

For: FAS, FSA and RMA Offices

New Department-Wide Blanket Purchase Agreement (BPA) for Domestic Delivery Services

Approved by: Deputy Administrator, Management



1 Purchasing Domestic Delivery Services

A Purpose

This notice establishes policy for the purchase of domestic delivery services.

B Contact

If there are questions about this notice, contact Scott Cook, MSD, Acquisition Management Branch (AMB), on 202-720-7349.

C BPA Awarded

On September 10, 2004, the Office of Procurement & Property Management negotiated a new Department-wide BPA for domestic delivery services with FedEx Corporation.

Although the BPA is not mandatory for USDA agencies, FFAS Contracting Officers and purchase card holders must use the BPA because of the following reasons.

- The new prices are more than 17 percent off FedEx’s GSA Federal Supply Schedule prices and will save USDA over \$2 million annually.
- The new prices are loaded in FedEx’s billing system which means USDA account holders will automatically receive the discounts.
- The BPA includes a wide range of free packaging.

Exhibit 1 contains a description of the services covered by the BPA.

Exhibit 2 is a listing of the new rate schedules.

Note: The rate schedules are for USDA use only and are not for release outside USDA.

Disposal Date	Distribution
November 1, 2005	All FAS, FSA, and RMA Offices; State Office relay to County Offices

Notice AS-2086

1 Purchasing Domestic Delivery Services (Continued)

D Offices Without a FedEx Account

Offices without an existing FedEx account should contact Monica Fleischmann to set up an account. Ms. Fleischmann can be reached by:

- e-mail at mffleisc@fedex.com
- telephone at 703-866-2014 (office) or 703-608-9264 (cell).

Services Covered by BPA (Continued)

<u>USDA</u>	
<u>FEDERAL EXPRESS CORPORATION</u>	
<u>ACCESSORIAL SERVICES</u>	
<u>EXPRESS - PUERTO RICO</u>	<u>PRICE</u>
Increased Liability Coverage	No Charge
\$.00 - \$100.	\$.40 per \$100 of value
\$500.01 - \$50,000 maximum per pkg	Not Offered
Saturday Pickup and Delivery Service	Not Offered
Sunday and Holiday Pickup and Delivery Service	Not Offered
Collect on Delivery (COD) Service	Not Offered
Hold for Agency Pickup	No Charge
Hazardous Material and Dangerous Goods Service	
Accessible Dangerous Goods	\$36.00 pkg
Inaccessible Dangerous Goods	\$18.00 pkg
Inside Pickup and Inside Delivery	No Charge
Address Correction	\$6.00/correction
Invalid or No Account Numbers	\$6.00
Rebilling	\$6.00
Credit Card Decline Fee	\$10.00
Return Shipment	See Service Guide Page 111
	Undeliverable Shipments
Other Accessorial Services (itemize each)	
Signature Proof of Delivery via FedEx	
Overnight Envelope	\$6.00 request
Extended Service Area Surcharge	\$20.00 shipment
Broker Routing Fee	\$10.00 shipment
	or \$0.50/lb whichever is greater
Storage Fee per day	\$20.00 shipment
	or \$0.20/lb whichever is greater
Courier Pickup Charge	No Charge
Alaska/Hawaii Surcharge	
Envelope/Pak	\$3.50 per pkg
	or .35/lb metro, .53/lb rural whichever
	is greater *
Priority/Standard Overnight	
Package	\$7.00 per pkg
	or .35/lb metro, .53/lb rural whichever
	is greater *
Courier Pickup Fee	No Charge
Residential Delivery Charge	No Charge

Service Covered by BPA (Continued)

<u>USDA</u>	
<u>FEDERAL EXPRESS CORPORATION</u>	
<u>ACCESSORIAL SERVICES</u>	
<u>FREIGHT</u>	<u>PRICE</u>
Increased Liability Coverage	No Charge
\$100 or \$1.00 per pound, whichever is greater	\$.50 per \$100 value
\$100 to \$50,000	Not Offered
Saturday Pickup and Delivery Service	Not Offered
Sunday and Holiday Pickup and Delivery Service	Not Offered
Collect on Delivery (COD) Service	\$50.00/shipment
Hold for Agency Pickup	No Charge
Hazardous Material and Dangerous Goods Service	
Accessible Dangerous Goods	\$70.00/shipment
	or \$.50/lb whichever is greater
Inaccessible Dangerous Goods	\$30.00/shipment
	or \$.20/lb whichever is greater
Inside Pickup and Inside Delivery	\$.0412/lb;
	minimum \$52/shipment
Address Correction	\$32.00/correction
Invalid or No Account Numbers	\$10.00
Rebilling	\$10.00
Credit Card Decline Fee	\$10.00
Return Shipment	\$10.00
Other Accessorial Services (itemize each)	
Residential pickup or delivery	\$33.50/shipment
Delivery reattempt	\$.0333/pound
	minimum \$25/shipment
Signature Proof of Delivery via FedEx	
Overnight Envelope	\$6.00 per request
H3 Pickup/Delivery Charge	\$50.00/shipment
Extra Labor Charge	\$49.00/handler hour

Services Covered by BPA (Continued)

USDA

FEDERAL EXPRESS CORPORATION

ACCESSORIAL SERVICES

FREIGHT - PUERTO RICO

PRICE

Hazardous Material and Dangerous Goods Service
 Accessible Dangerous Goods
 Inaccessible Dangerous Goods

\$70.00/shipment
or \$0.50/lb whichever is greater
\$30.00/shipment
or \$0.20/lb whichever is greater

Rate Schedule

**FEDERAL EXPRESS
CORPORATION
FREIGHT RATES**

F1 FedEx 1-Day Freight Rates *

Weight	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Regs 9-10	Regs 11-12	Regs 13-16
Minimum Charge	\$100.00	\$125.00	\$150.00	\$195.00	\$210.00	\$222.00	\$245.00	\$486.00	\$521.00	\$222.00
151	\$0.2914	\$0.4054	\$0.5260	\$0.7706	\$0.8912	\$0.9388	\$1.0068	\$3.2200	\$3.4500	\$1.4600
500	\$0.2826	\$0.3932	\$0.5155	\$0.7552	\$0.8822	\$0.9294	\$0.9968	\$3.2000	\$3.4300	\$1.4600
1000	\$0.2739	\$0.3810	\$0.5050	\$0.7398	\$0.8733	\$0.9200	\$0.9867	\$3.1600	\$3.3900	\$1.4600
2000	\$0.2651	\$0.3689	\$0.4944	\$0.7243	\$0.8644	\$0.9107	\$0.9766	\$3.1000	\$3.3300	\$1.4600
5000	\$0.2564	\$0.3567	\$0.4839	\$0.7089	\$0.8556	\$0.9012	\$0.9666	\$3.1000	\$3.3300	\$1.4600

F2 FedEx 2-Day Freight Rates *

Weight	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Regs 9-10	Regs 11-12	Regs 13-16
Minimum Charge	\$100.00	\$125.00	\$143.00	\$145.00	\$159.00	\$178.00	\$199.00	\$426.00	\$467.00	\$182.00
151	\$0.2786	\$0.3678	\$0.3897	\$0.4210	\$0.6744	\$0.6820	\$0.7362	\$2.8200	\$3.0900	\$1.1900
500	\$0.2703	\$0.3568	\$0.3820	\$0.4126	\$0.6676	\$0.6752	\$0.7289	\$2.8000	\$3.0700	\$1.1900
1000	\$0.2619	\$0.3458	\$0.3741	\$0.4041	\$0.6609	\$0.6684	\$0.7215	\$2.7600	\$3.0300	\$1.1900
2000	\$0.2536	\$0.3347	\$0.3663	\$0.3957	\$0.6541	\$0.6615	\$0.7142	\$2.6900	\$2.9800	\$1.1900
5000	\$0.2452	\$0.3237	\$0.3586	\$0.3873	\$0.6474	\$0.6548	\$0.7068	\$2.6900	\$2.9800	\$1.1900

Rate Schedule (Continued)

**FEDERAL EXPRESS
CORPORATION
FREIGHT RATES**

F3 FedEx 3-Day Freight Rates *

Weight	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8
Minimum Charge	\$100.00	\$125.00	\$143.00	\$145.00	\$150.00	\$160.00	\$170.00
151	\$0.2660	\$0.3560	\$0.3792	\$0.4117	\$0.5233	\$0.5226	\$0.5450
500	\$0.2580	\$0.3453	\$0.3678	\$0.3994	\$0.5181	\$0.5174	\$0.5396
1000	\$0.2500	\$0.3346	\$0.3564	\$0.3870	\$0.5128	\$0.5122	\$0.5342
2000	\$0.2421	\$0.3240	\$0.3451	\$0.3747	\$0.5076	\$0.5070	\$0.5287
5000	\$0.2341	\$0.3133	\$0.3337	\$0.3623	\$0.5023	\$0.5018	\$0.5233

Dimensional Weight Divisor: 194
All rates quoted as per pound

Rate Schedule (Continued)

Fuel Surcharges

Due to the potential for significant fluctuations in the market for aviation and vehicle fuel, FedEx reserves the right to assess a fuel surcharge. The deviation, timing, and method of any such surcharge will be determined at our sole discretion.

We reserve the right to assess fuel and other surcharges on shipments without notice. The amount and duration of any such surcharges will be determined at our sole discretion. By tendering your shipment to FedEx, you agree to pay the surcharges, as determined by FedEx.

The FedEx Express fuel surcharge is based on the spot price for jet fuel and applies to all FedEx Express U.S. domestic, U.S. outbound and Puerto Rico Express products, except for the following services: FedEx International Express Freight (IXF) and FedEx International Airport-Airport (ATA).

FedEx Express Fuel Surcharge Table (Prices per gallon)		
At Least	But Less Than	Surcharge
	\$0.52	0.00%
\$0.52	\$0.54	0.50%
\$0.54	\$0.58	1.00%
\$0.58	\$0.62	1.50%
\$0.62	\$0.66	2.00%
\$0.66	\$0.70	2.50%
\$0.70	\$0.74	3.00%
\$0.74	\$0.78	3.50%
\$0.78	\$0.82	4.00%
\$0.82	\$0.86	4.50%
\$0.86	\$0.90	5.00%
\$0.90	\$0.94	5.50%
\$0.94	\$0.98	6.00%
\$0.98	\$1.02	6.50%
\$1.02		7.00%

Fuel surcharge percentages and associated trigger points are subject to change without notice. See the Terms and Conditions of the FedEx Service Guide for more details. If the Fuel Surcharge rises above 7.00% or there are changes to the trigger points, the above table will be updated.

FedEx has adopted a fuel surcharge calculation method for FedEx Express services based on the fuel price published monthly by the U.S. Department of Energy. This has been in effect since November 5, 2001. The surcharge percentage for FedEx Express services will be subject to monthly adjustments based on a rounded average of the U.S. Gulf Coast (USGC) spot price for a gallon of kerosene-type jet fuel. This method more closely links the fuel surcharge to the prevailing market price for jet fuel, and should help FedEx and its customers respond more quickly to changes in fuel price in the marketplace.

Changes to the FedEx Express fuel surcharge will be applied effective the first Monday of each month. The surcharge percentage will be reflected on your FedEx invoice. Information on the fuel surcharge for each month will be available approximately two weeks before the surcharge is applicable.

Current and historical information about FedEx fuel surcharge is available via our website at www.fedex.com. Our annual reports, which are also available on our website.