

**SP 2006-030**  
**Q&A Set #9**  
**Exemption/Voluntary**

**Q1: If a federally inspected establishment conducts custom exempt slaughter and processing operations on the official premises, is it required to implement its Sanitation SOPs on the days that it conducts only custom exempt operations?**

**A1:** Yes. The regulations require that any time custom operations are conducted in an official establishment, all of the provisions of 9 CFR Part 416 (Sanitation) must apply to those operations (9 CFR 303.1(a)(2)(i)). Establishments operating under custom exemption also are required to document the implementation and monitoring of the Sanitation SOPs and any corrective actions required (9 CFR 416.16(a)). These records must be maintained and be available to FSIS (9 CFR 416.16(c)).

**Q2: If a federally inspected establishment conducts slaughter and processing operations under voluntary inspection, is it required to maintain Sanitation SOPs documentation?**

**A2:** No. Unlike the requirements for custom exempt operations (9 CFR 303.1), the regulations that apply to voluntary inspection only require compliance with the sanitation performance standards (9 CFR 416.1 to 416.6 ). Therefore, the Sanitation SOP regulations (9 CFR 416.11 to end ) do not apply to establishments that only operate under voluntary inspection (exotic animals) (9 CFR Part 352).

**Q3: Is a retail store allowed to further process inspected red meat carcasses into multi-ingredient products and ship the products to restaurants?**

**A3:** No. Under 9 CFR 303.1(d)(2)(iii)(f), which covers preparation and sale of products by retail stores to other than household consumers, preparation by retail stores of multi-ingredient products for sale to hotel, restaurants, or institutions is not exempt and would be subject to inspection.

**Q4: How is industry notified of adjustments to the annual dollar limitation for retail sales of meat and poultry products?**

**A4:** The public, including industry, is notified by a notice published in the Federal Register and through the Constituent Update. The current (2006) limits can be found at the following website: <http://www.fsis.usda.gov/OPPDE/rdad/FRPubs/2006-0006.pdf>. In addition, the FSIS website email subscription service [http://www.fsis.usda.gov/News\\_&\\_Events/Email\\_Subscription/index.asp](http://www.fsis.usda.gov/News_&_Events/Email_Subscription/index.asp) allows subscribers to sign up and receive email alerts on numerous topics, including the publication of documents in the Federal Register.

**Q5: If I conduct retail exempt operations in a federally inspected establishment, am I required to keep these operations separate from federal inspected operations?**

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**A5:** Yes. 9 CFR 305.2 requires the official establishment to be separate from the unofficial establishment so that FSIS is able to distinguish between the two operations and the product from those operations. Operational and product separation has typically been determined by time or space. In other words, the retail exempt operations would have to be conducted in an area that is completely separate from the area in which inspected activities are being performed and there is no possibility of cross-contamination between the two areas. Alternatively, they could be conducted in the same facilities, but they would have to be conducted at a time when no inspected activities are occurring. The criteria for exemption from inspection for retail operations are addressed in 9 CFR 303.1(d).