

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30			1. REQUISITION NUMBER	PAGE 1 OF 29
2. CONTRACT NO. SPE300-21-D-3304	3. AWARD/EFFECTIVE DATE 2021 JUL 22	4. ORDER NUMBER	5. SOLICITATION NUMBER	6. SOLICITATION ISSUE DATE
7. FOR SOLICITATION INFORMATION CALL:		a. NAME		b. TELEPHONE NUMBER (No collect calls)
		8. OFFER DUE DATE/ LOCAL TIME		

9. ISSUED BY DLA TROOP SUPPORT DIRECTORATE OF SUBSISTENCE 700 ROBBINS AVENUE PHILADELPHIA PA 19111-5096 USA Local Admin: Zaida Chevere Torres PEPCBC9 Tel: 215-737-7671 Email: zaida.chevere@dla.mil	CODE SPE300	10. THIS ACQUISITION IS <input checked="" type="checkbox"/> UNRESTRICTED OR <input type="checkbox"/> SET ASIDE: _____ % FOR: <input type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> WOMEN-OWNED SMALL BUSINESS (WOSB) ELIGIBLE UNDER THE WOMEN-OWNED SMALL BUSINESS PROGRAM <input type="checkbox"/> HUBZONE SMALL BUSINESS <input type="checkbox"/> EDWOSB NAICS: 311812 <input type="checkbox"/> SERVICE-DISABLED <input type="checkbox"/> VETERAN-OWNED SMALL BUSINESS <input type="checkbox"/> 8 (A) SIZE STANDARD:
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11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input type="checkbox"/> SEE SCHEDULE	12. DISCOUNT TERMS Net 30 days	13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) <input type="checkbox"/>	13b. RATING 14. METHOD OF SOLICITATION <input type="checkbox"/> RFQ <input type="checkbox"/> IFB <input type="checkbox"/> RFP
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15. DELIVER TO SEE SCHEDULE	CODE	16. ADMINISTERED BY SEE BLOCK 9 Criticality: PAS : None	CODE SPE300
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17a. CONTRACTOR/ OFFEROR US FOODS, INC. DBA GFG FOODSERVICE DIV 3500 SARATOGA AVE BISMARCK ND 58503-0726 USA	CODE 5J751	FACILITY CODE	18a. PAYMENT WILL BE MADE BY DEF FIN AND ACCOUNTING SVC BSM P O BOX 182317 COLUMBUS OH 43218-2317 USA	CODE SL4701
TELEPHONE NO. 2023027119				

17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER <input type="checkbox"/>	18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED. <input type="checkbox"/> SEE ADDENDUM
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19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
See Schedule					

25. ACCOUNTING AND APPROPRIATION DATA	26. TOTAL AWARD AMOUNT (For Govt. Use Only) \$27,000,000.00
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<input type="checkbox"/> 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA <input checked="" type="checkbox"/> 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4, FAR 52.212-5 IS ATTACHED. ADDENDA	<input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED. <input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED.
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<input checked="" type="checkbox"/> 28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED	<input type="checkbox"/> 29. AWARD OF CONTRACT: REF. _____ OFFER DATED 0000-00-00 . YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH, HEREIN IS ACCEPTED AS TO ITEMS:
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30a. SIGNATURE OF OFFEROR/CONTRACTOR DocuSigned by: 	31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER) CHEVERE TORRES.ZAIDA.T.1397745917 Digitally signed by CHEVERE TORRES.ZAIDA.T.1397745917 Date: 2021.07.22 15:14:59 -04'00'
30b. VP National Sales and Service	31b. NAME OF CONTRACTING OFFICER (Type or Print) Zaida T. Chevere Torres
30c. DATE SIGNED 7/22/2021	31c. DATE SIGNED 7/22/2021

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT

32a. QUANTITY IN COLUMN 21 HAS BEEN

RECEIVED INSPECTED ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED: _____

32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE	32c. DATE	32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE
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32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE	32f. TELEPHONE NUMBER OF AUTHORIZED GOVERNMENT REPRESENTATIVE
32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE	

33. SHIP NUMBER <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL	34. VOUCHER NUMBER	35. AMOUNT VERIFIED CORRECT FOR	36. PAYMENT <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL	37. CHECK NUMBER
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38. S/R ACCOUNT NO.	39. S/R VOUCHER NUMBER	40. PAID BY
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41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT	42a. RECEIVED BY (<i>Print</i>)	
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER	41c. DATE	42b. RECEIVED AT (<i>Location</i>)
		42c. DATE REC'D (<i>YY/MM/DD</i>)

Prime Vendor Support for customers in North Dakota and Surrounding Areas.

The following solicitation and associated amendments are hereby incorporated into subject contract: SPE300-19-R-0031 and Amendments 0001-0012.

The estimated dollar value of the contract including the thirty-six (36) month Tier 1 plus a twenty-four (24) month Tier 2 is \$18,000,000.

The maximum dollar value of the Contract term, inclusive of all Tiers is \$27,000,000.00.

The Guaranteed minimum dollar value is 10% of the awarded contract dollar value, or \$1,800,000.00.

Effective award date: 22 July 2021

Tier 1 is 22 July 2021 through 21 July 2024

Tier 2 is 22 July 2024 through 21 July 2026

CONTRACT TYPE: Indefinite Delivery, Indefinite Quantity Contract - Fixed price with Economic Price Adjustment (EPA).
Implementation Period: Effective from award date through 19 September 2021

US Foods Bismarck must ensure all catalog items are in accordance with the most up to date Buyers' Guide.

Detailed guidance and specifications are provided for most standard meat, seafood and poultry items required in the recipes and menus. Processed fruits and vegetables and other miscellaneous food service items are also covered. See the Army Buyers Guide referenced below. Please note that the Air Force and Marine Corps follow this guide as well. Navy customers use the Master Load List:

https://quartermaster.army.mil/jccoe/Operations_Directorate/CSPD/Buyers_Guide/Army-Buyers-Guide-Version-XIII-Jan-2020.PDF

SECTION A - SOLICITATION/CONTRACT FORM

The following amendments issued under Solicitation SPE300-19-R-0031 are hereby incorporated as part of this contract:

Amendments 0001 through 0012, Food Defense Plan, Surge & Sustainment Plan, and Small Business Efforts Plan.

The following documents from the vendor's offer are hereby incorporated into this contract:

The Non-Price Proposal and Price Proposal which took no exception to the terms and conditions of Solicitation SPE300-19-R-0031. All elements of the Non-Price and Price Proposals which met the government's requirements are hereby incorporated into this contract, including Final Proposal Revisions dated April 21, 2021.

SECTION B - SUPPLIES/SERVICE AND PRICE

ITEMS: This contract is for total food and beverage support for Garrison Foodservice Feeding. The successful Contractor shall provide full-line food service items, such as but not limited to, canned items, fresh milk, dry items, chill items, UHT dairy items, frozen bakery products, frozen meats, frozen seafood and poultry, ice cream, eggs and other dairy products, fresh fruits and vegetables and non-food Food Service Operating Supplies. Currently, fresh bread/bakery items do not have stated requirement within this contract, but they are in the scope of this procurement and the Contractor may be required to provide them during the course of contract performance.

FOB TERMS: FOB Destination for all items, unless otherwise specifically stated.

FILL RATE: The required overall contract purchase order fill rate is 98.5% for non-catch-weight and catch-weight items.

CONTRACT TERM: The total duration of this contract will not exceed five (5) years.
21 July 2021 through 20 July 2026

PRICING: Fixed price with Economic Price Adjustment (EPA)

ECONOMIC PRICE ADJUSTMENT (EPA) - ACTUAL MATERIAL COSTS FOR SUBSISTENCE DELIVERED PRICE BUSINESS MODEL - DLA TROOP SUPPORT SUBSISTENCE PRIME VENDOR (SPV) CONTIGUOUS UNITED STATES (CONUS), ALASKA, AND HAWAII

SECTION C - DESCRIPTIONS/SPECIFICATIONS

Under this contract, all customers are required to electronically submit every order through the Government's Subsistence Total Order and Receipt Electronic System (STORES). Orders shall be submitted by the customer by 2:00 PM for skip-day deliveries. See Statement of Work (SOW) Section V. Ordering and Deliveries & Performance

SECTION D - PACKAGING AND MARKING

All packaging and packing shall be in accordance with good commercial practice. Labeling shall be in accordance with commercial labeling complying with the Federal Food, Drug, and Cosmetic Act and regulations promulgated there under. Shipping containers shall be in compliance with the National Motor Freight Classification and Uniform Freight Classification Code. The Contractor shall be responsible for abiding to any applicable packaging, packing and marking regulations of the various countries in/through which product will be stored/transported. See additional instructions regarding pallet height in the Statement of Work (SOW) Section II. Packaging and Labeling/Marking under paragraph K.

SECTION E - INSPECTION AND ACCEPTANCE

Inspection and acceptance of products will be performed at destination. The inspection is normally limited to identify, count and condition; however, this may be expanded if deemed necessary by either the military Veterinary Inspector, Dining Facility Manager, Food Service Advisor/Officer, or the Contracting Officer. See addendum 52.212-4 paragraph a. of this document. Also see SOW Section III. Inspection and Acceptance and IV. Quality and Assurance.

SECTION F - PLACE OF PERFORMANCE

The following is designated as the plan location for the performance of this contract for all contract line items:

CONTINUED ON NEXT PAGE

US Foods Bismarck
3500 Saratoga Ave,
Bismarck, ND 58503

SECTION H - CONTRACT ADMINISTRATION DATA

Administration of the contract will be performed by the Defense Logistics Agency (DLA) Troop Support. See SOW Section VII. Contract Administration Data

SECTION I - INVOICING

Invoices must be submitted electronically, See addendum 52.212-4 paragraph g of this document. Also see SOW Section V. Ordering and Deliveries & Performance

The following updated clauses are hereby incorporated into subject contract:

52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS- COMMERCIAL ITEMS (JAN 2021)

(a) The Contractor shall comply with the following Federal Acquisition Regulation (FAR) clauses, which are incorporated in this contract by reference, to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

- (1) 52.203-19, Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (JAN 2017) (section 743 of Division E, Title VII, of the Consolidated and Further Continuing Appropriations Act, 2015 (Pub. L. 113-235) and its successor provisions in subsequent appropriations acts (and as extended in continuing resolutions)).
- (2) 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities (JUL 2018) (Section 1634 of Pub. L. 115-91).
- (3) 52.204-25, Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment. (AUG 2020) (Section 889(a)(1)(A) of Pub. L. 115-232).
- (4) 52.209-10, Prohibition on Contracting with Inverted Domestic Corporations (NOV 2015).
- (5) 52.233-3, Protest After Award (AUG 1996) (31 U.S.C. 3553).
- (6) 52.233-4, Applicable Law for Breach of Contract Claim (OCT 2004) (Public Laws 108-77 and 108-78 (19 U.S.C. 3805 note)).

(b) The Contractor shall comply with the FAR clauses in this paragraph (b) that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items: [Contracting Officer check as appropriate.]

- (1) 52.203-6, Restrictions on Subcontractor Sales to the Government (JUN 2020), with Alternate I (OCT 1995) (41 U.S.C. 4704 and 10 U.S.C. 2402).
- (2) 52.203-13, Contractor Code of Business Ethics and Conduct (JUN 2020) (41 U.S.C. 3509).
- (3) 52.203-15, Whistleblower Protections under the American Recovery and Reinvestment Act of 2009 (JUN 2010) (Section 1553 of Pub. L. 111-5). (Applies to contracts funded by the American Recovery and Reinvestment Act of 2009.)
- (4) 52.204-10, Reporting Executive Compensation and First-Tier Subcontract Awards (JUN 2020) (Pub. L. 109-282) (31 U.S.C. 6101 note).
- (5) [Reserved]
- (6) 52.204-14, Service Contract Reporting Requirements (OCT 2016) (Pub. L. 111-117, section 743 of Div. C).
- (7) 52.204-15, Service Contract Reporting Requirements for Indefinite-Delivery Contracts (OCT 2016) (Pub. L. 111-117, section 743 of Div. C).
- (8) 52.209-6, Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment. (JUN 2020) (31 U.S.C. 6101 note).
- (9) 52.209-9, Updates of Publicly Available Information Regarding Responsibility Matters (OCT 2018) (41 U.S.C. 2313).
- (10) [Reserved]
- (11) (i) 52.219-3, Notice of HUBZone Set-Aside or Sole Source Award (MAR 2020) (15 U.S.C. 657a).
- (ii) Alternate I (MAR 2020) of 52.219-3.
- (12) (i) 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (MAR 2020) (if the offeror elects to waive the preference, it shall so indicate in its offer) (15 U.S.C. 657a).
- (ii) Alternate I (MAR 2020) of 52.219-4.
- (13) [Reserved]
- (14) (i) 52.219-6, Notice of Total Small Business Set-Aside (NOV 2020) (15 U.S.C. 644).
- (ii) Alternate I (MAR 2020) of 52.219-6.
- (15) (i) 52.219-7, Notice of Partial Small Business Set-Aside (NOV 2020) (15 U.S.C. 644).
- (ii) Alternate I (MAR 2020) of 52.219-7.
- (16) 52.219-8, Utilization of Small Business Concerns (OCT 2018) (15 U.S.C. 637(d)(2) and (3)).
- (17) (i) 52.219-9, Small Business Subcontracting Plan (JUN 2020) (15 U.S.C. 637(d)(4)).
- (ii) Alternate I (NOV 2016) of 52.219-9.
- (iii) Alternate II (NOV 2016) of 52.219-9.
- (iv) Alternate III (JUN 2020) of 52.219-9.
- (v) Alternate IV (JUN 2020) of 52.219-9.
- (18) (i) 52.219-13, Notice of Set-Aside of Orders (MAR 2020) (15 U.S.C. 644(r)).
- (ii) Alternate I (MAR 2020) of 52.219-13.
- (19) 52.219-14, Limitations on Subcontracting (MAR 2020) (15 U.S.C. 637(a)(14)).
- (20) 52.219-16, Liquidated Damages-Subcontracting Plan (JAN 1999) (15 U.S.C. 637(d)(4)(F)(i)).
- (21) 52.219-27, Notice of Service-Disabled Veteran-Owned Small Business Set-Aside (MAR 2020) (15 U.S.C. 657F).
- (22) (i) 52.219-28, Post-Award Small Business Program Rerepresentation (NOV 2020) (15 U.S.C. 632(a)(2)).
- (ii) Alternate I (MAR 2020) of 52.219-28.
- (23) 52.219-29, Notice of Set-Aside for, or Sole Source Award to, Economically Disadvantaged Women-Owned Small Business (EDWOSB) Concerns (MAR 2020) (15 U.S.C. 637(m)).
- (24) 52.219-30, Notice of Set-Aside for, or Sole Source Award to, Women-Owned Small Business Concerns Eligible Under the Women-Owned Small Business Program (MAR 2020) (15 U.S.C. 637(m)).
- (25) 52.219-32, Orders Issued Directly Under Small Business Reserves (MAR 2020) (15 U.S.C. 644(r)).
- (26) 52.219-33, Nonmanufacturer Rule (MAR 2020) (15 U.S.C. 637(a)(17)).
- (27) 52.222-3, Convict Labor (JUN 2003) (E.O. 11755).
- (28) 52.222-19, Child Labor-Cooperation with Authorities and Remedies (JAN 2020) (E.O. 13126).

- X (29) 52.222-21, Prohibition of Segregated Facilities (APR 2015).
- X (30) (i) 52.222-26, Equal Opportunity (SEPT 2016) (E.O. 11246).
(ii) Alternate I (Feb 1999) of 52.222-26.
- X (31) (i) 52.222-35, Equal Opportunity for Veterans (JUN 2020) (38 U.S.C. 4212).
(ii) Alternate I (July 2014) of 52.222-35.
- (32) (i) 52.222-36, Equal Opportunity for Workers with Disabilities (JUN 2020) (29 U.S.C. 793).
(ii) Alternate I (July 2014) of 52.222-36.
- (33) 52.222-37, Employment Reports on Veterans (JUN 2020) (38 U.S.C. 4212).
- (34) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (DEC 2010) (E.O. 13496).
- X (35) (i) 52.222-50, Combating Trafficking in Persons (OCT 2020) (22 U.S.C. chapter 78 and E.O. 13627).
(ii) Alternate I (Mar 2015) of 52.222-50 (22 U.S.C. chapter 78 and E.O. 13627).
- (36) 52.222-54, Employment Eligibility Verification (Oct 2015). (E. O. 12989). (Not applicable to the acquisition of commercially available off-the-shelf items or certain other types of commercial items as prescribed in 22.1803.)
- (37) (i) 52.223-9, Estimate of Percentage of Recovered Material Content for EPA-Designated Items (MAY 2008) (42 U.S.C. 6962(c)(3)(A)(ii)). (Not applicable to the acquisition of commercially available off-the-shelf items.)
(ii) Alternate I (MAY 2008) of 52.223-9 (42 U.S.C. 6962(i)(2)(C)). (Not applicable to the acquisition of commercially available off-the-shelf items.)
- (38) 52.223-11, Ozone-Depleting Substances and High Global Warming Potential Hydrofluorocarbons (JUN 2016) (E.O. 13693).
- (39) 52.223-12, Maintenance, Service, Repair, or Disposal of Refrigeration Equipment and Air Conditioners (JUN 2016) (E.O. 13693).
- (40) (i) 52.223-13, Acquisition of EPEAT®-Registered Imaging Equipment (JUN 2014) (E.O.s 13423 and 13514).
(ii) Alternate I (OCT 2015) of 52.223-13.
- (41) (i) 52.223-14, Acquisition of EPEAT®-Registered Televisions (Jun 2014) (E.O.s 13423 and 13514).
(ii) Alternate I (Jun 2014) of 52.223-14.
- (42) 52.223-15, Energy Efficiency in Energy-Consuming Products (MAY 2020) (42 U.S.C. 8259b).
- (43) (i) 52.223-16, Acquisition of EPEAT®-Registered Personal Computer Products (OCT 2015) (E.O.s 13423 and 13514).
(ii) Alternate I (Jun 2014) of 52.223-16.
- X (44) 52.223-18, Encouraging Contractor Policies to Ban Text Messaging While Driving (JUN 2020) (E.O. 13513).
- (45) 52.223-20, Aerosols (JUN 2016) (E.O. 13693).
- (46) 52.223-21, Foams (JUN 2016) (E.O. 13693).
- (47) (i) 52.224-3, Privacy Training (JAN 2017) (5 U.S.C. 552a).
(ii) Alternate I (JAN 2017) of 52.224-3.
- X (48) 52.225-1, Buy American—Supplies (JAN 2021) (41 U.S.C. chapter 83).
- (49) (i) 52.225-3, Buy American—Free Trade Agreements—Israeli Trade Act (JAN 2021) (41 U.S.C. chapter 83, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note, 19 U.S.C. 3805 note, 19 U.S.C. 4001 note, Pub. L. 103-182, 108-77, 108-78, 108-286, 108-302, 109-53, 109-169, 109-283, 110-138, 112-41, 112-42, and 112-43).
(ii) Alternate I (JAN 2021) of 52.225-3.
(iii) Alternate II (JAN 2021) of 52.225-3.
(iv) Alternate III (JAN 2021) of 52.225-3.
- X (50) 52.225-5, Trade Agreements (OCT 2019) (19 U.S.C. 2501, et seq., 19 U.S.C. 3301 note).
- X (51) 52.225-13, Restrictions on Certain Foreign Purchases (JUNE 2008) (E.O.'s, proclamations, and statutes administered by the Office of Foreign Assets Control of the Department of the Treasury).
- (52) 52.225-26, Contractors Performing Private Security Functions Outside the United States (OCT 2016) (Section 862, as amended, of the National Defense Authorization Act for Fiscal Year 2008; 10 U.S.C. 2302 Note).
- (53) 52.226-4, Notice of Disaster or Emergency Area Set-Aside (NOV 2007) (42 U.S.C. 5150).
- (54) 52.226-5, Restrictions on Subcontracting Outside Disaster or Emergency Area (NOV 2007) (42 U.S.C. 5150).
- (55) 52.229-12, Tax on Certain Foreign Procurements (JUN 2020).
- (56) 52.232-29, Terms for Financing of Purchases of Commercial Items (FEB 2002) (41 U.S.C.4505, 10 U.S.C. 2307(f)).
- (57) 52.232-30, Installment Payments for Commercial Items (JAN 2017) (41 U.S.C. 4505, 10 U.S.C. 2307(f)).
- X (58) 52.232-33, Payment by Electronic Funds Transfer—System for Award Management (OCT 2018) (31 U.S.C. 3332).
- (59) 52.232-34, Payment by Electronic Funds Transfer—Other than System for Award Management (JUL 2013) (31 U.S.C. 3332).
- (60) 52.232-36, Payment by Third Party (MAY 2014) (31 U.S.C. 3332).
- X (61) 52.239-1, Privacy or Security Safeguards (AUG 1996) (5 U.S.C. 552a).
- (62) 52.242-5, Payments to Small Business Subcontractors (JAN 2017) (15 U.S.C. 637(d)(13)).
- (63) (i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631).
(ii) Alternate I (Apr 2003) of 52.247-64.
(iii) Alternate II (Feb 2006) of 52.247-64.
- (c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial services, that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items: [Contracting Officer check as appropriate.]
- (1) 52.222-41, Service Contract Labor Standards (AUG 2018) (41 U.S.C. chapter 67).
- (2) 52.222-42, Statement of Equivalent Rates for Federal Hires (MAY 2014) (29 U.S.C. 206 and 41 U.S.C. chapter 67).
- (3) 52.222-43, Fair Labor Standards Act and Service Contract Labor Standards—Price Adjustment (Multiple Year and Option Contracts) (AUG 2018) (29 U.S.C. 206 and 41 U.S.C. chapter 67).
- (4) 52.222-44, Fair Labor Standards Act and Service Contract Labor Standards—Price Adjustment (MAY 2014) (29 U.S.C. 206 and 41 U.S.C. chapter 67).
- (5) 52.222-51, Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment—Requirements (MAY 2014) (41 U.S.C. chapter 67).
- (6) 52.222-53, Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services—Requirements (MAY 2014) (41 U.S.C. chapter 67).
- (7) 52.222-55, Minimum Wages Under Executive Order 13658 (NOV 2020).
- (8) 52.222-62, Paid Sick Leave Under Executive Order 13706 (JAN 2017) (E.O. 13706).
- (9) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (JUN 2020) (42 U.S.C. 1792).
- (d) Comptroller General Examination of Record. The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, as defined in FAR 2.101, on the date of award of this contract, and does not contain the clause at 52.215-2, Audit and

Records–Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e)(1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c), and (d) of this clause, the Contractor is not required to flow down any FAR clause, other than those in this paragraph (e)(1) of this paragraph in a subcontract for commercial items. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause–

(i) 52.203-13, Contractor Code of Business Ethics and Conduct (JUN 2020) (41 U.S.C. 3509).

(ii) 52.203-19, Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (JAN 2017) (section 743 of Division E, Title VII, of the Consolidated and Further Continuing Appropriations Act, 2015 (Pub. L. 113-235) and its successor provisions in subsequent appropriations acts (and as extended in continuing resolutions)).

(iii) 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities (JUL 2018) (Section 1634 of Pub. L. 115-91).

(iv) 52.204-25, Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment. (AUG 2020) (Section 889(a)(1)(A) of Pub. L. 115-232).

(v) 52.219-8, Utilization of Small Business Concerns (OCT 2018) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds the applicable threshold specified in FAR 19.702(a) on the date of subcontract award, the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(vi) 52.222-21, Prohibition of Segregated Facilities (APR 2015).

(vii) 52.222-26, Equal Opportunity (SEP 2016) (E.O. 11246).

(viii) 52.222-35, Equal Opportunity for Veterans (JUN 2020) (38 U.S.C. 4212).

(ix) 52.222-36, Equal Opportunity for Workers with Disabilities (JUN 2020) (29 U.S.C. 793).

(x) 52.222-37, Employment Reports on Veterans (JUN 2020) (38 U.S.C. 4212).

(xi) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (DEC 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.

(xii) 52.222-41, Service Contract Labor Standards (AUG 2018) (41 U.S.C. chapter 67).

(xiii) (A) 52.222-50, Combating Trafficking in Persons (OCT 2020) (22 U.S.C. chapter 78 and E.O. 13627).

(B) Alternate I (Mar 2015) of 52.222-50 (22 U.S.C. chapter 78 and E.O. 13627).

(xiv) 52.222-51, Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment–Requirements (MAY 2014) (41 U.S.C. chapter 67).

(xv) 52.222-53, Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services–Requirements (MAY 2014) (41 U.S.C. chapter 67).

(xvi) 52.222-54, Employment Eligibility Verification (Oct 2015) (E. O. 12989).

(xvii) 52.222-55, Minimum Wages Under Executive Order 13658 (NOV 2020).

(xviii) 52.222-62 Paid Sick Leave Under Executive Order 13706 (JAN 2017) (E.O. 13706).

(xix) (A) 52.224-3, Privacy Training (JAN 2017) (5 U.S.C. 552a).

(B) Alternate I (JAN 2017) of 52.224-3.

(xx) 52.225-26, Contractors Performing Private Security Functions Outside the United States (OCT 2016) (Section 862, as amended, of the National Defense Authorization Act for Fiscal Year 2008; 10 U.S.C. 2302 Note).

(xxi) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (JUN 2020) (42 U.S.C. 1792). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.

(xxii) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (FEB 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.

(2) While not required, the Contractor May include in its subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

(End of clause)

52.225-25 PROHIBITION ON CONTRACTING WITH ENTITIES ENGAGING IN CERTAIN ACTIVITIES OR TRANSACTIONS RELATING TO IRAN–REPRESENTATION AND CERTIFICATION (JUN 2020)

(a) Definitions. As used in this provision–

Person–

(1) Means–

(i) A natural person;

(ii) A corporation, business association, partnership, society, trust, financial institution, insurer, underwriter, guarantor, and any other business organization, any other nongovernmental entity, organization, or group, and any governmental entity operating as a business enterprise; and

(iii) Any successor to any entity described in paragraph (1)(ii) of this definition; and

(2) Does not include a government or governmental entity that is not operating as a business enterprise.

Sensitive technology–

(1) Means hardware, software, telecommunications equipment, or any other technology that is to be used specifically–

(i) To restrict the free flow of unbiased information in Iran; or

(ii) To disrupt, monitor, or otherwise restrict speech of the people of Iran; and

(2) Does not include information or informational materials the export of which the President does not have the authority to regulate or prohibit pursuant to section 203(b)(3) of the International Emergency Economic Powers Act (50 U.S.C. 1702(b)(3)).

(b) The offeror shall email questions concerning sensitive technology to the Department of State at CISADA106@state.gov.

(c) Except as provided in paragraph (d) of this provision or if a waiver has been granted in accordance with Federal Acquisition Regulation (FAR) 25.703-4, by submission of its offer, the offeror-

(1) Represents, to the best of its knowledge and belief, that the offeror does not export any sensitive technology to the government of Iran or any entities or individuals owned or controlled by, or acting on behalf or at the direction of, the government of Iran;

(2) Certifies that the offeror, or any person owned or controlled by the offeror, does not engage in any activities for which sanctions may be imposed under section 5 of the Iran Sanctions Act. These sanctioned activities are in the areas of development of the petroleum resources of Iran, production of refined petroleum products in Iran, sale and provision of refined petroleum products to Iran, and contributing to Iran's ability to acquire or develop certain weapons or technologies; and

(3) Certifies that the offeror, and any person owned or controlled by the offeror, does not knowingly engage in any transaction that exceeds the threshold at FAR 25.703 with Iran's Revolutionary Guard Corps or any of its officials, agents, or affiliates, the property and interests in property of which are blocked pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) (see OFAC's Specially Designated Nationals and Blocked Persons List at <https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>).

(d) Exception for trade agreements. The representation requirement of paragraph (c)(1) and the certification requirements of paragraphs (c)(2) and (c)(3) of this provision do not apply if-

(1) This solicitation includes a trade agreements notice or certification (e.g., 52.225-4, 52.225-6, 52.225-12, 52.225-24, or comparable agency provision); and

(2) The offeror has certified that all the offered products to be supplied are designated country end products or designated country construction material.

(End of provision)

52.203-18 PROHIBITION ON CONTRACTING WITH ENTITIES THAT REQUIRE CERTAIN INTERNAL CONFIDENTIALITY AGREEMENTS OR STATEMENTS--REPRESENTATION (JAN 2017)

(a) Definition. As used in this provision-
Internal confidentiality agreement or statement, subcontract, and subcontractor, are defined in the clause at 52.203-19, Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements.

(b) In accordance with section 743 of Division E, Title VII, of the Consolidated and Further Continuing Appropriations Act, 2015 (Pub. L. 113-235) and its successor provisions in subsequent appropriations acts (and as extended in continuing resolutions), Government agencies are not permitted to use funds appropriated (or otherwise made available) for contracts with an entity that requires employees or subcontractors of such entity seeking to report waste, fraud, or abuse to sign internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or subcontractors from lawfully reporting such waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.

(c) The prohibition in paragraph (b) of this provision does not contravene requirements applicable to Standard Form 312, (Classified Information Nondisclosure Agreement), Form 4414 (Sensitive Compartmented Information Nondisclosure Agreement), or any other form issued by a Federal department or agency governing the nondisclosure of classified information.

(d) Representation. By submission of its offer, the Offeror represents that it will not require its employees or subcontractors to sign or comply with internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or subcontractors from lawfully reporting waste, fraud, or abuse related to the performance of a Government contract to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information (e.g., agency Office of the Inspector General).

(End of provision)

52.227-1 -- Authorization and Consent (JUN2020)

(a) Definition. As used in this provision-
Internal confidentiality agreement or statement, subcontract, and subcontractor, are defined in the clause at 52.203-19, Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements.

(b) In accordance with section 743 of Division E, Title VII, of the Consolidated and Further Continuing Appropriations Act, 2015 (Pub. L. 113-235) and its successor provisions in subsequent appropriations acts (and as extended in continuing resolutions), Government agencies are not permitted to use funds appropriated (or otherwise made available) for contracts with an entity that requires employees or subcontractors of such entity seeking to report waste, fraud, or abuse to sign internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or subcontractors from lawfully reporting such waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.

(c) The prohibition in paragraph (b) of this provision does not contravene requirements applicable to Standard Form 312, (Classified Information Nondisclosure Agreement), Form 4414 (Sensitive Compartmented Information Nondisclosure Agreement), or any other form issued by a Federal department or agency governing the nondisclosure of classified information.

(d) Representation. By submission of its offer, the Offeror represents that it will not require its employees or subcontractors to sign or comply with internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or subcontractors from lawfully reporting waste, fraud, or abuse related to the performance of a Government contract to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information (e.g., agency Office of the Inspector General).

(End of provision)

52.227-2 -- Notice and Assistance Regarding Patent and Copyright Infringement (JUN2020)

a) The Contractor shall report to the Contracting Officer, promptly and in reasonable written detail, each notice or claim of patent or copyright infringement based on the performance of this contract of which the Contractor has knowledge.

(b) In the event of any claim or suit against the Government on account of any alleged patent or copyright infringement arising out of the performance of this contract or out of the use of any supplies furnished or work or services performed under this contract, the Contractor shall furnish to the Government, when requested by the

Contracting Officer, all evidence and information in the Contractor's possession pertaining to such claim or suit. Such evidence and information shall be furnished at the expense of the Government except where the Contractor has agreed to indemnify the Government.

(c) The Contractor shall include the substance of this clause, including this paragraph (c), in all subcontracts that are expected to exceed the simplified acquisition threshold, as defined in Federal Acquisition Regulation (FAR) 2.101 on the date of subcontract award.

(End of clause)

252.247-7023 Transportation of Supplies by Sea -BASIC (FEB 2019)

(a) Definitions. As used in this clause-

Components means articles, materials, and supplies incorporated directly into end products at any level of manufacture, fabrication, or assembly by the Contractor or any subcontractor.

Department of Defense (DoD) means the Army, Navy, Air Force, Marine Corps, and defense agencies.

Foreign-flag vessel means any vessel that is not a U.S.-flag vessel.

Ocean transportation means any transportation aboard a ship, vessel, boat, barge, or ferry through international waters.

Subcontractor means a supplier, materialman, distributor, or vendor at any level below the prime contractor whose contractual obligation to perform results from, or is conditioned upon, award of the prime contract and who is performing any part of the work or other requirement of the prime contract.

Supplies means all property, except land and interests in land, that is clearly identifiable for eventual use by or owned by the DoD at the time of transportation by sea. (i) An item is clearly identifiable for eventual use by the DoD if, for example, the contract documentation contains a reference to a DoD contract number or a military destination.

(ii) Supplies includes (but is not limited to) public works; buildings and facilities; ships; floating equipment and vessels of every character, type, and description, with parts, subassemblies, accessories, and equipment; machine tools; material; equipment; stores of all kinds; end items; construction materials; and components of the foregoing.

U.S.-flag vessel means a vessel of the United States or belonging to the United States, including any vessel registered or having national status under the laws of the United States.

(b) (1) The Contractor shall use U.S.-flag vessels when transporting any supplies by sea under this contract.

(2) A subcontractor transporting supplies by sea under this contract shall use U.S.-flag vessels if-

(i) This contract is a construction contract; or

(ii) The supplies being transported are-

(A) Noncommercial items; or

(B) Commercial items that-

(1) The Contractor is reselling or distributing to the Government without adding value (generally, the Contractor does not add value to items that it contracts for f.o.b. destination shipment);

(2) Are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations; or

(3) Are commissary or exchange cargoes transported outside of the Defense Transportation System in accordance with 10 U.S.C. 2643.

(c) The Contractor and its subcontractors may request that the Contracting Officer authorize shipment in foreign-flag vessels, or designate available U.S.-flag vessels, if the Contractor or a subcontractor believes that-

(1) U.S.-flag vessels are not available for timely shipment;

(2) The freight charges are inordinately excessive or unreasonable; or

(3) Freight charges are higher than charges to private persons for transportation of like goods.

(d) The Contractor must submit any request for use of foreign-flag vessels in writing to the Contracting Officer at least 45 days prior to the sailing date necessary to meet its delivery schedules. The Contracting Officer will process requests submitted after such date(s) as expeditiously as possible, but the Contracting Officer's failure to grant approvals to meet the shipper's sailing date will not of itself constitute a compensable delay under this or any other clause of this contract. Requests shall contain at a minimum-

(1) Type, weight, and cube of cargo;

(2) Required shipping date;

(3) Special handling and discharge requirements;

(4) Loading and discharge points;

(5) Name of shipper and consignee;

(6) Prime contract number; and

(7) A documented description of efforts made to secure U.S.-flag vessels, including points of contact (with names and telephone numbers) with at least two U.S.-flag carriers contacted. Copies of telephone notes, telegraphic and facsimile message or letters will be sufficient for this purpose.

(e) The Contractor shall, within 30 days after each shipment covered by this clause, provide the Contracting Officer and the Maritime Administration, Office of Cargo Preference, U.S. Department of Transportation, 400 Seventh Street SW., Washington, DC 20590, one copy of the rated on board vessel operating carrier's ocean bill of lading, which shall contain the following information:

(1) Prime contract number;

(2) Name of vessel;

(3) Vessel flag of registry;

(4) Date of loading;

(5) Port of loading;

(6) Port of final discharge;

(7) Description of commodity;

(8) Gross weight in pounds and cubic feet if available;

(9) Total ocean freight in U.S. dollars; and

(10) Name of the steamship company.

(f) If this contract exceeds the simplified acquisition threshold, the Contractor shall provide with its final invoice under this contract a representation that to the best of its knowledge and belief-

(1) No ocean transportation was used in the performance of this contract;

(2) Ocean transportation was used and only U.S.-flag vessels were used for all ocean shipments under the contract;

(3) Ocean transportation was used, and the Contractor had the written consent of the Contracting Officer for all foreign-flag ocean transportation; or

(4) Ocean transportation was used and some or all of the shipments were made on foreign-flag vessels without the

written consent of the Contracting Officer. The Contractor shall describe these shipments in the following format:

Item Description Contract Line Items Quantity

Total

(g) If this contract exceeds the simplified acquisition threshold and the final invoice does not include the required representation, the Government will reject and return it to the Contractor as an improper invoice for the purposes of the Prompt Payment clause of this contract. In the event there has been unauthorized use of foreign-flag vessels in the performance of this contract, the Contracting Officer is entitled to equitably adjust the contract, based on the unauthorized use.

(h) If the Contractor has indicated by the response to the solicitation provision, Representation of Extent of Transportation by Sea, that it did not anticipate transporting by sea any supplies; however, after the award of this contract, the Contractor learns that supplies will be transported by sea, the Contractor-

(1) Shall notify the Contracting Officer of that fact; and

(2) Hereby agrees to comply with all the terms and conditions of this clause.

(i) In the award of subcontracts for the types of supplies described in paragraph (b)(2) of this clause, including subcontracts for commercial items, the Contractor shall flow down the requirements of this clause as follows:

(1) The Contractor shall insert the substance of this clause, including this paragraph (i), in subcontracts that exceed the simplified acquisition threshold in part 2 of the Federal Acquisition Regulation.

(2) The Contractor shall insert the substance of paragraphs (a) through (e) of this clause, and this paragraph (i), in subcontracts that are at or below the simplified acquisition threshold in part 2 of the Federal Acquisition Regulation.

(End of clause)

252.232-7003 Electronic Submission of Payment Requests and Receiving Reports (DEC 2018)

(a) Definitions. As used in this clause-

Contract financing payment means an authorized Government disbursement of monies to a contractor prior to acceptance of supplies or services by the Government.

(1) Contract financing payments include-

(i) Advance payments;

(ii) Performance-based payments;

(iii) Commercial advance and interim payments;

(iv) Progress payments based on cost under the clause at Federal Acquisition Regulation (FAR) 52.232-16, Progress Payments;

(v) Progress payments based on a percentage or stage of completion (see FAR 32.102(e)), except those made under the clause at FAR 52.232-5, Payments Under Fixed-Price Construction Contracts, or the clause at FAR 52.232-10, Payments Under Fixed-Price Architect-Engineer Contracts; and

(vi) Interim payments under a cost reimbursement contract, except for a cost reimbursement contract for services when Alternate I of the clause at FAR 52.232-25, Prompt Payment, is used.

(2) Contract financing payments do not include-

(i) Invoice payments;

(ii) Payments for partial deliveries; or

(iii) Lease and rental payments.

Electronic form means any automated system that transmits information electronically from the initiating system to affected systems.

Invoice payment means a Government disbursement of monies to a contractor under a contract or other authorization for supplies or services accepted by the Government.

(1) Invoice payments include-

(i) Payments for partial deliveries that have been accepted by the Government;

(ii) Final cost or fee payments where amounts owed have been settled between the Government and the contractor;

(iii) For purposes of subpart 32.9 only, all payments made under the clause at 52.232-5, Payments Under Fixed-Price Construction Contracts, and the clause at 52.232-10, Payments Under Fixed-Price Architect-Engineer Contracts; and

(iv) Interim payments under a cost-reimbursement contract for services when Alternate I of the clause at 52.232-25, Prompt Payment, is used.

(2) Invoice payments do not include contract financing payments.

Payment request means any request for contract financing payment or invoice payment submitted by the Contractor under this contract or task or delivery order.

Receiving report means the data prepared in the manner and to the extent required by Appendix F, Material Inspection and Receiving Report, of the Defense Federal Acquisition Regulation Supplement.

(b) Except as provided in paragraph (d) of this clause, the Contractor shall submit payment requests and receiving reports in electronic form using Wide Area WorkFlow (WAWF). The Contractor shall prepare and furnish to the Government a receiving report at the time of each delivery of supplies or services under this contract or task or delivery order.

(c) Submit payment requests and receiving reports to WAWF in one of the following electronic formats:

(1) Electronic Data Interchange.

(2) Secure File Transfer Protocol.

(3) Direct input through the WAWF website.

(d) The Contractor may submit a payment request and receiving report using methods other than WAWF only when-

(1) The Contractor has requested permission in writing to do so, and the Contracting Officer has provided instructions for a temporary alternative method of submission of payment requests and receiving reports in the contract administration data section of this contract or task or delivery order;

(2) DoD makes payment for commercial transportation services provided under a Government rate tender or a contract for transportation services using a DoD-approved electronic third party payment system or other exempted vendor payment/invoicing system (e.g., PowerTrack, Transportation Financial Management System, and Cargo and Billing System);

(3) DoD makes payment on a contract or task or delivery order for rendered health care services using the TRICARE Encounter Data System; or

(4) The Governmentwide commercial purchase card is used as the method of payment, in which case submission of only the receiving report in WAWF is required.

(e) Information regarding WAWF is available at <https://wawf.eb.mil/>.

(f) In addition to the requirements of this clause, the Contractor shall meet the requirements of the appropriate payment clauses in this contract when submitting payment requests.

(End of clause)

L02 Electronic Order Transmission (JUN 2020)

Offerors shall select one of the following alternatives for paperless order transmission:

() American National Standards Institute (ANSI) X12 Standards through a value added network (VAN) approved by DLA Transaction Services; or
() Electronic mail (email) award notifications containing web links to electronic copies of the Department of Defense (DD) Form 1155, Order for Supplies or Services.

Offerors must register on the DLA Internet Bid Board System (DIBBS) (<https://www.dibbs.bsm.dla.mil/>) to receive email notification.

If the offeror elects ANSI/VAN order transmission, DLA will send Electronic Data Interchange (EDI) transaction sets at time of award. The contractor shall acknowledge receipt of transaction sets with a functional acknowledgement or order receipt message within 24 hours. If the contractor receives the award transaction set on a weekend or Federal holiday, the contractor shall acknowledge

C03 Contractor Retention of Supply Chain Traceability Documentation (JUN 2020)

(1) By submitting a quotation or offer, the contractor, if it is not the manufacturer of the item, is confirming it currently has, or will obtain before delivery, and shall retain documented evidence (supply chain traceability documentation), as described in paragraph (2) of this procurement note, demonstrating the item is from the approved manufacturer and conforms to the technical requirements.

(2) At a minimum, the supply chain traceability documentation for the item shall include: basic item description, part number and/or national stock number, manufacturing source, manufacturing source's Commercial and Government Entity (CAGE) code, and clear identification of the name and location of all supply chain intermediaries between the manufacturer to the contractor to item(s) acceptance by the Government. The documentation should also include, if available, the manufacturer's batch identification for the item(s), such as date codes, lot codes, or serial numbers.

(3) Contractors can find examples of acceptable supply chain traceability documentation at the Counterfeit Detection and Avoidance Program (CDAP) Website

The following additional clauses is incorporated by REFERENCE:

FAR 52.252-2 - CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: <http://farsite.hill.af.mil/>. Additionally, the full text of a DFARS clause may be accessed electronically at this address: <http://farsite.hill.af.mil/vmdfara.htm>

The following additional clauses are incorporated by REFERENCE:

52.204-9 Personal Identity Verification of Contractor Personnel (Jan 2011) FAR

52.204-9000 Contractor Personnel Security Requirements (Jul 2015) DLAD

52.204-13 System for Award Management Maintenance (Oct 2018) FAR

52.204-16 Commercial and Government Entity Code Reporting (Jul 2016) FAR

52.204-17 Ownership or Control of Offeror (Jul 2016) FAR

52.204-18 Commercial and Government Entity Code Maintenance (Jul 2016) FAR

52.204-19 Incorporation by Reference of Representations and Certifications (Dec 2014) FAR

52.204-20 Predecessor of offeror (JUL 2016) FAR

52.208-9 Contractor Use of Mandatory Sources of Supply or Services (May 2014) FAR

252.225-7002 Qualifying Country Sources as Subcontractors (DEC 2017) DFARS

52.232-17 Interest (MAY 2014) FAR

52.242-13 Bankruptcy (Jul 1995) FAR

52.242-15 Stop Work Order (AUG 1989) FAR

252.243-7001 Pricing of Contract Modifications (Dec 1991) DFARS

52.249-8 Default (Fixed-Price Supply & Service) (Apr 1984) FAR

252.243-7002 Requests for Equitable Adjustment (DEC 2012) DFARS

52.219-4 Notice Of Price Evaluation Preference For Hubzone Small Business Concerns (Deviation 2019-O0003) (Jan 2019) FAR

SECTION B

SUPPLIES/SERVICES:

ITEM NO.	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001	GM5022304 Institutional Feeding Div-Philadelphia	1.000	EA	\$ 1.00	\$ 0.00

PRICING TERMS: Firm Fixed Price

SUPPLIES/SERVICES:

CLIN	Price	Delivery (in days)
0001	\$ 1.00	0

QTY VARIANCE: PLUS 0% MINUS 0%

INSPECTION POINT: DESTINATION

ACCEPTANCE POINT: DESTINATION

FOB: DESTINATION DELIVERY DATE:

FOB PAYMENT METHOD: CONTRACTOR

GOVT USE

ITEM	PR	PRLI	External PR	External PRLI	External Material	Customer RDD/ Need Ship Date
0001	N/A	N/A	N/A	N/A	N/A	N/A

* * * * *

SECTION A - SOLICITATION/CONTRACT FORM

Standard Element has no Title

NORTH DAKOTA AND SURROUNDING AREAS
CONTRACT: SPE300-21-D-3304

SUBSISTENCE PRIME VENDOR (SPV) - CONUS
Indefinite Delivery, Indefinite Quantity Contract: Fixed Price with
Economic Price Adjustment (EPA).
SPE300-21-D-3304
AWARDEE: US Foods Inc., North Dakota Division

STATEMENT OF WORK (SOW)

NORTH DAKOTA AND SURROUNDING AREAS
CONTRACT: SPE300-21-D-3304

STATEMENT OF WORK

I.SUPPLIES/SERVICES AND PRICES

1.INTRODUCTION

- A. DLA TROOP SUPPORT intends to enter into two (2) Prime Vendor contract(s), one per zone, to supply subsistence products to the customers supported by this solicitation. The Contractor(s) is responsible for furnishing the full-line of food items, including fresh fruits and vegetables (FF&V) and beverage items, required for garrison feeding for DoD and other federally funded customers (USDA) schools customers and tribal organizations. In addition, the Contractor(s) may also be requested to provide related non-food items to some customers.
- B. The Government will utilize Lowest Price Technically Acceptable procedures as the means of selecting the awardee(s). Proposals will be evaluated based on technical factors, past performance, and price, as discussed later in this solicitation.
- C. This solicitation contains the estimated food and beverage requirements for DoD and other federally funded customers including schools and tribes in North Dakota, South Dakota, and Surrounding Areas.
- D. The contract(s) resulting from this solicitation will be Indefinite Delivery Contract(s) that provide for an indefinite quantity, within stated limits, of specific supplies or services to be furnished during a fixed period, with deliveries to be scheduled by placing orders with the Contractor(s) (FAR 16.504(a)). The contract(s) shall be for a term of 60 months, with two (2) separate pricing tiers. The first tier shall be for a 36-month period (inclusive of up to a 58-day implementation period). The second and final tier will be an additional 24-month performance period directly following the first tier.
- E. Estimated Dollar Value, Guaranteed Minimum Dollar Value, and Maximum Dollar Value

North Dakota (Zone 1)	Estimated Contract Value	Guaranteed Minimum (10%)	Contract Maximum (150%)
Tier 1 (36 month)	10,800,000.00	1,080,000.00	16,200,000.00
Tier 2 (24 month)	7,200,000.00	720,000.00	10,800,000.00
End of 2 tiers (5 years)	18,000,000.00	1,800,000.00	27,000,000.00

South Dakota (Zone 2)	Estimated Contract Value	Guaranteed Minimum (10%)	Contract Maximum (150%)
Tier 1 (36 month)	2,538,000.00	253,800.00	3,807,000.00
Tier 2 (24 month)	1,692,000.00	169,200.00	2,538,000.00
End of 2 tiers (5 years)	4,230,000.00	423,000.00	6,345,000.00

Grand Total	\$22,230,000.00	\$2,223,000.00	\$33,345,000.00
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NORTH DAKOTA AND SURROUNDING AREAS

CONTRACT: SPE300-21-D-3304

The estimated dollar value for North Dakota (Zone 1) is \$18,000,000 for a 60-month period. The guaranteed minimum dollar value is 10% of the estimated dollar value, \$1,800,000. The maximum dollar value is 150% of the estimated dollar value, \$27, 000,000 inclusive of all tiers' pricing and surge.

The estimated dollar value for South Dakota (Zone 2) is \$4,230,000 for a 60-month period. The guaranteed minimum dollar value is 10% of the estimated dollar value, \$423,000. The maximum dollar value is 150% of the estimated dollar value, \$6,345,000 inclusive of all tiers' pricing and surge.

The Government's legal obligation under this contract(s) shall only be that of the guaranteed minimum. The estimated dollar values stated are based on good faith estimates; they are estimates only and are not guaranteed to be purchased by this contract(s).

F. Individual Customer Annual Estimates:

NORTH DAKOTA (Zone 1)

CUSTOMER NAME	12 MONTH ESTIMATE
119 th ANG	\$31,714.85
Airey Dining Facility	\$208,970.06
Dakota Inn	\$575,459.67
5 th Missile Feeding	\$290,871.99

NOTE: Annual estimates for schools and tribes can be found on ATTACHEMENT 12 -NORTH DAKOTA SCHOOLS & TRIBES ANNUAL SALES FOR SPE300-19-R-0031

SOUTH DAKOTA (Zone 2)

CUSTOMER NAME	12 MONTH ESTIMATE
Ellsworth Raiders Cafe	\$692,860.84
Camp Rapids	\$7,336.23
Pine Ridge Indian Hospital	\$48,961,.15
114 th ANG	\$30,063.96

2. EFFECTIVE PERIOD OF CONTRACT – INDEFINITE QUANTITY CONTRACT

- A. The effective period of the contract(s) shall be for a term of 60 months, with two separate pricing tiers. The first tier shall be for a 36-month period (inclusive of up to a 58-day implementation period). The second and final tier will be an additional 24-month performance period directly following the first tier.
- B. There will be a start-up/implementation period of up to 58 days (included in Tier 1) which begins immediately after award and ends as the first order is placed. During the start-up/implementation period, the incumbent Contractor will remain the principal source of food and non-food supplies. An incumbent Contractor who receives the award(s) may be afforded less time for start-up/implementation if it is mutually agreed upon by both parties.

3. CATALOG & MARKET BASKET ITEMS

NORTH DAKOTA AND SURROUNDING AREAS

CONTRACT: SPE300-21-D-3304

- A. This solicitation is for total food and beverage support for garrison foodservice feeding. The successful Contractor(s) shall provide full-line food service items, such as, but not limited to, canned items, dry items, chill items, UHT dairy items, frozen bakery products, frozen meats, frozen seafood and poultry, ice cream, eggs and other dairy products, fresh fruits and vegetables and non-food Food Service Operating Supplies. Currently, fresh milk and fresh bread/bakery items do not have stated requirements within this solicitation, but they are within the scope of this procurement and the Contractor(s) may be required to provide them during the course of contract performance (see paragraph 4 below).
- B. Attachment 2 – MARKET BASKET ITEMS – PRICE PROPOSAL FOR NORTH DAKOTA SPE300-19-R-0031(V1). The Market Basket represents the list of items that will be evaluated under this solicitation. The Market Basket items shall be included in the initial contract catalog at the contract award prices.

Attachment 3 – MARKET BASKET ITEMS – PRICE PROPOSAL FOR SOUTH DAKOTA SPE300-19-R-0031. The Market Basket represents the list of items that will be evaluated under this solicitation. The Market Basket items shall be included in the initial contract catalog at the contract award prices.

Attachment 4 – NORTH DAKOTA CATALOG OF ITEMS FOR SPE300-19-R-0031(VI). The catalog of items represents a complete list of items that are currently being ordered/will be required under this acquisition.

Attachment 5 – SOUTH DAKOTA CATALOG OF ITEMS FOR SPE300-19-R-0031 (VI). The catalog of items represents a complete list of items that are currently being ordered/will be required under this acquisition.

Attachment 12– NORTH DAKOTA FOR SCHOOLS & TRIBES ANNUAL SALES FOR SPE300-19-R-0031

- C. All item descriptions/specifications are included in the Market Basket. The item description, and unit package size and units-per-purchase-pack are specific and standardized for each Local Stock Number (LSN), and SHALL NOT be modified in any way. If you wish to supply an item that differs in package or pack size, you must identify such difference and request approval to utilize such item under a different LSN.
- D. **The Contractor(s) shall be responsible for supplying items that are in compliance with each services' requirements. Detailed guidance and specifications are provided for most standard meat, seafood and poultry items required in the recipes and menus. Processed fruits and vegetables and other miscellaneous food service items are also covered. See Attachment 7 – Joint Subsistence Policy Board (JSPB) DOD Menu Standards, and the Website below:**

- 1) https://quartermaster.army.mil/jccoe/Operations_Directorate/CSPD/Buyers_Guide/Army-Buyers-Guide-Version-XII-27-Feb-2019-update.pdf

If there is any conflict in the language between any of the service guides and DLA TROOP SUPPORT item descriptions, the DLA TROOP SUPPORT item descriptions take precedence.

- E. The Subsistence homepage (www.dla.mil/TroopSupport/Subsistence.aspx) includes an "Abbreviation List" used for LSN Item Descriptions. This link, "Item Description Abbreviations," is located in the navigation area on the left side of the page, under "Doing Business with Subsistence," then "Technical Operations." This will open a PDF with a list of abbreviations used. The Contractor(s) shall be responsible for supplying items under the contract that meet the item descriptions and have the required level of quality, at the most economical pricing available to the Contractor(s) for the authorized customer. The Contractor(s) shall assume the responsibility of introducing new food items to the customers that meet this objective, as well as to show cost effective alternatives to their current

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choices.

4. FRESH FRUITS & VEGETABLES AND MARKET READY ITEMS

- A. Customers supported under the South Dakota (Zone 2) contract are expected to order their Fresh Fruits and Vegetables from separate produce contracts awarded by DLA TROOP SUPPORT.
- B. Customers supported under this contract (s) are expected to order their fresh bread items (primarily sliced bread and rolls) and fresh dairy items (fluid milk, cultured products) from separate market ready contracts awarded by DLA TROOP SUPPORT.
- C. If, after contract award, the ordering activities have a need for the Contractor(s) to deliver some or all of these items, the Contracting Officer and Contractor(s) will determine the availability and establish a mutually agreed upon start-up period. Items will be priced using the contract Distribution Pricing for these categories. Prior to adding the items to the contract, they must be determined to be at a fair and reasonable price by the Contracting Officer
- D. If fresh fruits and vegetables and/or market ready items (i.e. fresh bread and dairy items) are currently included or added to the catalog, shelf-life requirements are referenced in: Product Quality & Shelf Life Requirements
- E. DOMESTIC NON-AVAILABILITY DETERMINATION – FRESH FRUITS AND VEGETABLES
 - 1. Class Domestic Non-Availability Determination (“DNAD”) for Federal Supply Class 8915, Fresh Fruits and Vegetables (FF&V), dated 16 May 2008 was approved and is in effect for the DLA Troop Support/DLA Produce Long-Term Contracts. This DNAD establishes a limited Berry Amendment waiver to the requirements of DFARS 252.225-7012, Preference for Certain Domestic Commodities, which is applicable to this Solicitation. As a result of the DNAD, non-domestic FF&V may be supplied under this contract(s) when domestic FF&V of satisfactory quality and sufficient quantity cannot be procured as and when needed at U.S. market prices. This determination will remain in effect until these circumstances have changed and the DNAD is formally rescinded.
 - 2. B. The instant DNAD as applied affects resulting contracts supporting Department of Defense customers (i.e. Troops) only.
 - 3. C. Notwithstanding this DNAD, the USDA requires that fresh produce supplied via its Federal Entitlement for the USDA School Lunch Program must be from a domestic source. Therefore, the aforementioned DNAD does not impact or negate the Government’s requirement for domestic produce in its contracts supporting Non-Department of Defense customers (i.e. Schools and Tribal Reservations).
- F. Fresh Fruits and Vegetable Order Receipt System (“FFAVORS”): USDA customers (School customers and Tribal Organizations) will utilize the FFAVORS Web catalog as applicable. The Contractor, upon award, will be provided a User ID and password to Log in and receive orders through FFAVORS Web, a web-based ordering system. The Contractor is responsible for establishing and maintaining the FFAVORS WEB catalog in accordance with the FFAVORS Web Manual (Attachment 13).
 - 1. Accessed via the Internet. FFAVORS WEB is the Government’s ordering system for USDA Customers. It is capable of accepting orders from the schools and tribal reservations.

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2. Customers will be able to order all of their requirements through FFAVORS WEB. The system will transmit orders to the Contractor and DLA-Troop Support.
3. In the event that the FFAVORS WEB system is not operational, the Contractor must provide alternate ways for the customer to order (e.g., by fax, by phone, pick up orders). Be aware that even in this situation, however, it is mandatory that the Contractor subsequently place the same order through FFAVORS when it becomes operational again in order to effect obligation/receipt/payment

G. ORDER PLACEMENT, LEAD TIME, and ADJUSTMENTS/CANCELLATION OF ORDERS

School customers shall place their orders to accommodate at a minimum a 4-day lead time. For example, an order placed on Monday, September 1st would have a required delivery date of Friday, September 5th.

H. REPACKAGING & SPLITTING OF CASES

1. For some items, DLA customers, particularly School and Tribal Reservations, may require smaller pack sizes than are commonly available in the commercial marketplace. Such items are included in the instant Schedule of Items and may be added at a later date during contract performance. It is incumbent on the Contractor to determine how it will supply these items in accordance with the required pack sizes. In so doing, the Contractor may decide to split cases and repackage product at its own facility.
 2. Splitting cases and repackaging product do not constitute processing, and, therefore, do not meet the conditions of a private label holder. Accordingly, the Contractor is prohibited from including any costs associated with its own in-house splitting of cases and repackaging product in the Contractor's Delivered Price. Instead, the costs associated with in-house splitting cases and repackaging product must be included in the Contractor's Distribution Price.
- I. For all orders downloaded via USDA's customer ordering website FFAVORS web, invoicing for payment shall be done via invoice link from FFAVORS web homepage, <http://www.fns.usda.gov/fdd/ffavors.htm>.
- J. For FFAVORS: **Invoicing Tool** - In an effort to improve the payment process, Contractors are required to view what the customer has or has not receipted via the USDA FFAVORS website: <http://www.fns.usda.gov/fdd/fresh-fruits-and-vegetables-order-receipt-system-ffavors> The Contractor will have access to "un-reconciled" information, i.e., the invoice does not match the receipt because of the quantity and/or price discrepancy or because the customer has not posted a receipt. Both invoice information and receipt information will be available for review on the website by the Contractor. It is the Contractor's responsibility to ensure accurate invoices.

K. PERISHABLE AGRICULTURAL COMMODITIES ACT ("PACA") LICENSE

All offerors must possess a valid PACA license at the time they submit their initial proposals. Proof of a current, valid PACA license must be submitted with the offeror's proposal or the offer may be deemed technically unacceptable and removed from further award consideration. Additionally, upon award, the

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Contractor must maintain a valid PACA license throughout the life of the contract. Failure to do so may result in termination of the contract.

L. LOCAL PURCHASE (SCHOOLS/TRIBAL RESERVATIONS)

1. DLA Troop Support and the USDA support the use of local purchase to the maximum extent practicable. Therefore, Contractors are encouraged to source local produce taking into consideration price, availability, quality, and other factors.
2. For purposes of this Solicitation, “local purchase” is defined as product purchased from growers or manufacturers within the state the customer is located, within the contract zone, or from a state bordering the state in which the customer is located.
3. For contracts using FFAVORS catalogs, Contractors are required to include state of origin information for all products in the FFAVORS catalog. FFAVORS includes a data field for this purpose.
4. Within 45 days after contract award, the successful Contractor(s) for schools and/or tribal reservations will submit to the Contracting Officer a Local Purchase Procurement plan which will include the following elements:
 - a. A list of specific items that the contractor currently purchases locally;
 - b. A list of local growers from which the contractor sources product;
 - c. Plans to expand the purchase of local items; and
 - d. A list of resources that might assist in efforts to source more local products.
5. Contractors may be required to attend information sessions related to local sourcing and promotion of local products.

5. DOMESTIC ITEMS/BERRY AMENDMENT

The Berry Amendment, 10 U.S.C. 2533a, as implemented by Defense Federal Acquisition Regulation Supplement (“DFARS”) subpart 225.70, requires the Department of Defense (DoD) to buy food that is grown, reprocessed, reused or produced in the United States. There are several exceptions to this requirement that are available for food items.

One relevant exception to this requirement includes foods, other than fish, shellfish, or seafood, that have been manufactured or processed in the United States, regardless of where the foods (and any component if applicable) were grown or produced.

Fish, shellfish, and seafood delivered under this contract(s), or contained in foods delivered under this contract(s), must be taken from the sea by U.S.-flag vessels or, if not taken from the sea, must be obtained from fishing within the United States. And, any processing or manufacturing of the fish, shellfish, or seafood must be performed on a U.S.-flag vessel or in the United States.

The Berry Amendment applies to this acquisition. Therefore, DFARS clause 252.225-7012 is incorporated by reference into this solicitation and the resultant contract(s).

6. PRICE DEFINITIONS

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During Contract Performance, the Contract Unit Price is defined as follows:

Contract Unit Price = Delivered Price - rebates/discounts (Government, including NAPA, or other) + Distribution Price

For definitions of Delivered Price and Distribution Price, see ECONOMIC PRICE ADJUSTMENT (EPA) – ACTUAL MATERIAL COSTS FOR SUBSISTENCE DELIVERED PRICE BUSINESS MODEL – DLA TROOP SUPPORT SUBSISTENCE PRIME VENDOR (SPV) CONTIGUOUS UNITED STATES (CONUS), ALASKA, AND HAWAII

For definition of Rebates/Discounts, see paragraph 7 directly below in conjunction with ECONOMIC PRICE ADJUSTMENT (EPA) – ACTUAL MATERIAL COSTS FOR SUBSISTENCE DELIVERED PRICE BUSINESS MODEL – DLA TROOP SUPPORT SUBSISTENCE PRIME VENDOR (SPV) CONTIGUOUS UNITED STATES (CONUS), ALASKA, AND HAWAII

Additionally, for any items that are delivered in individual units (i.e. breaking cases), the distribution price shall be pro-rated based on the number of individual units ordered/delivered.

7. REBATES/DISCOUNTS AND PRICE-RELATED PROVISIONS

- A. All rebates, discounts, and limited discounts designated for the Government, which include any rebates or discounts that are passed on to all customers without specific designation (hereafter referred to as “Rebates/Discounts/Deviations”), including NAPA discounts, food show discounts, early payment discounts (except as identified in paragraph (B) herein), and any other rebates, discounts, or similar arrangements designated by the manufacturer, grower, private label holder, or redistributor, as defined in the Economic Price Adjustment (EPA) clause, to be passed to the Government, shall be passed to the Government via a reduced catalog price (i.e. “off invoice”). Exceptions to this requirement (hereafter referred to as “Exceptions”) are earned income, qualifying early payment discounts, limited discounts designated for customers other than the Government, as defined in (B) below, and any other exceptions to this requirement specifically stated, with reference to this provision, in the solicitation and contract(s). Any Rebates/Discounts/Deviations that must be passed to the Government and which cannot be applied as an up-front price reduction must be submitted via check through Pay.gov.

Vendors will go to <https://www.pay.gov/public/form/start/28065129> with the following criteria:

1. Complete DFAS Form 6355
2. Enter Vendor Information
3. Enter Payment Type: Overpayment
4. Enter Payment Funds/Line of Accounting (LOA): 97X4930.5BCX
5. Enter Payment Information* with information from 6-11 below
6. DLA TROOP SUPPORT Subsistence Directorate
7. 700 Robbins Street, Bldg. 6
8. Philadelphia, PA 19111
9. Cost Center: 5022304
10. G/L Account: 59000600
11. DODAAC: S33189
12. Vendor Contract Number: SPEXXX-19-D-XXXX
13. Vendor Cage Code: XXXXX
14. Enter Amount of Payment
15. Complete Vendor Account information
16. Forward vendor confirmation sheet via email to J8ElectroVendorCks@DLA.MIL

NOTE: Offered rebate/discount/deviations/rebates must meet the following conditions:

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If an item(s) containing a rebate/discount/deviation is deleted, changed, or replaced, the Prime Vendor(s) shall notify the Contracting Officer in advance via email with the reason(s) for the proposed action. The Prime Vendor(s) must assign a rebate/discount/deviation with the same benefit as the original offered item for similar or replacement item(s). The rebate/discount/deviation must be provided for the balance of time remaining on the original offered rebate/discount/deviation. The Contracting Officer retains the sole discretion to determine similar or replacement items. If an item containing a rebate/discount/deviation is deleted, changed, or replaced and the discount cannot be applied to a new item, the PV must provide reimbursement to DLA TROOP SUPPORT for the savings that DLA projects based on the original items' rebate/discount/deviation based on the estimated usage minus the benefit for the quantity of the rebate/discount/deviation already received. This requirement may be waived by the Contracting Officer on a case-by-case basis, for example, if the replacement was not the fault of the Contractor(s).

B. Definitions

1. "Limited Discount" (commonly referred to as a "deviation" in industry parlance) means a discount that is identified by the manufacturer, grower, private label holder, or redistributor as being limited to a specific customer.
2. "Purported Exception" means an Exception, as defined in (A) above, purported by the Contractor(s) to meet the definition of earned income, qualifying early payment discounts, or other Exceptions to this provision stated in the contract(s), but that do not meet the applicable definition or the conditions for use stated in the contract(s).
3. "Qualifying Early Payment Discounts" are discounts that meet the following conditions:
 - (i) the Early Payment Discount is an incentive to encourage payment earlier than the normal payment due date;
 - (ii) the Early Payment Discount is consistent with commercial practice;
 - (iii) the Early Payment Discount is routinely given by the manufacturer, grower, private label holder, or redistributor to customers other than the Subsistence Prime Vendor (SPV) Contractor(s) at the same discount rate and under the same conditions as provided to the SPV Contractor(s);
 - (iv) the Early Payment Discount is not established, requested, or negotiated for the purpose of avoiding giving DLA TROOP SUPPORT a lower cost or a rebate or in exchange for a higher invoice price;
 - (v) the Early Payment Discount is no more than 2 percent of the manufacturer's, grower's, private label holder's, or redistributor's invoice and the early payment is required within 10 days to obtain the discount (except that in the event that specific terms greater than 2 percent/10 days are offered, the SPV Contractor(s) must obtain prior written approval to retain this discount from the Contracting Officer on a case-by-case basis); and
 - (vi) the SPV Contractor(s) actually made the required payment within the time period required to receive the discount.
4. "Earned income" is defined as monies received by the SPV Contractor(s) from its manufacturers, growers, private label holders, or redistributors as consideration for value-added services (as described in the earned income categories identified by the Contractor(s)) that the Contractor(s) provides to its manufacturers, growers, private label holders, or redistributors, if the following conditions are met:
 - (i) the value-added services are services performed by the Contractor(s) in accordance with commercial practice such as marketing (for example, sales volume incentives earned based on sales of significant quantities to other customers), freight management,

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consolidated warehousing, or quality assurance, or services providing similar value-added benefit to the manufacturers, growers, private label holders, or redistributors; and,

- (ii) the income is retained in the normal course of its commercial business; and,
- (iii) the income does not include manufacturer, grower, private label holder, or redistributor-generated Rebates/Discounts/Deviations; and,
- (iv) the income is paid in exchange for services performed by the Contractor in accordance with commercial practice; and,
- (v) the income is properly included in one or more of the earned income categories identified by the offeror, as required in the Submission Requirements section of the Statement of Work.

- C. Price Audits: Upon request the Contractor(s) shall provide to the Government any invoices, quotes, or agreements relevant to the Delivered Price component for existing catalog items, for any new items being added to the catalog, and for requested price changes to existing catalog items. The Contractor(s) must include detailed payment terms on each invoice or quote used to substantiate Delivered Price, including any applicable Rebates/Discounts/Deviations. The government may also require the Contractor(s) to submit pricing agreements and other documentation to substantiate all Rebates/Discounts/Deviations and Exceptions, including the existence of Earned Income agreements, on the DLA TROOP SUPPORT contracts. Specific dollar amounts contained in Earned Income agreements may be redacted prior to submitting. If the Contracting Officer determines, after reviewing an invoice or other documentation, that a Rebate/Discount/Deviation or Early Payment Discount should have been passed on to the Government, or if price verifications reveal any instance of overpricing, the Government shall be entitled to a prospective Unit Price reduction and a retroactive refund for the amount of the overcharges or Purported Exception(s), including interest. In the event of any undercharges, if the Contractor(s) can demonstrate to the satisfaction of the Contracting Officer that the undercharges did not result from the fault or negligence of the Contractor(s), the Contractor(s) may submit a request for equitable adjustment for consideration by the Contracting Officer. The Contracting Officer, or authorized representative, shall have the right, up to twice a year or more often as determined necessary by the Contracting Officer, to examine and audit a statistically significant sample of the Contractor(s)'s records relevant to the existence of Earned Income agreements, Rebates/Discounts/Deviations, Exceptions, and commercial customer Delivered Prices. The Government may review/audit the SPV Contractors' electronic purchasing system to confirm that the Delivered Price of a product sold at a given time to a DLA TROOP SUPPORT customer is identical to the Delivered Price used by the SPV Contractor(s) to determine the price of such product sold at the same time to its other customers. Should the Government identify evidence of incorrect pricing, or should other pricing issues arise, the Government reserves the right to conduct more frequent and extensive reviews/audits. Failure to exercise any of these rights shall not constitute a defense or alter the Government's entitlement to any other remedies by contract or by law.

Contractor(s) pricing disclosures shall be treated as proprietary and will not be released outside the Government unless otherwise required by law or as agreed to by the Contractor(s). As a condition of this contract, the Contractor(s) authorizes, and consents to, the Government communicating directly with the manufacturer, grower, private label holder, or redistributor used by the Contractor(s) to validate that manufacturer's, grower's, private label holder's, or redistributor's pricing, including Delivered Prices and Rebates/Discounts/Deviations as provided to the Government by the Contractor(s).

8. MANDATORY SOURCES (THE ABILITYONE PROGRAM)

- A. Certain supplies or services to be provided under this contract(s) for use by the Government are **REQUIRED BY LAW** to be obtained from nonprofit agencies participating in the AbilityOne Program, which is governed by the U.S. AbilityOne Commission ("the Commission"), formerly known as the Committee for Purchase From People Who are Blind or Severely Disabled ("the Committee"), under the authority of the Javits-Wagner-O'Day (JWOD) Act, 41 U.S.C. §§ 8501 - 8506. These items are referred to as "mandatory source

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items,” “mandatory items,” mandatory products,” “mandatory supplies,” “Ability One items,” or other similar names. Any other commercial equivalent product with “essentially the same” product characteristics cannot be sold to the DLA TROOP SUPPORT customers under this contract(s).

- B. The mandatory source items, which include food and non-food items, are required to be purchased from specific Non Profit Agency (NPA) manufacturers listed in the DLA TROOP SUPPORT AbilityOne Mandatory Procurement List (MPL). The MPL may be found on the DLA TROOP SUPPORT Subsistence AbilityOne website listed below. The listing of required mandatory products and manufacturers are subject to change when directed by the Commission.
- C. The website for AbilityOne information, which includes links to Mandatory Food and Non-Food items and manufacturers, is:

www.dla.mil/TroopSupport/Subsistence/FoodServices/AbilityOne.aspx
- D. For mandatory items, there is no customer usage limit required. The customer may order less than one case, when required.
- E. For mandatory source items, the Prime Vendor(s) shall provide individual units/containers, when required. To permit the sale of individual units/containers in lieu of case quantities, stock numbers have been assigned for individual units/containers, where necessary. This is especially true of the AbilityOne items where the Prime Vendor(s) will order by the case but distribute by the container (often referred to as split case).
- F. For mandatory source items, the Prime Vendor(s) is expected to order in economic quantities in order to minimize costs to DLA TROOP SUPPORT and its customers. Accordingly, the Prime Vendor(s) shall order no less than one full pallet from each participating NPA. One full pallet may be comprised of a single item or a combination of items offered by the NPA.
- G. For mandatory source items, the Prime Vendor(s) must ensure that, at a minimum, 30 days of stock are on hand to satisfy anticipated customer demand taking into account lead times for delivery from NPA manufacturer to the Prime Vendor(s). If the Prime Vendor(s) is notified that any mandatory items are not available from the NPA manufacturer, the Prime Vendor(s) must notify the Contracting Officer immediately.
- H. For mandatory source items, the Prime Vendor(s) is required to expeditiously catalog the mandatory products and remove any commercial equivalent product with “essentially the same” product characteristics. If the removal and replacement will take longer than 30 days after notification by the Contracting Officer, the approval of the Contracting Officer must be obtained for the extension. To obtain approval, the Prime Vendor(s) must provide the Contracting Officer with details for the delay, to include details of issues (i.e. outstanding orders, product in the pipeline, etc.) and provide the date when the catalogs will be updated. The Contracting Officer will notify the Subsistence AbilityOne Team.
- I. The Prime Vendor(s) is not authorized to submit catalog changes containing other commercial equivalent products with “essentially the same” product characteristics as the identified mandatory items.
- J. If the customer requests the Prime Vendor(s) to carry other commercially equivalent products with “essentially the same” product characteristics but with a unique packaging requirement that is not currently provided by the NPA manufacturer, the Prime Vendor(s) must notify the NPA manufacturer and the Contracting Officer in order to provide the NPA manufacturer with the opportunity to satisfy the unique packaging requirement being requested. The Prime Vendor(s)’ notification must include the customer’s justification for the unique packaging requirement.
- K. Price and delivery information for the mandatory source item(s) are available directly from the NPA manufacturer(s) listed on the Subsistence website. The Prime Vendor(s) shall make payments directly to the

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NPA manufacturer(s) making delivery. The current procurement list F.O.B. Origin prices as established by the Commission are included on the Subsistence website for the food and non-food products.

- L. The DLA TROOP SUPPORT Subsistence Prime Vendor AbilityOne webpage will be updated for the following changes in: prices, ordering information, contractor(s) locations, items (additions and deletions), AbilityOne- approved contractors, and purchase exceptions.
- M. The Prime Vendor(s) will be notified via e-mail of changes to the MPL. The e-mail notification will identify the changes to the MPL and alert the Prime Vendor(s) to check the DLA TROOP SUPPORT Subsistence AbilityOne Program webpage. Additionally, changes to the MPL will be bolded for easy identification. The Prime Vendor(s) shall confirm receipt of this e-mail notification.
- N. In certain circumstances, there may be a delay in posting and/or email notification to the Prime Vendor(s). When this occurs, a NPA manufacturer may issue the Prime Vendor(s) a notification letter from the AbilityOne Commission, included on AbilityOne Commission letterhead, as proof of an applicable price or other change. The Prime Vendor(s) shall treat such notification from the AbilityOne Commission as if the notification had been provided by DLA TROOP SUPPORT.
- O. Any other commercial equivalent product with “essentially the same” product characteristics cannot be sold to DLA TROOP SUPPORT customers under this contract(s). The Prime Vendor(s) is not authorized to submit catalog changes containing other commercial equivalent products with “essentially the same” product characteristics as those items on the MPL.
- P. The following criteria should be used in determining if a commercial product is “essentially the same” as an AbilityOne MPL item:
 - i. It has effectively the same form, fit and function.
 - ii. The AbilityOne item and commercial products may be used for the same purpose.
 - iii. The AbilityOne item and commercial products are relatively the same size and a change in size will not affect the use or performance.
 - iv. The appearance, color, texture, or other characteristic of the AbilityOne product and commercial product are not significantly different from one another
- Q. The only potential exception to this requirement is identified as follows:

If the Prime Vendor(s) is requested to carry items commercially equivalent to MPL items but with unique packaging requirements provided by the supplier, but not currently provided by the MPL source, the Prime Vendor(s) must notify the Contracting Officer. The Contracting Officer will notify the Subsistence AbilityOne Team. The Prime Vendor(s) must also notify the NPA manufacturer to provide the NPA manufacturer with the opportunity to satisfy the unique packaging requirement being requested. The Prime Vendor(s)' notification must include the customer's justification for the unique packaging requirement.
- R. Payments shall be made directly to the NPA source.
- S. Monthly MPL Competing Item Reports are issued for each active Prime Vendor(s) catalog. The monthly MPL Competing Item Reports are sent to the administering Contracting Officer (KO) and Tailored Vendor Logistics Specialist (TVLS). These reports will be reviewed to ensure active catalogs include the MPL items. The KO and TVLS will contact the Prime Vendor(s) of competing item violations in order to ensure the mandatory item will be sourced and cataloged properly and in a timely manner.

9. CENTRAL/NATIONAL CONTRACTS

DLA TROOP SUPPORT reserves the right to issue Indefinite Delivery Type Contracts (IDTCs) to various suppliers for specific products to be distributed by the Contractor(s). It may be mandatory for the Contractor(s) to order directly from these contracts. In the event the contracts do not specify the

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supplier(s) as a mandatory source, these contracts will provide the price ceiling for these items in the same/similar packaging, and if the Contractor(s) chooses to catalog items from another source, other than that of the IDTC, the price charged by the Contractor(s) to the ordering activity will not exceed the IDTC price, plus the Contractor(s)'s contract fixed distribution price. At time of award, and at other times when applicable, DLA TROOP SUPPORT will provide the Contractor(s) with a list and copy of all IDTCs awarded, or it will be posted on the DLA TROOP SUPPORT website, to include their sourcing terms and conditions.

NOTE: There are currently no Central Contracts applicable to this customer region.

10. NATIONAL ALLOWANCE PROGRAM AGREEMENT (NAPA) DISCOUNTS

A. Definitions:

1. Agreement Holder: The supplier or manufacturer that has agreed to offer discounts to DLA TROOP SUPPORT on product under DLA TROOP SUPPORT Prime Vendor contracts.
2. National Allowance Program: The program implemented by the DLA TROOP SUPPORT to maximize the leverage of DLA TROOP SUPPORT's buying power and reduce the overall delivered price under Prime Vendor contracts to the customers of DLA TROOP SUPPORT.
3. National Allowance Program Agreements (NAPAs): The agreements between DLA TROOP SUPPORT and suppliers/manufacturers that identify product category allowances. These allowances or discounts were applied prior to the delivered/invoice price of the product. The NAPA does not affect the Contractor(s)' distribution price in any way.

B. DLA TROOP SUPPORT has implemented a NAPA Program as part of the Subsistence Prime Vendor Program. Under the NAPA Program, DLA TROOP SUPPORT will enter into agreements with suppliers/manufacturers offering domestic products. In the event the NAPA Program is updated, the contractor(s) will be required to comply with any successor discount program.

C. Under the NAPA Program, Agreement Holders will:

1. Authorize and consent to allow the Contractor(s) to distribute covered products to ordering activities under the Prime Vendor Program.
2. Offer discounts on the delivered price of the products ordered under Prime Vendor contracts, whereby the price to the customer includes the discount. The discounted price is the price that will be submitted via the 832 catalog transaction.

D. NAPAs neither obligate the Contractor(s) to carry, nor the ordering activity to purchase, any of the Agreement Holder's products; however, NAPA terms will apply to any order placed by the customer for products covered by a NAPA, in which case the STORES catalog price must reflect the NAPA discount even if the NAPA item is not ordered directly from the NAPA manufacturer (i.e. from Agreement Holder).

E. Under a contract(s) resulting from this solicitation:

1. The Contractor(s) agrees to catalog and bill the invoice price less the NAPA allowance to the Government, and initiate a bill-back to the Agreement Holder, if any activity orders any product covered by a NAPA. The Agreement Holder will reimburse allowances to the Contractor(s) within a time period mutually agreeable to the Contractor(s) and the Agreement Holder.
2. DLA TROOP SUPPORT will attempt to facilitate resolution of any such disputes, but DLA TROOP SUPPORT disclaims any liability under such disputes.

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F. The NAPA Program is for the exclusive use of DLA TROOP SUPPORT customers purchasing product under the resultant contract.

G. NAPA Tracking Program: The Contractor(s) agrees to comply with the requirements of DLA TROOP SUPPORT's Tracking Program and shall provide the required product information to support the NAPA allowance and sales tracking website. Data shall be submitted as follows:

1. The required information shall be formatted into a flat ASCII data file.
2. The data file shall be submitted electronically via FTP to ftp://ftp.one2oneus.com. To obtain a username and password please contact the contracting officer.
3. File naming convention of yyyyymmdd[xxxx].txt should be used when transferring a data file to the ftp site. Where xxxx can be used to keep data file names unique if transmitting more than once per day.
4. The information shall be submitted weekly.
5. The content of the data file includes a recap of all invoices submitted under all contracts of the Prime Vendor program for the previous week. The contents of the data file shall include all the information shown in the sample Tracking Program Data chart below.
6. Tracking Program Data Chart sample:

	No	Field Name	Field Description	Width	Format
SHIPPING LOCATION HEADER	0	TRANSDATE	Transaction System Date	10	MM/DD/YYYY
	1	CONTNO	Prime Vendor DLA TROOP SUPPORT Contract Number	13	Alpha-Numeric
	2	PONO	Customer Purchase Order Number	14	Alpha-Numeric
	3	INVNO	Prime Vendor Invoice Number	8	Alpha-Numeric
	4	INVDATE	Prime Vendor Invoice Date	10	MM/DD/YYYY
	5	SHIPDATE	Prime Vendor Ship Date	10	MM/DD/YYYY
SHIPPING LOCATION	6	RELEASENO	PO Release Number/Call	4	Alpha-Numeric
	7	DODAACNO	DODAAC	6	Alpha-Numeric
	8	CUSTNO	Prime Vendor Customer Number	15	Alpha-Numeric
	9	SHIPTONAME	Prime Vendor Ship to Name	80	Alpha-Numeric
	10	SHIPTOADD1	Prime Vendor Ship to Address 1	50	Alpha-Numeric
	11	SHIPTOADD2	Prime Vendor Ship to Address 2	50	Alpha-Numeric
	12	SHIPTOCITY	Prime Vendor Ship to City	50	Alpha-Numeric
	13	SHIPTOSTATE	Prime Vendor Ship to State	20	Alpha-Numeric
ITEM INFORMATION	14	SHIPTOZIP	Prime Vendor Ship to Zip	20	Alpha-Numeric
	15	SHIPTOCOUNTRY	Prime Vendor ship to country	25	Alpha-Numeric
	16	PARTNO	Prime Vendor Product Part Number	25	Alpha-Numeric
	17	NSN	Government NSN Number	13	Alpha-Numeric
	18	MFGSKU	Manufacturer SKU	20	Alpha-Numeric
	19	MFGUPC	Manufacturer UPC	20	Alpha-Numeric
	20	MFGNAME	Manufacturer Name or Manufacturer Brand Label Name	80	Alpha-Numeric
	21	PVDESC	Prime Vendor Product Description	100	Alpha-Numeric
	22	CWITEM	Catch weight Item? (Y/N)	1	Y or N
	23	UNITWT	Case net weight	12	S999999.9999
	24	WUOM	Case net weight unit of measure	3	Alpha
P QTY RI	25	PACKAGE	Packaging description	35	Alpha
	26	QTYINV	Quantity Invoiced / Returned – A negative is a return!	12	S999999.9999
	27	QTYUOM	Quantity invoiced unit of measure	3	Alpha
	28	UNITPRC	Unit price	12	S999999.9999

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	29	UNITPRCUOM	Unit price unit of measure	3	Alpha
	30	UNITPRCCONV	Unit price conversion	12	S999999.9999
	31	EXTPRICE	Extended price	12	S999999.9999
NAPA	32	UNITALLOW	Napa unit allowance amount	12	S999999.9999
	33	ALLOWUOM	Napa unit allowance unit of measure	3	Alpha
	34	ALLOWCONV	Napa unit allowance conversion	12	S999999.9999
OTHER	35	OTHALLOW	All other allowances	12	S999999.9999
	36	OTHALLOWUOM	All other allowances unit of measure	3	Alpha
	37	OTHALLOWCONV	All other allowances conversion	12	S999999.9999
MAKRUP	38	MARKUP	Prime Vendor unit distribution price	12	S999999.9999
	39	MARKUPUOM	Prime Vendor unit distribution price unit of measure	3	Alpha
	40	MARKUPCONV	Prime Vendor unit distribution price conversion	12	S999999.9999
COST	41	LANDCOST	Prime Vendor landed cost	12	S999999.9999
	42	LANDCOSTUOM	Prime Vendor landed cost unit of measure	3	Alpha
	43	LANDCOSTCONV	Prime Vendor landed cost conversion	12	S999999.9999

1. General Notes concerning formatting fields of data.
 - a. ALPHA-NUMERIC fields are to be left justified and padded with spaces to fill up the required field width.
 - b. DATE fields are to be formatted according to the following: MM/DD/YYYY. The slashes are included in the data value.
 - c. NUMERIC fields are to be formatted as specified and can be right or left justified. Leading zeros are not required but are allowed. Sign must be in front of leftmost number. Trailing spaces are allowed. The following examples are VALID: “-0000123.4500” “-123.4500” or “-123.45.” The following are NOT valid: “-123.4500” “+123.4500” or “123.4500-.”
2. Field specific notes concerning data content and formatting. Ordered according to field number within chart above.
 0. Computer system transaction date. The date the transaction was created. This critical field is required to ensure that each week’s transmission does not overlap and/or overlook any data. If your organizations data does not allow back dated or future dated invoice dates, then you can use the invoice date for this field.
 1. Your DLA TROOP SUPPORT Contract Number (e.g. SP030098D1234) Matching 850/810 EDI document
 2. The Military Base’s Purchase Order Number (e.g. FT906880631234) Matching 850/810 EDI document.
 3. Your invoice number. (e.g. 00012356) Matching 810 EDI document
 4. Your invoice date. (e.g. 31 Jan 2005 = 01/31/2005) Matching 810 EDI document.
 5. Ship date. (e.g. 31 Jan 2005 = 01/31/2005)
 5. Release Number/Call Number from the originating Purchase order (e.g. 063A) Matching 850/810 EDI document.
 6. Department of Defense Activity Address Directory. (e.g. FT9068) Matching 850/810 EDI document.
 7. Contractor assigned customer number. (e.g. 00020)
 8. Ship to location name. Please provide full description of the location. (e.g. FT BLISS/DINING HALL C)
 9. Address line 1 of ship to name.

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10. Address line 2 of ship to name.
11. City name of ship to name.
12. State of ship to name.
13. Zip code of ship to name if applicable
14. Country of ship to name.
15. Contractor's part number of the product that shipped. All leading zeros are required. All characters such as dashes are also required if the vendor(s) use the character in their part number identifier. (e.g. 0012345-24567V) This correlates to the part number submitted on the 810 invoice document.
16. This field represents National Stock Number assigned by DLA TROOP SUPPORT also known as the Customer Part Number. (e.g. 891500E210123)
17. Manufacturer's/Supplier's part number of the product. All leading zeros are required. All characters such as dashes are also required if the manufacturer uses the character in their part number identifier. (e.g. 12345)
18. Manufacturer's UPC or SCC number of the product. The UPC should be formatted as a UPC or SCC. (e.g. 0-54321-12345-9 or 001-54321-12345-9) If your system does not provide the check digit it may be omitted.
19. This field needs to identify the manufacturer (not necessarily the supplier) of the product. Please indicate the manufacturer or brand name or some code indicating the same. If you use a code, please provide an additional listing of those codes and their description. Please note, this is the manufacturer of the product not necessarily who supplied you the product.
20. This field represents Contractor product description. (e.g. CRACKERS 5/1 LB)
21. This is a flag indicating if the item is a catch weight item. (e.g. "Y")
22. This is the case net weight of the product shipped. (e.g. 000022.4500)
23. This is the case net weight unit of measure. (e.g. "LB")
24. This field represents the packaging description. (e.g. 6 - 5 LB PER CASE)
25. This field represents quantity invoiced. (e.g. 2 units = 000002.0000)
26. This field represents unit of measure of quantity invoiced in field 26 (e.g. CS or LB)
27. This field represents the unit price (e.g. 000019.99)
28. This field represents the unit price unit of measure (e.g. LB)
29. This field represents the unit price conversion factor to quantity unit of measure (field 28). (e.g. 000020.0000) If field 28 is "CS" then this means there are 20 pounds in each case.
30. This field represents the Extended Price charged for the Quantity Invoiced in field 27. (e.g. \$39.98 = 000039.9800) This is typically calculated by multiplying field 26 times field 28 if field 27 equals field 29.
31. This is the off-invoice allowance amount. It can be found in the NAPA table. If the product is not subject to a NAPA allowance, then please set this field to zero. (e.g. 0000000.3500)
32. This is the allowance unit of measure for field 32. It can be found in the NAPA table. If the product is not subject to a NAPA allowance, then please leave this field blank. (e.g. CS or LB)
33. This field represents allowance unit of measure conversion factor which is conversion from field 33 to field 27.
34. All other allowances dollar amount. Such as food show allowances, etc.
35. Unit of measure for field 35.
36. All other allowance unit of measure conversion factor which is conversion from field 36 to field 27.
37. For each item, provide the applicable markup amount. As previously negotiated with DLA TROOP SUPPORT, you have assigned a markup amount to each food category or to each item. This amount should correspond to the unit of measurement of field 27. This is required in order to insure that a NAPA

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allowance was provided off-invoice.

38. This field represents unit of measure for field 38.
39. This field represents Contractor unit distribution price unit of measure conversion factor which converts from field 39 to 27.
40. This field represents Contractor landed cost for the item shipped. (e.g. 0000002.5000)
41. This field represents Contractor landed cost unit of measure. (e.g. CS or LB)
42. This field represents Contractor landed cost conversion factor which converts from field 42 to 27.

11. CURRENT BRAND NAME ITEMS

Based on the ordering habits of the customers listed in this solicitation, the current Market Basket and total catalog includes numerous Current Brand Name items. These are items whose manufacturers have offered the Government a discount under the NAPA Program. Alternate items may be offered and accepted upon Contracting Officer approval. This does not preclude future catalog changes during the life of the contract to add competing products based on added value to the customer.

12. BEVERAGE DISPENSERS

- A. When requested, the Contractor(s) is responsible to furnish all hot and cold beverage dispensing machines, without additional charge to the Government, as well as the beverage products as listed in the STORES Vendor Item Catalog. The upkeep of the machines consisting of, but not limited to, labor, transportation, and supplies required to repair and maintain the equipment, shall be the sole responsibility of the Contractor(s).
- B. When requested, the Contractor(s) shall be responsible to furnish mechanically refrigerated dispensing machines and heads suitable for use with the Contractor(s)'s bag-in-the-box juices and drinks product and mixes. A sufficient number of machines and dispensing heads shall be installed in the customer's facility to accommodate the specific needs of each ordering activity. The Contractor(s) will be responsible to provide a technically qualified service representative to perform maintenance and quality control inspections, as required, and upon notice of the customer of a problem on each dispensing system.
- C. Any equipment or material furnished by the Contractor(s) shall remain the property of the Contractor(s) and will be returned to the Contractor(s) at the conclusion of the contract in the same condition in which it was received, fair wear and tear excepted. Any concerns of excessive "wear and tear," as noticed during routine maintenance and/or customer problem notification shall be immediately brought to the attention of the Contracting Officer for further investigation.

13. INVENTORY REQUIREMENT / NEW ITEMS

- A. The Contractor(s) shall be required to catalog and carry inventory for any item required by customers when the total order quantity for that product for all contract customers is at an average usage rate of 5 cases per month. The Contractor(s) will not normally be required to carry inventory for any item required by customers when the total order quantity for that product for all contract customers is at a rate of less than 5 cases per month. However, they are required to catalog and provide the item.

NOTE: If a Contractor(s) has more than one place of performance, the average usage rate of 5 cases per month is based on the total contract usage, not by individual customer or individual place of performance.

- B. Special Order / Holiday Items are excluded from the 5-case requirement. In addition, specialty items required in support of Child Daycare Centers (CDCs), Youth Centers, Hospitals, and Nutritional Medicine Customers are excluded from the 5-case requirement. Such items include, but are not limited to, the following: baby food, baby formula, nutritional shakes, food for feeding tubes, diced pears,

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and diced peaches. These items are still required to be cataloged and carried in the Contractor(s) inventory even if the average usage rate is less than 5 cases per month.

- C. There is no 5-case requirement for Mandatory Product List (AbilityOne) items. The Contractor(s) shall catalog and carry inventory for MPL items when required. (See Paragraph 8, Mandatory Sources -The AbilityOne Program).
- D. Throughout the period of contract performance, a customer base or dining facility may undergo a new menu initiative or transformation that will result in a significant number of catalog changes and the addition of several new items. Items that are required to support the new menu must be added to the catalog and are excluded from the 5-case requirement for a two-month period from the time of the menu implementation. Menu implementation is the date when all items are available for order on the catalog and the customer begins ordering those items.
- E. The Contractor(s) shall source and add new items to the catalog within a maximum of 30 days (for new suppliers) (or 21 days for existing suppliers) of notification of the Contracting Officer's approval of price reasonableness. The Contractor(s) must notify DLA TROOP SUPPORT and the requesting activity when new items are available for distribution.
- F. The Contractor(s) will be responsible for notifying the Contracting Officer on a monthly basis if any catalog item is not meeting the 5-case monthly average usage so that the item may be considered for deletion from the catalog.
- G. The Contractor(s) is encouraged to introduce new food items to the customers, as well as to show cost effective alternatives to their current choices.
- H. All new items need the approval of the individual military services' headquarters prior to stocking the item. New item additions and/or changes to LSNs must be authorized in writing by the Contracting Officer prior to the 832 catalog update transmissions.
- I. When a new item is being added to the catalog to replace an item that is currently on the catalog, inventory of the current cataloged item must be depleted before the new item can be added to the catalog.
- J. The Government is not obligated to purchase any items that are required to be cataloged and inventoried pursuant to this section I.13-Inventory Requirement/New Items or any other part of this solicitation and the resulting contract(s). The Government's only legal obligation under this indefinite quantity contract(s) is to purchase the guaranteed minimum dollar value (see Statement of Work section I.1.E-Estimated Dollar Value, Guaranteed Minimum, and Maximum Dollar Value. and FAR 52.216-22, which is incorporated in this solicitation/contract(s)).

II. PACKAGING AND LABELING/MARKING

- A. All packaging and packing shall be in accordance with good commercial practice. Labeling shall be in accordance with commercial labeling complying with the Federal Food, Drug and Cosmetic Act and regulations promulgated there under (See below) Shipping containers shall be in compliance with the National Motor Freight Classification and Uniform Freight Classification Code. The Contractor(s) shall be responsible for abiding by any applicable packaging, packing, and marking regulations of the various countries in/through which product will be stored/transported. In accordance with USDA-FSIS labeling regulations, all products must be appropriately labeled as follows:

The Principal Display Panel (PDP) showing:

- 1) Product Name
- 2) Handling Statement

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- 3) Legend/Establishment Number
- 4) Net Weight Statement

The Information Panel showing:

- 1) Ingredients Statement
- 2) Signature Line
- 3) Nutrition Facts*

Mandatory Safe Handling Instructions Displayed Anywhere on Labeling

* Although the nutritional statement is not mandatory on some items, if nutritional facts are not included on the Information Panel, contractor(s) must provide the nutritional facts on the manufacturer's technical specification.

- B. Semi-perishable items shall be snugly packed in shipping containers that fully comply with the National Motor Freight Classification and Uniform Freight Classification Code, as applicable.
- C. All raw ground beef items are required to have the fat/lean ratio declared on the label (for example, 85% lean, 90% lean). Any ground beef product not declaring the fat/lean ratio will not be acceptable.
- D. Frozen product must be processed and packed to allow removal of the individual units from the container without damage to that or other units. The intent is to be able to remove only that amount of product required for current needs, without the necessity of defrosting all units. Meats, poultry, and seafood should be vacuum packed when practicable. In all instances, the packaging must protect the product from freezer burn and contamination.
- E. To ensure that the carrier and the receiving activity properly handle and store items, standard commercial precautionary markings such as "KEEP FROZEN" for frozen items, "KEEP REFRIGERATED" for chilled items, etc. shall be used on all cases when appropriate.
- F. Chill and freeze products must be shipped in refrigerated (Reefer) Vans and appropriately separated per temperature requirements.
- G. To the maximum extent possible, nutritional and ingredient labels shall be placed on the individual package.
- H. Any product that is not labeled with the name and address of the manufacturing establishment must be identified as to its manufacturer by advance written notice to Contracting Officer during implementation of contract(s)/catalog and the listing must be kept current during the life of the contract(s) whenever there is a change/addition to a manufacturer.
- I. **CODE DATES:** All food and beverage products shall be identified with readable dates (open code dates), or coded dates, as determined by the type of product delivered. For semi-perishable, shelf stable items, open dating is preferred but code dating is acceptable. Contractors that do not use open dating shall provide a product code number key to the Account Manager and each customer facility. This product code key is to be issued to each customer as well as the DLA TROOP SUPPORT Account Manager on or before first delivery. Changes to the book are to be made as necessary. It is highly recommended that the Contractor(s) review and update this book on a quarterly basis. Items other than semi-perishable, shelf stable products must have readable, open code dates clearly showing the use by date, date of production, date of processing/pasteurization, sell by date, Best If Used By date, or similar markings.
- J. **TRACEABILITY REQUIREMENTS FOR CONTRACTORS OR CONTRACTOR'S SUPPLIERS RE-PACKAGING AND RE-LABELING PRODUCTS**

If the Contractor(s) removes the item from the manufacturer's original packaging/shipping container and

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re-packages/re-labels an item, documentation must be maintained to trace the item back to the original producer/packer in case of a hazardous food recall or an item is rated Red/Critical during a DLA TROOP SUPPORT audit. The Contractor(s) shall maintain or request from their suppliers documentation/certificates containing the following information: item nomenclature, name and number of establishment/vessel, location, country of origin, date of production/pack (DOP), lot number, etc.

If processing/production/packaging of the item occurred in more than one establishment/vessel, documentation for each item must also be maintained/provided. These records must maintain traceability of the item to the extent that a lot number/DOP/Code Date of an item can be traced back to the original manufacturers/producers of an end item. The manufacturer/producer and/or the Contractor's item label shall clearly identify the item(s) shelf life information (using an open code date) on the exterior of each case. In addition, the Contractor(s) must maintain records of quantities and when and where the re-packaged/re-labeled item(s) were shipped. The Contractor(s) must be able to show/provide DLA TROOP SUPPORT-FTSB's Quality Auditors the documentation for samples selected during Prime Vendor Product Quality Audits or unannounced Quality Systems Management Visits (QSMVs). It is the Contractor(s)' responsibility to notify and ensure their suppliers understand and comply with this requirement.

The above requirements are necessary in the event of a food recall (i.e., ALFOODACT) of potentially hazardous products when a recall is issued by a Regulatory Agency and for the Contractor(s) to isolate suspected items in order to notify customers in an expeditious manner whenever products are rated "Red/Critical" during a DLA TROOP SUPPORT audit. The above requirements serve two main purposes: (1) to protect DLA TROOP SUPPORT's customers and expeditiously notify them in case of accidental or intentional tempering/contamination, and/or to prevent consumption of unsafe/hazardous products; and (2) to maintain traceability of re-packaged/re-labeled items in order to verify country of origin, approved source requirement during the shelf life cycle of the item in Contractor(s) storage, and the customer's receipt/storage of the item in order to expedite the recall process for all suspected items intended for DLA TROOP SUPPORT's customers.

K. All Contractor(s) shipments must be palletized in accordance with good commercial practices. Standard size: 40 x 48 inch pallet, but no higher than 60 inches is acceptable. The Contractor(s) is responsible for the purchase of all pallets. Pallet retrieval and all associated costs shall be the responsibility of the Contractor(s). Cases are to be stacked according to industry standards, but are to be skillfully built to allow the receiver to out-check/in-check all items on that pallet. Additionally, fragile cases must not have cases above them, but can have them beneath. For example, eggs are not to be packed with cases over these items.

L. FEDERAL FOOD, DRUG AND COSMETIC ACT-WHOLESALE MEAT ACT

(a) The Contractor(s) warrants that the supplies delivered under this contract(s) comply with the Federal Food, Drug and Cosmetic Act and the Wholesome Meat Act and regulations promulgated there under. This warranty will apply regardless of whether or not the supplies have been:

- (1) Shipped in interstate commerce,
- (2) Seized under either Act or inspected by the Food and Drug Administration or Department of Agriculture.
- (3) Inspected, accepted, paid for or consumed, or any or all of these, provided however, that the supplies are not required to comply with requirements of said Acts and regulations promulgated there under when a specific paragraph of the applicable specification directs otherwise and the supplies are being contracted for military rations, not for resale.

(b) The Government shall have six months from the date of delivery of the supplies to the Government

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within which to discover a breach of this warranty. Notwithstanding the time at which such breach is discovered, the Government reserves the right to give notice of breach of this warranty at any time within this six-month period or within 30 days after expiration of such period, and any such notice shall preserve the rights and remedies provided herein.

- (c) Within a reasonable time after notice to the Contractor(s) of breach of this warranty, the Government may, at its election:
- (1) Retain all or part of the supplies and recover from the Contractor(s), or deduct from the contract price, a sum the Government determines to be equitable under the circumstances;
 - (2) Return or offer to return all or part of the supplies to the Contractor(s) in place and recover the contract price and transportation, handling, inspection and storage costs expended therefore; provided, that if the supplies are seized under either Act or regulations promulgated there under, such seizure, at Government option, shall be deemed a return of supplies within the meaning of this clause and thereby allow the government to pursue the remedy provided herein. Failure to agree to any deduction or recovery provided herein shall be a dispute within the meaning of the clause of this contract entitled "Disputes."
- (d) The rights and remedies provided by this clause shall not be exclusive and are in addition to other rights and remedies provided by law or under this contract(s), nor shall pursuit of a remedy herein or by law either jointly, severally or alternatively, whether simultaneously or at different times, constitute an election of remedies.

III. INSPECTION AND ACCEPTANCE

1. POINT OF INSPECTION AND ACCEPTANCE

- A. Inspection and acceptance of products will be performed at destination. The inspection is normally limited to identity, count and condition; however, this may be expanded if deemed necessary by either the military Veterinary Inspector, Dining Facility Manager, Food Service Advisor/Officer, or the Contracting Officer.
- B. All deliveries are subject to Military Veterinary/Medical inspection, if deemed necessary or as requested by the customer/Receiving Officer. The Contractor(s)'s delivery vehicles shall be equipped to maintain the appropriate temperatures and product segregation as necessary to deliver products at the proper temperature. Deliveries shall be made in clean, closed vehicles. When transporting food items, the vehicles shall be maintained in good sanitary condition to prevent contamination of the material. Delivery vehicles used to deliver items under this contract shall be subject to military veterinary inspection at destination. In addition, the delivery vehicles will be inspected for cleanliness and condition.
- C. The Government's authorized receiving official at each delivery point is responsible for inspecting and accepting products as they are delivered. The delivery ticket shall not be signed prior to the inspection of each product. All overages/shortages/returns are to be noted on the delivery ticket by the Government's authorized receiving official and the truck driver. The Government's authorized receiving official's signature on the delivery ticket denotes acceptance of the product.
- D. The Contractor(s) shall forward three (3) copies of the delivery ticket/invoice with the shipment. The receiving official will use the delivery ticket/invoice as the receipt document. All three copies must be signed by the customer and the driver. One copy will remain with the customer and the other two copies will go back with the driver to the Prime Vendor(s) facility. No

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electronic invoice shall be submitted for payment until acceptance is verified.

2. REJECTION PROCEDURES

- A. If product is determined to be defective, damaged, and/or compromised in any other manner, it may be rejected by the Government's authorized receiving official.
- B. Product found to be non-conforming or damaged, or otherwise suspect, the Government's authorized receiving official shall reject the item and/or determine the course of action to be taken with the product in question. The final decision to accept or reject the product is to be made by the Government's authorized receiving official.
- C. In the event an item is rejected, the delivery ticket/invoice shall be annotated as to the item(s) rejected. These items shall then be deducted from the delivery ticket/invoice. The invoice total must be adjusted to reflect the correct dollar value of the shipment. Replacements may be authorized based on the customer's needs. To the greatest extent possible, on an as-needed, emergency basis, same day re-delivery of items that were previously rejected shall be made, so that the customer's food service requirements do not go unfulfilled for that day. The re-delivered items will be delivered under a separate invoice utilizing a new order. These re-deliveries will not constitute an emergency, separate requirement and therefore will have no additional charges.
- D. In the event that a product is rejected after delivery is made, the Contractor(s) will pick up the rejected product or make other disposition arrangements deemed acceptable by the customer. Credit due to the ordering activity as a result of the rejected product being returned, will be handled through a receipts adjustment process in STORES. If the Prime Vendor(s) has already been paid for the product, a claim will be issued through DLA TROOP SUPPORT's financial system and the Contractor(s) shall promptly pay the claimed amount. In all cases, one (1) copy of the credit memo is to be given to the customer and one (1) copy of the credit memo is to be sent to the DLA TROOP SUPPORT Contracting Officer.
- E. It is a requirement of this Contract that product shall be inspected by the Government upon receipt as promptly as practicable. However, failure to promptly inspect or accept supplies at the time of receipt shall not relieve the Contractor(s) from responsibility, nor impose liability on any of the customers, for nonconforming supplies. When an item is rejected the Contractor(s) is to take the food back to its location.
- F. Supplies transported in vehicles which are not sanitary, or which are not equipped to maintain prescribed temperatures, may be rejected without further inspection.

IV. QUALITY ASSURANCE

1. CONTRACTOR'S QUALITY ASSURANCE PROGRAM

- A. The Contractor(s) shall use a Supplier Selection or Certification program to ensure standardized product quality for each item supplied and/or listed in the stock catalogs, regardless of supplier. The product quality shall be equal to that described in the pertinent item specification. Product characteristics shall be standardized to the extent that variations in product appearance, grade, yield, taste, texture, etc. shall be minimized.
- B. The Contractor(s) shall maintain a quality program for the product acquisition, warehousing and distribution to assure the following:

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1. Standardized product quality;
2. Wholesome product by veterinary standards
3. The usage of First-Expired, First-Out (FEFO) is preferred; then First-In, First-Out (FIFO)
4. Product shelf life managed and monitored (by date of pack/production of the item);
5. Items are free of damage;
6. Correct items and quantities are selected and delivered;
7. Ensure requirements of the Berry Amendment are met;
8. Customer satisfaction is monitored;
9. Product discrepancies and complaints are resolved and corrective and preventive action is initiated;
10. Manufacturer, FDA, or DoD initiated food recalls are promptly reported to customers and DLA TROOP SUPPORT;
11. Compliance with Environmental Protection Agency and OSHA requirements;
12. Compliance with FSMA (Food Safety Modernization Act) requirements;
13. Distressed or salvaged items or products shall not be used;
14. Applicable food products delivered originate from a source listed as a Sanitarily Approved Food Establishment for Armed Forces Procurement and/or listed in the United States Department of Agriculture- Agricultural Marketing Services (USDA-AMS) Good Agricultural Practices (GAP) Verification Directory or the USDA-AMS Good Handling Practices (GHP) Verification Directory for fresh fruits and vegetables, as applicable. Bulk Fresh fruits and vegetables suppliers must be inspected and listed under the USDA-AMS GAP and/or the GHP Directory.
15. Hazard Analysis and Critical Control Point (HAACP), if applicable;
16. Commercial standards are used to maintain temperatures appropriate for individual items.

C. The Contractor(s) shall have a formal quality assurance program and a quality control manager that is responsible for oversight of the program. All aspects of quality as related to this Subsistence Prime Vendor Program shall be proactively monitored and evaluated by the Contractor(s).

D. All products shall be properly managed by the Prime Vendor(s) to avoid the expiration of product. The Prime Vendor will bear all risk, including associated costs, with product expiration. The Government will not be liable for any expired product costs under this contract(s).

E. It is the policy of the Federal Government to encourage responsible uses of medically important antibiotics in the meat and poultry supply chain by supporting the emerging market for meat and poultry that has been produced according to responsible antibiotic-use policies, defined as those policies under which meat and poultry producers use medically important antibiotics only under veterinary oversight and only when needed to prevent, control, and treat disease – but not for growth promotion. This policy is expected to be in place in 2020; however, offerors are strongly encouraged to begin adopting responsible antibiotic-use policies prior to this date. More information about this policy can be found at:

<https://obamawhitehouse.archives.gov/the-press-office/2015/06/02/presidential-memorandum-creating-preference-meat-and-poultry-produced-ac>

2. PRODUCT QUALITY & SHELF LIFE REQUIREMENTS

For all Customers, acceptance of supplies awarded under this solicitation will be limited to product processed and packed from the latest seasonal pack during the contract period. The SPV Contractor(s) shall use First Expired First Out (FEFO); however, the First In First Out (FIFO) method is acceptable, in accordance with its regular commercial practice. All products delivered shall be as fresh as possible and within the manufacturer's original shelf life (i.e., Best if Used by Date, Expiration Date, or other markings). Products commonly sold "Chill" in the commercial

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market but required/identified as "Frozen" in the DLA TROOP SUPPORT item description (due to customer need) should be purchased frozen from the manufacturer. These highly-perishable and short-shelf life items may include but are not limited to: hot dogs, bologna, bacon, deli meat(s), cooked ham(s), other cooked meat(s), and cheeses. These items should be frozen at the manufacturer's plant (preferably) and/or shall be blast-frozen by the Contractor(s) following the manufacturer's "Freeze-by-Date" guidelines to preclude degradation and to extend shelf-life. Documentation of the manufacturer's recommended "Freeze-by-Date" and the frozen item recommended shelf life should be available for review if the product is blast-frozen at the Contractor(s)'s facility. Products required by the DLA TROOP SUPPORT Item Description to be chilled must be maintained and delivered chilled; products required to be frozen must be delivered frozen to the DLA TROOP SUPPORT customer. Unless approved by the Contracting Officer, no product shall be slow-frozen. Cottage cheese and cream cheese shall not be frozen under any circumstance.

A. Shelf life requirements:

1. For annual pack items, products shall be from the latest seasonal pack available, and shall not be older than one year from Date of Pack/Production Date upon receipt at the Contractor(s) facility or the immediate prior year's pack during brief "carry-over" periods in accordance with commercial practice, unless approved in advance by the Contracting Officer.
2. For items produced with shelf life greater than 90 days, no product shall be delivered to customers with less than 30 days manufacturer's original shelf life remaining unless the customer grants prior written approval to the Contracting Officer who will in turn notify the Contractor(s).
3. For items produced with shelf life less than 90 days, no product shall be delivered to customers with less than 5 days manufacturer's original shelf life remaining unless the customer grants prior written approval to the Contracting Officer who will in turn notify the Contractor(s).

4. PRODUCT QUALITY FOR FRESH FRUITS AND VEGETABLES

- i. Shelf-life: All products delivered shall be as fresh as possible and within the Growers/Packers' original shelf life (i.e., Best if Used- by-Date, Expiration Date, or other markings). All products shall be identified with readable open code such as "Best-Used-by-Date," "Sell-by-Date," date of production, or similar marking indicating the end of the guaranteed freshness date.
- ii. For Fresh-Cut Fresh Fruits and Vegetables/Ready-to-Eat Salads/Cole Slaw/etc.: Individual bags/containers must be marked with a 14-day shelf life from the date of production. All products must be received by the customer with at least 50% of recommended shelf life remaining. If the manufacturer recommended shelf life is less than 14-days, the Contracting Officer must be notified in advance and approve shelf life. Any deviation for these requirements must be approved prior to customer delivery, in writing, by the Contracting Officer.

B. Commercial standards shall be used to maintain temperatures appropriate for individual items. Products required to be chilled must be maintained and delivered chilled, and products required to be frozen must be maintained and delivered frozen (no product shall be slow-frozen in any case).

C. As with any substitution, the Prime Vendor(s) must receive the ordering activity's

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Government designated representative's prior approval if product offered for delivery will possess a lesser shelf-life. Chilled products shall not be frozen in an attempt to extend shelf life.

D. It is NOT DLA TROOP SUPPORT's policy to grant shelf life extensions for SPV CONUS contracts.

E. Level of Product Quality:

1. All items must meet the Government's item description of their assigned Government stock number.
2. When designating an item as a match for the DoD item in the Market Basket listed in the solicitation, the item must be:
 - a. Identical in respect to packaging when the DoD unit of issue is not described by weights (e.g. pound or ounce).
 - b. Identical for portion/package size and units per pack.
 - c. Equivalent in respect to grade or fabrication.
 - d. Commercial standards should be used to maintain temperatures appropriate for individual produce items during storage and delivery to DLA TROOP SUPPORT customers.
3. All items must meet or exceed the Government's item description of their assigned Government stock number and the specified US. Grade. Please refer to each Service's buyers guide for further detailed specification on Page 76, paragraph D.

3. SHELF LIFE REQUIREMENTS FOR DAIRY PRODUCTS

- A. Acceptance of supplies awarded under this solicitation will be limited to fresh product.
- B. Commercial standards shall be used to maintain temperatures appropriate for the individual items.
- C. Fluid dairy products and other dairy products shall have sufficient remaining shelf life commensurate with good commercial practice. Each container, carton, etc. shall have visible, legible and understandable "sell-by-date" or equivalent marking.

4. ACCEPTANCE REQUIREMENTS FOR FROZEN ITEMS

- A. In order for frozen items to be accepted by the receiving activity, the following criteria must be observed including, but not limited to :
 1. Packages must be solid, not soft, upon arrival;
 2. Container and wrapping must be intact and in a solid condition;
 3. Packages must be free of drip and show no evidence of thawing and re-freezing (i.e. watermarks on boxes; off odor) or dehydration.
 4. Cello wrapped packages must not be discolored or show other signs of freezer burn.

5. WARRANTIES

- A. The supplies furnished under the resultant contract(s) shall be covered by the most favorable commercial warranties that the Contractor(s), as applicable, gives to any customer. The warranty rights and remedies provided therein are in addition to, and do not limit, any rights afforded to the Government by Clause 52.212-4(o) "Warranty," "Contract Terms and Conditions-Commercial Items" contained in the solicitation.

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6. WAREHOUSING AND SANITATION PROGRAM/STORED PRODUCT PEST MANAGEMENT

The Contractor(s) shall develop and maintain a sanitation program and a stored product pest management program for the food and other co-located non-food items that comply with industry standard programs such as the Code of Federal Regulations, Title 21, Part 110, Good Manufacturing Practices (GMPs), Food Safety Modernization Act (FSMA), the Federal Insecticide, Fungicide, and Rodenticide Act, the Food, Drug, and Cosmetic Act of 1938 as well as other pertinent US federal, state and local laws and regulations (and other applicable laws in US Territories and other countries where facility is located) applicable to products and facility. Records of inspections performed by the firm, Subcontractor, or recognized industry association shall be maintained and made available to the Government at the Contracting Officer's request. Any findings by the firm or its agent documenting a critical sanitation deficiency shall be reported immediately to the Contracting Officer with an attached report of corrective action.

7. PRODUCT SANITARILY APPROVED SOURCE REQUIREMENTS

Applicable food products, e.g. poultry, dairy and seafood items, delivered to customers listed in this solicitation, as well as any customer added to the Prime Vendor Program, shall originate either from an establishment listed in the "Directory of Sanitarily Approved Food Establishments For Armed Forces Procurements," or one which has been inspected under the guidance of the United States Department of Commerce (USDC) or the United States Department of Agriculture (USDA). For detailed information, see "Sanitary Conditions" below. Warehouse/storage facility used by the Contractor(s) to store food products intended for DLA customers will be inspected for sanitation, FOOD SAFETY AND MODERNIZATION ACT (FSMA), and food defense compliance during Joint Quality Audits performed by USDA-AMS' and DLA TROOP SUPPORT's Quality Auditors or by USDA-AMS's Auditors as requested/directed by DLA.

NOTE: If the Contractor(s) stores, distributes, processes, and/or ships fresh fruits and vegetables (Produce) to DLA customers, the USDA Guidance for fresh fruits and vegetables is the USDA-AMS Good Agricultural Practices (GAP) Verification Directory or the USDA-AMS Good Handling Practices (GHP)/Verification Directory for fresh fruits and vegetables, as applicable HACCP Audit will be performed if a fresh-cut operation is performed at the Contractor(s)'s facility. Bulk Fresh fruits and vegetables suppliers must be inspected and listed under the USDA-AMS GAP and/or the GHP Directory.

8. SANITARY CONDITIONS

(a) Food establishments.

(i) All establishments and distributors furnishing subsistence items under DLA TROOP SUPPORT contracts are subject to sanitation approval and surveillance as deemed appropriate by the Military Medical Service or by other Federal agencies recognized by the Military Medical Service. The Government does not intend to make any award for, nor accept, any subsistence products manufactured, processed, or stored in a facility which fails to maintain acceptable levels of food safety and food defense, is operating under such unsanitary conditions as may lead to product contamination or adulteration constituting a health hazard, or which has not been listed in an appropriate Government directory as a sanitarily approved establishment when required. Accordingly, the supplier agrees that, except as indicated in paragraphs (ii) and (iii) below, products furnished as a result of this contract(s) will originate only in establishments listed in the U.S. Army Public Health Command (USAPHC) Circular 40-1, Worldwide Directory of Sanitarily Approved Food Establishments for Armed Forces Procurement, (Worldwide Directory) (available at: www.phc.amedd.army.mil/topics/foodwater/ca/Pages/DoDAApprovedFoodSources.aspx). Compliance with the current edition of DoD Military Standard 3006A, Sanitation Requirements for Food Establishments, is mandatory for listing of establishments in the Worldwide Directory. Suppliers also agree to inform the Contracting Officer immediately upon notification that a facility is no longer sanitarily approved and/or removed from the Worldwide Directory and/or other Federal agency's listing, as indicated in paragraph (ii) below. Suppliers also agree to inform the Contracting Officer

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when sanitary approval is regained and listing is reinstated.

(ii) Establishments furnishing the products listed below and appearing in the publications indicated need not be listed in the worldwide directory. Additional guidance on specific listing requirements for products/plants included in or exempt from listing is provided in Appendix A of the worldwide directory.

(iii) Meat and meat products and poultry and poultry products may be supplied from establishments which are currently listed in the “Meat, Poultry and Egg Inspection Directory”, published by the United States Department of Agriculture, Food Safety and Inspection Service (USDA, FSIS), at <https://www.fsis.usda.gov/wps/portal/fsis/topics/inspection/mpi-directory> .

The item, to be acceptable, shall, on delivery, bear on the product, its wrappers or shipping container, as applicable, the USDA shield and applicable establishment number. USDA listed establishments processing products not subject to the Federal Meat and Poultry Products Inspection Acts must be listed in the Worldwide Directory for those items.

(iv) Intrastate commerce of meat and meat products and poultry and poultry products for direct delivery to military installations within the same state (intrastate) may be supplied when the items are processed in establishments under state inspection programs certified by the USDA as being “at least equal to” the Federal Meat and Poultry Products Inspection Acts. The item, to be acceptable, shall, on delivery, bear on the product, its wrappers or shipping container, as applicable, the official inspection legend or label of the inspection agency and applicable establishment number.

(v) Shell eggs may be supplied from establishments listed in the “List of Plants Operating under USDA Poultry and Egg Grading Programs” published by the USDA, Agriculture Marketing Service (AMS) at www.ams.usda.gov/poultry/grading.htm.

(vi) Egg products (liquid, dehydrated, frozen) may be supplied from establishments listed in the “Meat, Poultry and Egg Product Inspection Directory” published by the USDA FSIS at https://apps.ams.usda.gov/plantbook/Query_Pages/PlantBook_Query.asp All products, to be acceptable, shall, on delivery, bear on the product, its wrappers or shipping container, as applicable, the official inspection legend or label of the inspection agency and applicable establishment number.

(vii) Fish, fishery products, seafood, and seafood products may be supplied from establishments listed under “U.S. Establishments Approved For Sanitation And For Producing USDC Inspected Fishery Products” in the “USDC Participants List for Firms, Facilities, and Products,” published electronically by the U.S. Department of Commerce, National Oceanic and Atmospheric Administration Fisheries (USDC, NOAA) (available at: seafood.nmfs.noaa.gov). All products, to be acceptable, shall, on delivery, bear on the product, its wrappers or shipping container, as applicable, the full name and address of the producing facility.

(viii) Pasteurized milk and milk products may be supplied from plants having a pasteurization plant compliance rating of 90 percent or higher, as certified by a state milk sanitation officer and listed in “Sanitation Compliance and Enforcement Ratings of Interstate Milk Shippers” (IMS), published by the U.S. Department of Health and Human Services, Food and Drug Administration (USDHHS, FDA) www.fda.gov/Food/GuidanceRegulation/FederalStateFoodPrograms/ucm2007965.htm. These plants may serve as sources of pasteurized milk and milk products as defined in Section I of the “Grade ‘A’ Pasteurized Milk Ordinance” (PMO) published by the USDHHS, FDA at <https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/Milk/default.htm>

(ix) Manufactured or processed dairy products only from plants listed in Section I of the “Dairy Plants Surveyed and Approved for USDA Grading Service,” published electronically by Dairy Grading Branch, AMS, USDA (available at: www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRD3651022) may serve as sources of

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manufactured or processed dairy products as listed by the specific USDA product/operation code. Plants producing products not specifically listed by USDA product/operation code must be Worldwide Directory listed (e.g., plant is coded to produce cubed cheddar but not shredded cheddar; or, plant is coded for cubed cheddar but not cubed mozzarella). Plants listed in Section II and denoted as “P” codes (packaging and processing) must be Worldwide Directory listed.

(x) Oysters, clams and mussels from plants listed in the “Interstate Certified Shellfish Shippers Lists” (ICSSL), published by the USDHHS, FDA at

<https://www.fda.gov/food/guidanceregulation/federalstatefoodprograms/ucm2006753.htm>

(xi) Establishments exempt from Worldwide Directory listing. Refer to AR 40-657/NAVSUPINST 4355.4H/MCO P1010.31H, Veterinary/Medical Food Safety, Quality Assurance, and Laboratory Service, for a list of establishment types that may be exempt from Worldwide Directory listing. (AR 40-657 is available from National Technical Information Service, 5301 Shawnee Road, Alexandria, VA 22312 ; 1-888-584-8332 ; or download from web site:

www.armypubs.army.mil/Search/ePubsSearch/ePubsSearchForm.aspx

For the most current listing of exempt plants/products, see the Worldwide Directory (available at:

<https://phc.amedd.army.mil/topics/foodwater/ca/Pages/DoDAApprovedFoodSources.aspx>

(xii) Subsistence items other than those exempt from listing in the Worldwide Directory, bearing labels reading “Distributed By,” “Manufactured For,” etc., are not acceptable unless the source of manufacturing/processing is indicated on the label or is included/added to the listing of manufacturers provided to the Contracting Officer in accordance with II. PACKAGING AND LABELING/MARKING.

(xiii) When the Military Medical Service or other Federal agency acceptable to the Military Medical Service determines the levels of food safety and food defense of the establishment or its products have or may lead to product contamination or adulteration, the Contracting Officer will suspend the work until such conditions are remedied to the satisfaction of the appropriate inspection agency. Suspension of the work shall not extend the life of the contract, nor shall it be considered sufficient cause for the Contractor(s) to request an extension of any delivery date. In the event the Contractor(s) fails to correct such objectionable conditions within the time specified by the Contracting Officer, the Government shall have the right to terminate the contract in accordance with the “Default” clause of the contract.

(b) Delivery conveyances.

The supplies delivered under this contract(s) shall be transported in delivery conveyances maintained to prevent tampering with and /or adulteration or contamination of the supplies, and if applicable, equipped to maintain a prescribed temperature. The delivery conveyances shall be subject to inspection by the government at all reasonable times and places. When the sanitary conditions of the delivery conveyance have led, or may lead to product contamination, adulteration, constitute a health hazard, or the delivery conveyance is not equipped to maintain prescribed temperatures, or the transport results in product “unfit for intended purpose”, supplies tendered for acceptance may be rejected without further inspection.

9. PRIME VENDOR QUALITY SYSTEMS MANAGEMENT VISITS AND AUDITS

A. QUALITY SYSTEMS MANAGEMENT VISITS (QSMV)s

The DLA TROOP SUPPORT Subsistence Supplier Support Division's audit personnel may conduct unannounced Quality Systems Management Visits (QSMVs) to review the Contractor(s)'s compliance with the terms of the contract. The visits will be internally scheduled within DLA TROOPSUPPORT as a result of unsatisfactory ratings received during DLA TROOP SUPPORT Prime Vendor Product Audits, customers' complaints, requests from the Contracting Officer, or as deemed necessary by the

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Government. QSMVs may include visits to Subcontractors and/or product suppliers/food distributors used by the Contractor(s). If DLA TROOP SUPPORT deems it necessary to conduct an on-site visit with a Subcontractor, product supplier and/or food distributor used by the Contractor(s), the Contractor(s) shall make arrangements for these visits.

During the QSMV the Government may review/verify one, several or all of the following areas (this list is not all-inclusive) as deemed necessary: the methods and procedures used to comply with the terms of the contract; condition of storage facilities; product shelf-life management; inventory in-stock (age of product and condition, labeling, product rotation (FEFO, FIFO), etc.); shelf life extensions; product substitutions; control of material targeted for destruction/disposal or to return to suppliers as a result of customers' returns including DLA TROOP SUPPORT's Contractor(s) audit results and other recalls; review of paperwork for product destroyed/condemned or returned to supplier including but not limited to product rated Blue/Red during the last DLA TROOP SUPPORT audit, customer returns, etc.; customer's notification on product recalls (product rated Blue/Red/other reason), etc.; Contractor(s)'s response to customer returns/issues and visits to customers' locations. The QSMV may also include unannounced visits to DLA TROOP SUPPORT customers served by the Contractor(s).

The Contractor(s) must provide the Government a report showing all DLA TROOP SUPPORT catalog products sorted by location when the QSMV Team arrives.

The Contractor(s)' Non-Price Proposal will be incorporated by reference into the contract. The Contractor(s) will be responsible for complying with its Non-Price Proposal. Procedures and processes set forth in the Contractor(s)' Non-Price Proposal may be used as standards for a QSMV. If there is any conflict between the solicitation language and the Contractor(s)' Non-Price Proposal, the solicitation language governs.

The Contractor(s) must address and take corrective and preventive action to any concerns identified as a result of the QSMV, within the required timeframe as cited in the QSMV report or out brief. Concerns identified during the QSMV, or Contractor(s) failure to take corrective action in response to QSMV findings, will be grounds for terminating the Contractor(s)' contract. The Government may, at its discretion, take other action to correct the concerns identified during the QSMV such as but not limited to unannounced QSMVs. Such action will not eliminate the Government's right to terminate the Contractor(s)' contract should the identified concerns continue, the Contractor fails to take corrective and preventive action, or the Contractor's corrective action fails to correct the problem.

B. PRIME VENDOR PRODUCT QUALITY AUDITS:

NOTE: The term "Food Audit" and "Prime Vendor Quality Audit" are used interchangeably and have the same meaning throughout this document.

1. Basic Audits

- a. The DLA TROOP SUPPORT Prime Vendor Product Quality Audit Program, covering all Food Classes within the Contractor(s)' catalog (Meat, Poultry, Seafood and Processed Products, and other items, "Miscellaneous" as deemed appropriate) functions as a Service and Quality Assurance check for our DoD customers to ensure the war fighters are receiving products of an optimum quality level. The audit objectives are to ensure:
 - i. Contractor(s) adherence to contract requirements
 - ii. The quality level of the materials supplied is satisfactory and uniform throughout the DLA TROOP SUPPORT-FT Prime Vendor Regions.

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- iii. There is no product misrepresentation or unapproved substitution.
- b. The Audit objectives are accomplished utilizing the expertise of the U.S. Dept. of Agriculture (USDA) Agricultural Marketing Service (AMS) Meat, Poultry and Processed Products Graders, U.S. Dept. of Commerce (USDC) National Marine Fisheries Services and DLA TROOP SUPPORT-FT Quality Assurance personnel. Representatives from the above agencies form the DLA TROOP SUPPORT Prime Vendor Product Quality Audit Team.
- c. The Contractor(s) may undergo an audit at least once per contract period. The audits are conducted as a product cutting. The cost of one Food Audit is estimated at \$11,000.00 (for product cost only). The Contractor(s) will provide samples of catalog items chosen by the government at a cost of up to \$11,000.00 per audit. In addition to this amount, if a Produce Quality Audit is performed the Contractor(s) will also provide produce sample items at a cost of up to \$1,500. The Contractor(s) is responsible for all Food Audit and Produce Quality Audit costs. Additional cost may be incurred by the Contractor(s) if the Contractor(s)' facility does not have a facility/kitchen or the equipment needed to perform the audit. The Government will not pay for any products used during the food audit. All costs associated with these audits must be included in your distribution prices. The Contractor(s) is required to provide the following support to the DLA TROOP SUPPORT Audit Team: personnel and equipment to select, separate, move, and discard audit samples and to monitor thawing of some products before and during the audit. The Contractor(s) is hereby notified that the DLA TROOP SUPPORT Audit Team may take digital pictures during the audit. Additional cost may be incurred by the Contractor(s) if their facility does not have a facility/kitchen or the equipment needed to perform the audit. For additional costs associated with Follow Up Audit/QSMV due to prior audit/QSMV failure, see paragraph 6 below ("Follow Up Audits").

NOTES:

- (1) Since there is no destructive sampling performed during a QSMV, there are no anticipated product costs associated with QSMVs. The Prime Vendor(s) will, however, be responsible for any such costs.
- (2) The Government reserves the right to conduct an unannounced QSMV in lieu of an initial audit or other audit during contract performance if deemed in the best interest of the Government.

2. Audit Process

- a. The Contractor(s) will be given advance notice of no more than sixty (60) calendar days of an impending audit. Effective upon receipt of the notification, the Contractor(s) will not change or delete items from the contract catalog without first receiving written permission from the Contracting Officer to delete the item(s). The Government reserves the right to conduct unannounced food audits or QSMV.
- b. The DLA TROOP SUPPORT Quality Audit is typically a three (3) day process. Day one is devoted to sample selection at the Contractor(s)' warehouse and performance of the Joint USDA-AMS/DLA Sanitation /Food Defense Audit. Days two and three encompass the performance of the actual Prime Vendor(s) Product Quality Audit.

NOTE: If a Produce Audit is performed in conjunction with a Prime Vendor Audit, an additional day will be added to the audit (See Produce Audit information in c. below.) In the event of a Produce Audit being conducted in conjunction with a Prime Vendor Audit, the Prime Vendor Audit portions will occur on days

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three and four.

- c. If the Contractor(s) stores, distributes and/or ships fresh fruits and vegetables (Produce) to DLA customers, a Produce Quality Audit may be conducted in conjunction with the Prime Vendor Product Quality Audit or separately. Fresh fruits and vegetables supplied shall be US Grade 1 or higher. Also, if fresh-cut operations are performed at the Contractor(s)'s facility, a Joint DLA/USDA-AMS Good Agricultural Practices (GAP)/Good Handling Practices (GHP)/Hazard Analysis Critical Control Points (HACCP) Audit will be performed.
 - i. A Produce Quality Audit is typically a two (2) day process. Day one is devoted to sample selection at the Contractor(s)' warehouse and performance of the GAP/GHP/HACCP Audit. Day two encompasses the performance of the actual Produce Quality audit. Warehouse/storage facilities used by the Contractor(s) to store food products intended for DLA customers will be inspected for sanitation and food defense compliance during Joint Quality Audits performed by USDA-AMS's and DLA TROOP SUPPORT's Quality Auditors or by USDA-AMS's Auditors as requested/directed by DLA.
- d. Upon arrival at the Contractor(s)' facility (day one), the Lead Auditor will provide a list of items identified for evaluation and the samples will be selected by a USDA-AMS Auditor. The Lead Auditor will accompany the USDA-AMS during the performance of the GAP/GHP Audits, and conduct a compliance evaluation of the contractors approved Food Defense Plan.
- e. Items selected for evaluation will be segregated from the Contractor(s)' regular inventory and appropriate procedures shall be used to maintain the integrity of the samples. Evidence that the Contractor(s) has replaced or tampered with samples, or otherwise interfered with the audit samples and/or audit process will result in the Contractor(s) failing the audit.
- f. During the Prime Vendor Audit the DLA TROOP SUPPORT Lead Auditor will assign an item rating based on compliance with or departure from stated requirements as specified in the DLA TROOP SUPPORT NSN, LSN, or NAPA catalogs. Items will also be audited to determine compliance with the Berry Amendment, approved source requirements, FDA Retail Food Code, USDA-AMS Warehousing Standards, Good Manufacturing Practice, Food Safety

Modernization Act, additional provisions of the Code of Federal Regulations and other applicable standards, regulations, and contract requirements.

NOTE: If a Produce Quality Audit is performed, the DLA Lead Auditor will assign an item rating based on compliance with or departure from stated requirements in the DLA TROOPSUPPORTNSN/LSN catalog and the specified US Grade 1 Standards.

- g. Deviations from the contract or stock number requirements will be color coded and classified based on the severity of departure from requirements as follows:

PRIME VENDOR PRODUCT AUDIT RATINGS (COLOR CODE RATING SYMBOLOGY)

ACCEPTABLE (GREEN) = Acceptable. No deviations from the contract or the item description stock number requirements.

MINOR NONCONFORMANCE (YELLOW) = Not fully acceptable. A Minor nonconformance is a deviation

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from the contract or the item description stock number requirements. This minor nonconformance is not likely to materially reduce the usability or serviceability of the item for its intended purpose or affect its condition and/or the continued storage of the item for further use. Examples of minor nonconformances: Cataloging issues; Minor workmanship/fabrication violations; Minor weight/portion control violations; Items that exhibit very slight freezer burn or dehydration on some sample units; Minor workmanship/fabrication or minor weight issues; Minor deviations from packing, packaging, labeling and marking requirements that would not necessitate a regulatory market suspension or affect DLA TROOP SUPPORT's ability to recall the item.

ACTION REQUIRED: This nonconformance requires attention from the Contractor(s). Minor nonconformances may be tolerated by the customer for a short period of time (no more than 30 days at CONUS locations).

MAJOR NONCONFORMANCE (BLUE) = A major nonconformance, other than critical, is a deviation from the contract or the item description stock number requirements. This major nonconformance is a deviation that materially affects or is likely to have a major effect on the serviceability, usability, condition and/or continued storage of an item for further use. Examples of major non-conformances: Domestic source/regulatory/approved source violations; Wrong item; Grade failures or mismatch; Major workmanship/fabrication violations; Major weight/portion control violations; Item shelf life/ expiration date violations; Not latest season pack/crop year violations; Items that exhibit major freezer burn or dehydration, temperature abuse, and/or other off condition that although not likely to result in hazardous or unsafe conditions, the defect and/or combination of defects materially affect the item serviceability for its intended purpose and/or prevents the performance and production of an end item/meal by the customer; and/or Major deviations from packing, packaging, labeling and markings that would necessitate a regulatory market suspension or have a major effect on DLA TROOP SUPPORT's ability to recall the product.

ACTION REQUIRED: Contractor(s) is required to STOP ISSUE of the item, unless otherwise approved by the Contracting Officer.

CRITICAL NONCONFORMANCE (RED) = A critical nonconformance is a deviation that judgment and experience indicate consumption of the item is likely to result in hazardous or unsafe conditions for individuals. An item will receive a Red Rating if it contains a critical defect(s) that involve food safety issues such as wholesomeness, foreign material, contamination or adulteration issues that judgment and experience indicate consumption of the item is likely to result in hazardous or unsafe conditions for individuals. Examples of critical nonconformances: Items with food safety concerns are those items that exhibit decomposition, contamination, foreign material, and/or other conditions that render an item unfit for human consumption.

ACTION REQUIRED: Contractor(s) is required to STOP ISSUE of the item, immediately NOTIFY DoD CUSTOMERS, REQUEST RETURN of the item in question, and notify supplier/producer of the item (if applicable).

NOTES:

- (1) MAJOR NONCONFORMANCE (BLUE) = At CONUS locations, only the Contracting Officer, not the customer or the Lead Auditor, has the authority to accept wrong items (not meeting item description cited in DLA TROOP SUPPORT catalogs).

The Rating assigned to the item WILL NOT be changed by the Lead Auditor because of acceptance with a waiver/rework/repair of the item in question. The DLA TROOP SUPPORT Food Safety Office (DLA TROOP SUPPORT-FTW), at the request of the Contracting Officer, may issue a restricted (to DLA TROOP SUPPORT customers only) Hazardous Food Recall for all those items originating from an unapproved source and distributed to DLA TROOP SUPPORT customers worldwide.

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- (2) CRITICAL NONCONFORMANCE (RED) = The DLA TROOP SUPPORT Food Safety Office (DLA TROOP SUPPORT-FTW) will issue a Hazardous Food Recall for all critical non-conformances involving items with food safety concerns that render an item unfit for human consumption or may present a health hazard for DoD customers. If applicable, the Contracting Officer should suggest suppliers/producers of the item to review shipping documents to ensure the same item was not delivered to other DoD customers.

3. Prime Vendor Audit Preparation

The Contractor(s) is responsible and will bear all costs for the facility and the equipment/supplies used during the audit. Immediately upon receipt of the audit notification, the Contractor(s) shall make arrangements to use their normal product cutting room/kitchen (if adequate) or find another facility for the audit. If there is no space available at the Contractor(s)' facility or the space is inadequate, other arrangements must be made by the Contractor(s). The room must be equipped with running water. To ensure accurate weight of audited items, it is highly recommended that scales used during the audit are calibrated within the 60-day notification period and an applicable set of test weights are available to verify scale accuracy. A scale capable of weighing portion control items and roasts, and a scale capable of weighing full cases are required. Clean up of the cutting area/room and continuous clean-up of equipment will be the Contractor(s)' responsibility. The Contractor(s) must contact the Lead Auditor to discuss the location, adequacy of the facility, and equipment available as soon as possible but no later than 45 Calendar days prior to the audit. The following is the list of equipment/supplies needed including, but not limited to:

- a. Freezer storage area to store samples selected;
- b. Chill area for tempering product for approximately 10 + pallets;
- c. Tables for conducting the audit and demonstration;
- d. Sinks/wash area equipped with sanitizing soap for cleaning knives and equipment;
- e. Water jet spray attachment for the sink;
- f. Pans or work area in close proximity to a sink area to drain/purge from packaged product;
- g. Deep fat fryer;
- h. Microwave;
- i. Calibrated Scales/Test Weights: One digital portion scale able to record product weights in both ounces and grams and capable of measuring down to the nearest hundredth is preferable, and a set of test weights with a recommended weight range of 1.0 ounce to 1 pound; and, one scale able to record product weights for full cases with an approximate weight range of 0-100 lbs. and capable of measuring down to the nearest tenth is preferable and a 25 lbs. test weight;
- j. A minimum of 10 large flat baking sheet pans, plastic trays or some type of tubs to place thawed meats;
- k. Cart to move samples around;
- l. Cutting boards (two or three);
- m. Large trash cans with bags;
- n. Power hook-up for 3-4 computers;
- o. Access to a copy machine;
- p. Small box for ground beef samples (Approx. 10 oz.) and dry ice or cold packs for mailing;
- q. Miscellaneous supplies: Paper towels; large heavy-duty plastic trash bags; one-gallon zip-lock storage bags (for microwave cooking); one box of large latex gloves; paper flip chart/easel with markers (RED, BLUE, ORANGE, GREEN, BLACK); cellophane tape; binder clips; and a stapler; and
- r. Optional but considered highly desirable: Cloth towels and floor covering to maintain clean and sanitary floor areas.

4. Sample List/Selection of Samples

The Lead Auditor will provide a list of sample items upon arrival at the Contractor(s)' facility. Two samples for each item will be selected. A pick list/picker stickers, six-month velocity or usage report, and an

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on-hand inventory quantity report (i.e. number of cases on hand) should be developed for each item after receipt of the list. Warehousing assistance will be required to pull and prepare samples for the audit. Assistance with moving samples from the storage areas to the audit area and also continuous removal of items after review will be required on audit days. Some samples will require tempering/thawing. An area will need to be provided for the sample tempering process with a capacity for at least 10 or more single layer pallets side by side. In order to rapidly temper these items, the warmest area at the facility will be needed. Upon tempering the items will need to be placed in a chilled environment. All samples must be stored in controlled conditions to protect from abuse or tampering. Samples of product may be sent for lab testing to ascertain wholesomeness and safety of a product if determination cannot be made by normal inspection/observation during the audit (food safety issues such as wholesomeness, foreign material, contamination or adulteration, etc.). The meat audit items (approx. 13-20) will be primarily Center of the Plate –Beef and Pork- Steaks, Roasts, Chops, Diced, and Ground items. Ground Beef Bulk and Patties may be sent to the USDA laboratory for Analytical testing- Fat only. The Contractor(s) will need to arrange for the shipping of the samples approximately 4 ounces, except in OCONUS areas where prohibition exists or it is impractical. The seafood items (approx. 13-20) will consist of Fish - Portions, Sticks, Fillets, and Steaks, Shrimp, Lobster, Crab, Clam, Oyster, and Crawfish. Poultry items (approx. 13-20) will also be center of the plate items. Processed Products Fruit and Vegetable will consist of approximately 13-20 Items. Miscellaneous item (others) will consist of approximately 13-20 items. Since the DLA TROOP SUPPORT Prime Vendor Product Quality Audit covers all Food Classes within the catalog (Meat, Poultry, Seafood, Processed Products, and other items, “Miscellaneous” as deemed appropriate), samples of “other” items may be selected to make-up the number of samples required for a commodity when the Contractor(s) Catalog lists a limited number of items for one or more of the major commodities. A combined rating score will be assigned during the audit (e.g., Seafood/Other).

NOTE: Certification/Documentation - To avoid delays/questions during the audit, the Contractor(s) should ensure that ALL products intended for DLA TROOP SUPPORT’s customers are derived from Approved Sources and meet the Berry Amendment requirements (unless otherwise is excluded in the contract/FAR/DFAR or authorized by the Contracting Officer). The Contractor(s) should obtain and have the following certifications/documentation available during the sample selection (preferable) and/or during the audit should the Lead Auditor need to review documentation to verify compliance with the following: All Seafood items are required to originate from an approved domestic source; processed fruits and vegetables are required to be from the latest seasonal pack (crop year) available, so be prepared to provide seasonal pack/crop year information for samples selected; and any item on the list that is required to be certified must be available for review.

5. Audit Results

The audit results are performance indicators that will be used in conjunction with a firm’s past performance. DLA TROOP SUPPORT considers 85% acceptability for each category (Meats, Poultry, Seafood, Processed Products, and other “Miscellaneous” items,) as the minimum standard for acceptable performance. The Contractor(s) will be given a report on each product reviewed. It will be the Contractor(s)’s responsibility to take immediate action to correct any deficiency uncovered during the audit. Corrective action must include action to address the deficiency and the system which allowed the deficiency to occur. Audit failures and/or failure to take corrective action will be grounds for terminating the contract.

6. Follow-Up Audits

Follow up audits may be scheduled within a one-year period of the initial audit as deemed necessary by the Government. Grounds for follow-up audits include but are not limited to failure to obtain an acceptable rating (< 85%) in one or more commodities, repetitive failures, and customer complaints. All samples, audit facility, and equipment/supplies needed for the follow-up, same as indicated above for the initial audit, are to be at the expense of the Contractor(s). The Contractor(s) will also be responsible for reimbursement of USDA-AMS/USDC’s incurred expenses associated with inspection and travel cost.

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During a follow-up audit only those commodities that failed the initial audit (scored < 85%) will be audited. Also, a commodity that had an unreasonable number of items not-in-stock (more than 50% of items listed in the Contractor(s)'s catalog were NIS) during the initial audit, may also be audited during a follow-up. If the follow-up is a one-day audit (one or two commodities) these samples may require removal from refrigeration and/or frequent monitoring by Contractor(s)' personnel, the previous day/evening to ensure thawing within a 24-hour period. Additionally, the DLA TROOP SUPPORT Lead Auditor may stop at the facility to review the thawing progress the evening before the audit.

NOTES:

- (1) In addition to the cost of product and other expenses, the Contractor(s) is also responsible for the reimbursement of USDA-AMS/USDC's Inspection costs, as well as travel costs, associated with a Follow-Up Audit/QSMV conducted as a result of the Contractor(s)' failure of a prior Quality Audit or QSMV. Since there is no destructive sampling performed during a QSMV, there is no cost of product associated with a QSMV.
- (2) The estimated cost of a Follow-Up Audit includes the current USDA-AMS/USDC fee at the time of the audit/QSMV (FY 2020 fee - \$115.00 per hour); in CONUS, two (2) eight (8) hour days of temporary duty and one (1) or two (2) eight (8) hour day(s) of review/audit time. The total cost of review time is dependent upon the number of auditors/graders needed to perform the Follow-up Audit. For example, one (1) commodity failure will require two (2) USDA-AMS/USDC auditors, two (2) commodity failures will require three (3) USDA-AMS/USDC auditors, and three to four (3-4) commodities failures will require four (4) auditors. Follow-up QSMVs require two USDA-AMS Auditors, regardless of number of commodity failures. In CONUS, the maximum fee charges/cost for 4 days/8hr day is \$3,680.00 per auditor plus reimbursement for actual travel cost (transportation, lodging, per diem, rental car, miscellaneous expenses) as authorized by the Government Joint Travel Regulation. After the Follow-up Audit/QSMV, the Contracting Officer will request for reimbursement of USDA- AMS/USDC's inspection and travel costs associated with the Follow-up Audit/QSMV from the Contractor. Contractor will submit payment (check made payable to the US Department of Treasury) to the Contracting Officer within 45 Calendar days of request

7. Audit Failures

As noted herein, audit failures and/or failure to take preventative and corrective action will be grounds for terminating the contract. The Government may, at its discretion, take other action to address the audit failure such as, but not limited to unannounced QSMVs and/or follow-up audits. Such action will not eliminate the Government's right to terminate the Prime Vendor(s) contract should the deficiency or system which allowed the deficiency to occur remain uncorrected.

V. ORDERING and DELIVERIES & PERFORMANCE

1. START-UP / IMPLEMENTATION PERIOD / TRANSITION PLAN

- A. A start-up/implementation period of up to 58 days is allowed. An incumbent Contractor(s) who receives the award may be afforded less time for start-up/implementation if it is mutually agreed upon by both parties.
- B. The new contractor(s)' start-up/implementation period is defined as the timeframe which begins immediately after award and ends as the first order is placed. Within this timeframe the new contractor(s) shall be fully operational to support all customers listed in this solicitation. The start-

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up/implementation period is the period in which the contractor(s) shall, at a minimum: a) source and add the balance of the required catalog items at prices determined to be fair and reasonable by the contracting officers and provide supporting documentation such as invoices, specifications, and labels (see more details on what supporting documentation must be submitted in the Addition of New Items to the Catalog section of the Statement of Work; b) complete its ability to fully execute all EDI transactions and interact with STORES; and c) fully populate its complete electronic catalog for customer support. The complete electronic catalog must be submitted via 832 transaction at least 14 days prior to the first order date. The Contractor(s) shall submit a proposed implementation schedule to the Contracting Officer within ten (10) days after award highlighting the steps that will be taken to implement a fully functional distribution account, including all EDI transactions (and testing), for all customers covered by this solicitation. At a minimum, the following milestones for implementation will be met by the Contractor(s).

- Provide implementation plan: within 10 days of contract award
- Post award conference: within 20 days of contract award
- Visit customers/catalog scrub: within 30 days of contract award
- Submit a complete 832 transaction: 90 days after contract award
- Submit phase-out plan to Contracting Officer: 90 days after contract award
- Ensure Access to all Bases: 110 days after contract award
- Receive first order: up to 58 days immediately after contract award

- C. During the start-up/implementation period, the incumbent Contractor(s) will remain the principal source of food and non-food supplies. Notwithstanding other provisions of any resultant contract, performance failure during this period may result in termination for cause. In unusual or emergency circumstances, the new Contractor(s) may consider procuring residual levels of inventory from the incumbent as an initial basis for creating a catalog of items. It is the Government's intent to have all orders placed under the new Contractor(s)' contract when the incumbent contract expires.

During the start-up/implementation period, the incumbent Contractor is expected to maintain inventory at a level to ensure a 98.5% fill rate as required by the contract. Not-in-Stock (NIS) items should be limited.

During this start-up/implementation period, the Contractor(s) shall submit a comprehensive phase-out plan to the Procuring Contracting Officer (PCO) in accordance with the requirements set forth in this SOW/PWS. The services required in the phase-out plan will only be exercised in the event of a transition i.e. at contract end or termination. If the Contractor(s) succeeds itself in a subsequent acquisition for the same or similar services, the phase out plan will not be utilized. The Contractor(s) shall identify Points of Contact (PoCs) that have the experience, expertise, and authority to execute the plan.

- D. The Government reserves the right to coordinate a post award conference to be hosted by the awardee(s) within the start-up/implementation period. The Contracting Officer, or designated representative, initiating the conference will designate, or act as, the chairperson.
- E. Many bases may require enrollment in either RapidGate or the Defense Biometric Identification System (DBIDS). (See Security Measures, Section VI. 3).

2. ORDER LEADTIMES

- A. Orders, other than Emergency Orders or orders for Special Order items, shall be delivered on a "skip day" basis (the 2nd day thereafter), at a minimum, e.g. Monday orders shall be delivered no later than Wednesday.
- B. Orders shall be submitted by the customer by 2:00 p.m. local time for skip-day deliveries.

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3. EMERGENCY/SAME DAY ORDERS

- A. The Contractor(s) shall fulfill emergency orders, i.e. orders for same-day delivery, as needed. Upon receipt, the Contractor(s) will confirm the validity of the order. The Contractor(s) is responsible for providing the ordering facilities with the name of the Contractor(s) representative responsible for notification of receipt and handling of such emergency service and his/her work and cell phone number.
- B. The time emergency orders must be placed for same-day delivery will be 10:00 a.m. local time. Emergency orders may be changed/cancelled no later than 12:00 p.m. (noon) local time. The Contractor(s) will take all actions to deliver the same day as required.
- C. A STORES order must be placed for all emergency orders to assure proper Contractor(s) invoicing and payment. If STORES is inoperable, the order must be entered into STORES post-delivery.
- D. Each customer shall be permitted to make two Emergency orders per month. The Contractor(s) shall be responsible for completing these Emergency orders at no additional charge.
- E. In the event of a hurricane or other disaster, it may be necessary for the Government to pick up certain key disaster-relief products at the Contractor(s)' facility, including but not limited to bottled water, packaged ice, and commercial meal kits. In case of such an emergency, the Contractor(s) and Government will negotiate distribution prices for such FOB Origin items.

4. SPECIAL ORDER ITEMS and DELIVERY TERMS

- A. The Contractor is not required to maintain any item/LSN on the contract catalog that has an average usage rate of less than 5 cases (or lesser amount as proposed and awarded) per month. However, there are many items required by the customer that are not subject to this requirement, for example infrequently ordered and seasonal or holiday items. Additionally, certain items that are maintained on the contract catalog may require longer lead-time for the Contractor(s) (e.g. 14-21 days). The Contracting Officer must approve longer order lead-times for such Special Order items (see paragraph F below). Special Order items are approved longer lead-time items and are items that the Contractor(s) is not required to maintain on its skip-day delivery catalog, but are required to supply as needed.
- B. For items on the catalog that are specified as Special Order items, with a longer than skip-day order lead-time, customers shall submit separate STORES orders for such items, i.e. all items on a single STORES order shall have the same order lead-time and required delivery date.
- C. For items not maintained on the catalog, when required, the customer will provide written email request to the Contractor(s), and copy the DLA TROOP SUPPORT Contracting Officer/Contract Specialist and Account Manager, for such Special Order items, to include the item description, LSN if known, quantity and required delivery date. The Contractor(s) shall immediately source the Special Order item(s), and shall provide the request to add the item(s) to the contract catalog to the Account Manager, with a copy to the Contracting Officer/Contract Specialist, within 5 working days of receipt of the customer's requirement/request. Customer must annotate "SPECIAL ORDER ITEM" on the request form. The Contractor(s) shall be required to make deliveries of Special Order items, as required, no greater than 21 days (for existing suppliers) after approval by the Contracting Officer of the Contractor's add-item request, or no greater than 45 days from Contracting Officer approval when the item supplier is a new source for the Contractor(s), i.e. the Contractor(s) does not have an existing Purchase Agreement in place with the new item supplier at the time of the Contracting Officer's approval to add the item.

NOTE: Prior to the Special Order request, the customer must obtain approvals from their Service HQ for all catalog item additions.

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- D. After approval by the Contracting Officer to add the line-item/LSN to the contract catalog, the Contractor(s) shall either; (1) acquire the item and add such item immediately to the catalog, at the approved price, designating the item as a Special Order item with the required, longer order lead-time, or (2) acquire the item and add the line item/LSN to its contract catalog, after receipt of such item, for availability for customer skip-day order.
- E. The Contractor(s) shall be required to maintain a historical spreadsheet of all Special Order items, by LSN and item description and including date(s) added to the catalog, and price(s). This spreadsheet shall be available to all customers and the Government, and is intended to streamline the Special Order process for future, repetitive requirements. The Contractor(s) may be required to implement an additional, separate electronic contract catalog exclusively for Special Order items.
- F. The Contractor(s) may, upon approval from the Contracting Officer, designate certain items as Special Order items, i.e. items that will remain on the order catalog but require longer than skip-day order lead-time. These items shall be designated as “SO” in 832 field REF02 with the corresponding order lead-time in 832 field REF03.

5. ORDER CHANGE and CANCELLATION TIMES

- A. Skip-day purchase orders may be revised, i.e. the required quantity for a line-item(s) may be increased, reduced, or cancelled in its entirety (zero amount), by the customer (by telephone, or receipt-confirmed fax, or email) by 12:00pm (noon), Contractor(s) local time, the day prior to delivery. The 12:00 pm (noon) cutoff time does not apply to new orders placed for product substitutions of items that were not-in-stock (see 7 below- Not in Stock Notifications (NIS) & Orders for Substitutions.)
- B. Orders may be cancelled at the customers’ discretion (within the timeframe specified above) including, but not limited to, the following reasons:
 - 1. Change in requirement
 - 2. Change in troop location
 - 3. Change in troop mission
 - 4. User error on original order
- C. Special Order Item purchase orders may be revised, i.e. the required quantity for a line-item(s) may be increased, reduced, or cancelled in its entirety (zero amount), by the customer (by telephone, or receipt-confirmed fax, or email) and received by the Contractor(s) no later than 3 days (72 hours) after initial order placed (for a change to a Special Order long lead-time items on the catalog);
- D. For revisions/cancellations placed after the times specified above (i.e. late revisions/cancellations), the Contractor(s) shall not ship/deliver such cancelled items or quantities and shall take all reasonable efforts to sell such residual product(s) to other customers and orders placed under this contract or via commercial sales. In the event that late cancellation of Regular/Special Order item(s), or failure to place a STORES order for a previously requested Regular order/Special Order item(s) results in expiration of shelf-life of such item(s) and a loss to the Contractor(s), the Contractor(s) shall be entitled to payment for such product loss(es), provided that all of the following conditions occur:
 - 1. The item(s) and quantity was purchased and receipted by the Contractor(s) exclusively for the DLA TROOP SUPPORT ordering customer(s) in accordance with the DLA TROOP SUPPORT customer’s written direction;
 - 2. The customer does not order or take delivery of the item or quantity as ordered or requested, and failed to timely revise/cancel the order/request notification in accordance with contract requirements,
 - 3. The Contractor(s) immediately notifies the Contracting Officer of the customer activity(s)’

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failure to order as requested (i.e. for items not previously on the ordering catalog, within 2 weeks of the item going on the catalog; and for long lead-time items on the catalog, within 2-days of late cancellation),

4. The Contractor(s) provides additional written notice to the Contracting Officer when the product has only 45 days or less of shelf-life remaining, to allow for emergency actions within the remaining shelf-life of the item, e.g. discounted commercial sales as authorized by the Contracting Officer, and
5. The Contractor(s) actually incurs the monetary loss and places a claim for such loss. The customer activity that failed to order or to take delivery of such Special Order item(s) as requested or ordered, will be liable for such product loss, and will be billed for any such loss.

6. SUBSISTENCE TOTAL ORDER AND RECEIPT ELECTRONIC SYSTEM (STORES)

A. The Contractor(s) shall be capable of receiving electronic orders via STORES. In conjunction with STORES, the Armed Forces use a food management program to run their dining facilities. In order to be compatible and to take full advantage of its integrated food management function, the current version of STORES includes elements supporting the program. Offerors must have working information technology (IT) systems which are capable of interfacing with STORES in order to be considered for award. Attachment 8 – EDI Implementation Guidelines includes the EDI transaction sets information and specifics.

B. Subsistence Total Order and Receipt Electronic System (STORES)

1. STORES is the Government's ordering system that is capable of accepting orders from any of the Services'; i.e. Army, Air Force, Navy, or Marines, individual ordering systems and creating Electronic Data Interchange (EDI) orders. In addition, this information is passed to the DLA TROOP SUPPORT Enterprise Business System (EBS) for the purposes of Contractor(s) payment and customer billing. The web link below provides additional EDI information.
2. Customers will order all of their food and beverage requirements through STORES. Some customers will also be able to order non-food items through STORES. The system will transmit orders to the Contractor(s). It may be possible during the life of this contract that all customers will have the opportunity to order the non-food items from STORES.
3. STORES access is required for each Contractor(s)' employee. All STORES users must receive Account Management Provisioning System (AMPS) role approval prior to completing and electronically accepting the electronic user agreement for a STORES account. Detailed instructions on how to gain access to AMPS and STORES can be found in Attachment 9 – STORES – AMPS Customer Vendor Request.
4. The awardee(s) shall be required to interface with STORES and must be able to support the following EDI transactions:
 - i. 810 – Electronic Invoice
 - ii. 832 – Catalog (Outbound: Vendor to DLA TROOP SUPPORT)
 - iii. 850 – Purchase Order
 - iv. 997 – Functional Acknowledgment
 - v. A complete description of these transaction sets is included in the "STORES EDI Requirements" located at:

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[http://www.dla.mil/Portals/104/Documents/TroopSupport/Subsistence/STORES and EDI Requirements.pdf](http://www.dla.mil/Portals/104/Documents/TroopSupport/Subsistence/STORES_and EDI_Requirements.pdf) or see Attachment 8 – EDI Implementation Guidelines.

5. The Contractor(s) shall have access to the Internet and be able to send and receive electronic mail (email).
6. Unit prices and extended prices must be formatted not more than two (2) places to the right of the decimal point. Standard rounding methods must be applied.
7. The Contractor(s) shall utilize the Government's standard item descriptions and unit package/pack sizes for each catalog LSN in the Electronic Catalog (832 transmission). This data **SHALL NOT** be modified for any LSN.

NOTE: Contractors are highly encouraged to adopt Global Standards One (GS1). The adoption of GS1 Standards in the Foodservice Industry will greatly improve efficiency, product information, and food safety. The GS1 Standards begin with GS1 identification numbers, for products, using GS1 Global Trade Item Numbers (GTINs). GTINs uniquely distinguish all products (trade items), and logistic units across the supply chain from manufacturer to consumer. GTINs provide the link between the item and databases containing detailed information pertaining to that item. If your trading partners currently use GTINs, please reference Attachment 8 - STORES EDI Implementation Guidelines for segment and element instructions.

For more information regarding GS1 and GTINs, please visit the GS1 US website: www.gs1us.org/foodservice or contact:
Julie McGill, Industry Relations Director, Foodservice, GS1, US, T +1 312.463.4032, Ejmcgill@gs1us.org or Dennis Harrison, Senior Vice President, GS1 US, T +1 609.620.4522, Edharrison@gs1us.org.

C. STORES Ordering Process

1. All customers are required to electronically submit every order through the Government's STORES system.
2. If the STORES system is down, the Contractor(s) shall accept the order via fax, email, or phone, and the Contractor(s) shall deliver in accordance with the order required delivery date. In order to assure customer inventory receipting, and prompt Contractor(s) payment and customer billing, the order must still be inputted by the customer into STORES as soon as possible. **The Contractor(s) shall receive the STORES order and Purchase Order (PO) number before invoicing.** The STORES order generates the Purchase Order numbers and the funding commitment in our financial system. A Purchase Order number is one of the contractually required fields of your invoice, and **if your invoice does not have a Purchase Order number, it will not get paid. If the Contractor(s) does not timely receive a STORES order for prior fax, email, or phone orders, immediately contact your Contracting Officer, Acquisition Specialist, or Account Manager.**
3. There shall be no line-item (LSN) additions or substitutions to existing STORES orders. Requirements for additional LSNs to prior/existing orders shall be ordered by customers via STORES as a new and separate STORES order.
4. **Authorized Telephonic, Fax, Email Changes to existing STORES Orders:** Customers may only revise the required quantities for the line-items (LSNs) on an existing STORES PO, i.e. customers may

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require the Contractor(s) to reduce the quantity for, increase the quantity for, or cancel in its entirety (zero quantity), any line-item(s) on an existing STORES order, in accordance with 5. ORDER CHANGE and CANCELLATION TIMES above. **In this event, the Contractor(s) shall clearly annotate the quantity adjustment on the delivery ticket/invoice, and the customer shall receipt the correct delivered quantity.**

7. NOT-IN-STOCK (NIS) NOTIFICATION & ORDERS FOR SUBSTITUTIONS

- A. A separate STORES order must be placed by the customer for all substitution/replacement items. This order must be placed by 3:00 pm local contractor(s) time on the day prior to the required delivery date.
- B. All orders will be treated on a fill-or-kill basis; there can be no substituting of items. Specifically, a purchase order line item quantity will either be filled (whether in whole or in part) or, if the item is not in stock, it will be reported as a zero fill on the Prime Vendor's invoice. If an item is not available, partially or in whole, the Contractor(s) shall notify the customer as soon as the non-availability is known but no later than 24 hours prior to the required delivery date/time. Along with this notification, the Contractor(s) shall also provide notification to the customer if there is an item on the existing STORES catalog that may serve as a replacement for the non-available item. If the customer agrees, then the customer will place a separate order for that line item. The replacement item will be delivered along with the rest of the purchase order however it will be invoiced separately, including a separate purchase order number, CLIN, etc. The Contractor(s) must show the original item as a zero quantity fill on their first invoice, and the replacement item on the second invoice. The replacement item will be priced at its own catalog price. Invoices must have all the correct information (contract number, purchase order number, CLIN, quantity, price, etc.) in order to be paid. The Contract Specialist/Account Manager shall be copied on the required notification

8. VARIATION IN QUANTITY for NON-CATCH-WEIGHT ITEMS

- A. Catch-weight items are items for which a weight range per purchase case is acceptable; normally meat items purchased by the pound, e.g. 8905-01-E29-2117, Beef Flank Steak, 11-15 LB.
- B. Non-catch weight items are all other items, which must meet the exact case weight or units per purchase pack.
- C. There shall be zero variation in quantity for non-catch-weight items, i.e. the Government shall not be obligated to accept and purchase any quantities of any item delivered in excess of the exact order quantity.

9. DELIVERY DESTINATIONS AND INSTRUCTIONS

- A. Deliveries shall be F.O.B. destination to all ordering activities and delivery points. All items will be delivered to customer locations, free of damage, with all packaging and packing intact. The Contractor(s) shall remove all excess pallets used for delivery from the CONUS customer's location. No pallet exchange programs will be available for the customers listed in this solicitation. Deliveries shall be scheduled according to the customer's timetable as listed below. However, the delivery schedules listed below are subject to change based on customer needs and such changes will be made at no expense to the Government and will not require a contract modification.
- B. Installation delivery routes and stop-off sequence will be coordinated and verified with the installations on a post award basis by the awardee(s).
- C. All deliveries are subject to military inspection at destination. Delivery vehicles may be required to stop at a central location for inspection before proceeding to the assigned delivery point(s). Additionally, upon completing the delivery (or deliveries) and before the carrier leaves the installation, copies of the delivery tickets/ invoices may be required to be delivered to a central

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“Accounting Office” activity on the installation after all drops have been made and prior to the carrier’s departure from the installation.

- D. Specific delivery point information is provided below. Some installations have more than one delivery point. Pertinent information has been included to explain specific customer delivery requirements, point of contact and instructions.
- E. Products for individual customers/dining facilities must be segregated. Many of the military bases have more than one delivery point. All products shall be segregated by drop-off point. The intent is to provide expeditious off-loading and delivery to the customer.
- F. The Contractor(s) shall also ensure that the personnel loading and delivering the product provide prompt and efficient service to the customer.

CUSTOMERS/DELIVERY POINTS: DELIVERIES/REMARKS

This is a current list of the customers serviced under this solicitation. See Attachment 11 for a complete listing of all customers supported under this solicitation and their delivery addresses. Refer to this section for a list of the customers that have placed orders in the last 12 months and their estimated sales usage.

NORTH DAKOTA

Dakota Dining Minot AFB

Ordering Point
POC: Mario Super

Phone: 701-723-2359
Email: mario.super@us.af.mil

Delivery Point:
213 Tanker Trail Minot ND 58704
Delivery: Monday & Thursday, 6am - 8am

5th Missile Feeding Minot

Ordering Point
POC: Fanyu Meng
Phone: 701-723-4509
Email: fanyu.meng@us.af.mil

Delivery Point:
695 Minuteman Drive Minot, ND 58705
Delivery: Monday & Thursday, 6am - 8am

Airey Dining Grand Forks AFB

Ordering Point
POC: Michael Lockart
Phone: 701-747-4104
Email: michael.lockart@us.af.mil

Delivery Point:
642 H. St, Bldg. 315 Grand Forks, ND 58205
Delivery: Monday & Thursday, 7am - 9am

119th ANG Flight Wing

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Ordering Point
POC: Davis Mehus
Phone: 701-451-2680
Email: david.mehus.1@us.af.mil

Delivery Point:
Address: 1400 32nd Ave. N, Fargo, ND 58102
Delivery: Wednesday, Thursday, or Friday, once a month, 7am - 9am

NOTE: The current list of customers for schools and tribes can be found on ATTACHMENT 12-NORTH DAKOTA SCHOOLS & TRIBES ANNUAL SALES FOR SPE300-19-R-0031

SOUTH DAKOTA

114th ANG - Joe Foss Field

Ordering Point
POC: Donald Wenzel
Phone: 605-9885636
Email: donald.wenzel@us.af.mil

Delivery Point:
1201 W. Algonquin St., Sioux Falls, SD 57104
Delivery: 1 per month, Wednesday

Ellsworth Raiders Café

Ordering Point
POC: Gary Heath
Phone: 605-385-3322 (option 5)
Email: gary.heath.1@us.af.mil

Delivery Point:
28 FSS FSVF 2567 Doolittle Drive, Bldg. 2106, Ellsworth, AFB, SD 57706
Delivery: 3 per week, Monday, Wednesday & Friday, 6am - 9am

Pine Ridge I H S Hospital

Ordering Point
607 Indian Health Road E. HWY 18 Pine Ridge, SD 57770-1201
POC: Linda Suess
Phone: 605-685-2883
Email: Linda.Suess@ihs.gov

Delivery Point:
Delivery: 1 per week, Monday

Camp Rapids SD

Ordering Point
Bldg. 570, 2823 W. Main St, Rapid City, SD 57702
POC: Jeff Urban
Phone: 605-737-6734
Email: jeffrey.b.urban.mil@mail.mil

Delivery Point:
Bldg. 570, 2626 Canyon Lake Drive, Rapid City, SD 57703

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Delivery: Tuesday, 7:30 am- 4:00pm, or as needed

10. ADDITION OF CUSTOMERS

A. Adding customers within the contract geographic distribution region:

1. Additional DoD and non-DoD customers that are within the geographic distribution region covered by this contract(s) are considered to be within the scope of the contract and may be added to the contract without any new acquisition or competition process.
2. In this case, the Contractor(s) shall include the customer(s) at the effective contract prices applicable to that distribution region.
3. The decision as to whether a potentially new customer is within the contract region and, thus, will be added to the contract without further competition and at the existing contract prices, shall be within the sole discretion of the DLA TROOP SUPPORT Contracting Officer.

B. Adding customers outside the contract geographic distribution region:

1. This provision applies to the following customers:
 - i. A new DoD or non-DoD federal customer(s) that is not within the resulting contract(s)' geographic distribution region.
 - ii. An existing DoD or non-DoD federal customer that is not within the resulting contract(s)' geographic distribution region but has been previously supported on a separate contract covering a separate and distinct geographic distribution region, and for which the Contractor(s) will not accept the customer(s) at the effective contract price.
 - iii. An existing DoD or non-DoD federal customer that is not within the resulting contract's geographic distribution region but has been previously supported on a separate contract covering a separate and distinct geographic distribution region.
2. The customers described in paragraph B.1., above, and their foodservice requirements, may be added to any contract resulting from this solicitation as follows:
 - i. In the judgment of the Contracting Officer, the customer(s) at issue is/are located in an area that is considered adjacent or proximal to the geographic distribution region of the resulting contract(s). In a circumstance where the customer is located in an area that is adjacent or proximal to numerous different existing Prime Vendor contracts, the decision of which contract is most satisfactory to the Government for purposes of adding the customer(s) will be within the sole discretion of the Contracting Officer, taking into consideration numerous factors, including, but not limited to, those contained in this provision. Further, to that end, it is the Contracting Officer's sole decision as to which existing contractors available in the aforementioned region(s) will be solicited for the support of the customer(s).
 - ii. Only existing Subsistence Prime Vendor Contractors that are proximal to the new customer(s), i.e. close in distance, will be considered to support the potential customer(s). The Government may use in house records to identify potential Prime Vendors.
 - iii. The decision as to which Prime Vendor Contractors are proximal to the new customer(s) and will be requested to provide a proposal to support such customer(s) will be at the sole discretion of the Contracting Officer.

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- iv. The Contractor(s) selected by the Contracting Officer to support the new customer(s) shall include the customer(s) at the effective contract prices applicable to the current contract.
- C. Under no circumstances may the resulting contract(s)' maximum dollar value be exceeded as a result of additional requirements of any new customer(s).

11. HOLIDAYS

- A. All orders are to be delivered on the specified delivery date, except for Federal holidays, as outlined below. When a scheduled delivery day falls on one of these days, or one designated by your firm, delivery should occur on the next business day, unless otherwise agreed to by the customer,

New Year's Day
Martin Luther King's Birthday
President's Day
Memorial Day
Independence Day
Labor Day
Columbus Day
Veteran's Day
Thanksgiving Day
Christmas Day

Note: DLA TROOP SUPPORT Saturday holidays are celebrated the preceding Friday; Sunday holidays are celebrated on the following Monday.

- B. Holidays celebrated by your firm, other than those specified above, must be listed below. Also specify your policy for celebrating holidays that fall on the weekend.

During the weeks of Thanksgiving, Christmas, and New Year's Day the Contracting Officer will require that prices be held for the following week.

12. AUTHORIZED RETURNS

- A. The Contractor(s) shall accept returns under the following conditions such as:
 - 4. Products shipped in error;
 - 5. Products damaged in shipment;
 - 6. Products with concealed or latent damage;
 - 7. Products that are recalled;
 - 8. Products that do not meet shelf life requirements;
 - 9. Products that do not meet the minimum quality requirements as defined for the items listed in the Schedule;
 - 10. Products delivered in unsanitary delivery vehicles;
 - 11. Products delivered that fail to meet the minimum/maximum specified temperature;
 - 12. Quantity excess as a result of order input error/and or purchase ratio factor error; and
 - 13. Any other condition not specified above that is determined a valid reason for return by the Contracting Officer

13. SHORT SHIPMENTS AND SHIPPING ERRORS

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- A. The authorized Government receiving official will annotate short shipment(s) on the delivery ticket/invoice(s) that accompany the delivery. The Contractor(s)' representative, i.e., the truck driver, will acknowledge and counter-sign the delivery ticket/invoice.
- B. Any product delivered in error by the Contractor(s) must be picked up no later than the next delivery day after notification by the ordering facility.

14. WAREHOUSE/TRANSPORTATION

The Contractor(s) must possess a fully functional and operating commercial food distribution warehouse (including distinct temperature-controlled sections for dry, chill and frozen products, and docks for receiving/shipping product) of sufficient size and sufficient open capacity to satisfactorily perform on this contract(s). The Contractor(s) must also have the ability to pick ordered product, stage and wrap in pallets for shipping and transport product in temperature-controlled, temperature recording trucks directly to all the customers listed in the delivery schedule on an ongoing basis fulfilling skip-day schedule as described herein. Attachment 4 – NORTH DAKOTA CATALOG OF ITEMS FOR SPE300-19-R-0031 and Attachment 5 – SOUTH DAKOTA CATALOG OF ITEMS FOR SPE300-19-R-0031 contain the current line items/SKUs that are being used by the customers. A Contractor(s) must have the ability to fulfill all the customers' food supply requirements on a long-term, just-in-time basis in terms of both warehouse and transportations capabilities.

15. FEMA Order Tracking

1. a) In order to facilitate tracking of shipments for Federal Emergency Management Agency (FEMA) orders, the following information is required within 3 hours of material shipment: commercial bill of lading (CBL), delivery order (DO) number, trailer number, trailer license plate number, trailer license plate state, seal number, origin facility, destination facility, estimated delivery date/time, actual shipped date/time, comments. A sample spreadsheet is attached (See Attachment 10 – FEMA NOTIFICATION SPREADSHEET).

b) For orders shipped directly to destination by the Prime Vendor(s), the information shall be emailed to FEMA-TRACC-HQ@fema.dhs.gov. Individual points of contact at FEMA shall be determined in the future.

c) For orders shipped using trailers provided by DLA Distribution, the information shall be emailed to the DLA Distribution Vendor Shipment Module (VSM) office at delivery@dla.mil
2. There is no additional charge to the Government for this addition.

VI. ADDITIONAL PERFORMANCE REQUIREMENTS

1. PERSONNEL:

At a minimum, the Contractor(s) will have ample personnel to accomplish the performance required under the resultant contract. Resource(s) shall be dedicated to ensure customer satisfaction through daily communication with military or non-DoD customers and/or with DLA TROOP SUPPORT personnel. Resource(s) shall be dedicated to review and receive orders and notify customers of any Not-In-Stock (NIS) and/or substitutions on a daily basis. Resource(s) shall be dedicated to submit invoices in a timely manner and to reconcile any discrepancies with the invoice in the STORES RECON tool. Resource(s) shall be dedicated to the Quality Assurance function identified in this Statement of Work. Resource(s) shall be dedicated to maintaining and submitting required Management Reports. Other resource(s) as required. It is DLA TROOPSUPPORT experience that more than one (1) dedicated customer service/account manager is necessary to ensure performance required under the resultant contract.

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2. FOOD DEFENSE

- A. The DLA TROOP SUPPORT Subsistence Directorate provides world-wide subsistence logistics support during peacetime as well as during regional conflicts, contingency operations, national emergencies, and natural disasters. At any time, the United States Government, its personnel, resources and interests may be the target of enemy aggression to include espionage, sabotage, or terrorism. This increased risk requires DLA TROOP SUPPORT to ensure steps are taken to prevent the deliberate tampering and contamination of subsistence items. Such precautions are designed to provide for Food Defense as described by the Food & Drug Administration (FDA) at www.fda.gov/Food/FoodDefense/.
- B. The Contractor(s) must maintain a valid Food Defense Plan that describes what procedures are in place to prevent product tampering and contamination, and assure overall plant security and food safety during the performance period of this contract.

This Plan must be submitted to the Contracting Officer with initial proposal to be reviewed for acceptability. The Food Defense Plan must be approved by the Contracting Officer prior to award. (See Other Submission Requirements.)

- C. The Contractor(s)/Prime Vendor(s) must take all practicable measures that are within its control to deter or prevent tampering or contamination of supplies provided for under this contract solicitation. The Contractor(s)/Prime Vendor(s) must immediately inform DLA TROOP SUPPORT Subsistence of any attempt or suspected attempt by any party or parties, known or unknown, to tamper with or contaminate subsistence supplies.
- D. Any anticipated change(s) to the accepted Food Defense Plan will be submitted to the Contracting Officer within ten (10) working days after the supplier becomes aware of such change(s) to ensure compliance with the DLA TROOPSUPPORT Food Defense Checklist. (NOTE: to download a copy of the DLA TROOPSUPPORT Food Defense Checklist go to www.dla.mil/Portals/104/Documents/TroopSupport/Subsistence/FoodSafety/FoodQuality/food_defense_check.pdf)

The Contracting Officer may conduct ongoing verifications of the Prime Vendor(s)' security and food defense system throughout the life of the contract. Failure to maintain an acceptable food defense plan may be considered a breach of contract. DLA TROOP SUPPORT will conduct Food Defense Audits/reviews during Prime Vendor Product Quality Audits, Unannounced Quality Systems Management Visits and/or other visits to verify the implementation, compliance and effectiveness of the firm's Food Defense Plan.

3. SECURITY MEASURES

- A. The following security guidance is also provided:
1. Make sure all boxes, bags, etc. are intact and demonstrate no evidence of tampering. All incoming truck drivers should provide adequate identification upon request. Visitors should also be properly identified and access limited to appropriate areas. Procedures for storing product should adequately control access to eliminate any possibility of product adulteration.
 2. Specific Military installations may require trucks to be sealed after each delivery stop. If this is or becomes a requirement, the Contractor(s) shall be responsible for providing the seals and the following procedures shall apply:
 - a. Never leave open trucks unattended, and use bolt-seals when possible to designate loaded trailers.

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- b. Serial coded security seals shall be properly placed on all delivery vehicles and registered/logged in per delivery.
- c. When split/consolidated deliveries are authorized, the delivery vehicles are required to be sealed after each delivery point with a serial number coded seal.
- d. The military liaison or designated representative at the drop-off point shall be responsible for cutting the seal, verifying the serial number on the invoice, re-sealing the delivery vehicle with the new seal and annotating the number on the delivery ticket.
- e. Under no conditions will drivers re-seal delivery vehicle or complete the associated paperwork.
- f. Split/consolidated deliveries made in conditions other than those cited above are subject to be rejected by the customer.

- g. The Contractor(s) will ensure that employee background checks are up to date.

- h. Ensure drivers have communication devices available in the event of an emergency and establish emergency phone numbers for them to use.

- i. Firms should keep customer routes, etc. on a need to know basis.

- j. Review of overall organizational corporate security plans should be conducted to assess or reduce risk. It is important to convey to all warehouse, office and fleet personnel that security should not be taken lightly and any suspected adulteration or evidence of product tampering must be reported immediately.

B. RapidGate/Defense Biometric Identification System (DBIDS)

Many bases may require enrollment in either RapidGate or the Defense Biometric Identification System (DBIDS). Both RapidGate and DBIDS manages access to Department of Defense (DoD) installations and will not allow entry without clearance. During the contract start-up/implementation period, the Contractor(s) must contact all customer locations to determine whether enrollment in DBIDS, RapidGate, or another security program is required for access to each location. If DBIDS, RapidGate or other security enrollment is required, the Contractor(s) must take all necessary steps to obtain this in time for the start of performance under this contract. Failure to have clearance may result in a Prime Vendor(s) being turned away from the base and being unable to complete delivery. The Contractor(s) is responsible for any costs associated with DBIDS or RapidGate enrollment and must ensure that a DBIDS or RapidGate enrolled driver is available for all deliveries. We currently estimate that RapidGate enrollment will cost about \$250 per company and \$200 per enrolled employee for 1 year of access to multiple locations, but the cost of RapidGate or other security enrollment may vary, so the Contractor(s) should contact RapidGate to determine its own costs. If more than one driver is required, DBIDS or RapidGate enrollment must be obtained for each driver. Note that enrollment can take several weeks, so an awardee(s) that is not already enrolled must begin enrollment at the time of award notification at the latest. If difficulty or delay in enrollment in DBIDS or RapidGate is encountered during the start- up/implementation period, the Contractor(s) MUST contact DBID, RapidGate, and/or the Security Officer at the applicable customer locations to resolve any issues with processing DBIDS or RapidGate enrollment so that the Contractor(s) will be able to deliver as required. For additional information regarding DBIDS and RapidGate, including enrollment instructions, please visit their websites at www.dbids.dmdc.mil/DBIDS and www.rapidgate.com.

Please note that DBIDS and RapidGate is currently a requirement for access to some military bases; however, these and other locations may require enrollment in other security programs at some time in the future. In this event, the Contractor(s) is responsible for obtaining all required

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enrollments and clearances for each of their drivers as soon as they receive notice of such a requirement.

C. Force Protection Conditions (FPCON)

The Contractor(s) must be aware of the Department of Defense System and cooperate with all security measures that could be enacted by a specific installation. The Contractor must plan accordingly to ensure all deliveries are made with little or no interruption, assuming the base is accepting deliveries, when higher FPCON levels are enacted. (See Attachment 6 – FPCON for more details.)

D. Information Protection

The Contractor(s) shall maintain, transmit, retain in strictest confidence, and prevent the unauthorized duplication, use and disclosure of information. The Contractor(s) shall prevent unauthorized release of sensitive information, including, but not limited to, receipt, accountability, safeguard, destruction, and investigation of any computer security, internet security, network security, information security, security, computer, network, information, hacking, hacker, exploits, and vulnerabilities.

The Contractor(s) shall provide information only to those employees of the Contractor(s) and its subcontractors who have a need to know such information in the performance of their duties under this contract. Information made available to the Contractor(s) by the Government for the performance and administration of this effort shall be used only for those purposes and shall not be used in another way without the written agreement of the Contracting Officer.

4. SURGE AND SUSTAINMENT (S&S)/CONTINGENCY PLAN REQUIREMENTS

This solicitation includes items that are critical to support the Department of Defense’s ability to conduct contingency operations. These items are designated as the S&S requirements, including the Services’ go-to-war requirements. S&S requirements are reflected in the contract maximum percentage in this solicitation, and encompass any possible addition to peacetime quantities. The objective of this requirement is to obtain contractual coverage to meet the S&S quantities and sustainable accelerated delivery specified in this solicitation. S&S coverage includes access to production capability as well as Prime Vendor(s) owned or managed inventory/safety stocks. Offerors will be evaluated on their ability to meet the terms and conditions of the S&S requirements. S&S/Contingency requirements are defined as follows:

(A) Surge and sustainment capability means the ability of the supplier to meet the increased quantity and/or accelerated delivery requirements, using production and/or supplier base capabilities, in support of Department of Defense (DOD) contingencies and/or emergency peacetime requirements. This capability includes both the ability to ramp-up to meet early delivery or increased requirements (i.e., Surge), as well as to sustain an increased production and delivery pace throughout the contingency (i.e., Sustainment). The spectrum of possible contingencies ranges from major theater wars to smaller-scale military operations (i.e., Contingency). This capability also includes the estimated time needed to recover facility (ies) if damaged or otherwise not able to conduct normal operations.

NOTE: The S&S Capability Assessment Plan (CAP) and the Contingency Plan must be submitted to the Contracting Officer as a separate document with the initial proposal submission and will be invoked, as necessary. Offerors’ S&S CAP must be approved for acceptability by the Contracting Officer prior to award.

(B) S&S quantity and accelerated delivery schedule are identified on an individual item basis, based on the Services’ wartime planning requirements. The S&S quantity and delivery requirements are above and beyond the peacetime requirements in the schedule of supplies.

(C) S&S Capability Assessment Plan (CAP) (previously known as the “surge plan”). The CAP provides the offeror’s method of covering the S&S quantity and delivery requirements, identification of competing priorities for the same resources, and date the Contractor(s) can provide the required S&S capability. If any of the S&S

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quantity and delivery requirements cannot be met, the offeror must identify the shortfall and provide the best value solutions to include a proposed investment strategy to offset the shortfall. For example, the CAP may include, but is not limited to, one of the following scenarios to address wartime delivery requirements:

- (1) The S&S quantity and delivery requirements can be fully covered within the supplier's resources.
- (2) The S&S delivery schedule can be fully covered with early deliveries due to unit pack shipping.
- (3) The total S&S quantity and delivery requirements can be met but at a different delivery rate, and the supplier has no cost-effective investment strategy that would improve the capability to deliver according to the quantity and delivery requirements.
- (4) The total S&S quantity and delivery requirements can be met but at a different delivery rate, and includes an investment strategy that would improve the supplier's capability to deliver up to the maximum percentage stated in this contract.
- (5) The S&S quantity and delivery requirements can be partially covered (the supplier can only provide a fraction of the total quantities specified); however, the supplier has no cost effective investment strategy that would improve the capability to deliver up to the maximum percentage stated in this contract.
- (6) The S&S quantity and delivery requirements can be partially covered (the supplier can only provide a portion of the maximum percentage stated in this contract(s)), and includes an investment strategy that would improve the supplier's capability to deliver up to the maximum percentage stated in this contract.

(D) Agreement to participate in S&S validation/testing. By submission of an offer, the supplier agrees to participate in S&S validation/testing as required by the Government to verify the stated S&S capability. Testing/Validation may include any methodology that can validate the supplier's S&S capability. Validations will be conducted on randomly selected items by the Industrial Specialist after contract award and throughout the contract period. Validations include, but are not limited to, verification that the supplier and any subcontractor(s) have sufficient equipment, facilities, personnel, stock, pre-positioned raw material, production capabilities, visibility of supplier base resources and agreements, networks and plans for distribution (receiving, storing, packaging and issuing) and transportation services to accommodate the S&S requirements in the contract. This validation includes examination of any in-house work, review of the stock rotation plan (if applicable), and other contracts that impact the production of any added or accelerated quantities. The Government reserves the right to require validation using other methodologies when deemed appropriate. The language in this clause does not limit the Government's right, at any time after award, to perform inspections or validate the supplier's S&S capability.

(E) Supplier notification of S&S capability changes. The supplier agrees to maintain S&S capability to produce and/or deliver the S&S quantity identified in the Schedule of supplies in accordance with the approved CAP and S&S terms and conditions throughout the life of the contract. Changes that negatively impact S&S capability must be reported in writing to the Contracting Officer within ten (10) working days after the supplier becomes aware of such an impact. Such notification must include a revised S&S CAP with the supplier's proposed corrective action(s) and date when the supplier can attain the required S&S capability.

(F) Government changes, additions and deletions to S&S requirements. The identification of new S&S items in the peacetime schedule or increases in quantities of items already in the S&S schedule will be done through bilateral contract modifications. Deletion of S&S requirements or decreases in quantities will be made by the Government through unilateral contract modifications. The government reserves the right to obtain S&S requirements from other sources without liability to the supplier. This language does not relieve the supplier of the responsibility to provide, in accordance with the applicable delivery schedule, non-S&S and S&S quantities agreed to in the Schedule and CAP during the contingency.

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(G) Early or unexpected S&S requirements. The supplier shall support S&S requirements to the maximum extent practical (1) prior to the supplier achieving full S&S capability agreed to in the Schedule and the CAP, and (2) for requirements exceeding those agreed upon in the Schedule and the CAP, if agreed to by the Contractor and not exceeding any applicable contract maximum dollar value or quantity. The Government reserves the right to obtain S&S requirements from other sources without liability to the supplier.

C06 Surge and Sustainment (S&S) Requirements (FEB 2017)

(1) Definitions.

“*Surge and sustainment (S&S)*” means increased quantities and accelerated delivery rates required to meet Military Service requisitions across a broad spectrum of contingencies. The increased quantity and accelerated delivery rate are above and beyond the normal peacetime requirements. S&S quantities are identified as MWR, D1-D6 schedule, or a surge quantity event.

“*Capability Assessment Plan (CAP)*” means the offeror’s plan for covering S&S requirements, identification of competing priorities for the same resources, and date when the S&S capability can be attained. The offeror must provide the CAP as an attachment to its proposal when S&S items are identified in the solicitation. If the offeror cannot meet S&S quantity and delivery needs, the CAP must identify the shortfall and provide best value solutions, to include a proposed Government investment strategy to help offset the shortfall if needed.

(2) The contractor must maintain its S&S capability to produce and deliver the S&S quantity identified in accordance with the approved capability assessment plan (CAP) throughout the contract performance period. The contractor must participate in any S&S testing and verification requested by the Government. The contractor agrees to support S&S requirements to the maximum extent practical prior to achieving full S&S capability required in the CAP; and for requirements exceeding those required in the CAP but not exceeding any applicable contract maximum quantity or contract value required in FAR 52.216-19. Changes that negatively impact S&S capability must be reported in writing to the contracting officer within ten (10) working days after the contractor becomes aware of the impact. The notification must include a revised S&S CAP containing proposed corrective actions and date when the S&S capability will be attained.

(3) The Government reserves the right to verify and test the S&S capability described in the CAP at any time during contract performance. The Government will prepare a test and verification plan and upon request, the contractor must demonstrate its S&S capability.

(4) If requested by the Government, the contractor must be prepared to provide a plan to participate in S&S validation and testing to verify the S&S capability described in the CAP. Participation in S&S validation and testing will be at no additional expense to the Government, and does not justify an equitable adjustment to the contract price. The plan must include methodology, rating criteria, labor, materials, and time required to conduct validation and testing. S&S validation generally entails verifying if the contractor and subcontractors have (a) sufficient equipment, facilities, personnel, stock, prepositioned raw materials, production capabilities, and base resources; (b) agreements, networks, and plans for distribution (receiving, storing, packaging, and issuing); (c) transportation services to accommodate the S&S requirements in the contract; (d) examination of any in-house work; (e) review of the stock rotation plan; and (f) other contracts that impact the production of added or accelerated delivery of contract quantities. The testing/verification plan is not required to be included in the offeror’s proposal. Offerors are encouraged to consider the possibility of the Government requesting this participation when formulating the proposal.

5. SMALL BUSINESS EFFORT

- A. The Contractor(s) must achieve Small Business goals identified in proposal and accepted by the Government during the performance period of this contract(s).

At a minimum, the Prime Vendor(s) will obtain at least 22% of the supplies for proposed contract(s) from all SB firms (vs. LB firms). Within the subcategories, the Prime Vendor(s) will obtain the minimum percentage for the following goals: 5% from SDB; 5% from WOSB; 3% from SDVOSB firms, and 3% from HZSB firms. Per the DoD Office of Small Business Programs Goals for FY18, refer to:

<http://business.defense.gov/About/Goals-and-Performance/>.

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- B. The Contractor(s) shall ensure that SB, SDB, WOSB, SDVOSB, and HZSB concerns will have an equitable opportunity to compete for subcontracts or as product suppliers on this acquisition as identified in its proposal and accepted by the Government during the performance of this contract(s).

This Plan must be submitted to the Contracting Officer with initial proposal to be reviewed for acceptability. (See Other Submission Requirements.)

VII. CONTRACT ADMINISTRATION DATA

1. ADMINISTRATION AUTHORITY

- A. The DLA TROOP SUPPORT Prime Vendor Supplier Operations Office will perform administration of the contract. The DLA TROOP SUPPORT Contracting Officer is the only person authorized to approve changes, or modify any requirement of the contract(s). Notwithstanding any provisions contained elsewhere in the contract(s), said authority remains solely with the DLA TROOP SUPPORT Contracting Officer.
- B. A Government designated representative at the ordering activity will perform administration of the individual delivery order. This includes approving product substitutions and delivery changes.
- C. In the event the Prime Vendor(s) effects any change at the direction of any person other than the DLA TROOP SUPPORT Contracting Officer, the change will be considered to have been made without authority and no adjustment will be made. The Contracting Officer must authorize any modification or costs associated with a change.
- D. Requests for information on matters related to this contract(s), such as an explanation of terms or contract interpretation, shall be submitted to the DLA TROOP SUPPORT Contracting Officer.

2. CATALOG CHANGES

- A. The market basket of items, along with their respective prices as determined fair and reasonable during the acquisition process, will become the basis of the catalog. It should be noted that this Market Basket represents a minimum of 40% of the customers' requirements. After award and during the catalog start-up/implementation period, the additional customer required catalog items will be added at prices determined fair and reasonable by the Contracting Officer. The entire customer catalog must be submitted via 832 transaction at least thirty days prior to the first order date. The catalog prices will establish the initial catalog and must be held throughout the first ordering week of the contract, if determined fair and reasonable by the Contracting Officer. Subsequent to implementation of the initial catalog, additional items may be required by customers, and individual items may be deleted. All items added to the catalog must be determined fair and reasonable for price prior to addition. Unless otherwise specified, items catalogued are not considered proprietary. In addition, the following applies to all subsequent weekly 832 updates in the catalog.

B. Customer Notification of Catalog Changes

1. The Contractor(s) shall provide email notification to the DLA TROOP SUPPORT Contracting Officer, and all customers of **any/all** catalog item LSN **additions, deletions, and/or product brand/labels** no later than the day and time of submission of 832 catalog transactions to DLA TROOP SUPPORT (i.e. Wednesday 1:30pm local Philadelphia time).

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2. Such notification should provide the LSN, item description, and brand/label.
3. When an item is deleted, the notification should include the fully explained reason for the requested deletion, e.g.: customers requested replacement item xxxx, item being discontinued and replaced by xxxxx, insufficient demand (with details), etc.

If a product is no longer required or replaced by a new item due to customer preference, the customers must **draw down** the existing inventory before ordering the new replacement item.

If a product is discontinued by the manufacturer, i.e., such as a pack size, and the pack size change is not acceptable to the customer, the Contractor(s) may be required to source another manufacturer's product.

The Contractor(s) shall not delete items due to not-in-stock status.

C. Price Changes –

Price changes will be in accordance with the Economic Price Adjustment (EPA) clause included in this contract(s). The DLA TROOP SUPPORT Contracting Officer will review price changes to determine fair and reasonableness when 832 transmission updates are received, but prior to release of catalog to customer. As part of this review, the Contracting Officer may require additional substantiated proof of the cost prior to final approval.

D. **Catalog Changes**

Submission of 832 catalog transactions for all changes, deletes and additions is required to be submitted by Wednesday 1:30pm local Philadelphia time.

3. **ADDITION OF NEW ITEMS TO THE CATALOG–**

- A. When the Government customer requests a new item(s) not inventoried by the Contractor(s) be added to the contract catalog, the customer shall provide sufficient information to the Contractor(s) to enable it to promptly source the required item. **NOTE: Prior to all requests, the customer must obtain approval from their Service HQ (AF and Navy) and Food Program Manager (Army and Marines) for all catalog item additions.**
- B. The Contractor(s) shall source the item and submit, by email, the fully completed LSN Request Form to add such item(s) to the DLA TROOP SUPPORT Account Manager within 5 working days of the complete request. The contractor(s) shall copy the DLA TROOP SUPPORT Contract Specialist. The Local Stock Number (LSN) Request forms, completed in full is available at:

www.dla.mil/TroopSupport/Subsistence/FoodServices/mpanapa/mpa.aspx

- C. Each Contractor(s) request to the Contracting Officer to add new item(s) must include the following documentation: copy of manufacturer's/grower's/private label holder's or redistributor's original invoice and a screen shot in your electronic purchasing system signifying the delivered price, or a written price quote on the manufacturer's letterhead if the item is not currently in stock, and a written copy of the **manufacturer's** technical specification from the **manufacturer, grower, private label holder, or redistributor's**, and clear, legible images of the Principle Display Panel (PDP) and Information Panel from the manufacturer, grower, private label holder, or redistributor. Contractors must ensure that the PDP and Information Panel contain the USDA FSIS mandatory elements:

- i. The Principal Display Panel (PDP) showing:

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- Product Name
- Handling Statement
- Legend/Establishment Number
- Net Weight Statement
- ii. The Information Panel showing:
 - Ingredients Statement
 - Signature Line
 - Nutrition Facts*
- iii. Mandatory Safe Handling Instructions Displayed Anywhere on Labeling

* Although the nutritional statement is not mandatory on some items, if nutritional facts are not included on the Information Panel, offeror must provide the nutritional facts on the manufacturer's technical specification.

Contractors must ensure that the **manufacturer's** technical specification contains the following information, where applicable: product name/standard of identity (to include the addition of solution or marinade), brand name, GTIN number, Manufacturer SKU number, Country of Origin, name and address of original manufacturing facility, grade of product, NAMP/IMPS number, state/method of refrigeration (IQF, frozen, etc.), weight, package sizes, tare weight, and manufacturer's stated product shelf life.

For any new add requests for items which have closed shelf life code dates, the Contractor(s) is required to provide code break data so the Government can determine the product expiration date.

- D. Once an item has been authorized and approved by the Contracting Officer, written notification will represent the Contracting Officer's determination of price reasonableness.
- E. The Contractor(s) shall promptly add the item to the catalog in the first weekly 832 transmission after Contracting Officer approval, and have the item available for order and delivery within 21 days of receipt of such Contracting Officer approval for existing suppliers, or no greater than 45 days from Contracting Officer approval when the item supplier is a new source for the Contractor(s), i.e. the Contractor(s) does not have an existing Purchase Agreement in place with the new item supplier at the time of the Contracting Officer's approval to add the item.
- F. The approved price for any/all items as submitted on the LSN Request Form SHALL be the price submitted in the subsequent 832 transmission. Incoming 832 transmissions will be verified for compliance. If circumstances warrant a price change prior to initial 832 submission, the Contractor(s) must resubmit the new price supported with invoice for approval. Without Contracting Officer approval, prices submitted other than those originally approved will be rejected.
- G. The LSN Request Form includes a field for the Contractor(s) to suggest a Distribution Category. However, the Contracting Officer will make the final decision on the Distribution Category assigned.

NOTE: Under no circumstance shall a Contractor(s) transmit any catalog 832 transaction to add a catalog item without the Contracting Officer's written approval.

4. FILL RATES

Order fill rates shall be calculated by the Contractor(s) on an on-time, per order basis and tracked for monthly submission to the Contracting Officer/Account Manager. To ensure accuracy in the Contractor's reported fill rates, the Government will utilize its own internal data for comparison purposes. The fill rate will be measured in two categories: non catch-weight items and catch-weight items. The required contract purchase order fill rate is 98.5% for non-catch-weight and catch-weight

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items.

During contract performance, failure to achieve fill rate requirements may have a negative effect on past performance ratings for future acquisitions. Fill rates will be documented in the Contractor(s) Performance Review System (CPARS) and low fill rates may impact past performance evaluations on subsequent acquisitions.

- A. The Government's in-house record for non-catch-weight fill rate shall be calculated utilizing the purchase order and receipt information located in STORES, as specified below. The Contractors submitted fill rate reports will be based on the same formula, and shall not include substitutions, miss-picks, damaged cases, rejected items, etc.

$$(\text{Cases accepted} / \text{cases ordered}) \times 100 = \text{Fill Rate \%}$$

B. Definitions:

- (1) Non catch-weight item: An item which has a specific weight per case, e.g. 8920-01-E09-7315, Cake Mix, Yellow, 6/5 LB BX.
- (2) Catch-weight item: An item for which a weight range is acceptable; normally meat items purchased by the pound, e.g. 8905-01-E29-2117, Beef Flank Steak, 11-15 LB.
- (3) Cases accepted: For non-catch-weight items, the product quantity that the customer has received and receipted, not including damaged cases, and miss-picks.
- (4) Cases ordered: For non-catch-weight items, the product quantity requested by a customer.
- (5) Pounds accepted: For catch-weight items, the product quantity that the customer has received and receipted, not including damaged cases, and miss-picks.
- (6) Pounds ordered: For catch-weight items, the product quantity requested by a customer. However, in the event that a catch-weight item is overfilled, and the customer accepts the extra quantity, the 'pounds ordered' will be adjusted to match the 'pounds accepted.' This is to preclude a fill rate greater than 100%.

- C. Designation of catch-weight items: To designate a catch-weight item, the Contractor(s) must input catch-weight indicator "AVG" in 832 catalog field PO404, Packaging Code, for each catch-weight item. The Contractor(s) shall assure that the correct average case weight (i.e. the estimated weight average of cases that will be delivered) is input in 832 catalog field CTP04, Catch Weight Multiple.

- D. See paragraph VII.4.A above for the calculation of fill rate for catch-weight items.

- E. No single line item will be credited for more than 100% fill rate. This includes both catch-weight and non-catch-weight items and for any items should the accepted quantity be greater than the quantity ordered.

- F. Non-conforming cases, e.g. incorrect items (miss-picks) and damaged cases will not be accepted and receipted.

- G. The Government in-house record for fill rate calculates the fill rate for each line item of each purchase order, the fill rate per purchase order, the fill rate per customer, and the fill rate for all customers, for any period of time, based on purchase order required delivery dates (RDD). Fill rates are calculated for non-catch-weight items and catch-weight items.

- H. The Contractor(s) shall promptly inform the Acquisition Specialist and Contracting Officer of any specific instances that would absolve or excuse its failure to deliver an order, or individual line item(s), in full; e.g. customer cancelled line or quantity without adjusting STORES, customer ordered incorrect quantity, item being discontinued, etc. If the Contracting Officer

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agrees with the justification, the exception will post to its in-house system, which will result in the purchase order or line(s) either being excluded from the Government fill rate calculation or the correct purchase order and receipt quantities being included in the calculation. These excusable instances represent Fill Rate Exceptions, and are shown below.

- I. The Contractor(s) shall submit its fill rate report (to include overall non catch-weight item fill rate based on cases and overall catch-weight fill rate based on pounds) on a monthly basis to the DLA TROOP SUPPORT Contracting Officer. The reports shall be based on purchase order required delivery dates (RDD), not purchase order placement dates. The Government will compare and attempt to reconcile the Government and Contractor's report. The Government's fill rate report will be the official government record for contract performance evaluation.

Fill Rate Exception Codes (All Customers Including Navy Land Based)

Code	Reason
C02	Customer Decreased Quantity Or Cancelled (Including Pre-Delivery)
C03	Cancelled Due To Operational Schedule Change
C04	Insufficient Lead Time
C05	Rejected Due To Quality Issues
C07	Other, Caused By Vendor
C08	Other, Customer Issue
C09	Late/Non-Delivery of C02 Canisters (Where applicable)
C10	Vendor Not In Stock Or Short Shipped (No Replacement Ordered)
C11	Vendor Not In Stock Or Short Shipped (Replacement Ordered)
D01	Valid STORES System Issues (Receipt, Catalog, PRF, etc....)
D04	CONUS/OCONUS NIS Approved By The Contracting Officer/COR
V01	Monthly Item Demand Exceeds Average Demand By >300% (OCONUS Only)
V02	Newly Cataloged Item (Insufficient Time For Vendor To Capture Demand History)
V03	Low Shelf Life Item - Frequency Restocking Required
V04	Customer Decreased Quantity Or Cancelled (Including Pre-Delivery)
V05	Customer Based Order Quantity On The Incorrect Unit Of Issue
V06	Customer Did Not Provide Sufficient Ordering Lead Time
V07	Item Being Phased Out (Catalog Timing Issue - Does Not Include Vendor Voluntary Brand Changes)
V08	Catch Weight Adjustment (Customer Orders 100 Lbs Actual Weight Of Product Is 98 Lbs)
V09	Product Recalled
V10	Other (Vendor To Provide Specific Explanation/Backup Documentation For "Other" Exception)
V11	Vendor Not In Stock Or Short Shipped
V12	CONUS/OCONUS NIS Caused by DTS Delay - Approved By The Contracting Officer/COR

***This is an example of the pre-formatted DLA TROOPSUPPORT Vendor Fill Rate Exception Spreadsheet

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DLA Troop Support Vendor Fill Rate Exception Spreadsheet									
Contract #	DODAAC	PO Number	Stock #	Exception Code	Actual Order Cases	Actual Rcpt Cases	Actual Order Wgt (Catch)	Actual Rcpt Wgt (Catch)	Other Reason Verbose Description
Notes:									
1) If you are indicating that the PO line should be completely excluded from the fill rate calculation, enter the number "0" for columns F thru I.									
2) Columns H and I are required for catch weight items only.									
3) Exception codes must be from the current list of DSCP authorized vendor short shipment exception codes.									
4) Column J should only be filled in if exception code V00 has been entered in column E.									
5) Use the header provided without altering.									
6) Do not add additional columns.									
7) Do not delete existing columns.									
8) Do not provide additional column totaling.									

***This is an example of the pre-formatted DLA TROOP SUPPORT Vendor Fill Rate PO Summary Spreadsheet.

DLA Troop Support Vendor Fill Rate PO Summmy Spreadsheet										
Contract #	DODAAC	PO Number	Total Actual Order Cases	Total Actual Rcpt Cases	Total Actual Order Wgt (Catch)	Total Actual Rcpt Wgt (Catch)	Total # of Line Items	Overall Fill %	Overall Non Catch-Weight Fill %	Overall Catch-Weight Fill %
Notes:										
1) Columns F and G are required for catch weight items only.										
2) Use the header provided without altering.										
3) Do not add additional columns.										
4) Do not delete existing columns.										
5) Do not provide additional column totaling.										

5. FOOD SHOWS

- A. The Contractor(s) is required to advise the Contracting Officer and the Acquisition Specialist of all Food Shows that are conducted throughout the course of the contract. The Contractor(s) is not required to conduct a Food Show specifically for its DLA contract customers; however, the Contracting Officer reserves the right to participate in any Food Show that the Contractor conducts for its general business. Participation may or may not involve customers or DLA personnel attending the Food Show.

- B. Should the Contracting Officer choose to participate,
 - 1) Approximately one (1) month prior to the Food Show, the Contractor(s) shall furnish the Contracting Officer and/or Acquisition Specialist the following information:
 - (a) List of manufacturers/brokers attending the Food Show;

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- (b) Map showing the locations of booths;
 - (c) Effective period of any offered allowances, i.e. off-invoice discounts;
 - (d) Statement as to whether the allowances are applicable to all orders placed within the effective period, and
 - (e) Usage report for all customers covered by the contract. This data shall represent the same number of weeks as the effective period of the allowances. The data shall be a consolidation of all customers, and be sorted in booth order sequence. At a minimum the following elements are required:
 - (i) Vendor Part Number;
 - (ii) Description of item;
 - (iii) Usage quantity;
 - (iv) Manufacturer/Brand; and
 - (v) Booth Number of the exhibitor and the products they represent
- 2) At the end of the Food Show allowance period, the Contractor(s) shall submit to the Contracting Officer/Acquisition Specialist a Food Show savings report by customer. This shall be completed within 2 weeks of the end of the allowance period. A total sales report for the same period shall also be submitted.
- 3) Food Show allowances must be passed on to the customers directly as a discounted price. Accordingly, when the applicable items are ordered, the price must reflect the discount if ordered during the specified time frame. The discounted price is the price that is to be submitted via the 832 catalog transmission. All decreases in price must be submitted via the 832 transmission the week prior to the beginning of the allowance period.

6. CUSTOMER SERVICE AND SUPPORT

- A. The Contractor(s) shall treat each and every customer covered under this contract with the same customer service policy given to their commercial and/or other accounts.
- B. The Contractor(s) shall provide at least one (1) full time Customer Service Representative to maintain continuous contact with all the ordering activities. The name of the representative and the phone number, mobile phone number, beeper number, email address, and any other method of communicating with the representative, shall be furnished to the customers after award. If the Customer Service Representative is out of the office, there shall be a backup Customer Service Representative that can maintain continuous contact with all the ordering activities.
- C. The customers in this area have periodic food menu board meetings and the Contractor(s) may be invited to attend these meetings. At these meetings, the customers not only review their internal business practices, but the Contractor(s) can utilize this forum to show new products, demonstrate product preparation, provide nutritional information and address any other concerns the customer may have. Contractors shall participate in these meetings as requested.
- D. The Contractor(s) shall hold interactions with all customers serviced under the resultant contract(s) at a minimum of once per month via customer visits, telephonically, or electronically, in order to maintain open communication and address any issues that may arise. The method of Contractor(s) interaction with the customer may vary according to the needs of the customers, and more than one meaningful contact may be required per month. The Contractor(s) must document their customer contact/visits and provide a copy to the Contracting Officer upon request.

Since many of our customers only have access to the Government phone network, it is required that a toll free telephone number be provided post award.

VIII. SPECIAL CONTRACT REQUIREMENTS

1. NON-COMPETE PROVISION

A. The offeror(s) warrants that, upon receiving a contract award, it will not actively promote, encourage, engage, or market any of the customers on this acquisition away from the resultant DLA TROOP SUPPORT contract and onto a full-line food and beverage contract or account of any other Government agency or commercial entity. This prohibition is in effect during the life of the resulting contract, and restricts competition in the specific geographic distribution region that is the subject of this acquisition. A violation of this term may result in the Contracting Officer terminating the contract, documenting this action as part of the awardee’s past performance data, and taking other appropriate recourse as permitted by contract or applicable regulations and law.

2. MANAGEMENT REPORTS

A. The Contractor(s) shall electronically transmit the following reports to the DLA TROOP SUPPORT Contracting Officer and Acquisition Specialist on a monthly basis, except as otherwise noted. All reports shall be cumulative for a one (1) month period (except as otherwise noted) and submitted no later than the seventh day of the following month, e.g., reporting period of January 1st through January 31st – the reports are due February 7th. Weekly reports shall be submitted by the Friday after the week being reported. The Contractor(s) may be required to submit reports on an as-needed basis in addition to the regularly scheduled reports.

(1) Reports received from Contractor	Frequency
(i) Fill Rate, Non Catch-Weight Items	Monthly
(ii) Fill Rate, Catch-Weight Items	Monthly
(iii) Ability One Subcontracting	Monthly
(iv) Small Business	Monthly
<hr/>	
(v) Descending Case	As Required
(vi) Descending Dollar	As Required
(vii) NAPA Report	Monthly
(viii) Customer Contact/Visits	As Required
(ix) Not in Stock (NIS)	Monthly
(x) Government Rebates and Discounts (General)	Monthly
(xi) Government Rebates and Discounts (Food Show)	As Required
(Contractor will report any rebate/discount additions, deletions or changes by item)	
(xii) Earned Income Categories	(Update as applicable)
(xiii) Private Label Savings	Quarterly

These reports are reviewed by the Contracting Officer. Other performance measurements monitored include, but are not limited to, adherence to mandatory items, Contractor(s) Performance Assessment Reports (CPARS), adherence to delivery of domestic products, and adherence to the Contractor(s)’ Food Defense Plan. The Contracting Officer has determined that routine methods are appropriate to monitor contract performance. Metrics

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are reported monthly to Subsistence top management who in turn reports these measurements to Command.

The following are in-depth descriptions of the major reports listed in the table:

(2) Fill Rate:

The Contractor(s) shall submit its monthly fill rate report (to include overall fill rate; non- catch weight item fill rate; and catch-weight item fill rate) to the DLA TROOP SUPPORT Contracting Officer. The report shall be based on order required delivery dates (RDD), not order placement dates, e.g. the report for March 2017 shall include all orders placed for deliveries covering the period from February 1st through February 28th (or 29th in a leap year). This would normally include orders placed the last day(s) of February 2017. In addition to monthly fill rate reports, more frequent reports may be required on an as needed basis. The Government will compare and attempt to reconcile the Government and Contractor(s)' reports. The Government's fill rate report will be the official government record for contract performance evaluation. The fill rate is calculated by dividing the number of cases accepted by the customer by the number of cases ordered. Miss-picks and damaged cases should not be included in this calculation. The report shall specify fill rates per customer and an overall average fill rate for all customers under the contract for the period being reported. The monthly fill rate reports should specify fill rates grouped by contract number/DODAAC (first six positions of the purchase order)/purchase order number. The date range of the report shall be based on the customer's required delivery date (RDD). Overall discrepancy report shall only include purchase orders that contain less than 100% fill rate and reason code for discrepancy. The Contractor(s) shall submit a separate discrepancy spreadsheet containing a list of Government authorized and verifiable fill rate exceptions using acceptable codes as outlined in the solicitation. Please note that the fill rate could take up to three months to calculate due to system reconciliation. However, the Government's finding will serve as the final rate.

(3) Ability One Subcontracting:

This report must list all products supplied by Ability One firms. Total dollars and percentages shall be highlighted within the Socioeconomic Report. Progress reports regarding these subcontracting efforts relative to AbilityOne entities are also required.

(4) Small Business:

This report shall list all products manufactured and/or supplied by small business, small disadvantaged business, minority owned small business, women-owned small business, women owned small disadvantaged business, HUBZone small business, veteran owned small business, service disabled veteran owned small business, and AbilityOne Program. This shall be sorted by manufacturer/supplier and include quantity and dollar value and shall be sorted by the applicable business size category of the manufacturer/supplier. The workshops in Non Profit Agencies participating in the AbilityOne Program are not to be categorized under Small Disadvantaged Business as they are non-profit organizations and should be considered their own separate category. Note: This report is for direct subcontracts for products supplied to customers. This report is not to include direct costs. SBA must certify (a) SDB that are a part of the SBA 8(a) program; and (b) HUBZone business.

A summary page of the report shall also be submitted which highlights the total dollars

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and percentages for each category. This information is very important since DLA TROOP SUPPORT is required to report its success in meeting these goals for the Defense Logistics Agency (DLA). Also requested, but not required since DLA does not mandate that these goals be reported, is a listing of products supplied and/or manufactured by UNICOR, Labor Surplus Areas, Historically Black Colleges or Universities and Minority Institutions.

(5) Descending Case Report:

This report must list all products sold for a one-month period in descending order by case. It provides visibility of regularly purchased line items, in terms of quantity, from most to least.

(6) Descending Dollar:

Sorted by line item; each line to contain at a minimum the DLA TROOP SUPPORT stock number, item description, pack or size, brand description, quantity, and total dollar value of units shipped. Dollar amounts must be totaled. This report shall be submitted by individual customer accounts AND also by the total customer base.

(7) NAPA Report:

One2One prepares a report summarizing the discrepancies between what savings should have been passed along to the customers in the form of deviated allowances realized as a result of utilizing NAPAs on a monthly basis per item on each contract. The report is a spreadsheet which lists the contract, the NAPA amount, the manufacturer/broker name, the quantity ordered, and calculates the savings that should have been passed along to the customers versus what savings were actually passed along for a given month. This report is provided to both the Contractor(s) and DLA TROOP SUPPORT.

The Contractor(s) is responsible for addressing each discrepancy shown on this report within one week of receiving the report from One2One. If the Contractor(s) has not passed along all savings due to the customer, and does not successfully show a reason why these savings were not given (such as an error in Government data), the Government is entitled to receive the total dollar amount shown on the discrepancy report. The Government reserves the right to make final determinations on all discrepancies.

(8) Customer Contact/Visits

The Contractor(s) must document their customer contacts/visits and provide a copy to the Contracting Officer upon request.

(9) Not In Stock:

This report must list all not-in-stock products (in accordance with the definition of fill rate/not in stock) for a one-month period.

(10) Government Rebates and Discounts:

- a. General: The Contractor(s) shall provide a monthly report identifying any and all Government Rebates and Discounts received by the Contractor(s), and the

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amount passed on to the Government. The Contractor(s) must indicate the type of Government Rebates and Discounts received by the Contractor(s), whether they are being passed on to the Government customers consistent with its Price Proposal, whether they are of limited or special duration, and the amount that has been passed on to the Government, in the form of an upfront price reduction.

- (i) This report should summarize the savings passed along to the customers in the form of general Government Rebates and Discounts. List each customer, the amount, the manufacturer/broker name, and quantity ordered. General Government Rebate and Discount figures should be listed per customer, per contract and per manufacturer.
- b. Food Show: This report should show a detailed break out of all savings received at your Food Show. This report is not a monthly requirement, but is based on the timing of your Food Show. List each customer, the Food Show amount, the manufacturer/broker name, and quantity ordered. Food Show Government Rebates and Discounts should be listed per customer, per contract, and per manufacturer. The total should be per customer and per contract.

(11) Earned Income Categories:

Any changes, additions or deletions to those categories identified by the Contractor(s) in their price proposal that occur during contract performance will be immediately reported by the Contractor(s) as part of its next scheduled monthly management reports. It is not necessary to submit specific dollar amounts of Earned Income, just the categories. Examples of categories are marketing allowances and sales volume incentives.

(12) Private Label Savings

- a. Current Savings: This section of the report will identify all “private label” items on the contract catalog and the savings (by line item and cumulative) associated with using private label versus national brand names for like items. Likewise, in the event that any private label items cost more than national brand like items, identify these items and dollar amounts.
- b. Potential Savings: This section of the report shall identify other items that would be suitable for conversion to private label and the estimated cost savings, projected on a quarterly basis (by line item and cumulative). As part of the Customer Visits, the contractor(s) will recommend items that may be switched from brand name to private label to save the customer money.

If a conversion to a private label item occurs, the item shall be included in the Current Savings section of this report as explained in paragraph (a) above. Any private label item that is added or deleted from the catalog during the quarter must be clearly annotated on the report to include the date the action (add or delete) occurred.

Both sections of the report must include the usage quantity for the item currently on the catalog. In addition, the LSN/NAPA (if applicable), part number, item description, and price for both the private label and national brand must be provided.

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3. SUBMITTED PLANS FROM CONTRACTOR

A. All plans submitted as part of the offeror’s Non-Price Proposal shall be incorporated into the resultant contract(s), to include those elements of an offeror’s Non-Price Proposal that exceed solicitation requirements, as well as all Implementation and general Business Plans. Final negotiated prices shall become the baseline catalog prices at the start of the contract and at the time of first order.

4. AWARDED DISTRIBUTION PRICES

See the definition in ECONOMIC PRICE ADJUSTMENT (EPA) – ACTUAL MATERIAL COSTS FOR SUBSISTENCE DELIVERED PRICE BUSINESS MODEL – DLA TROOP SUPPORT SUBSISTENCE PRIME VENDOR (SPV) CONTIGUOUS UNITED STATES (CONUS), ALASKA, AND HAWAII.

Cat. #	Category Description	Unit of Measure	Tier 1	Tier 2
1	Beef, Raw, Cooked, Frozen/Chilled	LB		
2	Poultry, Raw, Cooked, Frozen/Chilled	LB		
3	Pork, Raw, Cooked, Frozen/Chilled	LB		
4	Mixed meats, Luncheon Meats, Franks, Hot Dogs, Frozen/Chilled	LB		
5	Lamb, Veal and Game, Raw, cooked - Frozen/Chilled	LB		
6	Seafood, including Fish and Shellfish, Raw, cooked, Frozen/Chilled	LB		
7	Grocery products canned, jar, pouch, sleeve (example: non-meat, meat, fish, soups, sauces, salsa, gravy, brown gravy, bouillon, stock, fruits, vegetables, dry milk - to include baby food)	CS		
8	Fruits and Vegetables, Frozen and Chilled – including further processed refrigerated	CS		
9	Frozen /Chilled Entrees (example: Cordon Bleu, Chicken Kiev, Stuffed Chicken Breasts, Stuffed Pork Chops, Appetizers, Pizza, Burritos, Corn Dogs, Pizza Toppings, Pancakes, French Toast, French Fries, Onion Rings, Hash Browns, Tater Tots, Vegetarian/Vegan - Veggie Burger, Breads, Doughnuts/Cookies/Baked Pretzels, Danish, Pastries, Muffins, Bagels, Loafs, Rolls, Biscuits, Cookie Dough, Pizza Crust, Tortillas, Pie Shells, Bread Dough, Turnovers, Cheesecakes, Cobblers, Specialty Cakes, Cakes, Pies and Other Related Products)	CS		
10	Snack Foods, Baked Goods, Chips/Pretzels (example: Cookies, Crackers, Granola Bars, Energy bars, Toaster Pastries, Snack Cakes, Potato Chips, Corn Chips, Pretzels, Wheat Chips, Popcorn, and other related products)	CS		
11	Confectionary, (example: Candy, chocolate, chewing gum, Marshmallows)	CS		
12	Cereal, cold, hot - ready to eat (example: Corn Flakes, Oatmeal, Grits) - to include baby food	CS		
13	Dry Goods, (example: Dry Pasta, Rice, Beans, Bread Crumbs, Corn Meal, Baking Chips, Stuffing, Dry Soups, Croutons, Ice Cream Cones, Taco Shells, Imitation Bacon Bits, Sunflower Seeds, Dried Fruit, Nuts, Coconut Raisins, Sugars, Low Calorie Sweeteners, Gelatin/Pudding/Desert Mixes, Powdered Creamer, Shelf Stable Creamer, Flour, Corn Starch, Baking Soda, Baking Powder, Yeast, Baking Mixes, Brownie Mix, Roll Mix, Bread Mix, Pancake Mix, Cake Mix, Powder Mixes, Soft Serve Ice Cream, Milk Shake, Frozen Yogurt Mix and other related products) CS Product only	CS		
14	Reserved			
15	Meal Kits, Heater Meals, Sandwich kits	CS		
16	Jams, Jellies, Peanut Butter, Preserves, Honey, Syrups, Icings, Pie Fillings Puddings, Gelatins, Cherries Maraschino, Fruit Toppings, Caramel Topping, Fudge Topping, Sprinkles, Dressings, Processed Grated Parmesan, Olives, Pickles, Relish, Mayonnaise, Mustard, Ketchup, Hot Sauce and Other Condiment Related Products Shortenings, Food Oils, Cooking Spray, vinegar, Cooking Wine, Sherry (except Portion controlled)	CS		

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17	Portion Controlled Items, Up to 500 Count Case, Refrigerated or Non-Refrigerated, (example: Jams, Jellies, Peanut Butter, Preserves, Honey, Syrups, Toppings, Dressings, Relish, Mayonnaise, Mustard, Ketchup, Sauces, Dessert Related Products, Hot Sauce, Gelatins, Puddings, Salt and Pepper Packets , Butter/ Margarine Spread, Sugars, Low Calorie Sweeteners, Powdered Creamer and Shelf Stable Creamer - individual packets/cup, Coffee, Tea, Cocoa, Hot Chocolate, and Beverage Base Powder – Beverage Powders, individual portion, (example: Sports Drinks, Pink Lemonade, Iced Tea Mix energy and Other beverage powder flavors), and Other Condiment Related Products	CS		
18	Portion Controlled Items, 501 to 999 Count Case, Refrigerated or Non-Refrigerated, (example: Jams, Jellies, Peanut Butter, Preserves, Honey, Syrups, Toppings, Dressings, Relish, Mayonnaise, Mustard, Ketchup, Sauces, Dessert Related Products, Hot Sauce, Gelatins, Puddings, Salt and Pepper Packets , Butter/ Margarine Spread, Sugars, Low Calorie Sweeteners, Powdered Creamer and Shelf Stable Creamer - individual packets/cup, Coffee, Tea, Cocoa, Hot Chocolate, and Beverage Base Powder – Beverage Powders, individual portion, (example: Sports Drinks, Pink Lemonade, Iced Tea Mix energy and Other beverage powder flavors), and Other Condiment Related Products	CS		
19	Portion Controlled Items, 1000 to 3000 Count Case, Refrigerated or Non-Refrigerated, (example: Jams, Jellies, Peanut Butter, Preserves, Honey, Syrups, Toppings, Dressings, Relish, Mayonnaise, Mustard, Ketchup, Sauces, Dessert Related Products, Hot Sauce, Gelatins, Puddings, Salt and Pepper Packets , Butter/ Margarine Spread, Sugars, Low Calorie Sweeteners, Powdered Creamer and Shelf Stable Creamer - individual packets/cup, Coffee, Tea, Cocoa, Hot Chocolate, and Beverage Base Powder – Beverage Powders, individual portion, (example: Sports Drinks, Pink Lemonade, Iced Tea Mix energy and Other beverage powder flavors), and Other Condiment Related Products	CS		
20	Portion Controlled Items, > 3000 Count Case, Refrigerated or Non-Refrigerated, (example: Jams, Jellies, Peanut Butter, Preserves, Honey, Syrups, Toppings, Dressings, Relish, Mayonnaise, Mustard, Ketchup, Sauces, Dessert Related Products, Hot Sauce, Gelatins, Puddings, Salt and Pepper Packets , Butter/ Margarine Spread, Sugars, Low Calorie Sweeteners, Powdered Creamer and Shelf Stable Creamer - individual packets/cup, Coffee, Tea, Cocoa, Hot Chocolate, and Beverage Base Powder – Beverage Powders, individual portion, (example: Sports Drinks, Pink Lemonade, Iced Tea Mix, energy and Other beverage powder flavors), and Other Condiment Related Products	CS		
21	Salads, Prepared, Chilled/Fresh (example: Mixed Greens, Potato Salad, Egg Salad, Tuna Salad, Cole Slaw, Macaroni Salad)	CS		

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22	Spices, Seasonings, Salt & Pepper, Spice Blends, Herbs, Flavorings, Extracts and Food coloring	CS		
22a	Spices, Seasonings, Salt & Pepper, Spice Blends, Herbs, Flavorings, Extracts and Food coloring	EA		
23	Beverages, Dispenser Required/Bag in Box (example: Soda, Sports Drinks, Juice, Nectar, vegetable, Coffee, Tea, Chocolate, Mixes, Liquid, Soft Serve Ice Cream/Yogurt, Milk Shake and other related products) to include concentrates	CS		
24	Beverages, other than BIB (example: Soda, Sports Drinks, Juices, Nectar, vegetable, Coffee, Tea, Chocolate , baby formula, Flavored Water, Energy Drinks, shelf stable - Dairy, UHT, Nutritional Supplements, Dietetic and Other Related Products) to include concentrates	CS		
25	Beverage, Chill/Frozen – (example: Dairy, UHT, ESL, Nutritional Supplements, Dietetic Products, Juices, Nectar, vegetable)	CS		
26	Beverage Base, Powder, other than individual portion count (example: Sports Drinks, Juices, Coffee, tea, Chocolate, baby formula, Pink Lemonade, Iced Tea Mix ,energy drinks and Other Drink Related Products)	CS		
27	Water – 12 Count Case and below, (example: Natural Spring, Purified, Distilled)	CS		
28	Water – 13 to 24 Count Case, (example: Natural Spring, Purified, Distilled)	CS		
29	Water – 25 to 34 Count Case, (example: Natural Spring, Purified, Distilled)	CS		
30	Water – 35 Count Case and above, (example: Natural Spring, Purified, Distilled)	CS		
31	Eggs - shell, Fresh	CS		
32	Egg Product, Liquid, Frozen or Chilled	CS		
33	Ice Cream and Ice cream Novelties (example: bulk, Cones, Sandwiches, Ice Pops, Fruit Bars)	CS		
34	Dairy Products: (example: Cheese, Butter, Margarine, Spreads, Yogurt, Sour Cream, Liquid Creamers, Milk and Other Fresh Dairy Related Products)	CS		
35	Bakery Products, Fresh (example: Bread, Rolls)	LB		
36	Fresh Fruits and Vegetables (FF&V)	CS		
37	Non-Food products -Food Service Operating Supplies (FSOS)	CS		
38	Ice (Cubed or cylindrical)	LB		