

Hardee County Public Schools
School Board Agenda Analysis



36

Author(s): George Kelly, Food Service Director

15.05

Date: July 20, 2016

Subject: Mainline Food & Non-Food Items Bid


Background Information:

The Hardee County School Food Service Department has been buying food and non-food items from US-Foodservice off of the Osceola County bid RFP SDOC-14-P-065-LH for food and non-food items with US Foodservice since the 2014-2015 school year as a member of the POWER Buying Group. This contract was awarded the RFP for food and supply items effective July 1, 2014. Membership in the POWER Buying Group consortium and purchasing in this manner affords deep discount pricing unavailable in any other manner.

Administrative Consideration: (include F.S., Rule, Authority, etc.):
State Board of Education Rule 6A-1.012(5)

Strategic Plan Goal: To promote efficient and effective use of resources to enhance educational opportunity.

Fiscal Impact: Approximately \$825,000 from Food Service Funds.

Director of Finance signature: 

Proposed Recommendation to School Board:

Approval to buy Food and Non-Food items from US Foodservice off of the Osceola County Bid for 2016-2017 school year.

Action Agenda Consent Agenda 

BOARD ACTION

7/25/16

Approved



2016 - 2017 SY LETTER OF AGREEMENT

To participate in the P.O.W.E.R. Buying Group (PBG)

For the term of: July 1, 2016 – June 30, 2017

Hardee County School Board
Name of Member's School Nutrition Program

PBG's purpose is to facilitate the members' processes for purchasing high quality food and supply products at competitive prices in compliance with all applicable guidance and regulations for their child nutrition programs.

The price solicitations and RFP, "Distribution of Food and Non-food Products for the P.O.W.E.R. Buying Group SDOC-14-P-065-LH" are hosted by the School District of Osceola County. Approval of PBG's participation has been provided by a majority vote of the members.

IMPORTANT: Food item pricing includes commercial pricing; and, if applicable, Net-Off-Invoice (NOI) or Modified-Fee-For-Service (MFFS) pricing for further-processed USDA Foods.

Termination of this Agreement by a member is permitted with written notice received by the Executive Director a minimum of ninety (90) days prior to the start of the next PBG fiscal year.

Special conditions directly impacting the member's continued participation in the PBG bids are to be presented to the Executive Director as soon as possible for review by the PBG Executive Board.

Due date for this Letter of Agreement with category participation completed and required signatures is **Monday, May 9, 2016** to be electronically mailed to the Executive Director at the e-mail address on the cover letter and end of the agreement.

For the term of this Agreement, each member shall:

- Issue blanket purchase orders to the distributor (US Foods) to cover purchases of the food and supply items effective July 1, 2016 through June 30, 2017.
- Purchase bid items from the distributor in strict adherence with the terms, conditions, and unit prices of the School District of Osceola County, SDOC-14-P-065-LH, and all related addenda; as well as all applicable federal, state and local statutes, regulations, and ordinances and member purchasing policies and procedures.
- Differentiate bid and market items on orders in a manner that aids identification of the market items for audit purposes. (**Best practice: non-bid and market items should be on a separate invoice for audit purposes.**)
- Pay all distributor invoices per the contract terms for food and supplies received. Distributor and member will work to resolve disputed invoices to facilitate timely payments.
- Cooperatively contribute time and expertise (of one or more staff members as appropriate) to price solicitation development, product testing and evaluation to improve the product pricing for the benefit of all members.

2016–2017 PBG Letter of Agreement, Continued

- Provide the distributor with all cycle menus for Breakfast, Lunch, Afterschool Snacks, Supper, and Summer Feeding programs as applicable, and provide advance forecasts of food and supply items for future orders as requested by the distributor.
- Provide accurate and complete information (including surveys, votes, required forms and website profiles, etc.) requested by the Executive Board and/or Committee/Division Chair(s) by the stated deadline or according to established procedures.
- Review members' administrative procurement policies and procedures to ensure compliance with PBG stated guidance.
- Attend a minimum of two (2) quarterly PBG meetings, at least one (1) of the Division meetings and participate in a majority of the Division conference calls.
- Determine current allocations for USDA Foods, if applicable, based on PBG processed USDA Foods price solicitations and piggyback other existing bids only when needed to deplete previous allocations of USDA Foods.
- Adhere to the Mission Statement, Code of Ethics, Bylaws, and Policies and Procedures as approved by PBG members.
- Communicate distributor concerns and requests accurately to the members' US Foods representatives in a timely manner, sending copies of all incident reports and pictures to PBG Division Chair, Executive Director and Distributor's Director of Business Development.
- Communicate PBG concerns, questions and ideas to Division Chair and PBG Executive Director.
- Remit the annual service fee of \$4,500* prior to the August 26, 2016 due date. Payments made during September 2016 will be assessed an additional 5% late fee.

NOTE: Failure to pay the annual fee invoice by September 30, 2016 may result in initiation of the termination process.

Failure to adhere to all elements of this Letter of Agreement may qualify as grounds for termination of member's access to PBG pricing and services for a period of time up to 36 months. Noncompliant members will receive notification of the initiation of the termination process which includes an opportunity for resolution of the noncompliant issue(s).

The termination will be effective twelve (12) weeks after the PBG Executive Board decision is issued.

* Current Executive Committee members will receive a discount to the annual service fee on the 2016 – 2017 invoices as stated below:

- Chair discount is \$1,500
- Chair-Elect discount is \$1,000
- Division and Committee Chairs' discounts are \$500 each

PBG Member Determination Bid Category Participation

Members will provide information below on their participation decisions for the 2016 – 2017 school year.

Requirement: all members must indicate if their program will or will not utilize the awarded distributor (US Foods) for distribution and storage of USDA Brown Box Foods during the 2016 – 2017 school year.

PBG members are ***not required*** to participate in all product categories.

Please circle YES or NO and add the School Nutrition Program Administrator's initials for each category:

Yes No *GC* Main Line Items (required category)
Initials

Yes No *GC* PBG's awarded distributor (US Foods) for Storage and Distribution of USDA
Initials **Brown Box Foods**

Yes No *GC* Disposable Products
Initials

Yes No *GC* Bread Items
Initials

Yes No *GC* 100% Fruit Juice - Frozen
Initials

Yes No _____ Fresh Produce
Initials

Yes No _____ Smallwares/Custodial Supplies (new category)
Initials

Yes No _____ Cleaning Supplies
Initials

2016–2017 PBG Letter of Agreement, Continued

The member acknowledges that as in any successful partnership, it is imperative that all participants work cooperatively to achieve maximum benefit both individually and collectively. Members providing accurate, complete information as requested directly contribute to the total effectiveness of the PBG. The PBG is committed to provide quality products, which are competitively priced, in compliance with all guidance and regulations in an effective, efficient manner to all members.

P.O.W.E.R. Buying Group Mission Statement

The mission of the POWER Buying Group is to work collaboratively to procure high quality, competitively priced foods and supplies that will enhance the health and nutritional well-being of students participating in Florida Child Nutrition Programs.

Administrative Authority Signature	Title	Date
Purchasing Authority Signature	Title	Date
_____	_____	_____
PBG Chair Signature		Date

Note: Please electronically mail the completed and signed Letter of Agreement to the PBG Executive Director no later than **Monday, May 9, 2016** at: powerbuyinggroup@gmail.com



March 28, 2016

PBG Member,

Each year, all P.O.W.E.R. Buying Group (PBG) Members are required to sign a Letter of Agreement to participate and piggyback on product pricing approved for use by the POWER Buying Group.

It is the intention of the PBG Executive Committee to allow the school meal program administrators to express their intent to participate in various product award categories. This will allow each Member the opportunity to tailor PBG participation based upon each program's specific needs.

Members must complete and electronically return the Letter of Agreement with all applicable signatures to Linda Wiley, PBG Executive Director, at powerbuyinggroup@gmail.com no later than Monday, May 9, 2016. Member invoices (to be emailed in June) for the \$4,500 annual service fees are due by Friday, August 26, 2016.

Thank you for your participation as a Member of the POWER Buying Group. Your continued support of the PBG Mission assures our Group's success.

Sincerely,

Angela Torres
Chair,
The P.O.W.E.R. Buying Group

Patrick McCarty
Chair-Elect,
The P.O.W.E.R. Buying Group