



INVITATION FOR BID

IFB 2018000153

FDP USDDA SCHOOL LUNCH PROGRAM

POSTING DATE: 02/09/18

**Proposal Submission Deadline
2/23/2018 @ 2:00 PM (MT)**

SIGNATURE PAGE

RETURN BID TO: Department of Human Services
Procurement Office

1575 Sherman Street, 6th Floor
Denver, CO 80203

DIRECT INQUIRIES TO: Roman Hernandez
Email: roman.hernandez@state.co.us

PHONE: 303-866-3227

FAXED or EMAILED bids WILL NOT BE ACCEPTED.

IMPORTANT: Vendor should read the entire Invitation for Bid document before submitting a Bid. Invitation for Bid properly marked as to INVITATION FOR BID NUMBER, DATE, and HOUR of opening, subject to the conditions herein stipulated and in accordance with the specifications set forth and/or attached hereto, will be accepted at the address listed above, prior to the date and time listed for the Bid opening. **All Invitation for Bid shall be quoted F.O.B. destination**, unless otherwise specified, to the delivery location or job site listed herein.

PROPOSALS MUST BE SIGNED IN INK

VENDOR:

TYPED OR PRINTED SIGNATURE

ADDRESS

Handwritten Signature by Authorized Officer or Agent of Vendor

ZIP

TITLE

PHONE #

DATE

FAX #

TERMS

E-mail

Terms of less than 45 calendar days
will not be considered.

FEIN or SSN

The above Invitation for Bid is subject to attached Terms and Conditions.

RETURN THIS PAGE

COLORADO DEPARTMENT OF HUMAN SERVICES

**SEE THE COMPLETE TERMS AND CONDITIONS THAT APPLY TO THIS SOLICITATION
FOUND ON THE COLORADO INVITATION FOR BID ANNOUNCEMENT PAGE.**

PROCUREMENT ADMINISTRATION:

General. The State of Colorado, Department of Human Services (CDHS), seeks Invitation for Bids for goods or services in accordance with specifications contained in this Invitation for Bid.

Bid Submission. Invitation for Bid will be received in a sealed envelope, clearly marked with the bid title, number and due date on the outside of the bid envelope, until the date and time indicated, and at that time publicly opened.

Faxed or Emailed bids will not be accepted.

Invitation for Bids It is the responsibility of the vendor to ensure that the Procurement Office receives the Bid on or before the due date and time. All interested parties are cordially invited to attend the official opening, if they so desire.

Vendors mailing their Invitation for Bid shall allow sufficient mail delivery time to ensure receipt of their response by the time specified.

Pricing. All pricing shall be FOB Destination. Vendors shall specify any minimums, special charges, restrictions, or conditions. The failure of the vendor to note any special conditions or exceptions shall be deemed a waiver of any such condition or exception.

Bid Evaluation. The State will be the sole judge in determining the acceptability of an offer and in determining the most beneficial offer(s) for the State. Invitation for Bid evaluation will consist primarily of comparing unit price Bid for the listed items. Evaluation of Invitation for Bid may also take into account administrative costs, payment terms, delivery conditions (any restrictions, minimum order quantity or dollar amount), and any exceptions taken to any requirement of the Bid, volumes at individual user sites, and proximity of user sites. Administrative costs include, but are not limited to, time and costs associated with ordering, receiving, stocking and paying invoices.

The State may make such investigations as may be deemed necessary to determine that the Vendor possesses or can acquire: (1) sufficient financial ability; (2) the services of properly qualified personnel; (3) the equipment, facilities and capacity necessary for adequate performance; and (4) has an overall satisfactory record in the performance of prior contracts which the Vendor may have been awarded.

Low Tie Invitation for Bids. Low tie Invitation for Bids shall be decided in accordance with the provision of C.R.S. Section 24-103-202.5 as it currently exists or is hereafter amended, which gives a preference to resident vendors.

Award. The state intends to issue a single vendor award, or may issue multiple awards as necessary. Awards will be made on the basis of the Bid most beneficial to the State. Vendor shall extend contract pricing to other Human Services divisions if the vendor has a presence in that area (i.e. Pueblo, Grand Junction).

Term of Award. The period of award made as a result of this Bid is 12 months, with four, one- year options to renew the award.

Bid Review. After the award is made, any vendor that wishes to recap the Bid may do so at the Department of Human Services.

Performance/Remedies. Awarded vendor(s) shall comply with the requirements as to brand, quality, quantity, time frames, container size, etc. If the awarded vendor fails to perform, the State reserves the right to take remedial action (upon written notice), including canceling the original award, in whole or in part, for cause, and awarding to the next lowest priced/responsible vendor. Cause is defined as failure to meet requirements of the within specifications and conditions, or failure to correct deficiencies upon receipt of notice. Failure to maintain satisfactory performance after notice will be sufficient cause for immediate cancellation of the award.

Additional Condition that is Applicable to All Purchase Orders and Contracts Issued to Sole Proprietors Effective Aug. 1, 2006.

A Contractor that operates as a sole proprietor hereby swears or affirms under penalty of perjury that the Contractor (i) is a citizen of the United States or otherwise lawfully present in the United States pursuant to federal law, (ii) shall comply with the provisions of CRS 24-76.5-101 et seq, and (iii) shall produce one of the forms of identification required by CRS 24-76.5-103 prior to the effective date of this Contract. Except where exempted by federal law and except as provided in CRS 24-76.5-103(3), a Contractor that receives federal or state funds under this contract must confirm that any individual natural person eighteen years of age or older is lawfully present in the United States pursuant to CRS 24-76.5-103(4) if such individual applies for public benefits provided under this contract.

Additional Condition that is Applicable to All Purchase Orders and Contracts for Services Effective Aug. 9, 2006.

The Contractor certifies that the Contractor shall comply with the provisions of CRS 8-17.5-101 et seq. The Contractor shall not knowingly employ or contract with an illegal alien to perform work under this contract or enter into a contract with a subcontractor that fails to certify to the Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract. The Contractor represents, warrants, and agrees that it (i) has verified that it does not employ any illegal aliens, through participation in the Basic Pilot Employment Verification Program administered by the Social Security Administration and Department of Homeland Security, and (ii) otherwise will comply with the requirements of CRS 8-17.5-102(2)(b). The Contractor shall comply with all reasonable requests made in the course of an investigation under CRS 8-17.5-102 by the Colorado Department of Labor and Employment. If the Contractor fails to comply with any requirement of this provision or CRS 8-17.5-101 et seq., the State may terminate this contract for breach and the Contractor shall be liable for actual and consequential damages to the State.

PUBLIC CONTRACTS FOR SERVICES. CRS 8-17.5-101 (EXCLUDED; SECURITIES, INVESTMENT ADVISORY SERVICES OR FUND MANAGEMENT, SPONSORED PROJECTS, INTERGOVERNMENTAL AGREEMENTS, OR INFORMATION TECHNOLOGY SERVICES OR PRODUCTS AND SERVICES).

Effective May 13, 2008, contractors who enter into or renew a public contract for services with Colorado state agencies or political subdivisions must participate in either the Federal *E-Verify program*, or the Colorado Department of Labor and Employment Program. For more information see:

E-Verify Program: www.uscis.gov/files/nativedocuments/E4_english.pdf

Colorado Department of Labor and Employment Program and notice forms: Division of Labor _
<http://www.colorado.gov/cs/Satellite/CDLE-LaborLaws/CDLE/1248095356380>

Quantity of Goods/Services. The State may increase or decrease the quantity of goods/services based on the rates established in the Purchase Order or associated Statement of Work or Service Agreement when mandated in the sole discretion of the State by changes in mission or programmatic level of goods/services requirements.

FOR GOODS ONLY: In accordance with Procurement Code, CRS24-103-207.5 titled Purchasing Preference for Environmentally Preferable Products; bidders responding to this solicitation may seek to qualify for the preference and governmental bodies conducting this solicitation shall award a contract to a bidder who offers environmentally preferable products subject to the conditions in the Code and Procurement Rules.

24-102-206 Contract Performance for Services Outside US or CO - requires Contractors to give written notice in accordance with the following State Contract terms and conditions:

If any services are performed outside the United States or Colorado.

Performance Outside the State of Colorado and/or the United States

[Not applicable if Contract Funds include any federal funds] Following the Contract Effective Date, Contractor shall provide written notice to the State, within 20 days of the earlier to occur of Contractor's decision to perform, or its execution of an agreement with a Subcontractor to perform, Services outside the State of Colorado and/or the United States. Such notice shall specify the type of Services to be performed outside the State of Colorado and/or the United States and the reason why it is necessary or advantageous to perform such Services at such location or locations. All notices received by the State shall be posted on the Colorado Department of Personnel & Administration's website. Knowing failure by Contractor to provide notice to the State shall constitute a material breach of this Contract.

Noncompliance

Contractor's failure to provide reports and notify the State in a timely manner may result in the delay of payment of funds and/or termination as provided under this Contract.

Subcontracts

Copies of any and all subcontracts entered into by Contractor to perform its obligations hereunder shall be submitted to the State or its principal representative upon request by the State. Any and all subcontracts entered into by Contractor related to its performance hereunder shall comply with all applicable federal and state laws and shall provide that such subcontracts be governed by the laws of the State of Colorado.

SPECIFICATIONS/REQUIREMENTS

BACKGROUND AND OVERVIEW OF THE PROGRAM

The Food Distribution Programs (FDP) provides for the administration, operation, and distribution of United States Department of Agriculture (USDA) foods to eligible recipient agencies to enhance and maintain the nutrition of the respective populations served. The FDP operates the National School Lunch Program (NSLP) services in conjunction with its contracted state warehouse(s). The administrative office for Colorado's FDP is located at 1575 Sherman, Denver, CO 80203.

Program staff is responsible for:

- The ordering of USDA food for recipient agencies
- Initiation and review of processor agreements,
- Assurance of quality and timeliness of food delivered to these agencies by USDA and processors.
- Inspection of warehouses for proper storage, monthly reconciliation and auditing of an inventory.
- Oversight for USDA regulations to maintain Colorado's compliance with rules and procedures so the state can continue to participate in national food assistance programs.

State distributing agencies may, on behalf of its eligible recipient agencies, contract with commercial food processors to convert raw bulk USDA foods into more convenient, ready-to-use end products.

ACRONYMS/DEFINITIONS

For the purposes of this RFP, the following acronyms/definitions will be used:

<i>Awarded Vendor</i>	The organization/individual that is awarded and has an approved contract with the State of Colorado for the services identified in this RFP.
<i>CFR</i>	Code of Federal Regulations
<i>Child Nutrition (CN) Label</i>	A FNS-certified product that identifies USDA specifications that can be credited as a component(s) of the reimbursable meal pattern requirement.
<i>Commodity Foods</i>	Foods purchased by the Department of Agriculture for Child Nutrition and other authorized Food and Nutrition Service Programs.
<i>Confidential Information</i>	Any information relating to the amount or source of any income, profits, losses or expenditures of a person, including data relating to cost or price submitted in support of a bid or proposal.
<i>Direct Discount Sale</i>	The selling of a finished product by a commercial food Vendor directly to the Distributing agency at net case price. The Vendor maintains delivery and/or billing invoices to substantiate the quantity of end products delivered and the net price charge per case.
<i>Division</i>	Department of Administration, Purchasing Division, Food Distribution Program.
<i>End Product</i>	A product containing any amount of donated foods which have been commercially processed.

<i>Evaluation Committee</i>	An independent committee comprised of State officers, recipient agencies, employees, or stakeholders established to evaluate and score proposals submitted in response to the RFP.
<i>FDP</i>	State of Colorado Food Distribution Programs
<i>Fee-for-Service</i>	The price charged by pound or by case representing a Vendor's cost of ingredient (other than donated foods), labor, packaging, overhead, and other cost incurred in the conversion of the donated food into the specific end product.
<i>FNS</i>	USDA Food and Nutrition Services
<i>FOB</i>	Free on board: delivered on board ship or other carrier without charge to the buyer.
<i>FSIS</i>	Food Safety Inspection Service
<i>Gross Price</i>	The price paid by the contracting agency before the value of donated food used in the production of the end product is deducted.
<i>IQF</i>	Individually Quick Frozen
<i>LOI</i>	Letter of Intent - notification of the State's intent to award a contract to a vendor, pending successful negotiations; all information remains confidential until the issuance of the formal notice of award.
<i>May</i>	Indicates something that is not mandatory but permissible.
<i>Net Price</i>	The price of a processed end product paid by the contracting agency after the value of donated food contained in the end product has been deducted from the gross price.
<i>Processor</i>	A commercial facility that processes or repackages donated foods under U.S. Department of Agriculture Regulations, 7CFR Part 250.30.
<i>Proprietary Information</i>	Any trade secret or confidential business information that is contained in a bid or proposal submitted on a particular contract.
<i>Public Record</i>	All books and public records of a governmental entity, the contents of which are not otherwise declared by law to be confidential must be open to inspection by any person and may be fully copied or an abstract or memorandum may be prepared from those public books and public records.
<i>Quality Control Plan</i>	A processing company's plan, which assures that the products produced meet minimum specification for quality, pack size and content. Child Nutrition Labeled products must be produced under a Quality Control plan approved by FSIS.
<i>RFP</i>	Request for Proposal - a written statement which sets forth the requirements and specifications of a contract to be awarded by competitive selection.
<i>Shall/Must/Will</i>	Indicates a mandatory requirement. Failure to meet a mandatory requirement may result in the rejection of a proposal as non-responsive.

<i>Should</i>	Indicates something that is recommended but not mandatory. If the vendor fails to provide recommended information, the State may, at its sole option, ask the vendor to provide the information or evaluate the proposal without the information.
<i>State</i>	The State of Colorado and any agency identified herein.
<i>State Participation Agreement (SPA)</i>	A legal document entered into between a Vendor and a distributing agency which provides for the further processing of USDA foods. Processing agreements are not viable until the state agency approves them prior to the commencement of processing.
<i>Subcontractor</i>	Third party, not directly employed by the vendor, who will provide services identified in this RFP. This does not include third parties who provide support or incidental services to the vendor.
Summary End Product Data Schedule	A standard form that complies with US Department of Agriculture, 7 CFR Part 250.30 used to describe the finished end product being produced. Information detailed on this form includes the quantity of donated foods needed to produce a specified number of units of end product, and donated food pricing.
<i>USDA</i>	United States Department of Agriculture
<i>VPP</i>	Vegetable Protein Product
<i>Vendor</i>	Organization/individual submitting a proposal in response to this RFP.

SCOPE OF WORK

A. CASE LOAD - Recipient Agencies/Delivery Sites/Food Volume

Colorado has 218 school districts and approximately 22 Child and Adult Care Food Program (CACFP) and Residential Child Care Institutions (RCCI)s utilizing USDA Foods. Of these agencies, 20% participate in further processing of USDA foods.

Approximately 186,000 cases of all USDA food shipments are delivered directly to the Colorado contracted state warehouse. Andrews Foodservice in Pueblo, Colorado, is the primary storage facility for USDA foods in Colorado.

Colorado agency information:

- 240 Recipient Agencies
- 227 Delivery Sites
- 13 Direct Delivery Sites
- 6,734,537 Processed Pounds for 2016-2017

CDHS FDP will divert USDA foods in truckload quantities on behalf of recipient agencies/districts. All product information and request for products will be processed through the State's on-line, internet-based ordering system. 47 districts received processed food products directly to their respective warehouses. The remaining district products were delivered to the State contracted warehouse.

A. HISTORICAL INFORMATION

Diverted products by raw material in pounds (State of Colorado)

Product	USDA Code (s)	2014-2015	2015-2016	2016-2017
Apples	110149	-	123,735	316,800
Beef, Course	100154	386,687	557,908	479,220
Beef, Boneless	100155	-	-	120,000
Cheese, Barrel	110242	1,055,372	753,276	683,268
Cheese, Mozzarella	100034, 110244	3,421	464,644	397,686
Cherries, Frz	100237	-	-	115,200
Chicken, Large	100103	1,368,000	1,461,560	1,368,000
Chicken, Legs	100113	135,702	122,679	216,000
Chicken, Small	100100	162,000	252,000	144,000
Eggs	100047	96,000	164,078	72,000
Flour	100471, 100418, 100912	-	112,500	90,000
Mixed Fruit	100212	-	-	18,126
Peaches, Cling	100220	-	-	145,920
Peanut Butter	100397	32,462	18,823	11,000
Peanuts, Bulk	110510	-	44,000	132,000
Pears, Diced	100225	-	-	72,960
Pork Roast Leg	110138	20,400	61,980	84,000
Pork Picnic, Boneless	100193	20,010	81,599	99,060
Potato	100506, 110227	80,000	409,000	1,600,000
Potato, Sweet	100980	40,000	99,840	120,000
Pollock	100892	-	13,611	11,417
Tomato Paste	100332	39,900	57,741	79,800
Turkey	100124	288,000	246,709	396,000
Turkey Thighs	100883	83,945	108,000	108,000
TOTAL LBS		3,811,898.60	5,153,683.00	6,734,537.00

B. CONTRACTUAL ARRANGEMENT

Under the contract(s) awarded pursuant to this RFP, the FDP will allow awarded processors to receive and use USDA donated foods as an ingredient in the production of the finished end products as specified herein. The FDP may award multiple contracts for donated food items, if it's beneficial to recipient agencies and all specification standards are met. The FDP is responsible for managing the contracts with the awarded processors according to Federal Regulation 7 CFR Part 250.30.

The following pricing options may be offered:

- a. Fee for Service
- b. Net off Invoice
- c. Modified Fee for Service
- d. Cash Rebate

Contracts awarded from this RFP will include the state's standard terms and conditions as set forth in Exhibit B, Sample Contract. The initial award of this contract will be for one year, with an option to extend for up to four additional one-year terms. Extension of each additional term shall be offered at the sole discretion of the state. The total resulting contract term, including the initial term and all subsequent extensions, shall not exceed five (5) years.

REQUIREMENTS

This section sets forth the scope of work that will be required under the Contract. Vendors shall address all aspects of the work plan described in this section. A work plan with a timeframe and budget must be submitted as part of the proposal submitted in response to this RFP. Vendors shall provide specific assurances that all topics will be completed. Responses should correspond to the numbered topics listed below. Vendors shall restate each numbered requirement then respond to the requirement.

OBJECTIVES

This request for proposal is for further processing of USDA foods, to include: all USDA Foods and all other bonus items offered by USDA. Orders will be placed based on USDA purchases and offerings available.

A. PROJECT REQUIREMENTS

- 1) A USDA approved Summary End Product Data Schedule (SEPDS) must be provided for each item responded to with pricing. The SEPDS should be submitted with proposal documents.
- 2) Bidder must submit with the proposal, a copy of the Nutrient Facts information “label” for each product.
- 3) Bidder must submit with the proposal, meal contribution facts for each product bid, specifically meat contribution and bread/grain ounce equivalency.
- 4) Bidder must indicate the category for each product submitted.
- 5) Bidder must indicate if product is bulk packed (B) or individually wrapped (IW).
- 6) Bidder must provide product yield information identifying Standard Yield or Guaranteed Minimum Return for each product.

B. NUTRITIONAL REQUIREMENTS

The Colorado Department of Education (CDE) and Colorado’s school districts have adopted policy outlining goals for nutrition in the schools: <https://www.cde.state.co.us/nutrition/nutriwellness>. USDA has also issued nutrition standards for all foods sold in school as required by the Healthy Hunger Free Kids Act of 2010. Full details about regulations affecting school meals may be found at: <http://www.fns.usda.gov/school-meals/healthy-hunger-free-kids-act>.

C. PRICING REQUIREMENTS

Prices quoted shall include transportation and delivery charges fully prepaid by the bidder. Each recipient agency will be invoiced directly by the manufacturer for end products ordered. At no time will the State of Colorado be billed for product received by recipient agencies.

D. BUY AMERICAN CLAUSE

All USDA commodities provided must be of 100 % domestic origin. Any substitutions for those commodities made by a processor must be 100% domestic origin. Processors may combine commodities with other non-domestic ingredients to achieve a new product only if 51% or more of the final processed product consists of agricultural commodities that were grown or raised domestically.

E. SPECIAL TERMS & CONDITIONS FOR COMMODITY PROCESSING

- a) Compliance
 - i) Awarded vendor(s) must:
 - (1) Comply with U.S. Department of Agriculture Regulations 7 CFR Part 250.30; and
 - (2) Submit and comply with the National and State Processing Agreements; and

- (3) Submit monthly performance reports of all ordered end products not later than fifteen (15) days after month end; and
- (4) Be an approved processor by USDA and the Colorado FDP.
- (5) Use domestic product. We buy American.

b) Commodity Shipments

- i) USDA food orders (raw product shall be shipped to the awarded vendor's plant by USDA in truckload quantities). Bidder must confirm that FDP has most current warehouse codes for product diversions.
 - (1) Vendor shall accept USDA commodities whenever USDA commodities are available or as permitted by USDA to manage excess inventory.
 - (2) Vendor will not charge the State of Colorado for the receipt and storage of USDA foods.
- ii) USDA raw products must be receipted in WBSCM within 48 hours of receipt.
- iii) End products are to be delivered to designated locations based on agreed upon minimums.
 - (1) If product is not received at designated location within six weeks, **a penalty will be assessed to the processor in the amount of \$1,000 per day.**
 - (2) Manufacturers, which have products that qualify for Modified Fee For Service (MFFS), Indirect Discount Option (NOI) and/or Indirect Sale Refund (Rebate) through a distributor warehouse, shall have the correct number of donated USDA food pounds input for each school district to the specified distributor by July 1, 2017

c) Support Documents

- i) Summary End Product Data Schedules (most recent copy of SEPDS approved by USDA), Manufacturer's Product Certification Statement (deli sandwiches only) and Child Nutrition Labels and Nutrition Fact Sheets.
 - (1) The nutritional fact sheet must list the nutritional contribution to the meal pattern which the end product will provide, portion size, along with calories, protein, fat (saturated and unsaturated, total fat, percentage of fat from calories, carbohydrates, cholesterol, and sodium).
 - (2) Support Documents must be completed and attached to the proposal response.

d) Processing Procedures (Grading)

- i) Beef must be certified by USDA's Agricultural Marketing Service (AMS) meat grader to ensure Option I certification – non-substitution and non-diversion with metal detection only.
- ii) Chicken shall be processed in accordance with USDA's Agricultural Marketing Service (AMS) most current full coverage regulation and/or policy memorandum for poultry grading.
- iii) Chicken bone, scrap and offal credit shall be reflected in the FOB price and the basis for the credit noted on the End Product Data Schedule.
- iv) Guaranteed Percentage/Cases of Finished Product or Standard Yields with a poultry substitution plan approved by the Agriculture Marketing Service (AMS) grading service will be acceptable by the State.

e)Receiving Information

- i) Recipient agencies shall be responsible for ensuring product received matches the item awarded. Incorrect product or product that is damaged or otherwise not in good condition should be refused at the time of delivery. In instances of damaged case goods, entities should accept the product that is in good condition and return the portion of the shipment that is damaged.
- ii) If shortages occur due to refusal of damaged products or otherwise at the fault of the vendor, recipient agencies may purchase needed items locally on an emergency purchase basis. The

awarded vendor shall be responsible for the difference in cost between the contract item and the emergency purchased item.

f) Product Specific Conditions

- i) Chicken: Wing meat not allowed in conversion specifications must be purchased by the processing company and that dollar amount credit shall be determined by the URNER BARRY rate at the time of delivery to the processing plant.
 - (1) “Lb. of DF per Case” should equal full truckload (36,00 lbs.) divided by “Finished Cases per Truck”
- ii) Turkey: Turkey skin and comminuted turkey not being used in conversion of specifications must be purchased by the processing company and that dollar amount credited back to the recipient agencies as credit o account or commercial product exchange.
 - (1) Credit shall be determined by the market rate, at the time of delivery to the processing plant.
 - (2) If “substitution” is being offered, please include special delivery options as well as an explanation of how your specific program operates.
 - (3) Payment to member districts must be paid by the end of the contract period or immediately following final shipment, whichever is first, or a penalty will be assessed to the processor in the amount of \$1,000 per day.
- iii) No re-worked product or culls will be acceptable.

g) Processing Options

- (1) **Fee for Service Option (FFS):** This option shall be structured as such: USDA purchases truck designated for Colorado, delivery of raw product is shipped to designated manufacturer; processed product(s) as approved on the SEPDS shall be delivered to the appropriate state commodity warehouse or direct delivery warehouse.
 - (a) Manufacturer will provide pricing for approved processed products. The following information shall be provided: brand and code number, product size and case count, servings per case, price per case, price per serving and serving size, net weight per case and the minimum production run, as well as requested nutritional information as specified on each item. Summary End Product Data Schedule shall be provided for each product.
- (2) **Modified Fee for Service Option (MFFS):** This option shall be structured as such: USDA purchases truck designated for Colorado, delivery of raw product is shipped to designated manufacturer; processed product(s) as approved on the SEPDS shall be delivered to the recipient agency’s awarded grocery vendor which will then deliver the product to the district.
 - (a) Manufacturer will provide pricing for approved processed products. The following information shall be provided: brand and code number, product size and case count, servings per case, price per case, price per serving and serving size, net weight per case and the minimum production run, as well as requested nutritional information as specified on each item. Summary End Product Data Schedule shall be provided for each product.
 - (b) MFFS delivery charges are awarded by grocery vendor with a per case delivery charge, no added surcharges are allowable and price remains in effect for the contract period.
- (3) **Indirect Discount Option (NOI):** Preference is given to manufacturers who can offer cost savings associated with approved USDA Full Substitution and/or Standard Yield Programs as well as distribution through the commercial food distributor for the Indirect Discount Option (NOI) for deliveries. Processor inventories or “banks” approved donated USDA commodity food pounds and then draws down from the Colorado recipient agency’s inventory based on the

requested and approved end products.

- i) Distributor's invoice lists the commercial price per case with the discounted value of the donated food used per case (as per the USDA Commodity File Report issued in November), resulting in the net cost per case.
- ii) Colorado recipient agencies are eligible for the discount until their inventoried or "banked" donated food pounds are depleted.
- iii) Manufacturer shall state the verification system utilized to track donated food pounds and end products, such as Processor link or K12.
- iv) The distributor's invoice must list the commercial price per case with the discounted value of the donated food used per case (as per the USDA Commodity File Report issued in November), resulting in the net cost per case.
- v) Colorado recipient agencies are eligible for the discount until their inventoried or "banked" donated food pounds are depleted.

(4) **Indirect Refund Sale (Rebate):** The manufacturer shall make arrangements to receive electronic sales data from Colorado members and Distributor at the end of each month and in return issue a rebate based on that sales data to each receiving member district as designed in final bid award within 30 days of receipt of distributor data. A summary report of all rebates/commodity usage will be made available to the FDP on a monthly basis. Members will have the option of submitting their rebate form (instead of e-rebate) and be issued a check upon verification of vendor. Vendor will provide a template rebate form)

- b) The awarded vendor shall deliver the end product(s) directly to the designated distribution site. Billing statements for the product(s) shall be sent to the appropriate recipient agency and shall reflect the contracted discount price for shipments delivered. ***Gross pricing shall be used only if commodities are not available for credit and for non-program schools.***
- c) Shipping and Storage
 - i) Products shall be stored in sub-zero degree temperatures and will not be allowed to exceed 10 degrees F (-12.2 degrees C) during shipment to the distribution dock.
- d) Sample Products
 - i) Sample products must be available at the annual Commodity Food Show in order to be available for purchase by recipient agencies. No additional samples will be requested as part of this proposal.
- e) Awards
 - i) Award will be made to one or more processors per food grouping. The State reserves the right to approve all product substitutions (product/price) prior to shipment. The State reserves the right to approve necessary changes to the Summary End Product Data Schedule.
- f) Issue Resolution
 - (1) The Colorado State Food Distribution Program shall serve as the single point of contact for any problems/issues arising from the contract.

F. CONTRACTOR RESPONSIBILITIES

The general responsibilities that will be assigned to the selected Contractor are outlined below.

1) Cooperation with CDHS FDP

The Contractor shall respond promptly to requests from FDP staff for information, clarification or issues relating to USDA foods and the NSLP. Participate in CDHS USDA Foods annual exhibit show.

2) Program Knowledge and Experience

The Contractor shall be knowledgeable of all appropriate federal and state program requirements, goals and objectives, and has experience with processing USDA foods in other states.

3) Preparation of Reports for the Food Distribution Program Unit

The Contractor shall provide monthly performance reports before the 15th day of the month to the FDP detailing the receipt and distribution of USDA foods. The Contractor shall also provide a quarterly report to the FDP detailing recipient agencies that are not utilizing allocated USDA foods so that inventory levels may be managed.

4) Conflict of Interest or Appearance Thereof

By submission of a proposal, the Contractor warrants that performance of the work required hereunder will create neither an actual conflict of interest with other work performed by the Contractor, nor the appearance of such a conflict.

SCOPE OF WORK DURATION

This scope of work shall apply to the time period from date of award through one year. The FDP shall have the authority to renew subsequent options (up to four one-year options) with the selected Contractor at the sole discretion of the State. The State reserves the authority to cancel the current Contract or subsequent options periods exercised due to unsatisfactory performance of the Contractor.

F. COMPANY BACKGROUND AND REFERENCES

- 1) Processors must provide a company profile. Information provided shall include:
- 2) Company ownership. If incorporated, the state in which the company is incorporated and the date of incorporation. *An out-of-state processor must become duly qualified to do business in the State of Colorado as a foreign corporation before a contract can be executed.*
- 3) Location(s) of the company offices and location of the office servicing any Colorado account(s).
- 4) Number of employees both locally and nationally.
- 5) WBSCM warehouse code for each product line.
- 6) Name, address, and telephone number of the processor's point of contact for a contract resulting from this RFP.
- 7) Company background/history and why processor is qualified to provide the services described in this RFP.
- 8) Length of time processor has been providing services described in this RFP to the **public and/or private sector**. Please provide a brief description.
- 9) Has the contractor ever been engaged under contract by any State agency? [] Yes [] No
- 10) If "Yes," specify when, for what duties, and for which agency.
 - i) Processor's Dun and Bradstreet number.
- 11) Company's current business entity certificate of good standing

G. REFERENCES

The State reserves the right to check any reference(s), regardless of the source of the reference information; including, but not limited to, those that are identified by the company in the proposal, those indicated through the explicitly specified contacts, those that are identified during the review of the proposal, or those that result from communication with other entities involved with similar projects.

Information to be requested and evaluated from reference may include, but is not limited to, some or all of the following: project description and background, job performance, functional abilities, communication skills and timeliness, cost and scheduling, problem resolution, and overall performance. Negative references may eliminate bidders from consideration for award.

H. SUBMISSION CHECKLIST

- ☐ Work plan addressing all topics in the Requirements section
- ☐ Company Profile outlined in Company Background and References
- ☐ Business Entity Certificate of Good Standing
- ☐ Pricing Bid Sheet (all listed products require the following documents)
 - ☐ Summary End Product Data Schedules (SEPDS)
 - ☐ Manufacturers Product Certification Statement
 - ☐ Child Nutrition Labels
 - ☐ Nutrition Fact Sheets
 - ☐ Meal Contribution Facts
 - ☐ Calculator

SUBCONTRACTOR INFORMATION

Does this proposal include the use of subcontractors? Yes __ No____ Unknown_____

If “Yes”, processor must:

Identify specific subcontractors and the specific requirements of this RFP for which each proposed subcontractor will perform service

References as specified above must be provided for any proposed subcontractors.

Primary processor shall not allow any subcontractor to commence work until all insurance required of the subcontractor is provided to the using agency.

Primary processor must notify the using agency of the intended use of any subcontractors not identified within their response and receive agency approval prior to subcontractor commencing work.

A. PRICING SUBMISSION

Vendor must submit pricing for all items that will be available for purchase for the 2017-2018 school years. Annual updates of product lists will be permitted at contract renewal. However, all product pricing must be included in order for districts to purchase. **This is not a catalog award.** The best response will be selected for each product specification unless there is justification to award to multiple vendors.

Total processing bid price per case is to be based on the processor’s cost of ingredients (other than the value of the USDA commodity), labor, packaging, overhead and other costs incurred in the conversion of the non-commodity ingredients and the processing fee. Bid prices must include all costs to palletize and deliver FOB to state warehouse sites and/or district warehouse.

In order to address potential differences in commodity use methods, MFFS, FFS, NOI, and Rebates, the pricing submission format has been modified to allow more transparency in product pricing. Therefore, pricing must be submitted in the revised format below on a Flash drive in Microsoft Excel, document attached. You may not submit pricing in any other format. If products are available with more than one pass through method, then the item must be listed with each processing option identified. USDA Commodity value per case is to be calculated using the USDA’s most recent November 16 commodity price file available at the following address: <http://www.fns.usda.gov/fdd/processor-material-prices>

USDA Food	Commodity Product Code	Commercial Product Code	Product Description	Bid Unit Pack	USDA Food Value /Case (DF Value)	Servings per Case	Bid Price per Case (DF + Bid Price) (NOI/R)	Bid Price per Serving (DF +Bid Price) (NOI/R)	Net Bid Price per Case (FFS/MFFS) <u>Do not</u> include DF value in total price	Bid Price per Serving (FFS/MFFS) <u>Do not</u> include DF value in total price	Bid Price per Case (Commercial)	Bid Price per Serving (Commercial)	Allergens	Processing Option (s)	Minimum Shipment Requirement	Tracking Method: Do you use the tracking services of K12 or ProcessorLink? If not, briefly describe method for RAs to
11111	Chicks1	1Chick	Chicken	8/2#	20.00	160	40.00	.375					Milk	NOI/R	5000#	
11111	Chicks1	1Chick	Chicken	8/2#	20.00	160	40.00	.375	42.00	.2625	50.00	.3125	Milk	NOI/R/FFS/MF	5000#	
99999	8EEFC	8EEFCO	Beef	6/5#	30.00	100			40.00	.40			Soy	FFS	150 cases	
99999	Beef1	1Beef	Beef	6/5#	30.00	100			38.00	.38	38.00	.38	Soy	MFFS	2500#	

Bid price per serving cost is determined by the following method: Please read carefully the instructions for determining bid price per serving. An example is provided on the next page. Unless otherwise designated, the commercial cost will be calculated as the total value of the bid price per case + the USDA value per case when all pounds are expended. Commodity processing bid price per case plus the USDA commodity value per case divided by servings per case equals commercial bid price per serving.

This formula MUST be used to calculate the Bid Price per Serving	Commodity Processing bid Price Per Case	+	USDA Commodity Value Per Case	=	Total Cost Per Case	÷	Servings Per Case	=	Commercial Bid Price Per Serving	Bid Price Per Serving will be used to determine low bid.
EXAMPLE	\$50.00	+	\$15.00	=	\$65.00	÷	180	+	\$0.3611	

Note: In this scenario, the commodity price would be \$50.00 per case and the commercial price would be \$65.00 per case.
Processing Options: Fee for Service = FFS Modified Fee for Service = MFFS Net Off Invoice = NOI Rebate = R

PROJECT DESCRIPTION:

The purpose of this solicitation is for CDHS FDP department to allow commercial food processors add new products with specifications to the existing NSLP RFP [2017000139](#), published in 2017. This contract only services as the further processing allows State Distributing Agencies (SDA) and school districts to contract with commercial food processors to convert raw and/or bulk USDA Foods into a variety of convenient, ready-to-use end products.

Please complete the pricing bid sheet for the products listed only. These are the tabs within the Pricing Bid Sheet: USDA Foods Product Name, USDA Foods Product Specification, Commercial USDA Foods Code, Bid Pack Unit, USDA Foods Value/Case, Servings Per Case, USDA Foods Inventory Drawdown Per Case, USDA Foods Value Per Pounds, Bid Price Per Case(Processing plus Value of Commodity), Price Per Serving (Processing plus Value of Commodity), Net Bid Price (Processing Price Only), Net Bid Price Per Serving (Processing Price Only), Bid Price Per Case (Commercial Price), Bid Price Per Serving (Commercial Price).

COLORADO DEPARTMENT OF HUMAN SERVICES
2018000153 FDP USDA School Lunch Program
VENDOR INFORMATION

1. Vendor name: _____

2. Name and numbers of contact person for inquiries on your Bid response:

Name: _____

Telephone number: (_____) _____

Toll free/collect number: (_____) _____ FAX number: (_____) _____

E-Mail address _____

3. Name and numbers of contact person for orders if an award to your company is subsequently made:

Name: _____

Telephone number: (_____) _____

Toll free/collect number: (_____) _____ FAX number: (_____) _____

E-Mail address _____

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