

**ANNOUNCEMENT PY-228**

**Purchase Of**

**CHICKEN NUGGETS AND CHICKEN PATTIES**

**For Distribution To Eligible Outlets**





## Table of Contents

|           |  |    |
|-----------|--|----|
| I.        | GENERAL.....   | 1  |
| II.       | SUBMISSION OF OFFERS .....   | 5  |
|           | A.    Where and How to Submit Offers.....  | 5  |
|           | B.    What to Submit .....   | 6  |
| III.      | ACCEPTANCE OF OFFERS .....   | 9  |
| IV.       | PROVISIONS OF CONTRACT.....  | 9  |
| V.        | CONTRACT COMPLIANCE.....   | 9  |
| VI.       | SHIPMENT AND DELIVERY .....  | 9  |
| VII.      | LOSS DUE TO DETERIORATION OR SPOILAGE.....                                       | 10 |
| VIII.     | LIQUIDATED DAMAGES .....   | 10 |
|           | A.    Compensation to the Contractor for Late Mailing of Notice to Deliver ..... | 10 |
|           | B.    Compensation to USDA for Delay in Delivery.....                            | 10 |
| IX.       | INVOICES AND PAYMENT.....  | 10 |
| X.        | INQUIRIES ....   | 11 |
| EXHIBIT 1 | Sample Invitation .....  | 13 |
| EXHIBIT 2 | Solicitation Mailing List Application Form 129 - Example .....                   | 14 |
| EXHIBIT 3 | Sample Format for Submitting Offers .....  | 16 |
|           | Example No. 2.....   | 17 |
| EXHIBIT 4 | Domestic Origin Certification.....   | 18 |

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA-S TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call 202-720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.



## Announcement PY-228

### I. GENERAL

A. The United States Department of Agriculture (USDA) will periodically issue an Invitation for offers (Invitation) under this Announcement to sell to USDA frozen cooked breaded chicken nuggets and patties (commodity). The applicable commodity specification, listed below, is published separately and is incorporated herein and made a part hereof.

Commodity Specification for Chicken Nuggets and Chicken Patties dated  
June 1999

! Chicken Nuggets (222330)

! Chicken Patties (223030)

B. The Invitation will specify the commodity, the quantity to be delivered, the offer date, the delivery period(s), the destinations, the closing time for receipt of offers, and any provisions applicable to the proposed procurement which are in addition to or different from those contained in this Announcement. Provisions of the General Terms and Conditions for the Procurement of Agricultural Commodities or Services, Revision No. 2, dated November 1984, and Amendments 1, 2, 3, and 4, dated October 1990, November 1990, August 1989, and March 1990, respectively, (USDA-1), are incorporated herein except as specifically excluded. Offerors are cautioned to carefully read all applicable terms and conditions of USDA-1, this Announcement, the applicable Invitation, and the Commodity Specification for Chicken Nuggets and Chicken Patties dated June 1999. The contractor is cautioned that statements made by persons other than the Contracting Officer are not binding on the Government unless subsequently confirmed in writing by the Contracting Officer.

C. Offer prices will be f.o.b. (or f.a.s. vessel) at the destinations listed in the applicable Invitation. Offers will be invited on a purchase unit basis or multiples thereof, except that the Invitation may indicate up to three destinations within a line item which will require a split delivery (drop) at each destination from the same delivery vehicle. Delivery by either mechanically refrigerated trucks or mechanically refrigerated railcars is at the option of the contractor except for those destinations that specify the method of delivery.

#### D. Responsibility of Offeror

A firm submitting an offer under this Announcement must meet the Federal standards for responsibility in the Federal Acquisition Regulations (FAR) at 48 C.F.R. Part 9, USDA-1, and this Announcement. Facilities to be used in fulfilling USDA contracts must be operating under the provisions of the Poultry Products Inspection Act (PPIA) and regulations issued thereunder. Due to the nature of these contracts, vendors will not be permitted to subcontract without prior approval of the Contracting Officer, and then only in extreme circumstances (see Article 68 (c) of USDA-1 for examples of extreme circumstances). However, all suppliers subject to the PPIA who will be utilized in fulfilling this procurement, either directly or indirectly, must be approved by the Contracting Officer for responsibility. Approval must be received prior to their performance under this Announcement. Offerors must submit a complete list of all suppliers, including potential suppliers, prior to the offeror's participation in this program. During the life of the Announcement, offerors must update the list of suppliers as changes occur. Suppliers will be determined to be nonresponsible if they have been suspended or debarred and that suspension or debarment is in effect at the time of a bid or during performance.

In addition to the certifications required by Parts C and D of USDA-1, the offeror must also certify in item 7 of Appendix-1 that (1) all producing plants specified in the offer are facilities operating under the provisions of the PPIA; (2) neither the offeror nor any of its officials are currently suspended or debarred as defined under 48 C.F.R. ' 9.4; (3) the offeror will identify to the Contracting Officer all prospective subcontractors and suppliers subject to the PPIA and request a determination of responsibility prior to their performance; (4) the offeror will only utilize those suppliers in fulfilling the contract who have been approved by USDA; and (5) the offeror will include these certification requirements in every subcontract for the poultry component of this commodity.

Bidders are cautioned NOT to BID on quantities in excess of what they can reasonably expect to timely deliver in accordance with the contract. Bidders MUST BID on the quantity associated with each item number (See EXHIBIT 1 of this Announcement for a sample Invitation). Deliveries must be made during the contracted delivery period and no extensions will be granted due to weekends or Federal holidays. Because this commodity is used in domestic food programs, on-time delivery is imperative. See section VIII.B. as to the importance of timely delivery and the difficulty inherent in quantifying actual damages for delay in delivery. Late deliveries cause serious and substantial damages to USDA and to other agencies that use this commodity. Late deliveries may result in termination of contracts or ineligibility to bid on future contracts. Contractors must inform the Contracting Officer and recipient agency, as soon as possible, of late deliveries and how soon delivery can be expected. Offeror must certify to timely performance on outstanding contracts in each offer. An offeror may be deemed nonresponsible if the offeror, on other contracts with USDA, is shipping/delivering late and the late shipment/delivery is not due to causes beyond the control and without the fault or negligence of the contractor. This provision is a deviation from 48 C.F.R.

' ' 9.103(b) and 19.6.

A false certification may result in rejection of the offer, suspension and debarment by USDA, termination of the contract, liability for damages under the provisions of USDA-1, and criminal prosecution.

With respect to purchases under the 8(a) program, the conditions and clauses contained in the Announcement, Invitation, Commodity Specification, Appendix-1, USDA-1, and the Interagency Agreement Between USDA, Agricultural Marketing Service (AMS), and the Small Business Administration (SBA) (Interagency Agreement), apply to the 8(a) contractor as defined in 48 C.F.R. § 19.800(a). For the purposes of purchases made under the 8(a) program, reference to “contractor”, in all USDA documents, means the 8(a) contractor. In accordance with the Interagency Agreement as authorized under 48 C.F.R. § 19.800(c), SBA has delegated responsibility to USDA for the administration of contracts awarded to 8(a) contractors with complete authority to take any action on behalf of the Government under the terms and conditions of the contract. In the event of non-performance of a contract by an 8(a) contractor or its subcontractor, it is agreed that no further contracts will be offered by the SBA to that contractor during the current fiscal year or until claims for damages resulting from non-performance are settled.

E. Buy American Certification

End products furnished must be of domestic origin as defined in I.F. below. This provision is a deviation from 48 C.F.R. part 25 and for the purposes of this Announcement replaces Articles 34 and 49 of USDA-1.

F. Domestic Products

The commodity must be produced and processed from poultry and/or egg products including maltodextrin (products) which were produced, raised, and processed in the United States, its territories or possessions, the Commonwealth of Puerto Rico, or the Trust Territories of the Pacific Islands. If the contractor processes or handles products originating from sources other than the United States, its territories or possessions, Puerto Rico, or the Trust Territories of the Pacific Islands, the contractor must have an acceptable identification and segregation plan for those products to ensure they are not used in commodities purchased under this Announcement. This plan must be made available to a representative of the Grading Branch, Poultry Programs, AMS, USDA (Grader), and the Contracting Officer or agent thereof upon request. The contractor must ensure that both the contractor and subcontractor(s) maintain records such as inventories, or production and inventory records evidencing product origin, and make such records available for review by the Government in accordance with Article 76 of USDA-1. The burden of proof of compliance is on the contractor. Failure to observe this requirement may lead to suspension or debarment, contract termination, and penalties at 18 U.S.C. 1001 concerning falsification of information. The attached form (EXHIBIT 4) must be provided to the USDA Grader prior to performance in this program.

G. Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity

1. If the Government receives information that a contractor or person has engaged in conduct constituting a violation of subsection (a), (b), (c), or (d) of section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423) (the Act), as amended, the Government may -

- a. Cancel the solicitation, if the contract has not yet been awarded or issued; or
- b. Rescind the contract with respect to which -

(1) The Contractor or someone acting for the Contractor has been convicted for an offense where the conduct constitutes a violation of subsection 27(a) or (b) of the Act for the purpose of either -

- (a) Exchanging the information covered by such subsections for anything of value; or
- (b) Obtaining or giving anyone a competitive advantage in the award of a Federal agency procurement contract; or

(2) The head of the contracting activity has determined, based upon a preponderance of the evidence, that the Contractor or someone acting for the Contractor has engaged in conduct constituting an offense punishable under subsection 27(e)(1) of the Act.

2. If the Government rescinds the contract under paragraph (1) of this clause, the Government is entitled to recover, in addition to any penalty prescribed by law, the amount expended under the contract.

3. The rights and remedies of the Government specified herein are not exclusive, and are in addition to any other rights and remedies provided by law, regulation, or under this Announcement.

#### H. Service of Protest

1. Protests, as defined in 48 C.F.R. § 33.101, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer by obtaining written and dated acknowledgment of receipt.

2. The copy of any protest shall be received in the office designated above within 1 day of filing a protest with the GAO.

#### I. Requirements

Requirements contracts, as described in 48 C.F.R. ' 16.503, will be awarded for frozen cooked breaded chicken nuggets and patties for the delivery periods stated in the Invitation. The quantities of chicken nuggets and patties specified in the Invitation are estimates only and are not purchased by this contract. The quantities specified are the maximum orders to be purchased, and may be subject to adjustment based on changes in the needs by recipient agencies.

Delivery or performance must be made only as authorized by the Notice to Deliver (ND) issued in accordance with the Ordering clause (48 C.F.R. ' 52.216-18). Subject to any limitations in the Delivery-Order Limitations clause (48 C.F.R. ' 52.216-19) or elsewhere in this Announcement, the contractor must furnish to USDA all commodity as specified in the Commodity Specification and called for by the ND issued in accordance with the Ordering clause.

The commodity must not be processed and packaged more than 30 days prior to the first day of the delivery period.

#### J. Ordering

ND's will be issued by the Kansas City Commodity Office (KCCO) not later than 30 days prior to the first day of the delivery period. Products to be furnished under this Announcement shall be ordered by issuance of ND's by KCCO. An ND is considered "issued" when KCCO deposits the notice in the mail. All ND's are subject to the terms and conditions of this Announcement.

The Agricultural Marketing Service reserves the right to suspend ordering should marketing conditions warrant.

K. Pricing

Offerors will bid only one processing cost per pound for the entire invitation, and one transportation cost per pound to each State listed on the invitation (See Exhibit 3).

1. Base Price

a. The base price is intended to reflect the approximate value of the chicken contained as ingredients in the finished chicken nuggets and patties. The base price per pound will be 1.2 times the 12-city price for broiler chickens published by USDA Poultry Market News on Monday of the week each ND is issued. The average price will be expressed on a per-pound basis, rounded to the fourth decimal place. ND's will be issued not less than 30 days prior to the beginning of the delivery period.

b. If no price is quoted for the specific week an ND is issued, the base price will be the last published price for the 12-city broiler market.

c. Inquiries on the 12-city price for broiler chickens should be directed to Poultry Programs, Market News Branch, by telephoning (202) 720-6911.

2. Offer Price

a. Offerors will bid only one processing cost per pound for the entire invitation, and one transportation cost per pound to each State listed on the invitation. These costs, added together, will constitute the offer price. The offer price is intended to reflect the cost of manufacturing chicken into chicken nuggets and patties and other costs, and reflects the difference between the base price and the final price to produce and deliver the specified end products.

b. The offer price will be added to the base price for each ND to determine the price per pound to be paid.

c. Offerors must specify only one transportation cost per line item listed on the Invitation. Line items with more than one cost listed will not be considered.

II. SUBMISSION OF OFFERS

A. Where and How to Submit Offers

Offers must be submitted by mail, telegraph, FAX, or hand delivery. Facilities for receiving offers by FAX are:

(Answer Back)

PY-228

FAX: 202-720-7271 (24 Hours)  
Verification: 202-720-2104 (7:00 a.m. - 4:15 p.m.,  
Washington, D.C. time, Mon.-Fri.)

If the offer is sent by mail or hand delivered, place the notation "Do not open until prescribed time per Announcement PY-228" on the lower left-hand corner of the envelope. Offerors may contact the Contracting Officer to verify receipt of a mailed offer prior to the time set for receipt of offers by telephoning (202) 720-7693.

Offers, modifications, or withdrawals of offers must be addressed as follows:

For U.S. Postal Service Priority Mail and Mailed Offer Form -

Contracting Officer  
USDA/AMS/Poultry Programs  
Commodity Procurement Branch STOP 0260  
P.O. Box 96456  
Washington, DC 20090-6456

For U.S. Postal Service Express Mail, Private Express Services (DHL, Federal Express, etc.), telegraphic, and FAX -

Contracting Officer  
USDA/AMS/Poultry Programs  
Commodity Procurement Branch STOP 0260  
1400 Independence Avenue, SW  
Washington, DC 20250-0260

Offers, modifications, or withdrawals of offers must be received in the USDA-AMS-Management Services Division (MSD)-Communications Office (CO), the USDA mailroom, or, if hand delivered, the office of the Contracting Officer, Room 3941-S, in Washington, DC, not later than 1 p.m., Washington, DC time on the Monday as indicated in the Invitation. In the event Monday falls on a nonworkday for USDA employees in the District of Columbia, offers, modifications, or withdrawals are to be received not later than 1 p.m., Washington, DC time on the next succeeding business day. Whether an offer, modification, or withdrawal is received within the time limitation will be determined by the time stamp recorded by the USDA-AMS-MSD-CO (if by FAX or telegraphic) or, in the case of mail, the time stamp recorded by the USDA mailroom in Washington, DC. For hand-delivered offers, modifications, or withdrawals, the time of receipt will be determined by the time recorded by the office of the Contracting Officer in Washington, DC.

B. What to Submit

An offeror must have completed and submitted a Solicitation Mailing List Application (Standard Form 129) and Appendix-1, which must be signed by a duly authorized officer of the company, prior to making an offer. If not already received, copies of Standard Form 129 and Appendix-1 may be obtained from the Contracting Officer. An offeror who has previously provided a Standard Form 129 must furnish updated information only.

The offeror must complete all portions of the Standard Form 129 (except Item 18) in accordance with the attached EXHIBIT 2 and include the following information for Items 4, 8, 10, 16B, 19, and 20:

Items 4 and 8: The Federal inspection plant number.

Item 8: Identify all affiliates, including any parent company.

Item 10: The products the offeror is interested in supplying, weekly volume of production, and percent of capacity available for USDA contracts.

Item 16B: Identify the freezer or warehouse to be used and its storage capacity.

Items 19 and 20: Must be an officer of the company, as identified in item 7.

An offer must include each of the following numbered items in the order listed. (See EXHIBIT 3 of this Announcement for examples of offers.)

1. Offer is made subject to Announcement PY-228; Appendix-1; the Commodity Specification for Chicken Nuggets and Chicken Patties dated June 1999; Invitation No. \_\_\_\_\_; and USDA-1.

NOTE: If documents are subsequently amended, offers must reference such Amendments.

2. Name, complete address of offeror, telephone number, and return number for FAX

NOTE: If more than one return number is listed, the first one will be used for any acceptance wire.

3. Processing Cost.

NOTE: Offers will be made and considered only for one processing price per pound.

4. Item number listed on applicable Invitation, destination\*, and transportation costs per pound delivered to specific destination for each processing plant, if bidding from more than one processing plant.

**\*OFFEROR MAY, AT OFFEROR'S OWN RISK, EXCLUDE THE NAME OF THE DESTINATION. ERRORS IN ITEM NUMBER WILL NOT BE APPARENT TO THE CONTRACTING OFFICER.**

- NOTE:
- a. Offers will be made and considered only for one transportation cost for each processing plant for each item number listed on the Invitation.
  - b. The Invitation will indicate any restrictions in the mode of shipment on particular destinations by indicating "Truck Only" or "Rail Only."
  - c. Offers should include as many item numbers as desired.

5. Name and location (include complete street address and county) of (a) each final processing plant and (b) shipping point for each processing plant. Only one shipping point can be listed for each processing plant. If the shipping point is the same as the processing plant, state "Same."

6. Name, complete mailing address, and telephone number of office or person to receive shipping and delivery instructions.

7. Timely performance certification. Answer (a), (b), or (c) as appropriate.

(a) The Offeror (HAS) completed required performance of any contracts with USDA prior to this bid opening; OR

(b) The Offeror (HAS NOT) completed required performance of any contracts with USDA prior to this bid opening and (HAS) (HAS NOT) notified the Contracting Officer; OR

(c) The Offeror (DOES NOT) have outstanding contracts with USDA.

8. Certificate of Independent Price Determination

(a) Offeror certifies that the person(s) submitting this bid, as identified in item 10 below, (IS) the person in the offeror's organization responsible for determining the prices being offered in this bid, and that the signatory (HAS NOT) participated and (WILL NOT) participate in any action contrary to subparagraphs (a)(1) through (a)(3) of the "Certificate of Independent Price Determination" clause of Article 30 of USDA-1; or

(b) Offeror certified that the person(s) submitting this bid, as identified in item 10 below, (IS) an authorized agent for (name of principle), and (DOES) certify that the principle named above has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3); and, as agent, (HAS NOT) personally participated and (WILL NOT) participate in any action contrary to subparagraphs (a)(1) through (a)(3) of the "Certificate of Independent Price Determination."

9. Offeror (a) (DOES) (DOES NOT) certify that annual certifications, representations, and warranties dated (date Appendix-1 was signed by officer) which are incorporated herein by reference as Appendix-1, have been submitted to the Contracting Officer issuing this solicitation and that Appendix-1 is current, accurate, and complete as of the date of this offer and are a part of this offer; and (b) (HAS) (HAS NOT) submitted changes or additions to Appendix-1 with this offer.

10. Signature and title of person, if mailed, faxed, or hand carried, or name and title of person authorized to execute contracts on behalf of offeror, if offer is submitted by telegram, datagram, mailgram. (See Article 6 of USDA-1.)

EXHIBIT 3 provides examples of how offer wires or letters may be submitted.

### III. ACCEPTANCE OF OFFERS

The Government will award contracts resulting from this solicitation to responsible offerors whose offers conform to the Announcement and the applicable Invitation and whose offers are most advantageous to the Government in terms of, but not limited to, price, quantity requirements, and transportation costs. Acceptance of offers will be made by prepaid telegram or FAX filed at Washington, DC, not later than midnight, Washington, DC time, the Friday following the day for receipt of offers. The actual time of award is the time stamped on the acceptance wire at time of receipt by the USDA-AMS-MSD-CO. A notice of award will be issued in the form of a Food Purchase Report or other public announcement posted at the Department's Office of Public Affairs, News Division, after award and after 3 p.m., Washington, DC time, on the day of acceptance. After award information is posted, inquiries may be made to a USDA-AMS Poultry Programs Market News Office or the Contracting Officer. Failure to accept an offer will constitute rejection. Acceptance as specified above will result in a binding contract without further action by either party. The actual time of award described herein is a deviation from 48 C.F.R. ' 14.407-1. Information on awards is also available electronically through the USDA, AMS Home Page at <http://www.ams.usda.gov/cp> after award.

### IV. PROVISIONS OF CONTRACT

The contract consists of this Announcement including Appendix-1, the applicable Invitation, the Commodity Specification, the contractor's offer, Standard Form 129, the Notice to Deliver, the acceptance by USDA, and USDA-1, except Articles 34, 49, 50 and all of Part E. Article 56 of USDA-1 is hereby amended by deleting the words "shipment from origin" from the third line of paragraph (a) and inserting in lieu thereof the word "delivery". Additionally, Articles 56, 65, and 67 of USDA-1 are hereby amended by deleting the words "ship", "shipping", "shipment(s)", and "shipped" and inserting as appropriate the words "delivery(ies)" or "delivered". If the provisions of contract documents are inconsistent, the following priority order will prevail: Notice to Deliver, Invitation, Announcement, Specification, and USDA-1.

### V. CONTRACT COMPLIANCE

The contractor must assure compliance with all requirements of this Announcement and the Commodity Specification for Chicken Nuggets and Chicken Patties prior to submission of product to USDA for acceptance. Examination and certification by USDA is solely for the benefit of USDA and will not relieve the contractor of its obligation and responsibility to deliver a product which complies with all requirements of this Announcement and the Commodity Specification for Chicken Nuggets and Chicken Patties. USDA approval of any part of the production process, including but not limited to equipment, will not relieve the contractor of the responsibility of performance in accordance with the contract. Actual damages not duplicative of liquidated damages may be assessed for performance not in accordance with the contract.

### VI. SHIPMENT AND DELIVERY

Shipment and delivery must be made in accordance with this Announcement, the Commodity Specification for Chicken Nuggets and Chicken Patties, the applicable Invitation, the Notice to Deliver, and Articles 56, 57, and 64 of USDA-1, as amended by this Announcement. Destination diversions must be mutually agreed upon by the recipient agency and the contractor. Transportation cost adjustments will not be made by USDA if the recipient agency orders delivery to a destination other than the original destination named in the contract.

Additionally, when notified of shipments, consignees may request upgrading of delivery services; for example, delivery within the doors of the consignee's premises or to a specific room within a building. Contractors are alerted that such delivery terms are beyond contractual requirements. Any negotiations to upgrade services are between contractor and consignee, and any additional charges for special delivery terms must be billed to the consignee. Any charges invoiced to USDA for delivery services beyond contractual requirements will be denied.

## VII. LOSS DUE TO DETERIORATION OR SPOILAGE

The contractor is liable for losses due to deterioration or spoilage, for which the contractor is responsible, which are discovered within 4 months of the date of delivery to USDA in accordance with the provisions of Article 61 of USDA-1.

## III. LIQUIDATED DAMAGES

### A. Compensation to the Contractor for Late Mailing of Notice to Deliver

Liquidated damages for failure to deliver the commodity during the delivery period due to late mailing of Notice to Deliver by KCCO will be payable in accordance with Article 65 of USDA-1, as amended by Section IV., and will be at the rate of \$0.0025 per pound net per calendar day.

### B. Compensation to USDA for Delay in Delivery

Deliveries must be made during the contracted delivery period(s). Liquidated damages for failure to deliver the commodity during the delivery period caused by other than a late mailed Notice to Deliver will be payable in accordance with Article 67 of USDA-1, as amended by Section IV., at the rate of \$0.0025 per pound net per calendar day. When deliveries are made by contract carrier or vendor's own vehicle, the date shown on the Consignee's Receipt or destination USDA Poultry Products Grading Certificate will be considered as the date of delivery. Liquidated damages will be assessed on late deliveries by railcar or piggyback. Timely delivery is important to fulfill the nutritional and dietary needs of persons for whom the commodity is intended. It is difficult to quantify the value of nutritional and dietary needs but the parties involved agree that the above rate is a reasonable quantification of such value. In addition, liquidated damages include, but are not limited to, compensation for the impairment of USDA's credibility in administering programs which are dependent on timely delivery of commodities. Late deliveries will count against a contractor's performance and will be considered when determining future contract awards. Current contracts may be terminated due to late deliveries.

IX. INVOICES AND PAYMENT

Invoicing and payment will be handled in accordance with Article 70, USDA-1, except that a properly prepared invoice package must include the following supporting documents:

- A. USDA Form KC-269 or commercial invoice form;
- B. Origin USDA Poultry Products Grading Certificate issued at time of checkloading; and
- C. A copy of the commercial Bill of Lading or other commercial receipt signed by recipient agent evidencing delivery date and quantity of product delivered or destination USDA Poultry Products Grading Certificate, evidencing delivery of product.

The properly prepared invoice package must be mailed or delivered to the Kansas City Management Office (KCMO) at the address shown in Section X.C.

A vendor will be paid only for delivery to the destinations listed on the Notice to Deliver. Adjustments in transportation costs must be negotiated with the recipient State.

Interest will be paid in accordance with the provisions of the Prompt Payment Act (31 U.S.C. ' 3902) if payment is made beyond the seventh day after the date of delivery. For the purpose of payment, the date of delivery of each shipment of product will be the date of receipt by KCMO of a properly prepared invoice package for the product.

USDA payments must be made directly to a financial banking institution. To receive payments electronically, Form SF-1199A, Direct Deposit Sign-up Form, can be obtained from KCCO, Commodity Financial Operations Division, ICB; Telephone (816) 926-2550.

X. INQUIRIES

A. Inquiries pertaining to USDA-1, this Announcement, Appendix-1, the Commodity Specification, and applicable Invitations should be directed to:

Contracting Officer  
 USDA/AMS/Poultry Programs  
 Commodity Procurement Branch STOP 0260  
 P.O. Box 96456  
 Washington, DC 20090-6456  
 Telephone: (202) 720-7693

B. Inquiries concerning shipping instructions should be directed to:

Director, Kansas City FSA Commodity Office  
U.S. Department of Agriculture  
P.O. Box 419205  
Kansas City, Missouri 64141-6205  
Telephone: (816) 926-6068

C. Inquiries concerning payment should be directed to:

Director, Kansas City FSA Management Office  
U.S. Department of Agriculture  
ATTN: Fiscal Operations Division  
P.O. Box 419205  
Kansas City, Missouri 64141-6205  
Telephone: (816) 926-6205

---

D. Michael Holbrook  
Deputy Administrator

EXHIBIT 1

SAMPLE INVITATION

ANNOUNCEMENT: PY228  
 INVITATION : 001  
 COMM GROUP : 22 CHICKEN, FROZEN  
 COMM TYPE : 24 CHICKEN NUGGETS, FROZEN  
 PACK SIZE : 30 30 LB CTN

| ITEM TRANS NO | DESTINATION CITY  | DELIVERY ST DATE | MINIMUM QUANTITY | MAXIMUM QUANTITY | RESTR |
|---------------|-------------------|------------------|------------------|------------------|-------|
| 001           | <b>MICHIGAN</b>   |                  |                  |                  |       |
|               | LANSING           | MI 8/1-15/99     | 39,000           | 117,000          |       |
|               | DETROIT           | MI 10/1-15/99    | 78,000           | 156,000          | TRUCK |
| ONLY          |                   |                  |                  |                  |       |
| 002           | <b>NEW JERSEY</b> |                  |                  |                  |       |
|               | PORT NEWARK       | NJ 8/1-15/99     | 39,000           | 117,000          | TRUCK |
| ONLY          |                   |                  |                  |                  |       |
|               | VINELAND          | NJ 8/16-31/99    | 39,000           | 117,000          | TRUCK |
| ONLY          |                   |                  |                  |                  |       |
| 003           | <b>NEW YORK</b>   |                  |                  |                  |       |
|               | BUFFALO           | NY 10/16-31/99   | 39,000           | 117,000          |       |
| 004           | <b>WISCONSIN</b>  |                  |                  |                  |       |
|               | MILWAUKEE         | WI 10/16-31/99   | 39,000           | 117,000          |       |

COMM TYPE : 29 CHICKEN PATTIES, FROZEN  
 PACK SIZE : 30 30 LB CTN

| ITEM TRANS NO | DESTINATION CITY  | DELIVERY ST DATE | MINIMUM QUANTITY | MAXIMUM QUANTITY | RESTR |
|---------------|-------------------|------------------|------------------|------------------|-------|
| 005           | <b>MICHIGAN</b>   |                  |                  |                  |       |
|               | ELMIRA            | MI 8/1-15/99     | 78,000           | 156,000          |       |
|               | KALAMAZOO         | MI 8/1-15/99     | 39,000           | 117,000          | TRUCK |
| ONLY          |                   |                  |                  |                  |       |
| 006           | <b>NEW JERSEY</b> |                  |                  |                  |       |
|               | PORT NEWARK       | NJ 8/16-31/99    | 39,000           | 117,000          | TRUCK |
| ONLY          |                   |                  |                  |                  |       |

PY-228

|      |          |                |        |         |       |
|------|----------|----------------|--------|---------|-------|
| ONLY | BUFFALO  | NJ 9/1-15/99   | 39,000 | 195,000 | TRUCK |
| ONLY | VINELAND | NJ 11/16-30/99 | 39,000 | 195,000 | TRUCK |

---SAMPLE---

---

Dennis J. Pearson  
Contracting Officer

- - - - -

EXHIBIT 2

(Sample 129 form)

PY-228

(Sample 129 form)

**EXHIBIT 3**  
**Sample Formats for Submitting Offers**

The following formats, which contain all the necessary information for an offer, will assist you in submitting your offer at minimum costs and in a concise and orderly manner. When submitting offers, please list in numerical order the required information as in the following examples (See Section II.C.)

Example No. 1

1. Offer is made subject to Announcement PY-228; Appendix-1; the Commodity Specification for Chicken Nuggets and Chicken Patties dated June 1999; Invitation No. \_\_\_\_\_; and USDA-1<sup>1</sup>
2. Samantha Jefferson  
 Independence Poultry Co.  
 1776 Monticello Boulevard  
 Charlottesville, VA 22901  
 Telephone No. 804-455-2345 FAX No. 804-447-7693
3. Processing cost: \$0.8000 per lb.
4. Nuggets (Transportation costs) ALTERNATE FORMAT<sup>2</sup>  
 (1) Michigan \$0.1500 per lb. (1) \$0.1500 per lb.  
 (2) New Jersey \$0.1700 per lb. (2) \$0.1700 per lb.  
  
 Patties (Transportation costs)  
 (5) Michigan \$0.1500 per lb. (5) \$0.1500 per lb.  
 (6) New Jersey \$0.1700 per lb. (6) \$0.1700 per lb.
5. (a) Independence Poultry Company (b) Colonial Warehouse Co.  
 1776 Monticello Boulevard J.Q. Adams Industrial Park  
 Charlottesville, VA 22901 Charlottesville, VA 22903  
 (Howard County)
6. Samantha Jefferson  
 Independence Poultry Co.  
 1776 Monticello Blvd.  
 Charlottesville, VA 22901  
 Telephone: 804-263-2353
7. (a) has
8. (a) is, has not, will not
9. (a) does, dated July 1, 1999<sup>3</sup>  
 (b) has not
10. \_\_\_\_\_  
 Alice Jefferson, President<sup>4</sup>

---

<sup>1</sup> If either the Announcement, Invitation, Appendix-1, Specification, or USDA-1 is subsequently amended, show appropriate amendment numbers.

<sup>2</sup> The Offeror may use either format shown in Item 3 in submitting a bid. However, if the ALTERNATE FORMAT is used, it is at THE CONTRACTOR'S RISK because errors in item numbers will not be apparent to the Contracting Officer.

<sup>3</sup> Must be date Appendix-1 was signed by an officer of the company.

<sup>4</sup> Must be an officer or representative authorized to sign offers in Item 9 of current Standard Form 129 filed with the Contracting Officer. Bids submitted by fax, mail, or hand delivered must be signed.

EXHIBIT 3

Example No. 2

1. Offer is made subject to Announcement PY-228; Appendix-1; the Commodity Specification for Chicken Nuggets and Chicken Patties dated June 1999; Invitation No. \_\_\_\_\_; and USDA-1<sup>1</sup>
2. Consolidated Poultry Co.  
Plaza Towers, Room 1776  
623 North Maine St.  
Anytown, GA 65678  
Telephone No. 507-293-4566 FAX No. 507-447-7693
3. Processing cost: \$0.9000
4. Nuggets - Plant 1 (Transportation costs)                      ALTERNATE FORMAT<sup>2</sup>

|                |                  |                      |
|----------------|------------------|----------------------|
| (1) Michigan   | \$0.1500 per lb. | (1) \$0.1500 per lb. |
| (2) New Jersey | \$0.1700 per lb. | (2) \$0.1700 per lb. |

  

|  |                  |                      |
|--|------------------|----------------------|
| Patties - Plant 2 (Transportation costs) |                  |                      |
| (5) Michigan                             | \$0.1500 per lb. | (5) \$0.1500 per lb. |
| (6) New Jersey                           | \$0.1700 per lb. | (6) \$0.1700 per lb. |
5.

| <u>Plant 1</u>  |  | <u>Plant 2</u>   |
|---|--|--|
| (a) Consolidated Poultry<br>623 N. Main St.<br>Anytown, GA 55678<br>(Howard County) |  | (a) Consolidated Poultry<br>4500 Elm St<br>Ourtown, AL 50345<br>(James County) |
| (b) Crosstown Warehouse<br>1200 Oak St.<br>Anytown, GA 65678                        |  | (b) Same   |
6. Samantha Jefferson  
Consolidated Poultry Co.  
Plaza Towers, Room 1776  
623 N. Main St.  
Anytown, GA 65678  
Telephone: 404-263-2353
7. has
8. (a) is, has not, will not
9. (a) does, dated July 1, 1999<sup>3</sup>  
(b) has not
10. \_\_\_\_\_

---

<sup>1</sup> If either the Announcement, Invitation, Appendix-1, Specification, or USDA-1 is subsequently amended, show appropriate amendment numbers.

<sup>2</sup> The Offeror may use either format shown in Item 4 in submitting a bid. However, if the ALTERNATE FORMAT is used, it is at THE CONTRACTOR'S RISK because errors in item number will not be apparent to the Contracting Officer.

<sup>3</sup> Must be date Appendix-1 was signed by an officer of the company.

Alice Jefferson, President<sup>4</sup>

---

<sup>4</sup> Must be an officer or representative authorized to sign offers in Item 9 of current Standard Form 129 filed with the Contracting Officer. Bids submitted by fax, mail, or hand delivered must be signed.

EXHIBIT 4

**DOMESTIC ORIGIN CERTIFICATION**

This form must be completed for each contract awarded and be presented to a representative of the Grading Branch, Poultry Programs, AMS, USDA (grader) at the processing facility. This form must also be provided to the Contracting Officer or agent thereof upon request. Each processing plant producing product under this contract must have a copy of this form on file.

Announcement Number: \_\_\_\_\_

Contract Number: \_\_\_\_\_

Product: \_\_\_\_\_

Does your company process or handle products originating from sources other than the United States, its territories or possessions, Puerto Rico, or the Trust Territories of the Pacific Islands?

**G YES G NO** If yes, a copy of your segregation plan must be on file.

Do any of your Subcontractor/Suppliers process or handle products originating from sources other than the United States, its territories or possessions, Puerto Rico, or the Trust Territories of the Pacific Islands?

**G YES G NO** If yes, a copy of their segregation plan must be on file.

I certify under penalty of law that all products sold to the Department of Agriculture are of 100 percent domestic origin and that all above statements are true.

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

Date: \_\_\_\_\_

