



United States
Department of
Agriculture

Farm and Foreign
Agricultural
Services

Farm Service
Agency

Kansas City
Commodity Office
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May 20, 2002

AMENDMENT 1 TO
ANNOUNCEMENT VP6
PURCHASE OF VEGETABLE OIL PRODUCTS
FOR USE IN DOMESTIC PROGRAMS

The purpose of this amendment is to:

- Replace the Commercial Item Description (CID) for Shortening, dated April 21, 1997, with a new CID for Shortening, dated May 1, 2002.
- Revise Product Quality Specifications to reflect changes in the CID for both salad oils and shortening.
- Remove the following pages of the announcement and insert the enclosed amended pages:
- Pages 1 and 2, 9 and 10, 11 and 12.

The effective date of this amendment is May 20, 2002 and is applicable to all contracts awarded on or after the date of issuance.

Any inquiry pertaining to this amendment should be directed to Barbara Williams,
816-926-3299.

/s/ George Aldaya

George Aldaya
Director

Enclosures



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ANNOUNCEMENT VP6

**PURCHASE OF
VEGETABLE OIL PRODUCTS
FOR USE IN DOMESTIC PROGRAMS**



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**ANNOUNCEMENT VP6
PURCHASE OF VEGETABLE OIL PRODUCTS
FOR USE IN DOMESTIC PROGRAMS**

1. GENERAL

A. Invitation for Offers

- (1) The United States Department of Agriculture (USDA) will from time to time issue an invitation for offers under this announcement to sell vegetable oil products (hereinafter referred to as packaged and/or bulk vegetable oil, packaged vegetable oil shortening, liquid shortening, salad dressing, reduced calorie salad dressing or product) to USDA for use in domestic programs.
- (2) The invitation will specify the office to which offers are to be submitted, the closing time for receipt of offers, and provisions applicable to the proposed procurement which are in addition to or different from those set forth herein.

B. Terms and Conditions

- (1) Provisions of "General Terms and Conditions For the Procurement of Agricultural Commodities or Services," USDA-1, Revision No. 2, as amended (USDA-1), are incorporated as specified in Section 6 of this announcement.
- (2) Offerors are cautioned to read all terms and conditions of USDA-1, the Total Quality Systems Audit (TQSA) Supplier Guidelines, this announcement, the appendixes to this announcement, and the invitation.

C. Certifications, Representations, and Warranties

Appendix 1 to this announcement contains certifications, representations, and warranties that must be certified and submitted annually to USDA prior to or with an offer. In addition to an annual submission, offerors must submit an updated Appendix 1 as changes in the certifications, representations, and warranties submitted to USDA occur throughout the year.

D. Packaging and Marking Specifications

Appendix 2 to this announcement contains the detailed packaging and marking specifications, and other requirements, applicable to the product delivered under this announcement. Appendix 2, Part 3.8, of this announcement contains the packaging and marking requirements for commercial products.

E. Commercial Item Description

- (1) Appendix 3 to this announcement is the Commercial Item Description (CID) for **Salad Oils, Vegetable, A-A-20091D dated May 7, 2002.**
- (2) Appendix 4 to this announcement is the Commercial Item Description (CID) for **✓... Shortening Compounds, A-A-20100C dated May 1, 2002....✓**
- (3) Appendix 5 to this announcement is the Commercial Item Description (CID) for **Mayonnaise, Salad Dressing, and Tartar Sauce, A-A-20140B dated June 24, 1993.**

2. ELIGIBILITY OF OFFERORS

To be eligible to submit an offer under this announcement, the offeror must:

- A. Submit a completed "Solicitation Mailing List Application" (Standard Form 129) to the contracting officer prior to a first offer. Offeror must complete all portions of form SF-129, except Item 18, and include the following additional information for:
 - (1) Item 8. Identify all affiliates including any parent company. Provide full name and main office address. A "parent" company is one that owns or controls the activities and basic business policies of the bidder. An "affiliate" is defined on the back of the form.
 - (2) Item 10. Identify the commodities/products the offeror is interested in supplying.
 - (3) Items 19 and 20. Must be an officer of the company.
- B. Offerors must resubmit form SF-129 as necessary when the information requires updating.
- C. Affirmatively demonstrate responsibility as defined in Federal Acquisition Regulation (FAR) 9.104-1. USDA may request a pre-award survey for the purpose of evaluating the offeror's ability to perform the contract.
- D. Meet the definitions of a manufacturer or nonmanufacturer as defined below.
 - (1) Manufacturer means a person that owns, operates, or maintains a factory or establishment that produces on the premises the materials, supplies, articles, or equipment required under the contract and of the general character described by the specifications.
 - (2) Nonmanufacturer means a person that is primarily engaged in the wholesale or retail trade and normally sells the items being supplied to the general public, and will supply the end item of a small business manufacturer or processor made in the United States, or obtain a waiver or such requirement pursuant to 13 C.F.R. 121.406.

- E. Maintain a bona fide business office in the United States for the purpose of selling to USDA the product described in this announcement. Additionally, the offeror must maintain an office, employee, or agent for service of process.
- F. Meet the requirements of the Total Quality Systems Audit (TQSA) program. Offerors shall only be allowed to offer from plants that have been audited under TQSA and have a received a score of at least 80 points. However, a result of "0" in any element of the TQSA Report Form TQ-003 would preclude participation in the commodity purchase programs until such time as corrective action is implemented and verified as effective. (Element scoring: 0 = one (or more) questions with a result of "0", or four or more questions with a result of "M".) The Total Quality Systems Audit Suppliers Guidelines setting for the TQSA requirements may be obtained at the Internet location www.fsa.usda.gov/daco/pdd/tqsa.htm or by contacting the appropriate contracting officer at 816-926-6062.

3. SUBMISSION OF OFFERS

A. How to Submit Offers

Offers, modifications, withdrawals of offers, and price adjustments shall be submitted through the Domestic Electronic Bid Entry System (DEBES) and received by the date and local time specified in the invitation for receipt of offers. The time of receipt will be determined and recorded by DEBES. Submission of the above by any means other than DEBES will be determined nonresponsive.

B. Computer Software Requirements

The contractor is responsible for choosing their own Internet Service Provider (ISP) to transmit, translate, or carry data between the offeror and this office. The offeror is responsible for the cost of its third-party network.

- (1) Browser requirement: Netscape 4.07 or above (**OR**) Internet Explorer 5.0 or above.
- (2) Encryption: Browser capable of handling 128-bit encryption.
- (3) Proxy servers: Offerors must set up their proxy server to allow access to the Internet DEBES port.

C. Access to DEBES

- (1) Port location is: <https://pcsd.usda.gov:3077/mdbc1000.exe>?

- (2) This office will provide the offeror with an ID number and the initial password needed to access DEBES.

USDA will not be responsible for any failure attributed to the transmission of the bid data prior to being accepted and stored on our web server including, but not limited to the following:

- (a) Any failure of the offeror's computer hardware or software.
 - (b) Availability of your Internet service provider.
 - (c) Delay in transmission due to the speed of your modem.
 - (d) Delay in transmission due to excessive volume of Internet traffic.
- (3) Price and mode of transportation offered for each item must be entered on the DEBES offer form bid page. The Trans (transportation) Mode on the DEBES offer form bid page will default to truck. Offerors may select the rail or piggyback mode for each item, if applicable. Offeror's designated mode of transportation will become a contract requirement and may not change without prior approval from this office.

C. Basis of Offer

Offers are invited f.o.b. destination. Certain destinations require delivery by TRUCK ONLY or RAIL ONLY. Destinations asterisked together in the invitation indicate carlot combinations, and offers are requested for delivery to all points indicated in the combination. Offerors may rearrange destination sequence on carlot combinations provided the offer is for all parts of the carlot combination. A single price shall be offered for each item. Offers for less than quantity requested per item will not be accepted. **USE OF OPEN VAN CARRIERS IS NOT ALLOWED.**

4. ACCEPTANCE OF OFFERS

- A. USDA will notify successful offerors on the date specified in the invitation. The date of acceptance by USDA will be the contract date.
- B. In addition to the price, factors considered in accepting offers will include the time of shipment, the total cost to the Government to deliver the product to the ultimate destination, and the responsibility of the offeror as demonstrated by prior contract performance.
- C. USDA may accept or reject any or all offers, or portions thereof.

5. RESPONSIBILITY AND PAST PERFORMANCE OF OFFEROR

- A. Offerors are cautioned not to bid on product quantities exceeding a level that the offeror can reasonably expect to deliver in accordance with the contract schedule. Deliveries must be made during the contracted delivery period and no extensions will be granted due to weekends or Federal holidays. On time delivery is imperative because this product is used in domestic food programs. Late deliveries cause serious and substantial damages to USDA and to other agencies that use this commodity. Contractor delivering late on contracts must immediately notify the contracting officer of late deliveries and how soon delivery can be expected.
- B. The offeror must certify to timely performance on current contracts on the DEBES certification form. A determination that the late performance is beyond the control or negligence of the contractor will be made by the contracting officer prior to bid opening. An offeror may be deemed nonresponsible if the offeror is delivering late on contracts with USDA and the late delivery is not due to causes beyond the contractor's control. This provision, as it pertains to small business, is a deviation from FAR 9.103(b) and Subpart 19.6.

6. PROVISIONS OF CONTRACT

- A. The contract consists of:
 - (1) Contractor's offer.
 - (2) USDA's acceptance.
 - (3) The applicable invitation.
 - (4) This announcement, including Appendixes 1-5.
 - (5) USDA-1, except Articles 50 and 55 and all of Part E. Articles 56, 65 and 67 are applicable, except that contracts will be executed on a delivery basis. All words referring to "ship," "shipping," "shipments," and "shipped" shall be "deliver," "delivering," "delivery(ies)," and "delivered".
- B. If the provisions of USDA-1, TQSA Supplier Guidelines, and this announcement are not consistent, the provisions of this announcement will prevail. If the provisions of USDA-1, TQSA Supplier Guidelines, this announcement, and the invitation are not consistent, those of the invitation will prevail.
- C. No interpretation or amendment of this announcement is valid or enforceable unless such interpretation or amendment is in writing and executed by the contracting officer. No other determination or opinion shall be a contract interpretation even if it comes from another USDA official.

7. NAICS CODE AND SMALL BUSINESS SIZE STANDARD

- A. The North American Industry Classification System (NAICS) code for this acquisition and the small business size standard is:

COMMODITY	NAICS CODE	SIZE STANDARD (EMPLOYEES)
Packaged and/or Bulk Vegetable Oil	311222	750
Packaged Vegetable Oil Shortening	311222	750
Liquid Shortening	311222	750
Salad Dressing	311941	500
Reduced Calorie Salad Dressing	311941	500

- B. The small business size standard for a concern which submits an offer in its own name, but which proposes to furnish a product which it did not itself manufacture, is 750 employees.
- C. The U.S. Small Business Administration (SBA) has implemented the Procurement Marketing and Access Network (PRO-NET). PRO-Net is a procurement related Internet-based electronic search engine for locating small, small disadvantaged, and women-owned small business sources. The PRO-Net Internet address (URL) is (<http://pro-net.sba.gov>). Companies that do not have access to the Internet may register for PRO-Net through your local SBA office. The PRO-Net is a free electronic gateway linked to FedBizOpps for Federal Business Opportunities (<http://www.fedbizopps.gov>), government agency home pages, and other sources of procurement opportunities.

8. RESPONSES TO ILLEGAL OR IMPROPER ACTIVITY

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

- (1) If the Government receives information that a contractor or a 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 by section 4304 of the 1996 National Defense Authorization Act for Fiscal Year 1996 (Pub. 104-106), 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 subsections 27(e)(1) of the Act.
- (2) If the Government rescinds the contract under paragraph A. (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 contract.

B. Price or Fee Adjustment for Illegal or Improper Activity

- (1) The Government, at its election, may reduce the price of a fixed-price type contract and the total cost and fee under a cost-type contract by the amount of profit or fee determined as set forth in paragraph B. (2) of this clause if the head of the contracting activity or designee determine that there was a violation of subsection 27 (a), (b), or (c) of the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 423), as implemented in section 3.104 of the Federal Acquisition Regulation.
- (2) The price or fee reduction referred to in paragraph B. (1) of this clause shall be:
- (a) For cost-plus-fixed-fee contracts, the amount of the fee specified in the contract at the time of award;
 - (b) For cost-plus-incentive-fee-contracts, the target fee specified in the contract at the time of award, notwithstanding any minimum fee or “fee floor” specified in the contract;
 - (c) For cost-plus-award-fee contracts:
 - 1) The base fee established in the contract at the time of contract award;
 - 2) If no base fee is specified in the contract, 30 percent of the amount of each award fee otherwise payable to the contractor for each award fee evaluation period or at each award fee determination point.

- (d) For fixed-price-incentive contracts, the Government may:
 - 1) Reduce the contract target price and contract target profit both by an amount equal to the initial target profit specified in the contract at the time of contract award; or
 - 2) If an immediate adjustment to the contract target price and contract target profit would have a significant adverse impact on the incentive price revision relationship under the contract, or adversely affect the contract financing provisions, the contracting officer may defer such adjustment until establishment of the total final price of the contract. The total final prices established in accordance with the incentive price revision provisions of the contract award and such reduced price shall be the total final contract price.
 - (e) For firm-fixed-price contracts, by 10 percent of the initial contract price or a profit amount determined by the contracting officer from records or documents in existence prior to the date of the contract award.
- (3) The Government may, at its election, reduce a prime contractor's price or fee in accordance with the procedures of paragraph B. (2) of this clause for violations of the Act by its subcontractors by an amount not to exceed the amount of profit or fee reflected in the subcontract at the time the subcontract was first definitively priced.
 - (4) In addition to the remedies in paragraphs B. (1) and B. (3) of this clause, the Government may terminate this contract for default. 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 or under this contract.

9. PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT

- A. The Government suspends or debar contractors to protect the Government's interests. Contractors must not enter into any subcontract equal to, or in excess of, the small purchase limitation of \$25,000 with a contractor that has been debarred, suspended, or proposed for debarment unless the acquiring agency's head or designee determines there is a compelling reason for such action (FAR 9.405).
- B. The contractor must require each proposed first-tier subcontractor, whose subcontract shall exceed the small purchase limitation of \$25,000, to disclose to the contractor, in writing, whether as of the time of award of the subcontract, the subcontractor, or its principals, is or is not debarred, suspended, or proposed for debarment by the Federal Government.

- C. A corporate officer or a designee of the contractor must notify the contracting officer, in writing, before entering into a subcontract with a party that is debarred, suspended, or proposed for debarment (See FAR 9.404 for information on the List of Parties Excluded from Federal Procurement Programs). The notice must include the following:
- (1) The name of the subcontractor;
 - (2) The contractor's knowledge of the reasons for the subcontractor being on the List of Parties Excluded from Federal Procurement Programs;
 - (3) The compelling reason(s) for doing business with the subcontractor notwithstanding its inclusion on the List of Parties Excluded from Federal Procurement Programs;
 - (4) The systems and procedures the contractor has established to ensure that it is fully protecting the Government's interests when dealing with such subcontractor in view of the specific basis for the party's debarment, suspension, or proposed debarment.

10. COMMODITY SPECIFICATIONS

A. Domestic Origin

- (1) The product delivered under this announcement must be produced in the United States from commodities produced in the United States.
- (2) For purposes of this section, the following definition applies:

"Produced in the United States" means manufactured, processed, mined, harvested, or otherwise prepared for sale or distribution, from components originating in the United States. Components originating in the United States which have been exported, and subsequently imported back into the United States, will not be considered as having been produced in the United States.
- (3) The contractor must maintain records to verify that during the contract shipping period, at the point of packaging or, in the case of bulk commodities, at the point of delivery to USDA, the product was in compliance with the domestic origin requirements of this section of the announcement. (See Article 76 of USDA-1)
- (4) USDA will randomly conduct domestic origin compliance reviews to determine if the product delivered to USDA was produced and manufactured in the U.S. from materials produced and manufactured in the U.S. Upon request, the contractor must submit documentation substantiating compliance to the contracting officer for review. This documentation may include procurement, production, inventory, delivery, and any other pertinent records. Onsite reviews may also be performed, at the discretion of USDA.

B. Product Quality Specifications

- (1)✓ ... Salad oils (Vegetable) delivered under this announcement shall meet the requirements of Appendix 3, Types I and IV, Style A or B, except those pertaining to the requirements of Sections 9, 10, 11, and 12.1. ...✓ Peanut oil is excluded from the list of oils allowed under Section 3 of the CID. Additionally, salad oils (vegetable) shall meet the following net weight requirements:

VEGETABLE OIL NET WEIGHT

PACK SIZE	UNIT NET WEIGHT	ALLOWABLE UNIT VARIATION	UNDER-FILL LIMIT ¹
48 fl. oz.	2.9 lbs.	0.1 lbs.	2.8 lbs.
1 gallon	7.7 lbs.	0.2 lbs.	7.5 lbs.

- (2) Low saturated fat vegetable oil delivered under this announcement cannot exceed one gram of saturated fat per one tablespoon serving as defined by the Food and Drug Administration in 21 CFR 101.62. The vegetable oil must be manufactured and labeled "low saturated fat" in accordance with National Labeling and Education Act (NLEA) guidelines cited in CFR 101.9.
- (3) Bulk oil purchases are limited to Type I soybean oil only.
- (4) ✓ ...The shortening compounds delivered under this announcement shall meet the requirements of Appendix 4 (including net weight requirements), except those pertaining to the requirements of Sections 9, 10, 11, and 12.1. ...✓
- (5) Type II shortening compounds are excluded from this announcement. The 12/3 lb. and 50 lb. pack sizes of shortening are limited to Type I shortening. Liquid shortening purchases are limited to Type III shortening. The liquid shortening must be entirely free from animal products.
- (6) Salad dressings, reduced calorie salad dressings and fat free salad dressings (mayonnaise type), delivered under this announcement shall meet the requirements of Appendix 5, except those pertaining to the requirements of packaging, labeling, and markings.
- (7) Reduced calorie and fat free salad dressings (mayonnaise type) must also meet the following microbiological requirements:

¹ No individual containers shall weigh less than the Under-Fill Limit. Lots found to have any container weighing less than the Under-Fill Limit will be rejected.

**MICROBIOLOGICAL REQUIREMENTS
REDUCED CALORIE AND FAT FREE SALAD DRESSING (MAYONNAISE TYPE)**

Aerobic Plate Count	Less than 1,000/gram
Acid Tolerant Micro-organisms	Less than 10/gram
Yeast and Molds	Less than 10/gram

(8) Subject to the provisions of Articles 60 and 69 of USDA-1, product which deviates from the specifications of this announcement will be rejected.

C. Quality Discounts

If the commodity to be delivered by the contractor does not meet the quality specifications of paragraph 10.B. of this announcement but falls within the limits listed below, the accordance with the following schedule of discounts for each 100 pounds of commodity commodity may be delivered to USDA, but the purchase price shall be reduced in delivered.

DISCOUNTS VEGETABLE OIL ¹

EXCESS COLOR ✓ ...Types I, IV...✓	
2.1 or 2.2	5 cents
2.3 or 2.4	10 cents
2.5 or 2.6	15 cents

EXCESS PEROXIDE VALUE, Meq/Kg ✓ ...Types I, IV...✓	
1.1 - 1.3	35 cents
1.4 - 1.5	50 cents

EXCESS MOISTURE AND VOLATILE MATTER, PERCENT ✓ ...Types I, IV...✓	
.07 or .08	20 cents
.09 or .10	50 cents
.11 or .14	95 cents

EXCESS FREE FATTY ACID, ✓ ...PERCENT - Types I, IV...✓	
.06 or .07	10 cents
.08 or .09	20 cents
.10 or .11	30 cents

¹ See CID for test procedures.
✓ ..Amended May 20, 2002

DISCOUNTS VEGETABLE SHORTENING ¹

EXCESS LOVIBOND RED COLOR Types I, III	
2.6 or 2.7	10 cents
2.8 thru 3.0	20 cents
3.1 thru 3.3	30 cents

EXCESS PEROXIDE VALUE, Meq/Kg			
Type I		Type III	
1.1 - 1.3	10 cents	0.6 - 0.8	10 cents
1.4 - 1.5	20 cents	0.9 - 1.0	20 cents
1.6 thru 2.5	40 cents - provided analysis did not show fat stability less than 40 hours		

EXCESS MOISTURE AND VOLATILE MATTER, PERCENT Types I, III	
.11 or .12	10 cents
.13	20 cents
.14	30 cents

EXCESS SOLID FAT INDEX, Type I					
TEMPERATURES					
50°F		70°F		92°F	
32	20 cents	25	20 cents	✓.. 16	20 cents
33	40 cents	26	40 cents	17	40 cents..✓

¹ See CID for test procedures.
✓..Amended May 20, 2002

D. Commercial Brand Specifications

- (1) Contractors supplying commercial brand products must certify and fully demonstrate that the product being delivered has a history of successful distribution and use in domestic commercial channels, and is sold on the commercial market with an established level of consumer acceptance prior to the initial bid. The product delivered shall comply with all applicable Federal and State mandatory requirements and regulations relating to the preparation, processing, packaging, labeling, storage, distribution, and sale within the commercial marketplace.
- (2) The product must conform in every respect to the provisions of the "Federal Food, Drug, and Cosmetic Act," as amended, and the regulations promulgated thereunder, including any Defect Action Level guidelines issued by the Food and Drug Administration (FDA) which may be applicable to the product. Any product with counts in excess of the FDA Defect Action Level guidelines shall not be shipped.
- (3) The product must conform in every respect to the requirements of Appendix 3, 4 and 5, Commercial Item Descriptions (CID), except as noted in Section 10, Paragraph B, of this announcement.
- (4) Warranty. The product must have a shelf life of at least one year from date of manufacture. Product must not be manufactured more than 30 days prior to shipping. Contractor must replace defective commodity with equal quantity of commodity which conforms to all contract requirements and specifications, provided replacement is agreed to by USDA,
- (5) The product delivered must comply with the domestic origin requirements as specified in Section 10, paragraph A.

E. Subject to the provisions of Articles 60 and 68 of USDA-1, product which deviates from the specifications of this contract will be rejected.

11. QUALITY ASSURANCE

- A. The contractor must perform the product testing and quality analysis to ensure that the product meets the specifications described in Section 10. The results must be evidenced by a Certificate of Analysis. The contractor must retain the certificates of analysis and furnish to USDA upon request. Contractors are required to notify KCCO immediately of lots that fail to meet contract requirements.
- B. Contractor must not ship the product unless the containers and markings meet the Acceptable Quality Level (AQL) of the "U.S. Standards for Condition of Food Containers". Except with respect to shipments that do not meet the AQL standards, and notwithstanding Article 56 (b) of USDA-1, contractor assumes all risks and liabilities that arise with respect to the failure of the shipped product to meet contract specifications.

- C. Bulk oil shipments must be for the quantity ordered only. The weight of the bulk quantity shipped must be evidenced by a weight certificate provided by weighing facilities which are recognized by the common carriers for the settlement of claims for loss in transit at the time of inspection. If such weights are not available at the plant location, the contractor must obtain weight certificates issued by weighing facilities recognized for settlement of loss in transit claims at an intermediate point or at destination.
- D. The TQSA program is a method of contractor verification and shall not relieve contractors of their responsibility to deliver a product which complies with all contractual and specification requirements.
- E. If the contractor becomes TQSA non-compliant after the contract is awarded and through execution of contract, the contracting officer may terminate contract for default.

12. SHIPMENT AND DELIVERY

- A. Shipment and delivery must be made in accordance with this announcement and Articles 56 and 64 of USDA-1.
- B. Title and risk of loss will pass to USDA on the date of delivery, as evidenced by signed and dated consignee's receipt, warehouse receipt, dock receipt, or other similar document acceptable to USDA.
- C. The quantity of the product delivered must be evidenced by signed and dated consignee's receipt, warehouse receipt, dock receipt, or other similar document acceptable to USDA, and such document must be retained by the contractor.
- D. Contractors are required to make **TWO** notifications for each shipment (See Article 56(c) of USDA-1):
 - (1) The State Agency, "Consign To" party shown on the Notice to Deliver (N/D), must be **FAXED** on the day of shipment.
 - (2) The receiving warehouse, "Care Of" party shown on the N/D, must be called 24 hours in advance to schedule an unloading appointment. (This is not required for rail shipments.) Contractors must notify the contracting officer in advance if delivery will not be made by the final delivery date under the contract, in accordance with Article 67(a) of USDA-1.
- E. Consignees may request upgrading of delivery service; 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. If an upgrade of delivery services is requested and agreed to, additional charges must be billed to the party requesting the service.

13. LIQUIDATED DAMAGES

A. Compensation to Contractor for Late Issuance of Notice to Deliver

Liquidated damages for delay in delivery due to late issuance of the "Notice to Deliver" (KC-269), will be payable in accordance with Article 65 of USDA-1, and will be at the rate of \$0.35 per 100 pounds (net weight) per day.

B. Compensation to CCC for Delay in Delivery

Liquidated damages for delay in delivery will be payable in accordance with Article 67 of USDA-1, and will be at the rate of \$0.35 per 100 pounds (net weight) per day.

14. INVOICES AND PAYMENT

A. 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:

- (1) A signed and dated Form KC-269 (reverse side) which includes the "Contractor's Invoice Certification" evidencing the date of delivery and quantity (units) delivered in good condition, **OR**
2. A signed and dated commercial invoice evidencing the date of delivery and quantity (units) delivered in good condition which must include the following statement (either as a part of the commercial invoice or an attachment to):

"Contractor's Invoice Certification"

"I certify that this invoice presented for payment is true. This certification is executed with full knowledge of the provision of 15 U.S.C. 714m(a), which provides a fine of not to exceed \$10,000 or imprisonment of not more than five years or both, for making any statement knowing it to be false, for the purpose of influencing in any way the action of the United States Department of Agriculture, and will full knowledge of the provisions of 31 U.S.C. 3729 imposing civil liability upon any person who shall make or cause to be made a false, fictitious, or fraudulent claim against the United States."

Authorized signature

Date

3. Commercial bill of lading.

4. If the contractor does not complete a "Contractor's Invoice Certification," then proof of delivery as evidenced by one or more of the following documents will be required as a part of the invoice package:
 - (a) A copy of the Bill of Lading signed and dated by the recipient
 - (b) A copy of the commercial receipt evidencing delivery signed and dated by the recipient.

Invoices must be mailed to:

Kansas City Finance Office
Financial Operations Division, Payment Certification Branch
Stop Code 8578
P.O. Box 419205
Kansas City, MO 64141-6205

- B. The Debt Collection Improvement Act of 1996 amended 31 U.S.C. 3332 to require Federal agencies to convert all Federal payments from checks to electronic fund transfers. Payments must be made directly to a financial banking institution. To receive payments electronically, Standard Form 3881, ACH Vendor/Miscellaneous Payment Enrollment Form must be completed. If you have questions or would like these forms mailed to you, contact Financial Operations Division, Payment Certification Branch.
- C. If product to be delivered by the contractor falls within the quality discount table as outlined in Section 10, Commodity Specifications, a Certificate of Analysis of the analytical results must be submitted with the invoice package.

15. INQUIRIES

Inquiries pertaining to USDA-1 and this announcement should be directed to:

Kansas City Commodity Office
Dairy and Domestic Operations Division
Stop Code 8718
P.O. Box 419205
Kansas City, MO 64141-6205

George W. Aldaya
Director
Kansas City Commodity Office

KANSAS CITY
COMMODITY OFFICE
P.O. BOX 419205
KANSAS CITY, MO 64141-6205

APPENDIX 1

Certifications, Representations, and Warranties for DOMESTIC COMMODITY PROCUREMENTS



APPENDIX 1

Certifications, Representations, and Warranties

These certifications concern matters within the jurisdiction of an agency of the United States and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under the United States Code, including Title 18, U.S.C., Section 1001 and Title 15, U.S.C., Section 714m.

1. The certifications, representations, and warranties listed in this appendix are required for submission of offers. The Kansas City Commodity Office (KCCO) will retain this appendix on file as the offeror's certifications, representations, and warranties for subsequent invitations for offers under the announcement(s) checked in the table below. By submitting an offer under the announcement(s) checked as applicable by the offeror in the table below, the offeror certifies and warrants that the appendix on file with KCCO contains the current status of the offeror. Offerors are responsible for updating this appendix as may be necessary prior to, or with any applicable offer submission by the offeror.

Domestic Announcements (Check <input checked="" type="checkbox"/> Applicable Announcements)			
	BF Bakery Flour Products		PC Processed Cereal
	CR Crackers		PP Peanut Products
	CP Corn Products		RC Instant Rice Cereal
	FC Fortified Cereal Products		RP Rice Products
	MC Macaroni and Cheese		VP Vegetable Oil Products
	PA Pasta Products		WF Wheat Flour Products

2. Notice of Requirements for Certification of Nonsegregated Facilities

By submitting an offer under the announcement(s) indicated in paragraph 1 of this appendix, the offeror shall be deemed to have agreed to the provisions of the "Certification of Nonsegregated Facilities" in Article 31 of USDA-1.

3. Manufacturer (*Check One*)

Offeror represents and certifies that it is is not a manufacturer.

Manufacturer means a person that owns, operates, or maintains a factory or establishment that produces on the premises the materials, supplies, articles, or equipment required under the contract and of the general character described by the specifications.

4. Nonmanufacturer (*Check One*)

Offeror represents and certifies it is is not a nonmanufacturer.

Nonmanufacturer means a person that is primarily engaged in the wholesale or retail trade and normally sells the items being supplied to the general public, and will supply the end item of a small business manufacturer or processor made in the United States, or obtain a waiver of such requirement pursuant to 13 C.F.R. 121.406.

5. Notice of Total Small Business Set-Aside (Applicable if procurement is a Total Small Business Set Aside)

A. Definition

"Small business concern," as used in this clause, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria and size standards in Title 13 CFR 121.

B. General

SET-ASIDE ITEM NUMBERS ARE THOSE IN THE 700-900 SERIES. Offers received from other than a small business for small business set-aside item numbers will not be considered unless USDA is unsuccessful in contracting for those item numbers under set-aside provisions. In that event, USDA may award the set-aside item numbers to other than small businesses.

C. Agreement

A manufacturer or nonmanufacturer submitting an offer in its own name warrants that it will furnish in performing the contract, only small business set-aside end items manufactured or produced by small business concerns inside the United States, its territories and possessions, the Commonwealth of Puerto Rico, or the Trust Territory of the Pacific Islands.

6. Small Business Concern Representation (Check One)

- A. Offeror represents and certifies as part of its offer that it is is not a small business concern as defined in paragraph 5.A. of this appendix.
- B. If offeror is a small business concern, manufacturer or nonmanufacturer, it also represents that all not all end items to be furnished must be manufactured or produced by a small business concern in the United States, its territories or possessions, the Commonwealth of Puerto Rico, or the Trust Territory of the Pacific Islands.

7. Small Disadvantaged Business Concern Representation (Check One)

Offeror is is not a small disadvantaged business concern as defined in Article 45 of USDA-1.

8. Women-Owned Small Business Representation (Check One)

Offeror is is not a women-owned small business concern as defined in Article 42 of USDA-1.

9. HUBZone Representation (Check One)

Offeror is is not a HUBZone small business concern listed, on the date of this representation, on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration, and no material change in ownership and control, principal place of ownership, or HUBZone employee percentage has occurred since it was certified by the Small Business Administration in accordance with 13 CFR part 126; and

Offeror is is not a joint venture that complies with the requirements of 13 CFR part 126, and the representation in the above paragraph of this provision is accurate for the HUBZone small business concern or concerns that are participating in the joint venture. (*The offeror shall enter the name or names of the HUBZone small business concern or concerns that are participating in the joint venture: _____.*) The offeror is responsible for each HUBZone small business concern participating in the joint venture submitting a separate copy of the HUBZone representation.

10. Veteran-owned Small Business Concern Representation (Check One)

Offeror is is not a veteran-owned small business concern as defined below.

Veteran-owned small business concern means a small business concern:

- (1) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101 (2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and

- (2) The management and daily business operations of which are controlled by one or more veterans.

11. Service-disabled Veteran-owned Small Business Concern Representation (Check One)

Offeror is is not a service-disabled veteran-owned small business concern as defined below.

Service-disabled veteran-owned small business concern means a small business concern:

- (1) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and
- (2) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.
- (3) Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service connected, as defined in 38 U.S.C. 101 (16)

12. Contingent Fee Representation (Check One)

The offeror represents that, except for full-time bona fide employees working solely for the offeror, the offeror:

- A. Has Has not employed or retained any person or firm to solicit or obtain this contract;
- B. Has Has not paid or agreed to pay to any person or firm employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

13. Clean Air and Water Certification (Check One)

Offeror certifies as follows:

- A. Any facility to be used in the performance of this proposed contract is is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities;
- B. Offeror must immediately notify the contracting officer, before award, of the receipt of any communication from the Administrator, or a designee of the EPA, indicating that any facility that the offeror proposes to use for the performance of the contract is under consideration to be listed on the EPA List of Violating Facilities;
- C. Offeror must include a certification substantially the same as this certification, including this paragraph, in every nonexempt subcontract. (Article 47 of USDA-1 contains the Clean Air and Water Clause.)

14. Affirmative Action Compliance (Check One)

Offeror represents that it:

- A. Has Has not developed and has does not have on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (Title 41 CFR 60-1 and 60-2);
- B. Has Has not previously had contracts subject to the written affirmative action program requirement of the rules and regulations of the Secretary of Labor.

15. Previous Contracts and Compliance Reports (Check One)

Offeror represents that it:

- A. Has Has not participated in a previous contract or subcontract subject either to the "Equal Opportunity" clause in Article 41 of USDA-1, the clause originally contained in Section 310 of Executive Order No. 10925, or the clause contained in Section 201 of Executive Order No. 11114;
- B. Has Has not filed all required compliance reports;
- C. Must obtain representations indicating submission of required compliance reports signed by proposed subcontractors prior to subcontract awards.

16. Certificate of Independent Price Determination (Check A or B)

- A. Offeror certifies that the person submitting this bid, as identified in Section 20, is the person in 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" in Article 30 of USDA-1;
- B. Offeror certifies that the person submitting this bid, as identified in Section 20, is an authorized agent for (_____) and does certify that the principal 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."

17. Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions

- A. The definitions and prohibitions contained in the clause "Limitation on Payments to Influence Certain Federal Transactions" in FAR 52.203-12, are hereby incorporated, by reference, in this certification.

- B. The offeror, by submitting its offer, hereby certifies to the best of his or her knowledge and belief that:
- (1) No federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of a contract resulting from this solicitation;
 - (2) If any funds, other than federal appropriated funds (including profit or fee received under a covered federal transaction), have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the offeror must complete and submit, with its offer, "Disclosure of Lobbying Activities" (OMB Standard Form LLL), to the contracting officer;
 - (3) The language of this certification must be included in all subcontract awards at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.
- C. Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by Title 31, U.S.C., Section 1352. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

18. Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters (Check All That Apply)

- A. The offeror certifies, to the best of his or her knowledge and belief, that:
- (1) The offeror and/or any of its principals:
 - (a) Are Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any federal agency;
 - (b) Have Have not within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

- (c) Are Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in Subdivision A(1)(b) of this provision.
- (2) The offeror has has not within a three-year period preceding this offer, had one or more contracts terminated for default by any federal agency.
- B. "Principals," for the purpose of this certification means officers, directors, owners, partners, and/or persons having primary management or supervisory responsibilities within a business entity (e.g., general manager, plant manager, head of a subsidiary, division, or business segment, and similar positions).
- C. The offeror must provide immediate written notice to the contracting officer if, at any time prior to contract award, the offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- D. A certification where any items in paragraph A. of this provision exists shall not necessarily result in withholding of an award under this solicitation. However, certification shall be considered in connection with a determination of the offeror's responsibility. Failure of the offeror to furnish a certification or provide such additional information as requested by the contracting officer may render the offeror nonresponsive.
- E. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph A. of this provision. The knowledge and information of an offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- F. The certification in paragraph A. of this provision is a material representation of fact upon which reliance was placed when making the award. If it is later determined that the offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the contracting officer may terminate the contract resulting from this solicitation for default.

19. Taxpayer Identification

- A. Definitions
- (1) "Common parent," as used in this solicitation provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the offeror is a member.
- (2) "Corporate status," as used in this solicitation provision, means a designation as to whether the offeror is a corporate entity or an unincorporated entity (e.g., sole proprietorship or partnership).

(3) "Taxpayer Identification Number (TIN)," as used in this solicitation provision, means the number required by the Internal Revenue Service (IRS) to be used by the offeror in reporting income tax and other returns.

B. All offerors are required to submit the information required in paragraphs C. through E. of this section in order to comply with reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M and implementing regulations issued by the IRS. If the resulting contract is subject to the reporting requirements described in FAR 4.903, the failure or refusal by the offeror to furnish the information may result in a 31 percent reduction of payments otherwise due under the contract.

C. Taxpayer Identification Number (TIN)

TIN: _____

TIN has been applied for.

TIN is not required because: _____

D. Corporate Status (*Check One*)

Corporation	
Sole Proprietorship	
Partnership	

E. Common Parent

Offeror is not owned by a common parent as defined in paragraph A.

Common parent name: _____

Common parent TIN: _____

20. The certifications, warranties, and representations as set forth in this appendix to the announcement(s) indicated as applicable in paragraph 1 of this appendix and Part C of USDA-1, are hereby made.

IN WITNESS WHEREOF, the undersigned has executed this offer this _____ day of _____, _____.

(Month) (Year)

NAME OF FIRM _____

SIGNATURE ¹ _____

TITLE _____

TYPED NAME _____

Officer or Employee Responsible for the Offer

Additional Representatives Authorized to Sign Offers	
Signature	Typed Name

ADDRESS _____

CITY _____

STATE _____

ZIP CODE _____

TELEPHONE NO. _____

FAX NO. _____

EMAIL ADDRESS _____

¹ Before signing this Appendix, see Article 6 of USDA-1.

UNITED STATES
DEPARTMENT OF
AGRICULTURE

KANSAS CITY
COMMODITY OFFICE
P.O. BOX 419205
KANSAS CITY, MO 64141-6205

Effective May 7, 2002

APPENDIX 2
Packaging and Marking Specifications

ANNOUNCEMENT VP6
PURCHASE OF
VEGETABLE OIL PRODUCTS
FOR USE IN DOMESTIC PROGRAMS



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VEGETABLE OIL PRODUCTS

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APPENDIX 2 TO ANNOUNCEMENT VP6

PURCHASE OF VEGETABLE OIL PRODUCTS FOR USE IN DOMESTIC PROGRAMS

Packaging and Marking Specifications

PART 1. BASIC PROVISIONS

1.1 PURPOSE

- A. This appendix outlines the packaging and marking requirements, container specifications, and procedures for the approval of containers and packaging materials used in shipments of vegetable oil products under domestic food assistance programs.
- B. This appendix supersedes all previous packaging requirements and specifications outlined in handbooks, announcements, or notices.
- C. Changes to this appendix will be issued periodically in the form of amendments to the announcement. Contractors are advised to ensure that all subcontractors, e.g., container and packaging material manufacturers, are familiar with the requirements on a contract-by-contract basis.
- D. Container, packaging, and marking requirements for commercial products are referenced in Part 3, Container and Packaging Requirements, Section 3.8.

1.2 USDA RESPONSIBILITIES

- A. The Deputy Administrator, Commodity Operations (DACO), USDA-FSA, Washington, DC, is responsible for approving the use of all containers and packaging materials.
- B. The contractor is responsible for assurance that product and packaging meet specifications in this appendix.
- C. The Kansas City Commodity Office (KCCO) is responsible for accepting or rejecting commodities, containers, and packaging materials on a contract-by-contract basis.

1.3 APPROVAL OF ALTERNATIVE PACKAGING

- A. To request approval of alternative container or packaging material, commodity suppliers or package manufacturers must submit a written request to DACO, including the construction specification and any supporting evidence of performance such as:
 - (1) Laboratory test data.
 - (2) Reports of field testing.
 - (3) History of successful use in commercial channels.
 - (4) Environmental impact.

- B. The supporting evidence must show that the proposed alternative container or packaging material will perform as well as the container(s) or packaging material(s) currently specified and authorized for use.
- C. The proposed alternative container or packaging material must have an environmental impact equal to or less than the container(s) or packaging material(s) currently specified and authorized for use. DACO will evaluate the total life cycle of the proposed alternative container or packaging material and will consider the environmental impact of each stage from manufacture, through its use, to waste management (reuse, recycle, or disposal).
- D. In response to requests, DACO will do one or more of the following:
 - (1) Request that samples of the container or packaging material be sent for evaluation to a package testing laboratory designated by DACO.
 - (2) Require test shipments of filled containers.
 - (3) Deny the use of the container or packaging material.
 - (4) Authorize the use of the container or packaging material, in writing, based on the information submitted, environmental impact evaluation, and/or completion of successful testing. The written authorization must be retained in contractor's records and made available to Total Quality Systems Audit (TQSA) auditors or KCCO contracting officers upon request.

1.4 INQUIRIES

Inquiries concerning these specifications or the approval of alternative containers should be directed to:

USDA/FSA/DACO/PDD
Contract Management Branch
STOP 0551
1400 Independence Avenue SW
Washington, DC 20250-0551
ATTN: Packaging

1.5 LIABILITY

In accordance with Article 60 of USDA-1, CCC's contractor will be liable if containers or packaging materials do not meet contract requirements.

1.6 INQUIRIES FOR FEDERAL SPECIFICATIONS AND STANDARDS

For copies of referenced Federal specifications and standards contact:

GSA Federal Supply Service Bureau
Specifications Section (3FBP-W)
470 East L'Enfant Plaza SW, Suite 8100
Washington, DC 20407
Phone: (202) 619-8925

PART 2. GENERAL REQUIREMENTS

2.1 CONTAINERS AND MATERIALS

- A. Unless otherwise specified, all containers and packaging materials must be:
- (1) Constructed as specified in this appendix and any referenced specifications, or as authorized in writing by DACO.
 - (2) New and made of components and by processes which will not impart an odor, flavor, color, or other objectionable characteristic to the product being packaged.
 - (3) Constructed to meet the requirements of the Food and Drug Administration (FDA) for safe contact with the packaged product.
 - (4) Constructed from the maximum amount of recycled materials practicable without jeopardizing performance or food safety.
- B. All containers and packaging materials must be manufactured and assembled in the United States. The components that make up the fabricating materials of the containers and packaging materials must be of U.S. origin to the extent that they are commercially available. Questions concerning the availability of a material should be directed to:
- USDA/FSA/DACO/PDD
Contract Management Branch
STOP 0551
1400 Independence Avenue SW
Washington, DC 20250-0551
ATTN: Packaging
- C. The contractor must maintain records to verify that during the contract shipping period, at the point of packaging, the containers and packaging materials were in compliance with paragraph 2.1.B. See Article 76 of USDA-1.
- D. Filled containers must be safe for individuals coming in contact with them during handling, stacking, and storage operations.
- E. The weight capacity of a container, e.g., 3-pound can, is defined as a container designed to hold 3 pounds of product.

2.2 CERTIFICATION OF COMPLIANCE

- A. A Certification of Compliance (C.O.C.) must be provided by the container or packaging material manufacturer for each contract.
- B. The C.O.C. must state that all containers or packaging materials meet the requirements of this appendix.

- C. The TQSA auditor will determine whether the contractor has obtained a C.O.C. from the appropriate container for packaging material manufacturer.
- D. The C.O.C. must be either printed on each individual container or provided in writing for review by the TQSA auditor. When printed on the container, the C.O.C. must be as small as possible, yet legible.

E. The C.O.C. must read:

"THIS CONTAINER IS CONSTRUCTED IN COMPLIANCE WITH DACO
PACKAGING REQUIREMENTS"

Or

"THIS PACKAGING MATERIAL IS CONSTRUCTED IN COMPLIANCE WITH DACO
PACKAGING REQUIREMENTS"

F. The C.O.C. may be printed in either upper or lower case lettering.

PART 3. CONTAINER AND PACKAGING REQUIREMENTS

3.1 1-GALLON VEGETABLE OIL AND LIQUID SHORTENING BOTTLES

- A. 1-gallon of vegetable oil or liquid shortening must be packed in circular, square, or F-style bottles constructed of high density polyethylene.
- B. The bottles must have a 38-40mm neck finish closed with screw-on caps having inner foil seals. Each inner foil seal must be completely induction sealed to the container opening and must prevent the product from leaking during distribution.
- C. The bottles must be placed into shipping containers with inserts. Bottle styles and shipping container/insert construction requirements are specified in paragraphs 3.2 and 3.3.

3.2 1-GALLON SQUARE OR CYLINDRICAL STYLE BOTTLES

The 1-gallon square and cylindrical style bottles must weigh a minimum of 145 grams. 6/1-gallon bottles must be packed into one of the following shipping container constructions:

A. Construction A

- (1) The shipping container must be a Regular Slotted Container (RSC) constructed of a minimum 40-pound Edge Crush Test (ECT) corrugated fiberboard with 33-pound mediums.
- (2) The shipping container must conform to Rule 41, as amended, of the Uniform Freight Classification (UFC) Rules and Regulations and must be sized to minimize head space between the top of the bottles and the closed flaps of the shipping container.
- (3) The insert must be constructed of a minimum 40-pound ECT corrugated fiberboard. The insert configuration must be an "H" style with 1-3 inch "legs" as extensions on the "H". The insert must extend to the top of the box.

B. Construction B

- (1) The shipping container must be an RSC constructed of a minimum 32-pound ECT corrugated fiberboard with 40-pound mediums.
- (2) The shipping container must conform to Rule 41, as amended, of the UFC Rules and Regulations and must be sized to minimize head space between the top of the bottles and the closed flaps of the shipping container.
- (3) The insert must be constructed of a minimum 44-pound ECT corrugated fiberboard with 40-pound mediums. The insert configuration must be an "H" style with 1-3 inch "legs" as extensions on the "H". The insert must extend to the top of the box.

3.3 1-GALLON "F" STYLE BOTTLES

The 1-gallon "F" style bottle must weigh a minimum of 140 grams. The plastic must be high density, 0.955 copolymer, food grade, polyethylene molded in accordance with Department of Transportation specification DOT-15. 6/1-gallon bottles must be packed into one of the following shipping container constructions:

A. Construction A

- (1) The shipping container must be a RSC constructed of a minimum 32-pound ECT corrugated fiberboard.
- (2) The shipping container must conform to Rule 41, as amended, of the UFC Rules and Regulations and must be sized to minimize head space between the top of the bottles and the closed flaps of the shipping container.
- (3) The insert must be constructed of a minimum 44-pound ECT corrugated fiberboard. The insert configuration must be an "H" style with 3 inch "legs" as extensions on the "H". The insert must extend to the top of the box.

B. Construction B

- (1) The shipping container must be a RSC constructed of a minimum 44-pound ECT corrugated fiberboard.
- (2) The shipping container must conform to Rule 41, as amended, of the UFC) Rules and Regulations and must be sized to minimize head space between the top of the bottles and the closed flaps of the shipping container.
- (3) The insert must be constructed of a minimum 32-pound ECT corrugated fiberboard. The insert configuration must be an "H" style. The insert must extend to the top of the box.

3.4 48-FLUID OUNCE PLASTIC BOTTLES

- A. 48-ounces of vegetable oil must be packed in clear, pinch or carafe style bottles constructed of a minimum 80 grams of polyvinyl chloride (PVC) or a minimum 60 grams of polyethylene terephthalate (PET).
- B. The bottles must have a 38-40mm neck finish closed with screw-on caps having inner foil seals. Each inner foil seal must be completely induction sealed to the container opening and must prevent the product from leaking during distribution.
- C. Bottles must be placed into shipping containers with inserts as follows:
 - (1) Shipping containers must be packed with 8/48-ounce bottles of vegetable oil and must be constructed of a minimum 44-pound ECT corrugated fiberboard.

- (2) Shipping containers must conform to Rule 41, as amended, of the UFC Rules and Regulations and must be sized to minimize head space between the top of the bottles and the closed flaps of the shipping container.
- (3) Shipping containers must have die cut "H" inserts, constructed of a minimum 44-pound ECT corrugated fiberboard placed in each shipping container to provide additional stacking strength. The insert must extend to the top of the box.

3.5 SALAD DRESSING

- A. Salad dressing must be packed in 1-gallon cylindrical plastic bottles constructed of natural opaque high density polyethylene weighing a minimum of 120 grams.
- B. The bottles must have a maximum 110mm neck finish closed with screw-on caps or press on caps. The caps must prevent the product from leaking during distribution.
- C. The filled and sealed containers must provide a minimum 6-month shelf life.
- D. The bottles must be placed into shipping containers with inserts as follows:
 - (1) Shipping containers must be packed with 4/1-gallon bottles of salad dressing and must be constructed of a minimum 32-pound ECT corrugated fiberboard.
 - (2) Shipping containers must conform to Rule 41, as amended, of the UFC Rules and Regulations and must be sized to minimize head space between the top of the bottle and the closed flaps of the shipping container.
 - (3) Shipping containers must have die cut "H" inserts, constructed of a minimum 32-pound ECT corrugated fiberboard placed in each shipping container to provide additional stacking strength. The insert must extend to the top of the box.

3.6 SHORTENING

- A. 3-Pound Composite Cans
 - (1) Three pounds of product must be packed in composite cans sized 502 x 512.
 - (2) The liner ply must be a minimum 7-pound HDPE/.000285-inch Foil/7-pound basis weight LDPE/15-pound basis natural MGK. The adhesive must be polyvinyl acetate based.
 - (3) The body stock, 2 plies, must be constructed of a minimum 0.0160 ± 1 caliper of a minimum 57-pound basis weight.
 - (4) The inner label ply must be constructed of a minimum #8 HDPE, White/17-pound natural MGK.

- (5) The bottom must be 73-pound steel, a minimum #10 electrolytic tin plate (ETP), compound lined to fiber can placement w/9179A, seamed on and a standard shortening profile. The statement "CAUTION DO NOT EXPOSE TO HEAT OR REFILL WITH HOT OIL" must be embossed on the bottom.
- (6) The top must be of the same construction as the bottom except that it must be coined to facilitate opening. The statements "OPEN WITH ANY CAN OPENER, RESEAL WITH PLASTIC LID" and "CAUTION DO NOT EXPOSE TO HEAT OR REFILL WITH HOT OIL" must be embossed on the top.
- (7) Each can must be provided with a transparent, FDA-approved low-density polyethylene, or similar material, plastic lid. The plastic lids must be edge undercut to provide a snaptight fit. The clarity of the material must be such that lithographed or embossed markings are plainly legible when the cap is applied to the top of the can.

C. Shipping Containers

Shipping containers must:

- (1) Be packed with 12/3-pound composite cans of shortening and must be constructed of a minimum 32-pound ECT corrugated fiberboard.
- (2) Conform to Rule 41, as amended, of the UFC Rules and Regulations and must be sized to minimize the amount of head space between the top of the cans and the closed flaps of the shipping container.

D. 50-Pound Cube

- (1) Fifty pounds of shortening must be packed in shipping container with a polyethylene inner bag.
- (2) Shipping containers must conform to Rule 41, as amended, of the UFC Rules and Regulations and must be constructed of a minimum 48-pound ECT double wall corrugated fiberboard. The shipping containers must be regular slotted containers.
- (3) The inside surfaces of the shipping containers must be coated scoreline to scoreline with a substance that prevents the absorption of moisture or oil by the corrugated fiberboard. The shipping container flaps need not be coated.
- (4) The inner polyethylene bag must be:
 - (a) Constructed of 2 mil. blue tint polyethylene film that meet FDA guidelines for safe contact with the packaged product.
 - (b) Double or single heat-sealed at the bottom.

- (c) Closed by folding in a manner which prevents product exposure during distribution.
- (5) If the shipping container flaps are not coated, snug-fitting pads constructed of a minimum 20 mil. paperboard must be inserted inside the shipping containers on the top and bottom.
- (6) The closure and sealing of outer flaps with tape or adhesive must be in accordance with UFC Rule 41, Section 9, as amended.
 - (a) Staples or wire stitching is not permitted.
 - (b) The inner and outer flaps must be drawn together as closely as possible to ensure a compact and tight pack.

E. Fiber Drums

- (1) Fifty pounds of shortening must be packed in fiber drums with a polyethylene inner liner.
- (2) Fiber drums must conform to Rule 51, as amended, of the UFC and must be constructed of a minimum 500 psi burst test multi-ply kraft paper.
- (3) The size of the drum must be 8 gallon capacity and sufficient to hold 50 pounds of hydrogenated shortening.
- (4) The inner polyethylene bag must be:
 - (a) Constructed of 2 mil. polyethylene film that meet FDA guidelines for safe contact with the packaged product.
 - (b) Butt seamed and heat sealed with a strip of polyethylene tape, minimum of 3 mil., 3/4 inches in width.
- (5) The top and bottom headings must be constructed of a minimum 30 gauge steel having a coating which meets FDA requirements for safe contact with the packaged product.
- (6) The skirt of the headings must be a minimum 1-1/2 inches with a 1/8th inch outwardly rolled bead at the end of the skirt.
- (7) The flat surfaces of the headings must be so formed as to interlock (bottom to top) for stacking purposes.
- (8) The bottom heading must be:
 - (a) Sealed to the sidewall by mechanical means.

- (b) Sufficiently caulked to prevent leakage.
- (9) Three metal clips for securing top heading after filling must be equally spaced around the circumference of the drum and clinched into the sidewalls.
 - (a) The clips must be medium hard steel, zinc-plated, 0.035 inches thick, ½ inch wide.
 - (b) The clinched portion of clips on the interior wall must be covered with a pressure sensitive tape, 3M #Y9072 or equivalent.
- (10) The outer surface of the drum must be painted azure blue using a solvent or latex type exterior coating.
- (11) After filling, lids shall be applied full depth and clips positioned to provide a tight seal.

3.7 UNITIZATION REQUIREMENT

Unless otherwise specified by USDA, all shipments of packaged products must be unitized (palletized and stretch wrapped) as follows:

A. Pallets must be:

- (1) Constructed to facilitate the safe handling, stacking, and transportation of the packaged product, as a unit, without loss or damage.
- (2) 48 x 40 inches, four-way or partial four-way, and reversible or nonreversible flush stringer.
- (3) Suitable for use in the shipment of food products.

B. Plastic stretchwrap must be:

- (1) Constructed of a plastic film which is to be stretched a minimum of 50 percent beyond its original length when stretched around the pallet load.
- (2) Applied as tightly as possible around all tiers of the palletized shipping containers. The shipping containers must be held firmly in place by the stretchwrap.

C. Pallet loads must be:

- (1) Stacked in such a way as to minimize the amount that shipping containers overhang the edges of pallets. (While shipping containers may overhang the edges of pallets, contractors are reminded that they are responsible for the safe shipment and delivery of the product.)

- (2) Blocked and braced or otherwise loaded into the conveyance in a manner that prevents shifting during transit.

3.8 COMMERCIAL PACKAGING AND MARKING REQUIREMENTS

- A. In accordance with Article 60 of USDA-1, USDA's contractor will be liable if containers or packaging material do not meet contract requirements.
- B. Container and packaging requirements are those used in the current commercial shipping practices and must comply with:
 - (1) Domestic origin of containers and packaging materials in Part 2, Section 2.1, B and C of this appendix.
 - (2) Unitization requirement in Part 3, Section 3.8 of this appendix.
- C. The marking and labeling for commercial products must be preserved, packaged, and labeled in accordance with good commercial practices.
- D. At contractor's option, a statement such as "**NOT FOR RETAIL SALE**" may be printed on the principal display panel of the food label.
- E. The manufacturer's lot code/lot identification number must be shown on the commercial bill of lading.
- F. Shipping containers must be marked to show the maximum safe stacking height. It is the responsibility of the contractor in cooperation with the shipping container manufacturers to determine the safe stacking height.
- G. Shipping Document Identification for USDA Shipments - For identification upon receipt at delivery warehouses, all commercial-labeled product shipping documents must specify "FOR USDA FOOD DISTRIBUTION PROGRAMS."

PART 4. MARKING REQUIREMENTS

4.1 GENERAL REQUIREMENTS

- A. Containers must be plainly marked in accordance with the enclosed exhibits. All markings must be of sufficient size to stand out prominently. The markings must be arranged substantially as shown in the following exhibits and must be in direct proportion to the available printing surface.
- B. For all containers, the commodity name must be printed larger and bolder than all other markings except for the USDA symbol.
- C. The ingredient statement may be placed on shipping containers of 3-pound shortening, 48-fluid ounce, and 1-gallon bottles of vegetable oil and liquid shortening, provided that the print is in lower case and smaller than all other print on the shipping container. In all instances the ingredients must be preceded by the word "INGREDIENTS".

4.2 PRINTING SPECIFICATIONS

- A. Primary and shipping containers, for liquid shortening and shortening, must be marked in red ink. However, 3-pound composite cans of shortening must be marked in black ink.
- B. Primary and shipping containers for vegetable oil must be marked in blue ink.
- C. Primary and shipping containers for salad dressing (mayonnaise type) must be marked in blue ink. Primary and shipping containers for reduced calorie salad dressing must be marked in green ink. Primary and shipping containers for fat free salad dressing must be marked in dark red ink.

4.3 VENDOR CODE

A vendor code, furnished by KCCO, must appear on all primary containers, corrugated fiberboard shipping containers, and paper balers. The vendor code identifies the vendor but does not always identify the plant of origin. In addition to the vendor code, vendors have the option of printing the plant code on all containers.

4.4 MONTH/YEAR OF PACK

- A. The month/year of pack must appear on all primary containers having a net weight greater than 10 pounds and must appear on all primary containers, regardless of net weight, when transparent plastic balers are utilized.
- B. The month/year of pack must appear on all corrugated fiberboard shipping containers and paper balers.
- C. The month/year of pack must be the month/year of shipment as required under the contract.

D. A date fill code may be applied in addition to, but not in lieu of, the month/year of pack.

4.5 LOT CODE

A lot code unique to each lot offered for inspection must be legibly marked on all primary containers, corrugated fiberboard shipping containers, and paper balers. Commodity suppliers may use any type of lot coding system provided a unique code is used to identify each lot offered for inspection under a USDA contract. Commodity suppliers must provide the TQSA auditor or contracting officer with an explanation of the lot coding system utilized.

4.6 NUTRITIONAL INFORMATION

Nutritional information must be applied to all primary containers in accordance with the nutrition labeling regulations of the Food and Drug Administration (FDA) as specified in 21 CFR Part 101.

4.7 SAFE STACKING INSTRUCTIONS

Corrugated fiberboard shipping containers must be marked to show the maximum safe stacking height. This should be expressed as follows: "Do not stack above ___ tiers per pallet, ___ pallets high." It is the responsibility of the contractor in cooperation with the shipping container manufacturers to determine the safe stacking height.

4.8 CARRIER REGULATIONS

Containers may be marked with a certification or stamp to indicate compliance with the applicable freight classification or other carrier shipping requirements.

4.9 UNIVERSAL PRODUCT CODE

A. A Universal Product Code (UPC) and symbol must appear on each primary package, and a UPC shipping container code called Interleaved 2 of 5 (I 2/5) must appear on each shipping container as specified below. In accordance with the UPC guidelines published by the Uniform Code Council, Incorporated, a 12-digit UPC (code and symbol) must appear on each primary package and a 14-digit I 2/5 bar code must appear on each shipping container. For contrast in scanning, a white patch or block must be used as background for bar codes applied directly to metal containers. A high degree of contrast is required for bar codes applied directly to plastic containers. The UPC guidelines describe the requirements for the proper placement, printing, readability, and scanability for bar coding.

- B. The format and code to be used is as follows:

COMMODITY	PACK SIZE	PRIMARY CONTAINER CODE	SHIPPING CONTAINER CODE
Vegetable Oil	48 oz	7 15001 02665 0	1 07 15001 02665 8
Vegetable Shortening	3 lb	7 15001 02720 7	1 07 15001 02720 4

- C. The complete code including the check digit (the last digit of the applicable UPC code) must be printed in machine-readable and human-readable form. The start and stop indicators must be included in the bar code symbols. The UPC system is a commonly used method of bar coding merchandise in commercial channels. Package manufacturers, printers, and film master suppliers are familiar with this symbology. USDA has acquired a unique manufacturer's identification number for this application.
- D. Further information concerning UPC codes and symbols may be obtained by contacting the:

Uniform Code Council, Inc. (UCC)
8163 Old Yankee Road, Suite J
Dayton, OH 45458
Phone (937) 435-3870

Contractors need not join the UCC.

4.10 KOSHER CERTIFICATION

"Kosher Only" products will be identified in the invitation. Offerors must not bid on these products unless they are properly certified to produce Kosher products. If an offeror bids on products identified as "Kosher Only", they shall provide a letter to the consignee certifying compliance with applicable Kosher dietary laws.

4.11 RECYCLE SYMBOLS

- A. The contractor must place the recycle symbol and the words "PLEASE RECYCLE" somewhere on the surface of each primary and shipping container which is widely recycled. By "widely recycled," it is meant recycled in most communities. The words "PLEASE RECYCLE" are to be placed under the recycle symbol. The following USDA packaging materials are widely recycled and should be marked with the symbol and statement in accordance with Exhibit I:
- (1) Corrugated fiberboard (cardboard) boxes
 - (2) High density polyethylene (e.g., vegetable oil and liquid shortening bottles)

- B. Packaging materials which are not required under the contract to be printed (e.g., certain plastic pouches, bags, and stretch films) need not be marked even though they can be recycled in many communities.

4.12 CERTIFICATION OF COMPLIANCE

A C.O.C. may be printed on each individual container. When printed on the container, the C.O.C. must be applied in accordance with paragraph 2.2 of this appendix.

4.13 OTHER MARKINGS

- A. The contractor's company name and/or the container manufacturer's name may be printed on each container as small as possible, yet legibly.
- B. On exhibits where U.S. RDA Percentages are required, it is acceptable for the contractor to place an asterisk beside the nutrient(s) and to footnote on the panel
"* Content less than 2% U.S. RDA of these nutrients."
- C. No markings other than those permitted under this appendix shall appear on containers unless required or approved by USDA.

4.14 CONTAINERS WITH INCORRECT MARKINGS

- A. Containers displaying incorrect markings may be used provided that the incorrect markings are obliterated and correct markings are applied in a permanent manner.
- B. The contractor must take necessary action, in accordance with USDA-1, Article 62, to prevent the appearance in commercial or other channels of containers and container materials, bearing markings required under the contract, including those held by the contractor or others, e.g., overruns.

UNITED STATES
DEPARTMENT OF
AGRICULTURE

KANSAS CITY
COMMODITY OFFICE
P.O. BOX 419205
KANSAS CITY, MO 64141-6205

APPENDIX 3

Commercial Item Description Salad Oils, Vegetable

ANNOUNCEMENT VP6

A-A-20091D dated May 7, 2002

<http://www.ams.usda.gov/fqa/cidfats.htm>



UNITED STATES
DEPARTMENT OF
AGRICULTURE

KANSAS CITY
COMMODITY OFFICE
P.O. BOX 419205
KANSAS CITY, MO 64141-6205

APPENDIX 4

Commercial Item Description Shortening Compounds

ANNOUNCEMENT VP6

A-A-20100C dated May 1, 2002

<http://www.ams.usda.gov/fqa/cidfats.htm>



UNITED STATES
DEPARTMENT OF
AGRICULTURE

KANSAS CITY
COMMODITY OFFICE
P.O. BOX 419205
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APPENDIX 5

Commercial Item Description Mayonnaise, Salad Dressing, and Tartar Sauce

ANNOUNCEMENT VP6

A-A-20140B dated June 24, 1993

<http://www.ams.usda.gov/fqa/cidcond.htm>

