



United States  
Department of  
Agriculture

Grain Inspection,  
Packers and Stockyards  
Administration

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TO: FGIS POLICY BULLETIN BOARD

FROM: Robert Lijewski, Director  
Field Management Division

SUBJECT: Transferring Sublots

ORIGINATING OFFICE: Policies, Procedures, and Market Analysis Branch

## 1. PURPOSE

This memorandum provides Federal Grain Inspection Service's policy for transferring subplot(s) and material portion subplot(s) from a **CuSum lot** to an **Average Quality or combination Average Quality/CuSum lot** loaded under the CuSum loading plan.

## 2. BACKGROUND

The CuSum plan represents an online acceptance sampling plan providing continuous quality information with the goal of maintaining a consistent minimum quality throughout the lot. The applicant for inspection, based on the contract requirements, may specify factors and other criteria as minimum, maximum, or absolute limits (e.g., no subplot to exceed). Additionally, the applicant can specify average quality on some or all of the factors encompassing the grade determination.

Loading of a **material portion** to another lot is permissible provided sufficient information is available to complete the inspection and weighing requirements of the receiving lot. For standard CuSum to CuSum transfers outlined in the Grain Inspection Handbook, the original inspection results of the material portion subplot must be within the load order grade and any other official criteria factor limits of the receiving lot.

**Extra grain** elevated for a lot can be transferred to another lot provided the receiving lot is the same or lower (inferior) quality grade and loading begins within 88 hours.

This policy of transferring material portion sublots, or extra grain sublots, to another lot was established for lots with limits applied to the grade and other official criteria factors. The policy outlined in the Handbook did not consider transfers of material portion sublots, or extra grain sublots, to an average grade lot. FGIS does not intend to allow this policy to circumvent the loading plan, but simply to add an option for extra grain sublots already elevated or designated as Material Portions.

3. POLICY

a. Transferring a Material Portion from a CuSum Lot to an Average or combination Average/CuSum Lot

A material portion from a CuSum lot (lot with minimum, maximum or absolute limits applied to some or all grade and other factors) may be transferred to an Average Quality (all factors) or combination Average/CuSum (some factors Average, other factors CuSum) lot provided there is sufficient information available to complete the inspection and weighing requirements of the receiving lot. The original inspection results of the material portion subplot must be within any minimum, maximum or absolute factor(s) limits of the receiving lot. A material portion with results exceeding factor(s) limits, but within the inspection plan tolerance of the receiving lot is not an acceptable transfer. There are no requirements placed on the receiving lot for average quality factor(s); all original material portion factor results eligible for average quality are acceptable. This method of material portion disposition applies only to sublots designated as material portions and does not apply to components or subsamples. Sublots rejected by the applicant due to self-imposed limits are not considered material portions, and are therefore not eligible to be transferred.

When transferring a material portion subplot into a new lot, do not calculate CuSum values on factor(s) set with **minimum, maximum or absolute limits**. Instead, carry forward the CuSum values from the previous subplot in the receiving lot. If the material portion subplot being transferred will be the first subplot in the new lot, the starting values will be carried forward and calculated on the first subplot intended for the new lot. Include a statement in the Remarks section of the new lot explaining that CuSum values (or starting values) were carried forward because the subplot was a material portion intended for another lot. The inspection results and CuSum values will be recorded and maintained on the original lot (same policy as for CuSum to CuSum transfers). The Inspection Testing and Weighing (ITW) CuSum application is tightly integrated to accommodate this policy (see examples below).

**Example of an acceptable transfer:**

Original Lot: CuSum lot, load order grade: U. S. No. 2 O/B YC, Max 15.0% Moisture. Field review on MP-1 didn't eliminate MP. Applicant requests a transfer of MP-1 to an average quality lot. Original factor results from MP-1 were transferred.

Sublot Number	End Date	End Time	Bin	Holds	Disposition	Quantity	ODOR	TW	-0.40	M	0.40	HT	0.20	DKT	1.30	BCFM	0.30	AFLA	OCOL	1.00	STON	
1	7/19/2011	0800	1-2	1, 2	On Board - Not Transferred	2345600	OK	54.8	0.00	14.9	0.00	0.1	0.00	3.8	0.00	2.9	0.00	15	0.00	0.8	0.00	0.0
MP-1	7/19/2011	0900	3-4		Transferred Out	2411560	OK	55.1	0.00	14.5	0.00	0.2	0.00	6.8	1.80	3.1	0.10	14	0.00	2.0	0.10	0.0
FR MP-1														7.5								
REX MP-1							OK	55.1	0.00	14.5	0.00	0.2	0.00	7.2	2.20	3.1	0.10	14	0.00	2.0	0.00	0.0

Receiving Lot: MP-1 transfer from Original Lot. Load order grade: U. S. No. 2 O/B YC, Average grades all factors. All factor results “transferred in” are within the established limits of this lot.

Sublot Number	Bin	Holds	Disposition	Quantity	ODOR	TW	AVG QUAL	M	AVG QUAL	HT	AVG QUAL	DKT	AVG QUAL	BCFM	AVG QUAL	OCOL	1.00	STON	AFLA	
1	3-4	1, 2	On Board - Transferred In	2411560	OK	55.1	55.10	14.5	14.50	0.2	0.20	6.8	6.80	3.1	3.10	2.0	0.30	0.0	0.00	14

**Example of an unacceptable transfer:**

Receiving Lot: Using the same “Original Lot”, the example below illustrates a scenario where the applicant requests a transfer to a U. S. No. 2 O/B YC lot, Average grades all factors *except* Max 3.0% BCFM. MP-1 is not eligible to be transferred because the BCFM is a CuSum factor and exceeds the receiving grade limit of 3.0%. The subplot would be marked as a material portion in the receiving lot.

Sublot Number	Bin	Holds	Disposition	Quantity	ODOR	TW	AVG QUAL	M	AVG QUAL	HT	AVG QUAL	DKT	AVG QUAL	BCFM	0.30	OCOL	1.00	STON	AFLA	
MP-1	3-4		On Board - Transferred In	2411560	OK	55.1	55.10	14.5	14.50	0.2	0.20	6.8	6.80	3.1	0.10	2.0	0.30	0.0	0.00	14

**b. Transferring Extra Grain from CuSum Lot to Average Lot**

Extra grain elevated and graded for a CuSum lot (lot with minimum, maximum or absolute limits applied to some or all grade and other factors) may be transferred to an average quality lot, provided there is sufficient information available to complete the inspection and weighing requirements of the receiving lot. There are no load order grade requirements of the receiving lot if all grade factors are average quality. If the load order states a minimum, maximum, or absolute limit of individual or certain grade factors, the “extra grain” subplot being offered for transferring must be the same or higher (better) quality grade on those factors. Non-grade factors and other official criteria factors must be within inspection plan tolerances of the receiving lot to qualify for transferring.

Calculate CuSum values on factors of the receiving lot (if any apply). If the transferred subplot is the first subplot of the receiving lot, starting values must be applied. Similar to established policy for transferring extra grain elevated for CuSum to CuSum transfers, loading of the receiving lot must begin within 88 hours of the inspection of the transferred lot. The balance of a completed and graded shipping bin, partially loaded to the carrier does not qualify for a transfer.

**4. FILING INSTRUCTIONS**

Retain a copy of this memo with the Grain Inspection Handbook, Book III, until the handbook is revised.

**5. QUESTIONS**

Direct any questions concerning this policy to Wade Berteau, Office of the Director, at (985) 764-2326 ext. 244, or email at [Wade.S.Berteau@usda.gov](mailto:Wade.S.Berteau@usda.gov); or Anthony Goodeman, Policies, Procedures, and Market Analysis Branch, at (202) 720-0291 or email at [Anthony.T.Goodeman@usda.gov](mailto:Anthony.T.Goodeman@usda.gov)