



United States
Department of
Agriculture

Farm and Foreign
Agricultural Services

Farm Service
Agency

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NOTICE TO THE TRADE

TO: All Domestic and Export Suppliers

SUBJECT: Total Quality Systems Audit and New Contract Eligibility Requirements

This Notice is to announce intended changes to the Total Quality Systems Audit (TQSA) program that the Farm Service Agency (FSA) currently uses as a method of supplier verification for food assistance program contracts. Notice to the Trade DDOD-100/EOD-82/BCD-11, dated August 10, 2001, provides specific details, initial minimum requirements, and the TQSA Supplier Guidelines, which also can be found at the TQSA website <http://www.fsa.usda.gov/daco/pdd/tqsa.htm>. FSA is making the following changes to the TQSA Supplier Guidelines, TQSA Report Form TQ-003, the TQSA scoring system and the contract eligibility of offerors to submit bids:

- Modifying the TQSA Report Form TQ-003 checklist by utilizing the new ISO 9001:2000 standards. New proposed guidelines/checklist is included as an attachment. (Attachment A)
- Amending the scoring guidelines with value of 1 = Pass and 0 = Fail. One can calculate the score on a percentage basis, in order to equate the score to a 100 point scale. (Attachment B)
- Amending the applicable commodity announcement terms and conditions for eligibility of offerors as follows:
 - A result of one major non-conformance in an item resulting in a Corrective Action Request (CAR), or three or more minor non-conformances in a section would preclude participation in commodity purchase programs until such time corrective action is determined, implemented, and verified as effective. The Contracting Officer will make all final decisions regarding corrective action compliance.
 - Offerors shall be allowed to offer only from plants that have received an audit score of at least 80 points (exclusive of any major non-conformances in any item.)

Implementation of these changes will become effective for audits performed on or after June 1, 2004.

For additional information or comments regarding changes to the TQSA Suppliers Guidelines and Form TQ-003, please contact Tim Mehl, Warehouse License and Examination Division at (816) 926-6417, Fax (816) 926-1774 or e-mail tpmehl@kcc.usda.gov. For additional information or comments regarding the new contract eligibility requirements, please contact the Kansas City Commodity Office marketing specialist responsible for your product.

/s/

George W. Aldaya
Director

Attachments