
Prototype Contract with a Commercial Warehouse

CONTRACTUAL SERVICES AGREEMENT

This AGREEMENT, made and entered into this _____ day of _____, 2007 by and between the _____ County School Board, and _____, the CONTRACTOR.

CONTRACT PERIOD: _____.

CONTRACT AMOUNT: _____.

The Contractor agrees to provide services according to the conditions specified in Attachment I, attached hereto and incorporated herein by reference.

Bills for services shall be submitted in triplicate to _____, in detail sufficient for a proper pre-audit and post-audit thereof.

This contract may be cancelled by either party giving 60 days written notice, for cause, unless a lesser time is mutually agreed upon. Said notice shall be delivered by certified mail, return receipt requested, or in person with proof of delivery.

The County School Board shall have the right of unilateral cancellation for refusal by the Contractor to allow public access to all documents, papers, letters, or other material made or received by the Contractor in conjunction with the contract, unless the records are exempt from s. 24(a) of Article I of the State Constitution and s. 119.07(1), Florida Statutes.

Extension of a contract for contractual services shall be in writing for a single period only not to exceed six (6) months and shall be subject to the same terms and conditions set forth in the initial contract. There shall be only one extension of a contract unless the failure to meet the criteria set forth in the contract for completion of the contract is due to events beyond the control of the Contractor. If initially competitively procured, contracts for contractual services may be renewed on a yearly basis for no more than three (3) years, or for a period no longer than the term of the original contract, whichever period is longer. Renewal of a contract for contractual services shall be in writing and shall be subject to the same terms and conditions set forth in the initial contract. Renewals shall be contingent upon satisfactory performance evaluations by the Agency. Renewal costs may not be charged by the Contractor.

The following provisions of A through G are not applicable to procurement contracts used to buy goods or services from vendors, but are only applicable to a contractor subject to the Florida Single Audit Act.

- A. There are uniform state audit requirements for state financial assistance provided by state agencies to Non-state entities to carry out state projects in accordance with and subject to requirements of Section 215.97, Florida Statutes (F.S.), which may be applicable to and binding upon Recipient. Non-state entity means a local governmental entity, nonprofit organization, or for-profit organization that receives state resources. Recipient means a Non-state entity that receives state financial assistance directly from a state awarding agency.
- B. In the event that the Recipient expends a total amount of state financial assistance equal to or in excess of \$300,000 in any fiscal year of such Recipient, the Recipient must have a state single or

project-specific audit conducted for such fiscal year in accordance with Section 215.97, F.S., applicable rules of the Executive Office of the Governor, rules of the Chief Financial Officer, and Chapter 10.600, rules of the Auditor General. In determining the state financial assistance expended in its fiscal year, the Recipient shall consider all sources of state financial assistance, including state funds received from this Department resource, except that state financial assistance received by a Non-state entity for federal financial assistance and state matching requirements shall be excluded from consideration.

- C. Audits conducted pursuant to Section 215.97, F.S., shall be: (1) performed annually, and (2) conducted by independent auditors in accordance with auditing standards as stated in rules of the Auditor General.
- D. Regardless of the amount of the state financial assistance, the provisions of Section 215.97, F.S., do not exempt a Non-state entity from compliance with provisions of law relating to maintaining records concerning state financial assistance to such Non-state entity or allowing access and examination of those records by the state awarding agency, the Chief Financial Officer, or the Auditor General.
- E. If the Non-state entity does not meet the threshold requiring the state single audit, such Non-state entity must meet terms and conditions specified in this written agreement with the state awarding agency.
- F. Each state awarding agency shall:
 - (1) Provide to a Recipient, information needed by the Recipient to comply with the requirements of Section 215.97, F.S.
 - (2) Require the Recipient, as a condition of receiving state financial assistance, to allow the state awarding agency, the Chief Financial Officer, and the Auditor General access to the Recipient's records and the Recipient's independent auditor's working papers as necessary for complying with the requirements of Section 215.97, F.S. The Recipient is required to retain sufficient records demonstrating its compliance with the terms of this agreement for a period of three years from the date the audit report is issued, and shall allow the Department of Agriculture and Consumer Services or its designee, access to such records upon request.
 - (3) Notify the Recipient that Section 215.97, F.S., does not limit the authority of the state awarding agency to conduct or arrange for the conduct of additional audits or evaluations of state financial assistance or limit the authority of any state agency Inspector General, the Auditor General, or any other state official.
 - (4) Be provided by Recipient one copy of each financial reporting package prepared in accordance with the requirements of Section 215.97, F.S. The financial reporting package means the non-state entities' financial statements, Schedule of State Financial Assistance, auditor's reports, management letter, auditee's written responses or corrective action plan, correspondence on follow-up of prior years' corrective actions taken, and such other information determined by the Auditor General to be necessary and consistent with the purposes of Section 215.97, F.S. Copies of the financial reporting package required by this agreement shall be submitted by or on behalf of the Recipient directly to each of the following:
 - (a) The Department of Agriculture

and Consumer Services
Division of Administration
509 Mayo Building
407 South Calhoun Street
Tallahassee, Florida 32399-0800

(b) The Auditor General’s Office at the following address:
State of Florida Auditor General
Room 574, Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32302-1450

G. The Recipient is hereby notified of and bound by the requirements of F., above.

The CONTRACTOR is informed that a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

The CONTRACTOR is informed that the Department shall consider the employment by any Contractor of unauthorized aliens a violation of Section 274A(e) of the Immigration and Nationality Act. Such violation shall be cause for unilateral cancellation of this contract.

The CONTRACTOR is informed that an entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid on a contract to provide goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not award or perform work as a contractor, supplier, subcontractor, or consultant under contract with any public entity, and may not transact business with any public entity.

In the event that two or more documents combine to form this agreement between the parties, including future amendments and addenda, and in the event that there are contradictory or conflicting clauses or requirements in these documents, the provisions of the document(s) prepared by the County School Board shall be controlling.

In the event that any clause or requirement of this agreement is contradictory to, or conflicts with the requirements of Florida law, including, but not limited to requirements regarding contracts with Florida’s governmental agencies, the offending clause or requirement shall be without force and effect and the requirements of the Florida Statutes and rules promulgated there under on the same subject shall substitute for that clause or requirement and be binding on all parties to this contract.

The Contract Manager for the School Board is _____ and is located at _____.

The Contract Manager for the Contractor is _____ and is located at _____.

Signed by parties to this agreement:

SCHOOL BOARD OF _____ COUNTY

CONTRACTOR:

Signature

Signature

Title

Title

Date

Date

Contractor's Social Security
or FEID Number

ATTACHMENT I**I. SERVICES TO BE PROVIDED**

The Contractor agrees to receive, store and deliver United States Department of Agriculture (USDA) donated foods to the _____ County Schools.

II. DEFINITIONS

- A. **Delivery Order.** A State order for a specific commodity designating quantity, delivery dates and destination. Each order is identified by a three-part code that includes the State Number, the alpha year code and the sequential order number (e.g., 112-C-001). 112 identifies the State of Florida, C identifies the 2000-2001 School year and 001 is the sequential order number.
- B. **Demurrage.** A penalty charge assessed by railroads for cars held by shippers or receivers of commodities beyond the specified free time for unloading.
- C. **Detention.** A penalty charge assessed by trucking companies or piggyback companies for detaining trucks beyond the specified free time for unloading.
- D. **Drayage.** Transporting commodities by truck, primarily in local vehicles.
- E. **Dunnage.** Material used to protect or support commodities during transit.
- F. **Floor Loaded.** Commodities that are not on pallets but are stacked on the floor or placed on slip sheets.
- G. **Free Time.** The amount of time allowed by the carriers for loading or unloading commodities before demurrage or detention charges begin to accrue.
- H. **Gross Weight.** The weight of a commodity together with the weight of its container and material used for packing.
- I. **Net Weight.** The weight of a commodity without its container or packing.
- J. **Pallet.** A small portable platform used for storing or transporting commodities.
- K. **Pallet Exchange.** The trade by the warehouse with the carrier of pallets that are equal in quantity and quality for those on which the carrier delivered the commodities.
- L. **Palletized.** To place a quantity of a commodity on a pallet.
- M. **Piggyback.** The transportation of a trailer or container on railroad cars.
- N. **Seal.** A device applied to railroad car or motor vehicle door. If the shipment arrives with the seal in tact, it shows that the shipment has not been tampered with in transit after the door was sealed.
- O. **Slip Sheet.** A piece of cardboard used in place of a pallet to handle unitized commodities that are floor loaded with a push/pull device.
- P. **Tailgate.** The moving of floor loaded commodities, other than those on slip sheets, by the vehicle driver to the end of the truck or trailer for unloading.
- Q. **Unitize.** To band together and/or stretch or shrink wrap cartons, cases or bag commodities into a single unit and place on a pallet for shipping.

III. RECEIPT AND STORAGE OF USDA DONATED COMMODITIES BY THE CONTRACTOR

- A. **Method of Arrival.** The Contractor must be able to accept piggyback, truck deliveries and rail deliveries.
- B. **Prepaid Shipments.** All USDA donated food shipped into a Contractor's warehouse will be totally prepaid; i.e., product and freight. The Bureau of Food Distribution shall notify the Contractor of expected shipping periods. DACS/BFD or shipper will notify Contractor of dates of shipments. Truckers will be required to prearrange unloading appointments directly with Contractor.

IV. UNLOADING RAILROAD CARS

- A. **Unloading Responsibilities.** The Contractor shall completely unload all railroad cars. Dunnage shall be removed and disposed of by the Contractor.
- B. **Stop-Off Unloading.** The Contractor shall remove its consignment and, if the removal of its portion of the load has left a void in the car, the remaining commodity shall be either blocked and braced or leveled down before the car moves the next stop off point or final destination.
- C. **Free Time for Unloading.**
 - 1. At Stop-off Warehouse. The free time for unloading a railroad car at a stop-off warehouse varies between 24 and 48 hours, depending on the type of railroad car used. The free time is decided by the carrier
 - 2. At Destination Warehouse. The free time for unloading railroad cars at the destination warehouse varies between 24 and 72 hours, depending on the type of railroad car used. The free time is decided by the carrier.
- D. **Computation of Free Time for Unloading.** Time will be computed from the first 7:00 a.m. after placement of the car. Free time does not begin on Saturday, Sunday or legal holidays. Therefore, if a car is placed after 7:00 a.m. Friday, computation will begin Monday 7:00 a.m., unless Monday is a holiday, than the free time would begin Tuesday at 7:00 a.m.
- E. **Charges.** All demurrage charges for detaining railroad cars beyond allowable free time is the responsibility of the Contractor.
- F. **Records.** The Contractor shall maintain complete records on each rail shipment, including the following information:
 - 1. Notice to Deliver (N/D) Number, USDA Contract Number and Delivery Order Number.
 - 2. The name of the Carrier.
 - 3. Railroad car initial and number.
 - 4. Date and time the carrier was notified of the arrival of the car.
 - 5. Date and time the car was placed for unloading.
 - 6. Date and time the car was released.
 - 7. Date and time the car was removed from the siding.
 - 8. Seal number(s) and condition of seals upon arrival. If no seals, then enter on the record that there were no seals.

V. UNLOADING TRUCKS AND PIGGYBACK TRAILERS

A. Appointments

1. USDA requests that trucking and piggyback companies call for a delivery appointment or give the Contractor a 24-hour notice of delivery. However, the trucking/piggyback companies are not required by USDA to make these appointments or give notice. If any trucker does not give the Contractor a 24-hour notice of delivery, arrives without making an appointment or is late for an appointment, the Contractor shall unload the truck or trailer and notify the County School Board immediately.
2. If the trucking company or piggyback company cannot get an appointment because the Contractor cannot receive the shipment, the truck driver has the right to put the shipment into storage. If the shipment is put into storage, the Contractor is responsible for all storage charges that may accrue.
3. Disputes are to be resolved by the County School Board.

B. Free Time Allowance and Detention Charges

1. USDA allows the following free time for unloading trucks and piggybacks at stop off and final destination: (1) up to 6 hours for loads not on pallets and (2) up to 2 hours for loads on pallets.

This free time is measured from the time of arrival or time of scheduled unloading, whichever is later. There is no allowance for lunch. All charges for detention of trucks and piggybacks beyond the free time allowed is the responsibility of the Contractor. When a carrier allows shorter free time than that established by USDA, any resulting detention charges shall be paid by USDA. All such bills are to be sent to the County School Board, along with an explanation as to why the carrier reduced the free time, for forwarding to the Bureau of Food Distribution.

2. Railroad companies allow free time for storage of piggyback trailers. The customary free time is usually 48 hours. If the trailer cannot be removed from the rail yard because the Contractor is unable to schedule a delivery appointment, the Contractor is responsible for any storage charges. In all other cases, the piggyback company is responsible for the demurrage.
3. Detention Record. The Contractor's detention records shall include but are not limited to:
 - (a) Name of the commodity
 - (b) The Delivery Order Number, USDA's Contract Number and the Notice to Deliver (N/D) Number
 - (c) The name of the truck driver
 - (d) Truck or trailer number and if not numbered, the license plate number.
 - (e) Date and time of truck driver's notification of arrival for unloading.
 - (f) Date and time agreed to for arrival of the truck if delivery is being made under a prearranged timetable.
 - (g) Date and time unloading began and was completed.
 - (h) Date and time the truck was released by the Contractor.
 - (i) Gross weight of the commodities unloaded.

VI. GENERAL UNLOADING RESPONSIBILITIES

- A. **Unitized Loads.** Most Group A commodities (meat, meat alternates, fruits and vegetables) are palletized. All Group B commodities (cereals, grains and cheese) are palletized with the exception of adult cereal which is shipped on slip sheets. The Contractor shall unload palletized loads without assistance of the truck driver. USDA will reimburse the Contractor for palletizing shipments that are contracted to be palletized. All such bills are to be sent promptly to the County School Board.
- B. **Non-Unitized Loads.** Non-unitized loads are floor loaded or placed on slip sheets. The truck driver is responsible for unloading to the tail gate on floor loaded commodities. If mutually agreed, the driver may palletize the load in the truck for mechanical removal by the Contractor.
- C. **Pallet Exchange.** Pallets may be exchanged at the Contractor's option.

VII. REPORTING OVERAGES, SHORTAGES OR DAMAGES IN COMMODITY SHIPMENT

- A. **Notifying the Carrier's Agent.** The Contractor shall notify the carrier's agent immediately by telephone or in person upon when an overage, shortage and/or damage in the commodities received is detected.
- B. **Notifying Piggyback Companies.** When a piggyback shipment is involved, the Contractor shall immediately notify the piggyback company and not the local trucking company. The telephone number is on the Notice to Deliver (N/D).
- C. **Inspection by the Carrier's Agent.** If the carrier's agent waives or fails to make an inspection within 48 hours after notification, the Contractor's inspection shall be accepted as the carrier's inspection. The Contractor will not stop unloading while awaiting the carrier's inspection.
- D. **Failure to Notify the Carrier's Agent.** If the Contractor does not notify the carrier's agent, then the Contractor accedes that the shipment was received complete and in good condition.

VIII. ACCEPTING A SHIPMENT WITH MINOR DAMAGE TO COMMODITIES

- A. **Salvage by the Carrier.** The carrier must be given the opportunity to salvage or dispose of damaged commodities. It is essential that the Contractor obtain a receipt as proof that the salvage was returned to the carrier. The receipt must show the total number of damaged units turned over to the carrier, less the number of units salvaged and returned to the Contractor and the number of units that were destroyed.
- B. **Storage of Damaged Commodities.** If the carrier has accepted liability for the damaged commodity, the Contractor may store it awaiting pickup by the carrier. The Contractor will not be required to store the commodity longer than thirty days if the Contractor has advised the carrier of the thirty-day limit. The carrier is responsible for the storage charges.
- C. **Salvage by the Contractor.** The Contractor shall recover any undamaged units from a case or carton that has been damaged. It is mandatory that the units that are beyond recovery be destroyed in such a manner that they will be unusable in commercial channels.
- D. **Reimbursement for Expenses Incurred in Salvaging Commodities.** Additional expenses are costs that the Contractor incurs in salvaging damaged commodities that are above their everyday expenses. Additional expenses are labor costs incurred specifically reworking and repacking damaged commodities and hauling costs incurred in the disposal of non-salvageable commodities. All invoices are to be sent directly to the County School Board for forwarding to the Bureau of Food Distribution.

IX. REJECTION OF THE TOTAL SHIPMENT

- A. **Unacceptable Commodities.** When the initial inspection of a shipment reveals that all or most all of it is out of condition (infested with insects, spoiled, unacceptable temperatures, etc.) or damaged, the Contractor must report immediately to the Bureau of Food Distribution.

- B. **Inspection.** If USDA agrees with the initial inspection, the Contractor shall obtain an inspection by a qualified inspector. The contractor will report the results of the inspection to the Bureau.
- C. **Inspection Report.** If USDA rejects the entire shipment based on the inspection, the Contractor must submit a written report that provides the following information:
1. The Delivery Order Number, Contact Number and the Notice to Deliver Number.
 2. The railroad car number, piggyback trailer number or the truck/trailer identification.
 3. The name of the vendor, the origin of the shipment and the date shipped.
 4. The date and time the shipment was received.
 5. A full explanation of the problem and the number of units affected.
 6. If obvious, the cause of the rejection (e.g., demolished container, fire, temperature unit not working, etc.)
 7. How the shipment is being protected from further damage.
 8. The name, title, telephone number and location of the carrier's agent who was notified along with the agent's response.
 9. Name, title and telephone number of the Contractor's contact person.

X. FORMS AND RESPONSIBILITIES USED IN RECEIVING USDA COMMODITIES

- A. **Forwarding Notice/Notice to Deliver.** The Forwarding Notice/Notice to Deliver (Form FNS KC-269) provides advance notice to the Bureau of the planned shipment of a commodity by the Kansas City Commodity Office (KCCO). One copy of the Forwarding notice is electronically sent to the Bureau. The Bureau will provide the warehouse with one copy of the KC-269 to notify them of an impending shipment.
- B. **Electronic Commodity Receiving Responsibilities.** Once commodities are received at the warehouse, the warehouse must enter the receive shipment information into the Electronic Commodity Ordering System (ECOS).
- C. **Report of Shipment Received Over, Short and/or Damaged.** If needed, Form FNS-57, Report of Shipment Received Over, Short and/or Damaged (Exhibit A), must be completed by the Contractor and sent to the Bureau.

XI STORAGE REQUIREMENTS FOR USDA COMMODITIES

- A. **Delivery Order Number (DO).** Each shipment received into the Contractor's warehouse is assigned a DO number that pertains to each case or bag in that shipment. The Contractor must store and ship USDA commodities by their DO numbers.
- B. **Inventory System.** Contractor must maintain an inventory system that tracks the commodity by DO number, FNS code, commodity name, pack size, quantity, date of receipt, transfer, etc.
- C. **Annual Inventory.** The Contractor shall allow the School Board and/or the Bureau to perform an annual inventory during normal working hours.
- D. **Inventory Reconciliation.** Discrepancies between the book inventory and the physical inventory must be reconciled by the Contractor. If the value of the shortages exceeds the value of the overages, a monetary settlement by the Contractor for the monetary difference is mandatory. If the value of the overages exceeds the value of the shortages, no monetary settlement is required. The Contractor must adjust the book inventory to correspond to the physical inventory. The reconciliation must be made between like commodities.

- E. **Monitoring Temperatures.** It is mandatory that the Contractor read and record temperatures on a daily basis year round. The Contractor shall record the temperatures on the chart illustrated in Exhibit B or a similar chart. While a monitored alarm system may be used instead of the daily check, USDA considers all losses that result from inadequate temperature control, including a monitored alarm system to be caused by negligence and, therefore, subject to a claim. If such a loss does take place, the burden of proof is on the Contractor to prove that the loss was not due to its negligence in temperature monitoring.
- F. **Practicing First In/First Out (FIFO).** The Contractor must stack like commodities so that those with the oldest pack date are in front and used first. The Contractor will notify the County School Board of any commodity that has been in storage longer than six months from the pack date.
- G. **Pest Control.** The Contractor must have extermination treatments applied by a licensed professional exterminator.
- H. **Sanitation.** The Contractor must allow the warehouse to be inspected by the Florida Department of Agriculture and Consumer Services, Bureau of Food and Meat Inspection (850-488-3951).
- I. **Categories of Storage**
1. **Canned Commodities.** The Contractor must store canned commodities at ambient temperatures in a well-ventilated area (recommended less than 80°F.)
 2. **Special Dry Commodities.** The Contractor must store special dry commodities (cereals, grains, beans, pasta, powdered milk, etc.) at a temperature between 50°F and 70°F at 50% humidity or less.
 3. **Chilled Commodities.** The Contractor must store chilled commodities at a temperature between 35°F and 41°F.
 4. **Frozen Commodities.** The Contractor must store frozen commodities at 0°F or lower.

XII. DELIVERY OF COMMODITIES TO THE SCHOOLS

- A. **Required Delivery Vehicles.** The Contractor must own or lease adequate delivery vehicles as follows:
1. Refrigerated trucks for delivery of canned/special dry commodities, and freezer trucks for delivery of frozen commodities or;
 2. Dual compartment trucks for delivery of canned/special dry and frozen commodities.
- B. **Delivery Schedule.** The Contractor will make one delivery a week to each school. The delivery list will be a four-part invoice for each school showing the commodities being delivered, the quantities and the extended delivery charge. Each School Food Service manager will sign the invoice as proof that the commodities were delivered to that school. Deliveries missed due to holidays, inclement weather, truck breakdowns, etc. must be rescheduled prior to the next scheduled delivery.
- C. **Prior Notification.** The delivery list shall be available for the Contractor to pick up at the office of the Director of School Food Service one week before the delivery date. All deliveries will be made between the hours of 7:00 a.m. and 3:00 p.m. Schools may refuse any delivery made outside the scheduled delivery times.
- D. **Placement of Commodities.** Drivers and/or helpers will unload commodities into designated receiving areas at each school. Drivers and/or helpers are not required to stow the commodities on shelves, in refrigerators or freezers.
- E. **Mixed Loads.** Contractor may make deliveries in loads that contain only USDA commodities or mixed with commercially purchased foods as long as the other provisions of this contract are fulfilled. Commodities will not be delivered with chemicals or other substances that may be harmful to the quality or safety of the food.

XIII. BASIS FOR CHARGES AND METHOD OF PAYMENT

- A. **Basis for Charges.** The basis for charges for the receipt, storage and delivery of commodities will be a charge per case. This charge includes in and out service, receiving services, delivery costs and other related handling expenses. The charge per case is \$_____.
- B. **Invoicing and Payment.** Invoices will be submitted weekly, in duplicate, to the School Food Service Department. Invoices must be issued when the commodities are delivered to the schools, not at the time the commodities are received into the Contractor's warehouse.

XIV. SPECIAL PROVISIONS

- A. **Annual Appropriations.** The School Board's performance and obligation to pay under this contract is contingent upon an annual appropriation by the State Legislature.
- B. **Attorney's Fees.** In the event that the School Board deems it necessary, or is required, to take legal action to enforce any provision of the contract, and if the School Board prevails, the Contractor agrees to pay all expenses of such action, including attorney's fees and costs at all stages of litigation as set by the court or hearing officer. The Contractor specifically waives the right to claim any attorney's fees, the provisions of Section 57.105(2), Florida Statutes, notwithstanding. Legal action shall include administrative proceedings. In all cases, venue will be in _____ County, Florida.
- C. **Bid/RFP Documents.** The bid documents are hereby incorporated in this contract. In case of conflict between the bid documents and this contract, the provisions of the bid documents shall apply.
- D. **Default.** If the Contractor fails to deliver commodities or services in accordance with the terms and conditions of the contract, the School Board, after oral or written notice, may procure them from other sources and hold the Contractor liable for any resulting additional costs.
- E. **Transfers in Support of Disaster Feeding**
1. **Declaration.** If a major disaster or emergency as proclaimed by the President of the United States or the Secretary of the United States Department of Agriculture, respectively, The Emergency Operations Center (EOC), ESF-11 (staffed by personnel from the Bureau of Food Distribution) in cooperation with the School Board, reserves the right to transfer USDA donated commodities in and out of the Contractor's warehouse by any carrier of the EOC's choice and pay only the delivery fee.
 2. **Procedures.** If the EOC concludes that the USDA donated commodities stored in the Contractor's warehouse are needed for disaster feeding, the Contractor will promptly provide an up-to-date inventory of USDA commodities to the EOC. Commodities will be transferred to disaster relief organizations as directed by the EOC and the School Board. All such transfers will be reported immediately to the School Board. The report must identify the disaster relief organizations to whom the commodities were transferred, Delivery Order Number(s), FNS Commodity Code, commodity name and the number of cases transferred. If any or all of these commodities are returned to the Contractor at the end of the disaster or emergency, the Contractor will notify the School Board providing the same information that was required in the initial transfer.
 3. The Contractor shall submit itemized invoices for the transfer of commodities in and out of the warehouse to the School Board.
- F. **Financial Statement.** Upon request, the Contractor will furnish the School Board a copy of an audited financial statement and internal control review performed by an independent certified public accountant.
- G. **Insurance.** The contractor shall not commence any work in connection with the agreement until he has obtained all of the following types of insurance and such insurance has been approved by the owner, nor shall the contractor allow any sub-contractor to commence work on his subcontract until all similar insurance required of the sub-

contractor has been so obtained and approved. All insurance policies shall be with insurers qualified and doing business in Florida through an authorized licensed Florida Registered Agent.

- 1. Contractor's Commercial General Liability Insurance. The Contractor shall take out and maintain during the life of this contract:

Minimum limits of Liability	\$1,000,000.00 each occurrence
	\$2,000,000.00 aggregate

Including Bodily Injury, Property Damage and products and completed operations.

- 2. Contractor's Automobile Liability Insurance. The contractor shall take out and maintain during the life of this agreement Automobile Liability insurance for all claims which may arise from all operations performed under this agreement:

Minimum limits of Liability	\$300,000.00 any auto
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- 3. Worker's Compensation Insurance. The contractor shall take out and maintain during the life of this agreement Worker's Compensation Insurance in accordance with Chapter 440, Florida Statutes, for all employees connected with the work of this project and in case any work is sublet, the contractor shall require the sub-contractor similarly to provide Worker's Compensation Insurance for all of the latter's employees unless such employees are covered by the protection of the contractor. Such insurance shall comply fully with the Florida Worker's Compensation Law.

H. **Insurance, Independent/Subcontractor's Commercial General Liability.** The Contractor shall require each of his independents or subcontractors to secure and maintain during the life of the subcontract, insurance of the type specified above or insure the activities of his independents/subcontractors in his policy, as specified above, including a separate Owners, Contractors Protective Liability Policy.

I. **Hold Harmless And Indemnify.** The Contractor shall hold harmless and indemnify to the fullest extent permitted by law, the Contractor and/or the School Board of _____ County employees from and against any and all claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the work, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the work itself) including loss of use resulting there from, but only to the extent caused in whole or in part by negligent acts or omissions of the Contractor, sub-contractor(s), anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether of not such claim, damage, loss or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in the paragraph.

J. **Insurance, Loss Deductible Clause.** The School Board of _____ County shall be exempt from, and in no way liable for, any sums of money which may represent a deductible in any insurance policy. The payment of such deductibles shall be the sole responsibility of the Contractor providing such insurance.

K. **Certificate of Insurance.** A Certificate of Insurance shall be furnished by the contractor. This form(s) shall be completed and signed by the authorized Licensed Florida Registered Agent and returned to the School Board. Certificate(s) shall be dated and show:

- 1. Name of the insured contractor, specific job by name, name of the insurer, number of the policy, its effective date, and its termination date.
- 2. Statement that the insured will mail notice to the owner, at least thirty (30) calendar days prior to any material changes in provisions or cancellation of the policy.

- L. **Stop Work Clause.** The School Board's Contract Manager has the right to stop work at any time during the contract period if the services are not performed in accordance with the specifications listed herein. The Contractor shall not proceed with services until the specified deficiency or deficiencies are corrected to the satisfaction of the School Board.
- M. **Records and Reviews.** The Contractor shall maintain records fully accounting for receipt and disposition of all USDA donated foods. Such records must be maintained for five (5) years following the close of the Federal Fiscal Year to which they pertain and must be available for review at any reasonable time upon request of either USDA or State Officials.

The Contractor's facilities, equipment and procedures shall be subject to review by State and Federal Authorities at any reasonable time and place.

N. **Contract Termination and Transfer of Commodities**

1. **Release of Commodities.** At the termination of the contract, the Contractor must release all ending inventory as directed by the School Board or reimburse the School Board for the current value of the inventory.
2. **Termination by Contractor.** Costs resulting from the transfer of commodities due to termination of the contract by the Contractor will be the responsibility of the Contractor.
3. **Termination by the School Board.** Costs resulting from the transfer of commodities arising from the cancellation of the contract by the School Board will be the responsibility of the School Board. However, the Contractor cannot assess a pickup fee that is greater 75% of the current commodity delivery fee per case.
4. **Unsuccessful Bidder.** If through the bid process the current Contractor is unsuccessful in renewing the contract, the successful bidder will be responsible for moving the commodities to its warehouse. The fee that may be charged for the transfer of the commodities will not be greater than 50% of the current commodity delivery fee per case.

EXHIBIT A

FORM APPROVED OMB NO. 0584-0293

U.S. DEPARTMENT OF AGRICULTURE - FOOD AND NUTRITION SERVICE

REPORT OF SHIPMENT RECEIVED OVER, SHORT AND/OR DAMAGED

SEE INSTRUCTIONS ON REVERSE

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0584-0293. The time required to complete this information collection is estimated to average 5 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection.

SECTION A - SHIPMENT IDENTIFICATION AND UNLOADING INFORMATION

1. NAME OF COMMODITY	2. TYPE OF PACK	3. CONTRACT NO.	4. DESTINATION CITY AND STATE
5. DELIVERY ORDER NO.	6. NOTICE TO DELIVER NO.	7. METHOD OF DELIVERY <input type="checkbox"/> RAIL <input type="checkbox"/> TRUCK <input type="checkbox"/> PIGGYBACK	8. RR CAR, TRUCK, OR PIG NO.
9. UNLOADED STARTED (Date and Time) _____ COMPLETED (Date and Time) _____			10. OCEAN BILL OF LADING NO. (Overseas Shipment Only)

SECTION B - OVERAGE, SHORTAGE, AND/OR DAMAGE

11. QUANTITY					
A. REPORTED SHIPPED	B. AMOUNT RECEIVED IN GOOD CONDITION	C. OVER	D. SHORT	E. DAMAGED	F. HIDDEN DAMAGE
12A. DAMAGE/OVERAGE/SHORTAGE WHEN DISCOVERED <input type="checkbox"/> BEFORE UNLOADING <input type="checkbox"/> DURING UNLOADING <input type="checkbox"/> AFTER UNLOADING		12B. HOW DISCOVERED <input type="checkbox"/> UNLOADING TALLY <input type="checkbox"/> PHYSICAL RECOUNT <input type="checkbox"/> OTHER		13. CARRIER'S AGENT PRESENT DURING UNLOADING <input type="checkbox"/> YES <input type="checkbox"/> NO	
14. DOOR SEAL NUMBERS A. INBOUND NUMBERS AND CONDITION OF SEALS			B. OUTBOUND SEAL NUMBERS (If Applicable)		
15. CARRIER'S AGENT NOTIFICATION A. NAME OF AGENT _____ B. DATE NOTIFIED _____			C. HOW NOTIFIED <input type="checkbox"/> IN PERSON <input type="checkbox"/> FAX <input type="checkbox"/> TELEPHONE <input type="checkbox"/> E-MAIL		
16. DID CARRIER'S AGENT RESPOND TO NOTIFICATION? <input type="checkbox"/> YES (In what way) _____ <input type="checkbox"/> NO (Explain) _____					
17. COMPLETE IF APPLICABLE					
A. WAS MECHANICAL REFRIGERATION, EQUIPMENT OPERATING <input type="checkbox"/> YES <input type="checkbox"/> NO			B. TEMPERATURE OF REFRIGERATION UNIT/INTERIOR TEMP/COMMODITY		

CONSIGNEE CERTIFICATION

I CERTIFY the information and statements above are, to the best of my knowledge and belief, true and correct.

DATE _____	SIGNATURE OF CONSIGNEE OR REPRESENTATIVE _____
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CARRIER CERTIFICATION

Receipt of a copy of this report is hereby acknowledged and the facts contained herein are verified.

SIGNATURE OF CARRIER'S AGENT _____	NAME AND ADDRESS OF CARRIER _____
DATE _____	CARRIER REMARKS _____

REMARKS (IF DAMAGED, PLEASE INDICATE NATURE AND DISPOSITION OF THE DAMAGE)

INSTRUCTIONS

This report is to be prepared whenever a shipment is received over, short, and/or damaged.

SECTION A - SHIPMENT IDENTIFICATION/ UNLOADING INFORMATION

This section will be completed at all times to identify the shipment being reported as over, short and/or damaged.

ITEM

1. Self-explanatory.
2. Show type of pack, such as case 6/10's, case 12/No. 3 cylinders, 50# bag, etc.
3. Self-explanatory.
4. Self-explanatory.
5. Record Delivery Order No including Commodity Code.
6. Record the Notice to Deliver No. shown in the space marked "N/D No." in the upper right on the KCCO 269A.
7. Check applicable box.
8. Record railroad car number, truck, or piggyback number.
9. Record date and time unloading started, and date and time unloading was completed.
10. When applicable, record the ocean bill of lading number, (For Overseas Shipments ONLY)

SECTION B - OVERAGE, SHORTAGE, AND/OR DAMAGE

When a shipment is received over, short, and/or damaged, items 11 through 16 should be completed.

- 11A. Record the number of units shown on the (KCCO) 269A, Forwarding Notice.
- 11B. Record the number of units received.
- 11C. Record the number of units received over the quantity reported shipped on the 279A.
- 11D. Record the number of units received short of the quantity reported shipped on the 269A.

- 11E. Record the number of units received damaged of the quantity reported shipped on the 269A.
- 11F. Record the number of units received damaged of the quantity reported shipped on the 269A after unloading.
- 12A. Check applicable box.
- 12B. Show the information that will establish proof that the shipment was actually over, short, and/or damaged.
13. Check applicable box to show whether or not carrier's agent was present from time car or truck was opened until unloading was completed.
- 14A. Record the inbound seal numbers on all doors and the condition of the seals. If shipment was made and not sealed, show "no seals."
- 14B. If applicable, intermediate consignees on split shipments shall record the seal numbers placed on all doors.
- 15A,B, C. Complete all three items.
16. If the "yes" box is checked, explain how the agent responded (for example: made personal inspection; advised that they would not be available; advised consignee's inspection would suffice, etc.)

If the carrier's agent did not respond, explain why (for example: no agent available; refused to inspect; did not acknowledge, etc.)
- 17A. Check applicable boxes.
- 17B. Record the temperature of the refrigeration unit located on the outside of the trailer, interior temp/ commodity.

CONSIGNEE'S CERTIFICATION

Self-explanatory.

CARRIER'S CERTIFICATION

Request that the carrier's agent complete these items, if the agent refuses, and if available, request a copy of the carrier's S&D report. If the carrier does not have a report make the following notation "Agent (insert name of driver) of (insert name of carrier) did not agree with this report. The reason for the dispute is (give brief explanation). A copy of the report was given to him/her on (insert date)." If the carrier's signature cannot be obtained within 10 days or if the carrier is not available, make the following notation "carrier did not respond" or carrier is not available."

NOTE: Only one form needs to be completed for a consolidation shipment. Make sure all overages, shortages and damages are fully explained. If necessary please attach a separate sheet. Item 6 - please list the consolidation number rather than the ND.

EXHIBIT B

FOOD STORAGE TEMPERATURE CHART

TEMPERATURES SHOULD BE CHECKED DAILY - YEAR ROUND IN ALL AREAS WHERE USDA COMMODITIES ARE STORED

Recipient Agency/Warehouse:

Location Area and Type of Storage:

TYPE STORAGE

DRY - CANNED
 DRY - SPECIAL
 COOLER
 FREEZER

RECOMMENDED TEMPERATURE

AMBIENT TEMPERATURE
 50°F TO 70°F
 35°F TO 41°F
 0°F OR BELOW

Month	Day	Year	Time	Temp	Checked By
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