



ANNUAL COOPERATOR REPORT

The Annual Cooperator Report (ACR) is to be used to report the financial status of cooperating Federal-State (F-S) agencies providing inspecting and auditing services under the Cooperative Agreement titled:
Federal-State Inspection of Fruits, Vegetables and Other Products

State Of	Agreement Number	
Fiscal Year	Beginning	Ending

PART 1 - FEDERAL-STATE PROGRAM MANAGEMENT REPORT

Instructions: Answer the following questions for only the Federal-State Program by marking the appropriate box. Unless otherwise specified, attach a written explanation for each item marked "No" or "?" (for uncertain) and follow any other instructions given.

Attach a listing of current F-S Program fees and the date each fee became effective. Published fee schedules may be provided.

The number of all licensed inspectors, graders, aides, samplers and auditors who are supervised under the cooperative agreement with the state during this reporting period. Include full and part time auditors, shipping point and terminal market licensees.	Number

	Questions	Yes	No	?
1	Have any internal or external audits (not including OMB Circular A-128 Audits) been performed either solely on or including the F-S Program during the past five years? (If "Yes," attach a copy (or copies) of the report(s) and answer question #2. If "No," proceed to question #3.)			
2	Have all recommendations relating to the F-S Program made in the prior audit(s) been implemented? If "No," attach a listing of the recommendations and the anticipated dates of implementation.			
3	Does internal or external audit provide evidence that a reserve fund balance is maintained? (If no reserve fund is maintained "No," proceed to question #5)			
4	Is the reserve fund balance maintained in accordance with AMS Directive 408.1 dated July 25, 1994?			
5	Were F-S Program fees adjusted during the reporting fiscal year? (If "Yes," attach a brief explanation. If "No," no explanation is required.)			
6	Are F-S Program fees adequate to cover program costs? (Complete Part 3. A. – Financial Summary, Funding Sources.)			
7	Are procedures in place to ensure that all applicants are accurately billed for the F-S services they receive?			
8	Is USDA paid its assessments as prescribed in the cooperative agreement?			
9	Are procedures in place to keep track of inspectors' and supervisors' time to ensure that only the time they spend on F-S work is charged to the F-S Program?			
10	For expenses such as travel, training, rent, and supplies and equipment, are procedures in place to ensure that only those portions applicable to the F-S Program are charged to the FSI Program?			
11	Are all F-S Program inspections performed by Federally-licensed inspectors?			
12	Are all F-S Program employees paid according to job classifications which accurately reflect their duties?			
13	Are all official USDA inspection certificates and stamps properly secured against misuse?			

14	Are all official USDA inspection certificates and stamps properly accounted for and reconciled on a regular basis?			
15	Are the principles of equal opportunity and civil rights demonstrated in both F-S Program hiring practices and customer service?			

CERTIFICATION OF FEDERAL-STATE PROGRAM MANAGER

I certify that the information provided in this report for fiscal year _____ is true, complete, and correct to the best of my knowledge and belief. I have attached explanations for any improvements implemented or problems identified since the end of fiscal year _____. Type the name and title of the certifying State Agency/Cooperator Official in the space provided below.

Name	Date
Title	

PART 2 - FEDERAL-STATE PROGRAM FINANCIAL REPORT

Instructions: Answer the following questions for only the Federal-State Program by marking the appropriate box. Unless otherwise specified, attach a written explanation for each item marked "No" or "?" (for uncertain) and follow any other instructions given.

Questions	Yes	No	?
1 Are adequate internal controls (including sufficient separation of duties) in place at all levels to safeguard FSI Program funds (including all cash receipts)?			
2 Are FSI Program funds accounted for separately from those of other programs administered by the cooperator?			
3 Are all FSI Program-related receipts properly credited to the FSI Program?			
4 Are reserve funds invested? (If "Yes," attach a brief explanation of the investment vehicles and amounts and answer question #5. If "No," proceed to question #6.)			
5 Is all interest earned on the invested FSI Program funds credited to the FSI Program?			
6 Are adequate internal controls in place to ensure that FSI Program's billing and collections processes functioned properly so that the proper amount due from applicants was billed and collected?			
7 Are adequate policies and procedures in place to collect delinquent accounts or write off uncollectible accounts?			
8 Are all FSI Program expenditures properly supported by documentation and approved by authorized individuals?			
9 Are all user fees collected used only to pay the direct and indirect costs of the FSI Program?			
10 Are all FSI Program direct costs allowable in accordance with OMB Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments," or A-122, "Cost Principles for Nonprofit Organizations"?			
11 Are Department or State indirect costs charged to the FSI Program? (If "Yes," attach a brief explanation of the methodology used to allocate these charges, and answer question #12. If "No," proceed to question #13.)			
12 Are all indirect costs allowable in accordance with the cooperative agreement and OMB Circular A-87 or A-122?			
13 Are adequate internal controls in place to ensure the appropriateness of all payroll charges?			
14 Are adequate internal controls in place to ensure the appropriateness of all travel charges and other reimbursements?			

PART 3 - FINANCIAL SUMMARY

Instructions: Inspection Services are reported separately from Audit services whenever possible. If the State Agency cannot reported separately, report the total amounts as Inspection services. Report the amounts for the Fed-State Program for both the reporting fiscal year and the prior fiscal year. Attach all explanations and supporting documentation requested or which you believe to be necessary.

Cooperative Market and Shipping Point Inspection Services

Funding	Reporting Year	Prior Year
User Fees Collected ¹		
Appropriated (State) Funds		
Other Funds ²		
Interest Earned		
Total Funding		
Expense		
Direct Payroll Expenses of the FSI Program ³		
Direct Expenses of the FSI Program ⁴		
Cooperator-Level Indirect Expenses ⁵		
State-Level Indirect Expenses ⁶		
USDA Assessments		
Other Expenses ⁷		
Total Expenses		

Audit Services

Funding	Reporting Year	Prior Year
User Fees Collected ¹		
Appropriated (State) Funds		
Other Funds ²		
Interest Earned		
Total Funding		
Expense		
Direct Payroll Expenses of the FSI Program ³		
Direct Expenses of the FSI Program ⁴		
Cooperator-Level Indirect Expenses ⁵		
State-Level Indirect Expenses ⁶		
USDA Assessments		
Other Expenses ⁷		
Total Expenses		

Grand Total Funding, Inspection Services plus Audit Services

Grand Total Expenses, Inspection Services plus Audit Services

¹ Attach a breakout of the fees collected (e.g., hourly, hundredweight, etc.), noting those which were subject to the USDA assessment under the cooperative agreement.

² Attach an explanation of the source of the funds and for what they were used.

³ Costs incurred for compensation of personnel devoted specifically to work under this cooperative agreement.

⁴ Costs incurred for equipment, materials and services acquired, consumed, or expended specifically for work under this cooperative agreement.

⁵ Expenses of the cooperative for supplying goods, services, and facilities for the common benefit of the FSI Program and other programs. Attach an explanation of the services that these charges cover.

⁶ Expenses of the State for supplying goods, services, and facilities for the common benefit of this and other programs. Attach an explanation of these expenses.

⁷ Attach an explanation of these expenses.

Reserve Fund		
	Reporting Year	Prior Year
Beginning Balance		
Lowest Balance		
Highest Balance		
Ending Balance		

CERTIFICATION OF FINANCIAL MANAGER

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Name	Date

Signature

Title

Non-Discrimination Policy: In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.