Timothy Valles	

INTRODUCTIONS AND ANNOUNCEMENTS

Mr. John Walth, Chairman, called the meeting to order at 9:00 a.m. He advised attendees, per the Bagley-Keene Open Meeting Act, interested parties are not required to sign in or identify themselves. Self-introductions were made and a quorum was established. Board Member Mr. Michael Koewler was absent.

APPROVE MEETING MINUTES

Chairman Walth requested the board review the minutes of the June 25, 2015 FIAB meeting. Dr. Marit Arana submitted some minor corrections to the minutes.

MOTION: Mr. John Kauffmann moved to approve the meeting minutes as corrected; Dr. Marit Arana seconded. The motion passed unanimously with a vote by all board members present of 8 – 0.

DEPARTMENT / DIVISION / BRANCH UPDATE

Mr. Rick Jensen reported several bills were signed into law that will impact the Division. Senate Bill (SB) 27, which will be covered in the Feed and Livestock Drugs Program Update; SB 770; Assembly Bill (AB) 1321; and a trio of medical cannabis bills - AB 243, AB 266, and SB 643. Under SB 770, CDFA will continue as the primary regulatory agency for medicated feed; and, it added the responsibility for medicated feed ingredients and the sale of medicated feed that is subject to veterinarian oversight to the Department. AB 1321 establishes the Nutrition Incentive Matching Grant Program, modeled after the Market Match program, in the Office of Farm to Fork.

The Medical Cannabis Program was established in California by AB 243, AB 266, and SB 643. The Division will be responsible for issuing licenses for the cultivation of medical cannabis and disseminating the licensing regulations for indoor and outdoor cultivation sites. CDFA, alongside the Department of Pesticide Regulation, is required to develop standards for the use of pesticides in cultivation and maximum tolerances for pesticides and other foreign object residue in harvested cannabis. CDFA is to work with the Department of Fish and Wildlife and the State Water Resources Control Board to ensure that water diversion and discharge from cultivation do not affect the instream flows needed for fish spawning, migration, and rearing, or for natural flow variability. The Bureau of Medical Marijuana, which will be established in the Department of Consumer Affairs, will work with CDFA to set up a Track and Trace Program. CDFA is required to develop a very significant Track and Trace database that will be accessible to many agencies, including law enforcement. Uniquely identifiable zip tags will be created and given to cultivators, based on the number of plants for which the firms are licensed, to track the movement of medical marijuana through the distribution chain. A $10 million General Fund loan is allocated to the Bureau of Medical Marijuana to distribute as necessary to implement the program. CDFA is mandated to assess the fees necessary for the Program to be self-sustaining. The Program is set to be in place by January 2018.

Dr. Amadou Ba stated AB 1039 that was drafted by FFLDRS staff was signed into law. This non-controversial bill amends the Food and Agricultural Code (FAC) to change the term “civil penalty” to “administrative penalty,” and gives the Department the means to collect funds once an administrative penalty has been assessed. The CDFA Legal Office has been actively involved in training all branches and divisions on the Bagley-Keene Act. The Legal Office will provide training on the Act to any department board or committee that is interested. Two permanent, full-time branch vacancies were filled with long-time seasonal employees. Mr. Tim Valles, with the Branch for about 5 years, was appointed as a Program Technician II to the vacant feed desk position. Ms. Minal Patel, a seasonal for almost 8 years, was appointed to the vacant Office Assistant position. Additionally, two scientist positions were filled in the fertilizer program. The Branch will have an Office Assistant vacancy November 1, 2015, as a staff member has accepted a position working at one of CDFA’s border stations.

Mr. Gary Castro, the Program's liaison to the Animal Feed Regulatory Program Standards (AFRPS), did a great job gathering resources for the Program through his skillful preparation of the paperwork for a five-year Food and Drug Administration (FDA) grant. The Program will receive $300,000 per year and the Center for Analytical Chemistry (CAC) will receive $150,000 per year.

CDFA developed the Office of Environmental Farming and Innovation (OEFI), headed by CDFA Science Adviser Dr. Amrith Gunasekara. OEFI provides incentives to farmers and ranchers whose practices improve ecosystems, air quality, and wildlife and its habitat. Programs under the OEFI umbrella include the State Water Efficiency and Enhancement Program (SWEEP), the Dairy Digester Research and Development Program (DDRD), and the Office of Pesticide Consultation and Analysis (OPCA).

FEED AND LIVESTOCK DRUGS PROGRAM UPDATE

Ms. Areias reported the program received $10,000 from the FDA last year under the feed contract to complete a self-assessment of the program for the 11 AFRPS Standards. The self-assessment was completed and submitted to FDA on September 30, 2015. FDA representatives will be at CDFA November 2 - 4, 2015 to evaluate the Program's self-assessment. Benchmarks are expected to be set at that time for further development of the 11 Standards.

Mr. Castro prepared and submitted the application for the AFRPS grant and FDA awarded $450,000 per year for five years, beginning September 1, 2015. The Program will receive $300,000 per year to achieve full implementation of and then maintain the AFRPS standards. The CAC will receive $150,000 per year for laboratory enhancement and coordination to maintain and enhance International Organization for Standardization (ISO) 17025:2005 accreditation.

Chairman Walth asked if there were specifics on how the grant funds could be spent. Ms. Areias replied the money could be spent on equipment, salaries, travel, printing, and communication for implementation and maintenance of AFRPS. Mr. Castro stated a clear justification must be provided to FDA for approval before funds can be used for equipment. FDA was very clear that vehicles are not equipment. Ms. Areias stated the AFRPS grant requires annual auditing. FDA representatives will perform an audit the week of January 25, 2016.

Ms. Elaine Wong stated CAC has been identified as a mentor lab for the West Virginia Department of Agriculture, which has not begun the process for ISO accredited. The complete quality assurance program needs to be set up and the Standard Operating Procedures (SOPs) need to be developed. Ms. Wong stated she is concerned the grant award of $150,000 will not be sufficient for the required work. Ms. Areias reiterated those concerns.

Ms. Areias reported the new Preventive Controls for Animal Food rule for the Food Safety Modernization Act (FSMA) was published September 17, 2015. A meeting with field staff was held in October 2015 to carefully read through the final rule, discuss concerns, and identify new requirements. A Good Manufacturing Practices (GMP) checklist will be develop to include both regular and medicated feed GMPs based on FSMA requirements.

Currently, integrators are exempt from implementing the FSMA rules per the Federal Food, Drug, and Cosmetic Act, because integrators fall under the definition of "farms". (Integrators manufacture feed for their own animals and those feed products are not for sale.) The FDA recognizes this safety issue needs to be addressed.

FDA will hold a FSMA informational session on January 14, 2016 during the California Grain and Feed Industry Conference (GFIC) in Monterey. The Program will post FDA's FSMA information on its website and the Safe Animal Feed Education Program (SAFE) will hold a workshop shortly thereafter. The Program will collaborate with the California Grain and Feed Association (CGFA) to identify 'qualified individuals' for the Train-the-Trainer program to get training out to assist the industry with FSMA plans.

The Food Safety Preventive Controls Alliance (FSPCA) is developing Train-the-Trainer procedures to ensure that lead trainers understand the requirements of the FSMA rules and are prepared to deliver the curricula. Lead trainers who complete the Train-the-Trainer course will deliver training to industry. The Program will participate with the Alliance to help facilitate training for industry and state regulators.

CDFA is planning to submit a FSMA proposal to FDA to identify what the Program already has in place and why it is very qualified to do FSMA work in California. The Program was directed to develop a proposal for the Secretary to identify the Program's robust inspection program, collaborative relationship with FDA, and outreach and education activities.

Mr. Jensen said the Division is working on a proposal for an on-farm gap audits pilot project. The proposal for the FSMA work will not be a pilot project, because there is a program already in place to do the FSMA work. CDFA has the qualifications and its program is in place; if FDA wants information or services, CDFA is available to advise FDA how it will perform the work. It would be in FDA's best interest to contract with CDFA for FSMA services – that is essentially the proposal. The Division should have something formalized and to FDA by the end of 2015.

Ms. Kelly Covello asked what the Program's assessment was on by-products and specifically almond hulls in the new FSMA regulations. Ms. Areias replied her initial assessment in reading the rule is that almond hullers are exempt from having a full feed safety plan under the FSMA rule. Almond hullers will need a food safety plan because almond hulls were identified as a "harvest activity".

Ms. Areias reported the Bovine Spongiform Encephalopathy (BSE), Feed, and Tissue Residue (TR) contracts were fulfilled; 75 BSE and 105 TR inspections were completed. A work planning meeting with FDA was held on October 5, 2015 to review specifics of the next contract. The 2016 TR contract was renegotiated from $146,000 to $206,000 due to the increased scope of work and deliverables.

Ms. Areias stated SB 27 was signed into law on October 12, 2015. This bill puts the FDA guidance for industry (GFI) for antimicrobial use in food animals (GFIs 152, 209, and 213) into California law. CDFA is required to: (1) work with the Veterinary Medical Board, the Department of Public Health, universities, and cooperative extensions, to develop antimicrobial stewardship guidelines and best management practices for using medically important antimicrobial drugs (MIAMs); (2) gather data on the sales and usage of MIAMs, antimicrobial resistant bacteria, and livestock management; and (3) report to the Legislature on its outreach and monitoring efforts by January 1, 2019. Beginning January 1, 2018, SB 27 prohibits giving “medically important” antimicrobial drugs to livestock except when prescribed by a veterinarian or through a veterinary feed directive (VFD). The bill also prohibits the use of these drugs solely for weight gain or to improve feed efficiency, which means drug manufacturers will have to relabel their products to remove feed efficiency and growth promotion (which is in FDA’s GFI 213).

A significant portion of responsibility for the SB 27 work falls under the oversight of the State Veterinarian and the Animal Health and Food Safety Services Division (AHFSS). They will develop the antimicrobial stewardship guidelines and best management practices for using MIAMs. Veterinarians will be required to have continuing education on the judicious use of MIAMs and AHFSS will create the necessary training and outreach materials for them. The Feed and Livestock Drugs Inspection Program will perform inspections at retail facilities that sell MIAMs under a prescription or a VFD from a veterinarian to verify VFD and prescription information. At feed mills, the Program is required to verify all VFDs are being properly recorded and records are kept for 2 years; and ensure the many other requirements under FDA’s rules are met, such as: the name address and telephone number of the veterinarian and client; the VFD issue and expiration date; the species, production class, location, and approximate number of animals to be fed, etc. Additionally, the Program will create the training and outreach materials for distributors and livestock producers.

Ms. Natalie Krout-Greenberg reported a Budget Change Proposal (BCP) was prepared in collaboration with AHFSS to request General Fund monies for the SB 27 work. The BCP requests funds to pay for 7.5 positions and other resources to ensure the Program has the resources to perform the new outreach activities and other mandated duties. SB 27 was written to add Chapter 4.5, Livestock: Use of Antimicrobial Drugs, to Division 7 of the FAC to ensure funds could not be used from either Chapter 4, Livestock Drugs, or Chapter 6, Commercial Feed. The SB 27 BCP was submitted on October 19, 2015, along with the Medical Marijuana and Market Match BCP’s. The results of the BCPs should be received by May or June 2016. If the BCP is not approved, the Program will not be able to carry out the SB 27 antimicrobial drug activities.

Ms. Areias stated the enforcement of sales and prescription verification at the retail level will not go into effect until 2018; however, because the new federal VFD rule was published in June, the Program can perform VFD verification inspections now. The Program is under significant time pressure to develop outreach and training for over 280 retail locations in California that have a license to sell restricted livestock drugs. Even though the law does not go into effect until 2018, those activities must be in process now because the Program is required to report to the Legislature on the results of its outreach activities by January 1, 2019. Inspectors can review the VFDs when they are out doing GMP inspections; however, the additional work will take more time. For budgetary purposes, salaries will be allocated to the appropriate program through the time tracker tool currently used by staff.

At the Association of American Feed Control Officials (AAFCO) Annual Meeting in Denver, Ms. Areias and Mr. Davidson volunteered to participate in FDA's national risk-ranking system. The Program has a risk-ranking matrix already in place and will compare it to the FDA matrix to see how the two measure up. Mr. Davidson stated the biggest difference between the two is that FDA considers the size of the business when rating for risk, and the Program performs inspections based on other risk factors, no matter whether a firm is big or small.

FIELD ACTIVITIES UPDATE

Mr. Davidson reported the qualified individual portion and the supplier chain program of the new FSMA rule will be essential. Medicated feed will be a separate inspection, with its own complete GMP checklist and the GMP checklist for all feed will be modified to be consistent with FDA. The Program has proposed a four-year outreach and inspection plan, based on risk, FSMA requirements, and compliance timeframes. Large firms with over 500 employees will be inspected first, followed by small and then very small firms, and firms that have one ingredient and are not mixing anything will be inspected last. The inspections will start a full year before they are required with the goal that the new rule will be part of a firm's culture after a full year of implementation. There are different parameters for recordkeeping, but CDFA recommends keeping everything for two years.

Mr. Paul Parreira asked if the VFD and GMP audits would be concurrent, and how long an individual audit would be. Ms. Areias stated there would be just one inspection with all the activities: medicated GMPs, all feed GMPs, and VFD verifications. The audit checklist is still under development, but with the added activities, the current one-day audit will likely take one and one-half or two days. Mr. Davidson stated an inspection would most likely take a team of two about two days.

Dr. Marit Arana asked if the Program would be able to inspect all 55 firms that were deemed high risk. Ms. Areias replied all 55 firms have already had their GMP inspection completed last December. Mr. Davidson noted there was a plan in place, and staff would continue to multitask to get the most out of each inspection.

Mr. Davidson stated the Program can now input and retrieve information from FDA's database. Inputting data takes a considerable amount of time, but retrieving information is very beneficial. The program can access information on previous inspections performed by FDA, both BSE and TR, which is a huge assistance. Five staff, including Mr. Davidson, were audited on BSE inspections and one individual was audited on a TR inspection; all the audits went well.

Ms. Areias reported there was border issue regarding incoming cottonseed from Arizona and Texas. The Program is working closely with the Pest Exclusion Branch (PE) of the Plant Health and Pest Prevention Services Division (PHPPS). PE is fully implementing their laws and regulations requiring the fumigation of Cottonseed. The Program will be issuing its own Notice to Industry soon.

Mr. Davidson reported the case with the Almond Huller was dropped because the violation rate dropped to zero during the course of the investigation.

SAFE AND TASC UPDATE

Ms. Cathryn McCandless gave an overview of the SAFE Program's recent activities. The board's Technical Advisory Subcommittee (TASC) held its first meeting on August 26, 2015. Dr. Marit Arana was recommended to be the TASC Chair and Dr. Stephen Beam to be the Vice Chair. The Program provided the TASC with information on the novel feed products staff had seen in the field. The TASC recommended the Program create a more systematic and structured system to analyze novel feedstuffs modeled after AAFCO and FDA feed definitions, or to acquire new feed definitions. The TASC also recommended that when novel or undefined feedstuffs are observed in the field, staff take more samples and gather more data. The SAFE program will research ingredients and collect information from feed manufacturers. A referral has been sent to the Legal Office to ensure that TASC members may use outside consultants for ingredient analysis. The TASC plans to discuss and formalize the process for approving feed ingredients at its next meeting, which is scheduled for December 2015.

The Almond Hullers Educational Seminar was held July 8, 2015 in Modesto. There were 61 attendees from the almond hull industry, member groups, the dairy nutrition industry, and CDFA. The seminar's question and answer panel promoted dialogue amongst brokers, manufacturers, nutritionists, and CDFA. The meeting concluded with an industry member discussion regarding changing the current almond hull regulatory definition. The Program received two association letters and is working with CAC on current laboratory assays. A timeline for industry was constructed as a guide for the regulatory approval process.

Ms. McCandless informed the board the Feed Program had student interns (two veterinarian students and one animal science student) from June through August, 2015. The interns worked collaboratively to provide an overview presentation to FFLDRS and the AHFSS staff to discuss topics such as the current scientific understanding of

antimicrobial resistance; antibiotic use in food animals; FDA GFI 209 - judicious use of medically important drugs and GFI 213 - new animal drugs and combination products; the White House National Action Plan for Combating Antibiotic-resistant Bacteria; and FDA VFD regulations. The interns developed three VFD Brochures for SAFE outreach, before FDA published its own brochures. FDA's brochures are mostly the text of the law, and the SAFE brochures are a brief guide of how to comply with the law. SAFE will hand out its brochure to be used alongside FDA's brochures. Joint funding for the interns was provided by CGFA and the California chapter of the American Registry of Professional Animal Scientists (ARPAS).

Ms. McCandless stated additional future activities include: assisting FDA at its FSMA informational session at the January 2016 GFIC in Monterey; a FSMA workshop in February or March 2016; and AFRPS meetings.

MOTION: Mr. Tim Riordan moved to accept the TASC's recommendations for Chair and Vice Chair; Mr. Kauffmann seconded. The motion passed unanimously with a vote by all board members present of 8 – 0.

The board took a break from 10:50 to 11:00 a.m.

FUND CONDITION REPORT

Ms. Jenna Areias stated, from July 1, 2014 through June 30, 2015, the total combined revenue for the Feed and SAFE programs was $3,463,877; the combined expenditures were $3,090,346; the combined encumbrances were $149,624; the adjusted combined ending balance was $1,720,591. As of June 30, 2015, the total funds for the Feed program were $1,659,967, the total funds for the SAFE program were $60,630.

PROPOSED 2016/17 PROGRAM BUDGET

Ms. Areias reminded the board, as of July 1, 2015, the license fee increased to $500. The bottom line projected for the FY 2016/17 Budget, the total net program cost, is of $3,286,876. The projected revenue is $3,546,000, which is 12 cents a ton for 20 million tons and 1,800 licenses at $500 per license. Except for the two vehicles purchased and the recovery costs from AFRPS, there were no significant increases or decreases. After significant discussion about whether to project revenues based on 18, 19 or 20 million tons, the board decided to keep the projection at 20 million tons and adjust later if it should become necessary.

MOTION: Mr. Bob Berczynski moved to approve the FY 2016/17 budget as proposed. Mr. John Silva seconded; the motion passed unanimously with a vote by all board members present of 8 – 0.

ALMOND HULLERS AND PROCESSORS ASSOCATION (AHPA) WORKING GROUP UPDATE

Ms. Kelly Covello stated the AHPA Group (Group) was started in 2013; the membership consists of animal nutritionists, merchandisers and brokers, huller and shellers, and representative from CGFA, CDFA, the Feed Inspection Advisory Board, and the IEH-JL Analytical Services, Inc. laboratory - which is doing a lot of data analysis for the Group on samples. The goal of the Group is to modernize the standards for almond hulls and shells. The conclusions of the group from its initial meeting are: (1) Crude Fiber (CF) is not the best indicator of the nutritional value of hulls; (2) a standardized, multi-tiered program would benefit all stakeholders; (3) additional data is needed on current varieties because the available data is from the 1970's and early 1980's, and (4) all aspects of the current label guarantees should be reviewed.

A total of 1695 voluntary samples were analyzed in 2013 and 2014. In 2015, over 1,500 samples were analyzed. Of the 1,500 samples, 31 were analyzed for the added valued of Neutral Detergent Fiber (NDF). The samples were sorted into one of three groupings called "buckets" – nonpareils; pollinators (which are all other varieties used to pollinate the nonpareils); and blends (which are a combination of nonpareils and pollinators). The buckets were compared by the percentage of CF, and also by the percentage of acid detergent fiber (ADF); the Group is looking to move to an ADF standard. The information gathered shows what the industry can legitimately produce with the current inventory of what almonds commercially available. It will also be helpful in establishing the tiers for an ADF standard.

The Almond Hull Task Force reviewed the hull split sample data and 2013 - 2014 voluntary sample data at its February 24, 2015 meeting. Mr. Tad Bell reported to the Task Force on the past research conducted on hulls. The research was very limited and based on only 30 to 32 samples over two years. With the exception of nonpareil, most of the varieties researched are no longer grown commercially. The Task Force discussed working with Cal Poly on determining the ranges of tiers for a new standard; and on a digestibility study of almond hulls at varying levels of crude fiber to identify where the significant changes in nutritional or energy levels of hulls exist.

As more testing was performed on almond hulls, variances between the results of the CAC and the independent laboratories (labs) were found. Variability could impact the ability to be in compliance with almond hull regulations and the accuracy of voluntary sample results used for the standards reform effort. AHPA worked with CDFA to perform a split sample survey; the 50 official samples collected by CDFA were sent to 4 independent labs. At the conclusion of the study, no significant trends or anomalies were identified, except that there was variance. When industry moves to a new standard, the labs will need to quickly get up to speed on analysis. CAC has offered to host a lab day to discuss methodologies and protocols.

The Task Force met in July 2015 and concluded that outreach to nutritionists and customers is critical and must be the key priority before implementing any changes. During the rest of this year and into next year, a number of activities will take place; the Task Force will place advertorials in dairy publications and pursue other communication tactics, and it will reach out to various stakeholder groups, including ARPAS, CGFA, and the Western United Dairymen (WUD). Moving forward, the Task Force agreed that labels should include only ash, moisture, and ADF; ADF should be included on commercial feed reports so that huller/shellers and dairymen get used to seeing it on the reports; and the inconsistency between the labs must be addressed, particularly the variances in ADF analyses. The most immediate task at hand is to draft the regulatory language and establish the ADF tiers for the new standard.

The AHPA Working Group held a meeting on July 30, 2015, which focused on what the huller/sheller can produce and on the future standard. The Group reviewed the APHA digestibility study results. The study found that NDF and ADF give better indications of digestibility than CF. It further showed that knowing the ADF percentage is the best predictor of digestibility. Cal Poly anticipates finishing the study by end of year. The Working Group's next steps include outreach and communications to the dairy industry on its efforts and research, and the benefits of a new standard. The Group is very optimistic about beginning the process to update the regulatory standards based on science. The process for approval of the almond hull label regulation will take approximately one year. A target date of the 2017 crop was suggested to allow time for outreach and the regulatory process.

Ms. Areias asked why just ADF, and not an NDF analysis as well. Ms. Covello replied that the Task Force sought guidance from the nutritionists to determine the best method. ADF really captures the two types of fiber that are not wanted in the feed product. Also, it is simpler from a regulatory point of view to have just one value; ADF is the most important and it's consistent with AAFCO guidance.

Mr. Parreira stated industry is already marketing mid-grade hull and shell at 21 and 22 percent fiber, consequently there needs to be a category for that for marketing purposes. The Task Force recognizes there is a need for Tier I, Tier II, and Tier III, which will make for easier regulation.

Mr. Kauffmann recommended that whatever number is chosen for the ADF, it should be a number that 95 to 99 percent of the industry can meet consistently with the current varietals. Mr. Parreira stated the Task Force has had that discussion. When the regulatory changes are made, it has to reflect what can be produced consistently as an industry; they can subsequently formulate and do a cost analysis to that.

Mr. Tim Riordan stated there must be more labs located in the areas of the producers that are consistent and in alignment with CAC and each other. Additionally, the information on labs should be shared in a database.

Ms. Covello stated AHPA relied mostly on the IEH-JL lab for its study, and that a producer could send its samples to IEH-JL for analysis just as easily as they could be sent to a lab right down the road.

Mr. Parreira left the meeting at 12:10 p.m.

CAC LAB REPORT AND UPDATE

Ms. Wong reported the CAC has a 96 percent turnaround time of assays completed within 21 days. The samples were averaging almost six assays requested per sample, and 25 percent of the samples were requested as rush, which are both higher than usual. The total assays completed from January 1 - September 30, 2015 were 4,130. The number of routine samples received were 480; priority samples were 20, partial rush samples were 36, and rush samples were 193.

Mr. Tom Prokop asked how many of the 4,130 assays were for label compliance, rather than feed safety. Ms. Wong stated she did not have that data. Ms. Areias stated the Program puts all the information from the feed reports into a spreadsheet, under type of label compliance or feed safety issue, such as medicated feed. A lot of label compliance is almond hulls, but feed safety is the bulk of the Program's work. FSMA compliance, food safety, and process verification are also focus items. Mr. Prokop agreed, but stated the Program needs to ensure that feed safety is the priority.

Ms. Wong reported CAC is happy to receive a share of the grant money, however, even though staff hours can be billed to the grant, there is no provision to hire personnel and the lab will need at least two more employees for just the FSMA activities. CAC's most pressing issue is equipment. CAC's current equipment is not suited for almonds; it is fine for analyzing CF, but not for ADF and lignin. The cost of a new machine would be approximately $42,000. There is other equipment that urgently needs to be replaced; some of the equipment dates back to 1970. The approval process for an equipment purchase with grant funds is lengthy and rigorous, and requires a clear and strong justification as to why the equipment is needed and how it relates to the ISO Standards. Grant money can provide the necessary equipment, but the request would have to be made well in advance to allow for time to process the request.

Chairman Walth recommended the CAC submit the necessary request and justifications for any equipment purchase that could relate to the ISO Standards to meet the grant criteria. Ms. Wong stated CAC needs permission from the board to purchase any new equipment. Ms. Krout-Greenberg clarified that the CAC would not need permission to purchase equipment from the grant funds. It was agreed in a previous board meeting that CAC could purchase equipment with board approval using money budgeted for CAC that was not spent. However, that overage has not been tracked and did not get put into the budget as a line item. Mr. Jensen stated it would be more appropriate to have those monies in the fund condition report in unspent contractual dollars and then the CAC could come to the board and makes its case for equipment purchases.

Chairman Walth asked if the CAC had an equipment purchase request to make at this time. Ms. Wong replied the most critical equipment to purchase at this time is the Liquid Chromatography Mass Spectrometry (LC-MS) machine. She feared CAC would spend $150,000 on repairs, when a replacement could be purchased for $150,000. The Chair asked if the LC-MS was of more critical need for the CAC at this time than anything else on its equipment list. Ms. Wong confirmed that it was.

MOTION: Mr. Bob Berczynski moved to approve CAC's purchase of a LC MS machine; Mr. John Silva seconded. The motion passed unanimously with a 7 - 0 vote by all board members present.

Ms. Wong reported on the grant activities. CAC is seeking authorization to access the FDA database to collect and submit information. The grant requires CAC to spend two weeks in the lab; Ms. Wong and the Quality Assurance (QA) Officer must attend a conference in Louisville Kentucky; and a sampling plan and QA documentation must be submitted by October 30, 2015. Last month the lab was inundated with samples regarding horses, which slowed down its other work. Ms. Wong and the QA Officer are now scrambling to gather the documentation to make the deadline for submittal, so as not to forfeit grant funds.

Mr. Tim Riordan asked about time management, wondering if all the new work took away from work for the Program. Ms. Wong stated she also does work for other programs; only five percent of her time is billed to the Feed Program. The extra work is the downside of accepting grant monies. Mr. Areias stated in this case, to meet the AFRPS standards and be accepted for its AFRPS program, the work must be done with or without the grant funds. Mr. Jensen commented it was nice to be able to receive some funds for doing work that would has to be done anyway.

AGENDA ITEMS FOR FUTURE MEETINGS

Chairman Walth asked the board if there were any items the board would like added to the next meeting's agenda. Items not on the agenda can only be discussed to determine whether they should be included as a future agenda item. The agenda items will be accepted until approximately three weeks before the next meeting. Ms. Areias stated an email will be sent asking for agenda.

Mr. Riordan asked for a quick update on Information Technology, with information on data improvements, how there could be access to information on how the lab reports are coming in, such as whether assays are for feed and food safety, label compliance, or other issues.

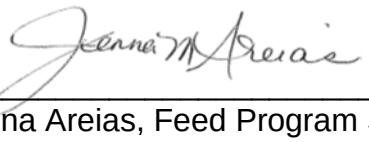
Mr. Riordan further stated there should be an update on CalRecyle's regulations and the potential impact of those regulations on feedstuff by-products.

NEXT MEETING

Chairman Walth recommended the next meeting should be coordinated with one of the FSMA workshops. The board members concurred. The board members will be polled to select a date.

The meeting was adjourned at 12:40 p.m. by Chairman Walth.

Respectfully Submitted By



Jenna Areias, Feed Program Supervisor
Feed, Fertilizer, and Livestock Drugs Regulatory Services

10/22/2015
Date