

G. FOOD DELIVERY PROCEDURES:

The SDA contracts with commercial wholesale distributors (Exhibit G-1) to receive, store and delivery USDA donated foods to recipient agencies. The contracted Distributors will deliver all commodities for Recipient Agencies. SFAs are notified of the Distributor responsible for delivery of USDA commodities and delivery cost. Prior to delivery of USDA Commodities, the Distributor shall notify each R/A of their system account number and delivery schedule.

Integrating the distribution of donated commodities into commercial distribution channels appears to offer considerable opportunity for improving the economics of the system, as well as providing an improved product flow. However, for the program to be successful, a strict sense of mutual cooperation must exist between the Distributor, Food Service Directors, and Managers. This program, as planned, provides ample opportunity for maximum cooperation, but it is essential that managers at all levels be made aware of this need.

The R/A must notify the Distributor of the amounts and dates of delivery of donated foods via the electronic KY-FD-3 Form (Exhibit G-2). Information to complete the electronic KY-FD-3 Form can be obtained from the ECOS website.

It is essential to the success of the program for SFAs to fill out and email KY-FD-3 Form to the Distributor within 24 hours of receipt of an email from ECOS system. The Second Party must complete the electronic KY-FD-3 form and send it by email to the contracted distributor. Second Parties having only one delivery drop, who do not email the electronic Notice of Delivery of Donated Food to Schools (KY-FD-3) form within the 24 hour timeframe, may receive each delivery order of commodities in full on their next scheduled delivery day, or within ten working days after receipt of the commodities by the distributor. Under no circumstances shall a Distributor deliver donated foods to a Second Party having more than one delivery drop without prior receipt of an electronic Notice of Delivery of Donated Food to Schools (KY-FD-3) form. Any foods delivered by a distributor to a multi-drop Second Party without receipt of an electronic Notice of Delivery of Donated Food to Schools (KY-FD-3) form may be rejected at no cost to the Second Party.

R/A's must notify the Distributor via electronic KY-FD-3 form, at least 48 hours prior to scheduled delivery dates. Orders will designate number of cases by item to be received by each school or other recipients. There shall be a minimum of fifteen (15) cases per delivery (drop). In the event an RA requests delivery of less than 15 cases per drop the contracted distributor may charge the cost of a 15 case delivery (drop).

Deliveries shall be made weekly to agencies receiving weekly delivery of commercially purchased foods from the Distributor; otherwise,

deliveries will be on an every other week basis. Deliveries to small agencies may be made monthly only upon approval of the Department. SFAs may request and pay for more frequent deliveries if the Distributor will provide the service.

Deliveries shall be made between the hours of 6:30 a.m. and 3:30 p.m. unless special arrangements are made in advance. Deliveries shall be made Monday through Friday, except school holidays or snow closing days. In districts, especially those on alternative calendars, where there is no one on duty in the school district, the SFA must notify the Distributor when schools are closed. School Food Service Managers will be requested to arrange a flexible work schedule so that a qualified receiver will be on duty the days when donated foods are scheduled for delivery after cafeteria hours (but prior to 3:30 p.m.). Deliveries past 3:30 p.m. must be scheduled in advance by the Distributor with SFA and should only be in emergency situations. DELIVERY SCHEDULES, ONCE ESTABLISHED, MAY NOT, ARBITRARILY, BE CHANGED UNLESS A QUALIFIED EMERGENCY EXISTS AND RECIPIENT AGENCIES ARE NOTIFIED.

The Second Party may request delivery from the Contractor within 24 hours if the Contractor fails to delivery at least 50% of each item requested. No extra charge shall be assessed. The remainder of the shipment shall be delivered on the next scheduled delivery date, unless the Second Party request delivery at a later date”.

Drivers and helpers shall deliver merchandise to designated staging areas at each R/A. Recognized staging areas are inside the door of a walk-in dry storage area, freezer, or cooler. Drivers or helpers shall not be required to store merchandise on shelves nor stack foods in reach-in coolers, freezers, or other cabinets.

SFA shall require an authorized informed school employee to verify accuracy of items, quantities of each item, and condition of merchandise. THE DESIGNATED SCHOOL OFFICIAL MUST SIGN EACH DELIVERY TICKET. ANY VARIATIONS FROM THE NORM, I.E., SHORTAGES, DAMAGES, ETC., SHALL BE NOTED ON EACH TICKET BY THE DESIGNATED OFFICIAL, AND INITIALED BY BOTH DISTRIBUTOR AND SCHOOL OFFICIAL.

PLEASE NOTE: The SFA agrees to accept only amounts ordered via the electronic KY-FD-3 form. If the SFA accepts and uses any food that was not allocated to them, the SFA must reimburse the Distributor the dollar value of the foods used. Any cost incurred by the Distributor to redistribute any unallocated foods accepted by the SFA will be paid by the SFA.

Shortages or overages identified upon receipt of foods from a Distributor are to be reported to the Distributor immediately and appropriate action taken to resolve the discrepancy.

Distributor may submit invoices monthly on mutually agreed dates to R/A. Each invoice shall include a summary of delivery tickets for the period.

R/A's may be assessed a storage charge for each unit (case) of food remaining in storage beyond 60 days. This charge shall not exceed 25 percent of the stated charge per case for delivery. Such charge may be assessed for a full month on the first day following the anniversary of the arrival date. The 25 percent charge per month may be assessed on the base charge only and not a compounded basis.

Some SFAs may be authorized to have Donated Food delivered lump sum to school-operated facilities or warehouse within ten (10) days after arrival at the Distributor's warehouse. The SDA shall inform R/A's of the lump sum charge.

SFA's may authorize Processors to pick up their allocation from the Distributor. The SFA may be charged up to 90 percent of delivery price per case for pick up of their donated food by a processor.

SFA shall discuss all matters of policy and complaints with SDA. In as far as practical, communications between SFAs and Distributor shall be between designated representatives.