

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE	PAGE OF PAGES 1 9
2. AMENDMENT/MODIFICATION NO. 00004		3. EFFECTIVE DATE 12/24/2009	4. REQUISITION/PURCHASE REQ. NO. IQC0917009007	5. PROJECT NO. (If applicable) N/A	
6. ISSUED BY CODE SPM300		7. ADMINISTERED BY (If other than Item 6) CODE			
DEFENSE SUPPLY CENTER PHILADELPHIA Subsistence - FTAE 700 ROBBINS AVENUE PHILADELPHIA, PA 19111					
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)				9A. AMENDMENT OF SOLICITATION NO. <input checked="" type="checkbox"/> SPM300-09-R-0066	
				9B. DATED (SEE ITEM 11) 11/24/2009	
				10A. MODIFICATION OF CONTRACT/ORDER NO.	
				10B. DATED (SEE ITEM 13)	
CODE		FACILITY CODE			

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

- (a) By completing items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment your desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

**13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS.
IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.**

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) NO. IN ITEM 10A. THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER
<input type="checkbox"/>	
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

DETAILS OF THIS AMENDMENT ARE ON THE FOLLOW ON PAGES.

ALL OTHER TERMS AND CONDITIONS REGARDING THIS SOLICITATION REMAIN UNCHANGED.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)	
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)		16B. UNITED STATES OF AMERICA (Signature of Contracting Officer)	
15C. DATE SIGNED		16C. DATE SIGNED	

1. On page 6 of Amendment 00002, In the statement “On page 57 under Management Reports.....” the page number is changed to page 145.
2. Also in amendment 00002, the section starting on page 6 through page 10, the entire section beginning with the phrase “In addition on page 57, remove the section labeled “A. FILL RATES...” is **deleted** in its entirety.
3. In the SOW, Deliveries and Performance Section, **VI. FILL RATE/SUBSTITUTIONS** is replaced in its entirety by the language below:
 - A. The required contract order fill-rate is 98%. It is not necessary to propose a higher fill rate, nor will we evaluate a proposed higher fill rate. During contract performance, higher fill-rates may result in a higher Past Performance and Experience rating for option determinations and future acquisitions. Fill rates will be documented in the Contractor Performance Review System (CPARS) and low fill rates may impact past performance evaluations on subsequent acquisitions.
 - B. The Government’s in-house record for non-catch weight fill rate shall be calculated utilizing the order and receipt information located in STORES, as specified below. The vendor’s submitted non-catch weight fill rate reports will be based on the same formula, and shall not include substitutions, mis-picks, damaged cases, etc.

By Line Item: (Accepted Quantity/Order Quantity) X 100 = Line Item Fill Percentage

By Order: (Number of Line Items on Order filled at 100% Fill Rate / Total Number of Lines Ordered on that on that Order) X 100 = Order Line Item Fill Percentage

Examples:

Line Item Fill Rate: 50 cases accepted/120 cases ordered = 42 % line item fill rate

Order Fill Rate: 90 lines received (at 100% fill) /100 total lines ordered = 90% Fill Rate for that Order

- C. The fill rate for catch weight items shall be calculated as follows and shall not include substitutions, mis-picks, damaged cases, etc...:

By Line Item: (Pounds Accepted / Pounds Ordered) X 100 = Fill Rate % per = Line Item Fill Percentage

By Order: (Number of Line Items on Order filled at 100% Fill Rate /Total Number of Lines Ordered on that on that Order) X 100 = Order Line Item Fill Percentage

Examples:

Line Item Fill Rate: 45 pounds accepted/52 pounds ordered = 87 % line item fill rate
 Order Fill Rate: 90 lines received at 100% fill/100 total lines ordered = 90% Fill Rate for that Order

D. Definitions:

1. Cases accepted: The product quantity that the customer has received and receipted, not including damaged cases, and mis-picks.
 2. Cases ordered: The product quantity requested by a customer.
 3. 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.
- E. Regardless of the line item/LSN unit of issue or unit of measure (LB, CO, CS), the Government will calculate the fill-rate for each delivery order line item based on cases ordered & accepted, utilizing the units per pack, or purchase ratio factor, to convert all order/receipt quantities to cases. In calculating catch-weight item order/receipt cases and fill-rates, the weight range average will be utilized to convert pounds to cases. The government system will round down and up as follows:

0 – 0.4999 will round down

0.5 – 0.999 will round up

1. As an example, for the item at C.3 herein, the average weight is 13 LB. In the event a customer wants 50 lbs of flank steak, the ordering system will place the order for a multiple of 13 LB equal to or greater than the requirement, in this case 52 LBS. If the contractor delivers 45 LB, the fill-rate will be calculated as follows:

Order = 52 LB / 13 = 4 cases

Receipt = 45 LB / 13 = 3.46 = 3 cases

Fill-rate = 3 / 4 = 75.0%

If the contractor delivers 46 LB, the fill-rate = 46 / 13 = 3.53 = 4 cases = 4 / 4 = 100%

2. **Contractors shall assure that the 832 catalog transaction set for each catch-weight LSN contains (1) the correct average case weight of cases to be delivered in 832 field CTP04, Catch-Weight Multiple, and (2) 832 field PO404, Packaging Code, includes the catch-weight indicator “AVG”.**

Catch-weight items are items which permit a weight range per case, normally meat items with a LB weight range. For catch-weight items only, the allowable quantity variation is:

Decrease: minus (-) 49% of the item average weight

Increase: plus (+) the item average weight

For example, for 8905-01-E29-2117, Beef Flank Steak, 11-15 LB, with 13 LB average, order quantities will be in multiples of the 13 LB item average weight. The allowable variations in quantity for any order for this item are:

Decrease = 13 x .49 = 6 LB

Increase = 13 LB

For an order for 104 LB of 8905-01-E29-2117, Beef Flank Steak, 11-15 LB, the contractor may deliver 98-117 LB and receive a 100% fill-rate.

- F. **Designation of catch-weight items:** To designate a catch-weight item, the Contractor must input catch weight indicator “AVG” in 832 catalog field PO404, Packaging Code, for each

catch-weight item. The Contractor shall assure that the correct average case weight (i.e. the actual weight average of cases that will be delivered) is input in 832 catalog field CTP04, Catch Weight Multiple.

- G. 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.
- H. Substitute items will be accepted/receipted against a new STORES order line as described in the example below and the original order line will be counted as a zero fill. As an example: 8 cases of #10 can applesauce is ordered, the PV is NIS and recommends #303 can applesauce as a substitute, customer accepts substitute and places a new order for 6 cases of the #303 can applesauce (for a different quantity in this example due to package/pack size difference), and PV delivers the substitute order in full:
- Original: Applesauce #10 CN, 6/CS: Order = 48 CN = 8 CS: Receipt = 0
- Substitute: Applesauce #303 CN, 24/CS: Order = 144 CN = 6 CS: Receipt = 6 CS
- The fill-rate for the original line is 0%; the fill-rate on the substitute line is 100%. The weighted average fill-rate for the 2 lines is 42.9% (6 cases accepted /14 cases ordered).
- I. Non-conforming cases, e.g. incorrect items (mis-picks) and damaged cases will not be accepted and receipted.
- J. 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 order required delivery dates (RDD). Fill-rates are calculated for non-catch-weight items, catch-weight items, and overall (all items) fill rate.
- K. The Contractor shall promptly inform the Contract Specialist or 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 Government agrees with the justification, the Government will post the exception into its in-house system which will result in the order or line(s) either being excluded from the Government fill-rate calculation or the correct order and receipt quantities being included in the calculation. These excusable instances represent Fill-Rate Exceptions, and are shown below.
- L. The contractor shall submit its fill-rate report (to include overall fill rate based on cases; overall non-catch weight item fill rate based on cases; overall catch weight fill rate based on cases; overall catch weight fill rate based on pounds) to the DSCP Contracting Officer. The reports shall be based on order required delivery dates (RDD), not 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 EXCEPTIONS:

- A: STORES Receipt Data Out of Date**
- B: STORES Catalog Problem, PRF Incorrect
- C: STORES Catalog Problem, Catch Weight Item Pkg Data Incorrect
- D: Monthly Item Demand Exceeds Average Demand By >= 300%
- E: Newly Cataloged Item/Insufficient Time for Vendor to Procure**
- F: Low Shelf Life Item Frequent Restocking Required**

- G: Customer Cancelled Item Without Using STORES.
- H: Customer Based Order Qty on Incorrect Unit of Issue
- I: DSCP Demand Forecast Problem
- J: Special Order Item**
- K: Item Being Phased Out
- L: Customer Ordered Wrong Item
- M: Customer Ordered Incorrect Quantity for Catch Weight Items*
- Z: Other, Not Listed***

*Note: When using exception M, the fill rate should be calculated as outline above regardless of the fill rate percentage, i.e., 30 lbs accepted / 20 lbs ordered = 150%. Using this code will explain why the fill rate is over 100%.

**Note: Not Applicable in OCONUS.

***Note: Column Z is to be used for other Exceptions not listed, for example: DTS Delays, NIS Waivers etc. and must be explained in a separate Word document.

The following is a sample Fill Rate report template:

Fill Rate Report														
Contract #	DODAAC	PO Number	Overall %	CS Non Catch Weight %	CS Catch Weight %	LB Catch Weight %	Overall Ord Cases	Overall Rcpt Cases	Non Catch Wgt Ord Cases	Non Catch Wgt Rcpt Cases	Catch Ord Cases	Catch Rcpt Cases	Catch Ord Wgt	Catch Rcpt Wgt
Page 1														

The following is a sample Discrepancy Report template:

Fill Rate Exception Report								
Contract #	DODAAC	PO Number	Stock #	Exception Code	Actual Order Cases	Actual Rcpt Cases	Actual Order Wgt (Catch)	Actual Rcpt Wgt (Catch)
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 fill rate exception codes.								
4) Use the header provided without altering.								
5) Do not add additional columns.								
6) Do not delete existing columns.								

4. SOW, SPECIAL CONTRACT REQUIREMENTS Section, II. MANAGEMENT REPORTS is removed in its entirety and replaced with the language below:

II. MANAGEMENT REPORTS

The contractor shall provide the following reports to the Contracting Officer in the frequency indicated. Negative reports are required and the government reserves the right to add additional reports at no additional cost. Each quantity and dollar value provided should be based on the items unit of issue.

It is at the Contracting Officer's discretion which reports are submitted and the frequency of these reports. All of these reports shall be cumulative for a one (1) month period and submitted no later than the seventh day of the following month, i.e., reporting period of January 1st through January 31st, the reports must be received by February 7th. Unless otherwise identified below, all other reports are to be submitted electronically on a monthly basis. Other reports and additional information on existing reports may be requested by the Contracting Officer.

The contractor is required to add the following statement to every management report submitted to DSCP:

"I certify that all the information submitted to the Government is complete and accurate to the best of my knowledge. I understand that false statements contained herein, may be punishable by law."

A. Fill Rate Report: (Shall be submitted in non-protected Excel format)

1. Monthly Fill Rate Report: The monthly fill rate is calculated by dividing the number of lines accepted by the customer with 100% fill by the total number of lines ordered. Mis-picks and damaged cases should not be included in this calculation, however all items Not-In-Stock, rejected, returned, damaged, mis-picks, etc., should be clearly identified in the report. The report should specify fill rates per customer/dining facility and an overall average for the month. In addition to the fill rate by cases, catch weight items by pounds shall be reported as defined in the fill rate section of the solicitation.
2. Weekly Fill Rate Report: In addition to the monthly fill rate report, the Prime Vendor will also submit a weekly report reflecting the previous week's business. Previous week is defined as Sunday through Saturday Required Delivery Date (RDD) orders.
3. The Monthly and Weekly fill rate reports should specify fill rates grouped by contract/catalog number(s) (if applicable), DODAAC (first six positions of the purchase order) and purchase order number. The date range of the report shall be based on the customer's RDD for the previous week as defined in para 2 above.

The report shall contain all orders for the specified time period, as well as, a worksheet summary roll-up report tab which captures all contract/catalog numbers combined. The summary shall contain the following information:

- a. Overall fill rate based on cases
 - b. Overall non-catch weight fill rate based on cases
 - c. Overall catch weight fill rate based on cases
 - d. Overall catch weight fill rate based on pounds
 - e. Purchase orders shall be grouped by DODAAC. Within each DODAAC sort fill rates by purchase order number
4. Overall discrepancy report shall only include purchase orders that contain less than 100% fill rate and reason code for discrepancy.

5. The contractor shall submit a separate discrepancy spreadsheet containing a list of Government authorized and verifiable fill rate exceptions using acceptable codes outlined below:

FILL RATE EXCEPTIONS:

- A: STORES Receipt Data Out of Date**
- B: STORES Catalog Problem, PRF Incorrect
- C: STORES Catalog Problem, Catch Weight Item Pkg Data Incorrect
- D: Monthly Item Demand Exceeds Average Demand By $\geq 300\%$
- E: Newly Cataloged Item/Insufficient Time for Vendor to Procure**
- F: Low Shelf Life Item Frequent Restocking Required**
- G: Customer Cancelled Item Without Using STORES.
- H: Customer Based Order Qty on Incorrect Unit of Issue
- I: DSCP Demand Forecast Problem
- J: Special Order Item**
- K: Item Being Phased Out
- L: Customer Ordered Wrong Item
- M: Customer Ordered Incorrect Quantity for Catch Weight Items*
- Z: Other, Not Listed***

*Note: When using exception M, the fill rate should be calculated as outline above regardless of the fill rate percentage, i.e., 30 lbs accepted / 20 lbs ordered = 150%. Using this code will explain why the fill rate is over 100%.

**Note: Not Applicable in OCONUS.

***Note: Column Z is to be used for other Exceptions not listed, for example: DTS Delays, NIS Waivers etc. and must be explained in a separate Word document.

- B. Monthly Descending Unit Volume & Dollar Value Report: Product line item sales, sorted by total cost; each quantity and dollar value should be based on the items unit of issue; and each report should contain, at a minimum the DSCP stock number, item description, unit of issue, quantity ordered, distribution fee category, product price, distribution price, unit price and total cost. Dollar amounts will be totaled.
- C. Monthly Product Line Item Rejection Report: Product line items rejected, sorted by item description; each report should contain, at a minimum the purchase order number, line item number, DSCP stock number, item description, unit of issue, number of units rejected and dollar value of units rejected. The monthly report must contain a summary sheet that identifies the quantity and value of items shipped, received, and rejected by product category; i.e., prime vendor, government furnished material, local market ready or fresh fruits and vegetables. Dollar amounts should be subtotaled by product category and totaled overall.
- D. Monthly Small Business Subcontracting Report:
 - 1. List products manufactured and/or supplied by small business, small disadvantaged businesses, women-owned small businesses, Veteran Owned Small Business, Service Disabled Veteran Owned Small Business, Hub Zones, and National Institute for the Blind/National Institute for the Severely Handicapped (NIB/NISH)/AbilityOne. This should be sorted by manufacturer/supplier and include quantity and dollar value. Note: This report is for direct subcontracts for products supplied to customers. This

- report is not to include indirect costs. NOTE: The SBA must certify SDB and HUB Zone businesses.
2. A summary page of the report shall also be submitted which highlights the total dollars and percentages for each category. This information is very important since DSCP is required to report its success in meeting these goals to 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, Service Disabled Veteran Own Businesses (SDVOB), Labor Surplus Areas, Historically Black Colleges or Universities and Minority Institutions.
- E. Monthly Customer Service Report: The contractor shall develop and provide a report summarizing all discrepancies, complaints and all positive feedback from ordering activities and the respective resolutions by providing a summary from customer visits.
- F. Monthly Rebate Reports:
1. General Rebates: The contractor shall provide a monthly report identifying any and all discounts, rebates, allowances or other similar economic incentives or benefits given to any other customer, and the amount passed on to the Government. The contractor must indicate the type of discounts, rebates, allowances or other similar economic incentives or benefits given to any other customer, whether they are being passed on to the Government customers consistent with its business 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.
 2. NAPA Report: This report should summarize the savings passed along to the customers in the form of deviated allowances realized as a result of utilizing the NAPA's. List each customer, the NAPA amount, the manufacturer/broker name, and quantity ordered. NAPA figures should be listed per customer, per contract and per manufacturer.
 3. Food Show Rebates Report: 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 Rebates should be listed per customer, per contract, and per manufacturer. The total should be per customer and per contract.
- G. Monthly Cancellation Report: Order cancellations sorted by order date; each line to contain at a minimum: Purchase order number, Catalog number; DODAAC, Order Date, Ship Date, Originally scheduled delivery date, Order dollar value, Call number, Item Count, and Reason for Cancellation.
- H. Monthly/Weekly Product Line Item Not-In-Stock Report: This report will be sorted by the date the order was placed, line item, number of units ordered, number of units received, total dollar amount of units ordered and total dollar amount of units not received. Dollar amounts will be subtotaled by product category and total overall.
- I. Monthly Asset Visibility Report: Product line item demand quantities, assets on-hand, at port, in the pipeline and on order. The vendor needs to be able to present real time asset visibility of their entire inventory. At a minimum the vendor will be required to submit this report once a month, but there may be instances when the vendor will be required to

- submit this report on a weekly or daily basis. Government Furnished Material (GFM) must be reported separate from non-GFM per OCONUS warehouse and support region.
- J. Monthly Slow Moving Item Report: The report should list underperforming (items not meeting monthly 10 case order minimum) or inactive items by NSN, name, customer ordering the item, quantity on-hand and remaining shelf life. This report must also include all items with 30, 60, and 90 days of remaining shelf life.
- K. Weekly Container Report: Every week, the vendor will submit a report of containers leaving CONUS to arrive at the PV's OCONUS facility(ies). A sample will be provided post-award.
- L. Monthly Vendor Catalog Report: (To be submitted with each catalog update) – Sorted by Item Description; each line to contain at a minimum: DSCP stock number, item description, product price, normal distribution price, unit price, premium distribution price, purchase ratio factor numerator, unit of issue, item category, item category unit of measure, and the area supported.
- M. Upon occurrence - Conviction Report: Contractor shall perform continual reviews throughout the contract period to ensure that no employee, who has been convicted in the United States court of a crime committed against a host country national, may work in performance of the contract. If found, employee will be immediately removed from working on the contract and replaced with a suitable employee based upon the contractors hiring procedures at no disruption in contract performance. Negative reports are required on a quarterly basis on the 1st day of each quarter.
- N. Financial Status Report (upon request): In order to ensure timely payments, a summarized accounts receivable and/or a “days of outstanding sales” shall be submitted on a monthly basis. The report will be categorized by time periods and sorted further by customer. If problems should occur, a detailed listing by invoice number/call number will be requested. However, it is suggested that this report contain as much information as possible to alleviate problems immediately.
- O. Monthly Category Report: The report will list all items currently cataloged by the PV to show the distribution category product is on.