

This analysis considers likely staffing changes at the 22 large and 13 small establishments which are expected to convert to NSIS over a course of five years. Combined, these establishments operate 46 shifts and 55 lines.⁶⁴ This analysis uses PHIS data provided by the Office of Field Operations (OFO) to calculate the number of FTEs assigned to each slaughter line. The FSIS Office of the Chief Financial Officer (OCFO) provided the wage and benefit data for each of these positions. This data was used to model the staffing changes in terms of both full time positions and monetary value. Based on this data, to conduct traditional inspection, the Agency requires a combined 365 (334 at large and 31 at small establishments) FTE food or consumer safety inspectors at an annual cost of approximately \$30.43 million, Table 22. If all 22 large non-HIMP and 13 small high volume

market hog only establishments convert to the NSIS, the Agency would require 218 (187 at large and 31 at small establishments) FTE food or consumer safety inspectors. This number was arrived at by assuming that under NSIS each of the 41 lines at the large establishments would have up to 3 FTEs assigned to them and each of the 32 shifts at the large establishments would have up to 2 FTEs assigned to them ((41 lines × 3 FTEs) + (32 shifts × 2 FTEs) = 187 FTEs). Likewise, under NSIS, the 13 small establishments would each require between 2–3 FTEs, based on configuration, for a total of 31 FTEs. These staffing levels are based on FSIS's experience at HIMP establishments. The combined labor costs for NSIS is approximately \$21.70 million, Table 22. This cost estimate includes expected grade increases associated with converting to the NSIS. As is shown in

Table 22, if all 22 large establishments convert to NSIS, this analysis estimates a net decrease of 147 (334 – 187) FTEs required for slaughter line inspection. The NSIS inspection program at these large establishments has a remuneration value of just over \$18.58 million. A similar analysis of the 13 small high volume establishments reveals no net change in the number of FTEs. However, because the NSIS requires all inspectors to be CSIs, many of the FTEs will likely be promoted from a FI to a CSI. Overall, if all 35 establishments converted to NSIS, the Agency would require 147 fewer FTEs for swine slaughter inspection, with an expected annual decrease in costs of roughly \$8.73 million, which is equal to roughly \$6.67 million a year, assuming a 3 percent discount rate, Table 22.

TABLE 22—EXPECTED CHANGES IN AGENCY STAFFING [M\$]

Type	Traditional		Proposed NSIS		Increases (reductions)	
	Number positions	Labor costs	Number positions	Labor costs	Number positions	Labor costs
Large	334	\$27.56	187	\$18.58	(147)	(\$8.98)
Small	31	2.87	31	3.12	0	0.25
Total	365	30.43	218	21.70	(147)	(8.73)
Totals:						
Recurring Cost						(8.73)
Annualized Costs, Assuming a 3% Discount Rate Over 10 Years						(6.67)
Annualized Costs, Assuming a 7% Discount Rate Over 10 Years						(6.42)

Since 2008, the Agency has annually lost, through attrition, 270 food inspectors on average. See Table 23 for details. The Agency plans to utilize all personnel made available as a result of conversion to NSIS to fill these vacant positions.

TABLE 23—ANNUAL TURNOVER OF FOOD INSPECTORS

Fiscal year	Number of positions
2008	307
2009	264
2010	231
2011	268
2012	266
2013	246
2014	273
2015	305

TABLE 23—ANNUAL TURNOVER OF FOOD INSPECTORS—Continued

Fiscal year	Number of positions
Average	270

Source: OFO.

2. Agency Training
Three Day NSIS Methods Course

If all 22 large and 13 small market hog establishments convert to NSIS over the course of five years, as set forth in Table 6, the Agency expects to train 266 personnel (218 CSIs and 48 PHVs), with pay grades ranging from GS–8 to GS–13, on NSIS methods. The majority of these personnel, 228, are associated with 22 large establishments, while the remaining 38 are associated with 13

small establishments, Table 24. The associated one-time cost of such training includes labor and travel expenses associated with the employees receiving training, as well as temporary replacement labor costs required to fulfill the work that would have been completed by the employees receiving training. Based on the HIMP program, this analysis assumes NSIS methods training will take 3 days and replacement labor will be equivalent to GS–13 step 5. Under these assumptions, the total one-time cost of NSIS training is approximately \$0.64 million (\$550,942 for all large establishments and \$81,697 for all small establishments), Table 24. This one-time cost equals approximately \$0.07 million if it were annualized over 10 years under a 3 percent discount rate, Table 24.

⁶⁴ The 22 large establishments operate 41 slaughter lines during 32 shifts, while the 13 small

establishments operate 14 lines during 14 shifts, source PHIS.