

3. Provide monthly market basket audits for items to confirm manufacturer prices as compared to the Consumer Price Index (CPI) as well as pass through of all applicable discounts, rebates, and credits. **See Tab 2 GFS Audit Procedure**
4. Provide HPS with appropriate purchasing documents for Products on a quarterly basis so that HPS may audit the pricing mechanisms used. **See Tab 2 GFS Audit Procedure**
5. Provide contracts, pricing and information, search information, technical information, etc. via a web site. **Agreed**
6. Provide field staff to assist the HPS Institutions. **Agreed**
7. Distribute USDA Food products, along with commercial products. (See Section 3b, “USDA Foods”, below). “USDA Foods” or “USDA Commodities” include value-added (brown box), processed or non-processed foods under any approved USDA delivery method, Department of Defense (“DoD”) program(s), Rebates or USDA pilot programs. **Agreed**
8. Upon request, provide copies of all procurement documents to the applicable State Department of Education or any HPS Institution, to demonstrate compliance with CN Program and government-wide regulations, including Buy American. **Agreed, to the extent such regulations or requirements are applicable to Distributor.**
9. Provide member-based input and evaluation of food items, supplies, and materials bid/proposal responses prior to award. **Agreed**
10. Provide HPS Institutions with information regarding any Buy American requirements, nutritional facts, CN label, or bid specification sheet(s) as requested. **Agreed**
11. At the request of any HPS Institution that wishes to develop or update a plan for responding as a CN Program operator to a “disaster” or “situation of distress,” as those terms are defined in 7 CFR 250.2, the Awarded Distributor will provide reasonable assistance, support and cooperation to any such HPS Institution in connection with developing or updating such response plan, consistent with all applicable laws and regulations, including without limitation 7 CFR 250.69 and 7 CFR 250.70 **Agreed**
12. Collect and disburse the annual volume discounts earned by eligible K12, college and university HPS Institutions based on purchases from vendors that participate in HPS’s volume discount incentive program. HPS has secured tiered discounts from participating vendors based on the volume of purchases of eligible cases of commercial and USDA Foods under the HPS program from those vendors by K12, college and university HPS Institutions. The Awarded Distributor shall : (A) Collect the volume discount incentive due to HPS Institutions by deducting the amount of the discount from an anticipated future Product payment to the participating vendor; (B) Process payment of the deducted amount to the appropriate HPS Institutions by means of individual customer credit memos; (C) Send vendors an annual statement detailing the volume discount activity during the prior year; and (D) Make final payments based on the final, adjusted volume schedule. **Agreed, provided GFS is awarded all K-12 RFP Contracts**

13. Make purchases of specified Products on behalf of HPS Institutions at the lowest price, including freight. **Agreed**
14. Communicate information regarding anticipated market price changes and availability. **Agreed**
15. Provide manufacturer information and tracking systems on specials and rebate information, including without limitation food show rebates. **Agreed**
16. Present or demonstrate new products or concepts in conjunction with brokers or manufacturers. **Agreed**
17. Upon HPS request, seek proposal pricing for new products as new products become available during the Master Group Agreement term. **Agreed**
18. Interface with the manufacturers about problems relating to product quality to the satisfaction of the HPS Institutions. In the case of quality disputes, the manufacturer may be required to provide an independent or third-party laboratory analysis. **Agreed, See Tab 3, U.S. Product Complaint Process Overview**
19. Provide quick, effective response to HPS Institutions' questions and issues with orders, deliveries, paper transactions, billings, or product performances. Communications may be in writing, e-mail, telephone, voice messaging, and/or in person in a timely manner. **Agreed**
20. Assign a regular account representative for each HPS Institution unless other arrangements are made with the HPS Institutions. **Agreed**
21. Provide accurate, reliable and timely reports, in terms of invoices, statements, credits and usage reports and other information as required by law or requested by HPS. Moreover, the Awarded Distributor must provide data spontaneously for periodic review of prices by HPS. **Agreed**
22. Provide electronic data as required for HPS to gather combined velocity and reporting information for all HPS Institutions individually, including without limitation the following data points: **Agreed, Nutritional Item Service for Schools, is dependent on the Award for all K-12 RFP Contracts**
  - A. Daily Transactional Data
    - i. Daily electronic invoices data (810)
    - ii. Includes Distributor Part Number, Description, Manufacturer/Vendor, Vendor Part Number, Price, Unit, Qty Invoiced, Package String, and Distribution Center that Product was sold from
  - B. Distributor Product Masterfile
    - i. Weekly update of all active and available items
    - ii. Includes Distributor Part Number, Description, Manufacturer/Vendor, Vendor Part Number, Package String, Category, Sub-Category

- C. Distributor Contract/Distribution Pricing Files
  - i. Weekly Update of all items available at a particular distribution center and priced by contract/agreement number
  - ii. Used for pricing evaluations
  - iii. Includes Distributor Part Number, Description, Manufacturer/Vendor, Vendor Part Number, Price, Unit, Package String, Category, Sub-Category
- D. Nutritional Item Service for Schools
  - i. Complete nutritional reference for schools
  - ii. RESTful Service on demand
  - iii. Includes all nutritional components, school lunch equivalencies, and links to the USDA child nutritional database
- E. Catalog Punchout for Menu Planner
  - i. Punchout link for items in Menu Planner to link to the online catalog from distributor and pre-populate a catalog cart.
- F. USDA Commodities landing service
  - i. Provides data for USDA entitlement drawdown for each school district participating in the managed consortiums
- G. USDA Account management communications service
  - i. Service that allows consortium to send diversion pounds by district, USDA Commodities item, and processor electronically to distributor.
  - ii. Allows for shut offs of each electronically
- H. Other electronic information HPS needs to conduct business with its members.

23. Provide required documentation on Products, such as nutrition analysis, meal components, allergens, CN Labels, food recalls, etc. **Agreed**

24. Provide emergency phone numbers and email addresses for ordering and delivery contacts outside of office hours (including weekends). **Agreed, all HPS members will be provided with inside and outside sales representative contact information.**

25. Supply equipment needed for use of house brand Product dispensing, such as coffee brewing systems, napkin dispensers, detergent dispensers, etc. Awarded Distributor must also include servicing options. **Agreed. Equipment is provided based on minimum volume requirements for products. Required velocity varies by product type. Please inquire for additional details.**

- **Coffee brewers for Mosaic and Gordon Choice coffee**
- **Juice dispensers for Harvest Valley 3.5 liter or 3 gallon concentrates**
- **Chemical dispensers for Array chemicals**
- **Folgers brand liquid roast equipment**

26. Meet each HPS Institution's need for technological/computer support. **Agreed, for systems and technology provided directly by Awarded Distributor.**

27. Provide all products and services in accordance with applicable state and federal laws and regulations governing Federally-funded CN Programs and other applicable law, using sound, professional practices and in a competent and professional manner using knowledgeable, trained, and qualified personnel. **Agreed**