

STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE SERVICES
GENERAL SERVICES DIVISION
OFFICE OF PROCUREMENT SERVICES
4200 SURFACE ROAD, COLUMBUS, OH 43228-1395

REQUIREMENTS CONTRACT: Chicken Products, Processed Using USDA Commodity Chicken

CONTRACT No.: OT900710

EFFECTIVE DATES: 07/01/09 to 06/30/12
* Renewal through 06/30/13

The Department of Administrative Services has accepted bids submitted in response to Invitation to Bid No. OT900710 that opened on 03/09/09. The evaluation of the bid response(s) has been completed. The bidder(s) listed herein have been determined to be the lowest responsive and responsible bidder(s) and have been awarded a contract for the items(s) listed. The respective bid response, including the [Terms and Conditions for Bidding, Standard Contract Terms and Conditions, and Supplemental Contract Terms and Conditions](#), special contract terms & conditions, any bid addenda, specifications, pricing schedules and any attachments incorporated by reference and accepted by DAS become a part of this Requirements Contract.

This Requirements Contract is effective beginning and ending on the dates noted above unless, prior to the expiration date, the Contract is renewed, terminated or cancelled in accordance with the Contract Terms and Conditions.

This Requirements Contract is available to the Department of Education, Office for Safety, Health and Nutrition, 25 South Front Street, Mailstop 303, Columbus, OH 43215, as applicable.

Agencies are eligible to make purchases of the listed supplies and/or services in any amount and at any time as determined by the agency. The State makes no representation or guarantee that agencies will purchase the volume of supplies and/or services as advertised in the Invitation to Bid.

SPECIAL NOTE: State agencies may make purchases under this Requirements Contract up to \$2500.00 using the state of Ohio payment card. Any purchase that exceeds \$2500.00 will be made using the official state of Ohio purchase order (ADM-0523). Any non-state agency, institution of higher education or Cooperative Purchasing member will use forms applicable to their respective agency.

Questions regarding this and/or the Requirements Contract may be directed to:

Senthan Mahendrarasa
senthan.mahendrarasa@das.state.oh.us

This Requirements Contract and any Amendments thereto are available from the DAS Web site at the following address:

<http://www.ohio.gov/procure>

* Contract renewal for twelve (12) months through 06/30/13.

Signed: _____
Robert Blair, Director Date

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AMENDMENTS TO CONTRACT TERMS AND CONDITIONS: The following Amendments to the Contract Terms and Conditions do hereby become a part hereof. In the event that an amendment conflicts with the Contract Terms and Conditions, the Amendment will prevail.

DELIVERY AND ACCEPTANCE: Purchase orders for any item(s) listed in a contract awarded pursuant to this bid will be placed directly with the successful contractor by the using agency. Product will be processed and delivered within one (1) month of receipt of USDA commodity (per one [1] truckload of commodity) or as mutually agreed by the contractor and the Department of Education and, in accordance with Article S-2 of the Supplemental Contract Terms and Conditions. Deliveries shall be made to the following Ohio sites. The delivery location will be noted on the purchase order issued by the participating agency. All shipments are to be one stop composite truckloads, with the exception of the final delivery, which may require a partial load to each site at no additional charge to the state. Unloading shall be by appointment only. The contractor shall contact the cold storage facilities to make an appointment for unloading prior to loading for shipment. The percentage of total product to be delivered to each location is also provided. The state reserves the right to add, delete, or change distribution centers and/or percentage of usage during the term of the contract. Acceptance (transfer of title) will occur upon the inspection and written confirmation by the ordering agency that the supplies delivered conform to the requirements set forth in the Contract. Unless otherwise provided in the Contract, acceptance shall be conclusive except as regards to latent defects, fraud, or such gross mistakes as amount to fraud.

<u>CITY</u>	<u>WAREHOUSE</u>	<u>OF PRODUCT</u>
Dayton, Ohio	Terminal Cold Storage	50%
Columbus, Ohio	SYSCO – Central Ohio	25%
Cleveland, Ohio	SYSCO Foodservice of Cleveland	25%

TRANSPORTATION CHARGES: Any item(s) ordered from a contract awarded pursuant to this bid shall be shipped F.O.B. destination, freight prepaid to the three (3) cold storage facilities in the state of Ohio listed above. Commodity chicken will be delivered to the contractor by the USDA, F.O.B. Destination.

PAYMENT: Shall be in accordance with Article III.B. of Contract Terms and Conditions with the following exception. Payments will be due on the 60th calendar day rather than the 30th calendar day.

DOCUMENTATION

1. The bidder should submit a narrative of their processing and fabrication procedures, if requested during the bid evaluation, for all products to be produced under this contract. The processing and fabrication procedures are to describe the product and the exact method of processing. The Ohio Department of Education will consider the bidder's processing and fabrication procedures confidential and shall provide copies only to the USDA, AMS, Poultry Division grader.
2. **SPA Ohio (State Participation Agreement):** If the successful contractor has in place a national agreement with the USDA, they shall complete and sign a SPA Ohio (State Participation Agreement) prior to the inception date of any ensuing contract. The agreement will be provided by the Ohio Department of Education (ODE), Office for Safety, Health, and Nutrition (OSH) and is the authority to process USDA commodity foods and adherence to its contents is mandatory. Failure to complete and return this document prior to inception date of any ensuing contract may result in immediate cancellation from contract. The SPA Ohio (State Participation Agreement) may be reviewed at the ODE web site: at the following url:

<http://www.ode.state.oh.us/GD/Templates/Pages/ODE/ODEDetail.aspx?page=3&TopicRelationID=487&Content=21647>

Should the successful contractor not currently have in place a national agreement with the USDA, either a national or state master agreement will be required. As part of this process, the successful contractor shall furnish to the ODE a surety bond obtained only from a surety company listed in the U.S. Department of Treasury Circular 570, "Surety Companies Acceptable on Federal Bonds", an irrevocable letter of credit, or an escrow account. Such bond, letter of credit, or escrow account shall be made payable to the Ohio Department of Education. The bond shall guarantee that the processor shall faithfully account for, return, or pay for all of the commodity food received or carried forward, in accordance with the processing agreement.

Inventory protection is required by the Department of Education prior to the delivery of commodity food to the processor. The minimum amount of the bond, letter or credit or escrow account, shall be determined by: value of the commodity food plus value of commodity food on order minus anticipated usage rate during the processing Agreement period. The bond shall remain in effect until all commodity food is properly accounted for, paid for or returned in accordance with the processing agreement. Liability for loss is provided in Article 18 of the processing agreement.

3. Quality Control/Total Quality Control: The contractor shall submit with the completed Commodity Food Processing Agreement a narrative of the quality control or total quality control program at the processing plant. The narrative of the quality control or total quality control program is not to be submitted as part of the bid response.
4. Nutritional Analysis: As part of the bid response, the bidder should submit a nutritional analysis for all finished products proposed to be processed for the Department of Education, Office for Safety, Health and Nutrition.
5. CN Labels: As part of the bid response, the bidder should submit a CN label for all finished products proposed to be processed for the Department of Education, Office for Safety, Health and Nutrition. Should the processor not have CN labeling for an item(s) at the time of bid opening, a copy of the processor's application for CN labeling will be requested during the bid evaluation. The approved CN label(s) must be provided to the Department of Education, Office for Safety, Health and Nutrition prior to commencement of commodity processing. Failure to provide approved CN label(s) will result in immediate cancellation of any contract issued pursuant to this Invitation to Bid.

Documentation listed above that is designated to be submitted with the bid response may also be requested during bid evaluation. Documents will be requested during evaluation and a deadline of seven (7) calendar days will be provided for submission. Failure to provide documents requested by the deadline provided will deem the bid not responsive.

SAMPLES: One (1) pre-production sample of chicken strips and spicy chicken strips is required. A sample shall consist of one (1) case of each processed chicken strips item. Product samples shall meet all requirements as specified herein, with the possible exception of portion weight, and shall bear required labeling and markings. The samples must be certified by the United States Department of Agriculture (USDA) Agricultural Marketing Service (AMS), Poultry Division. Samples shall be submitted prior to the close of business on March 6, 2009 to the address shown below. Failure to submit samples as specified will result in the bidder being deemed as not responsive.

Attn: Erik Jablonka/Oji Ohajuruoka
Ohio Office for Safety, Health, and Nutrition
c/o SYSCO – Central Ohio
2400 Harrison Road
Columbus, OH 43204
Telephone: (614) 930-4229

The USDA certificate shall certify that the samples have been processed according to the specifications and fabrication methods detailed in the bid, with the possible exception of portion weight. An alternate weight portion may be submitted for evaluation; however, all other specifications must be met and product delivered under a contract awarded pursuant to this bid must meet the portion weight specified herein. Each sample shall be separately identified as to content, processor, bid number, and bidder's company name. All samples must be accompanied by a USDA, AMS, Poultry Division grading certificate. Samples submitted without a USDA, AMS, Poultry Division grading certificate will not be considered for award. One-half (1/2) of each case of chicken strips shall be used for bid evaluation and the other one-half (1/2) of each case of chicken strips shall be used to verify actual processed product received during the contract period. Samples will not be returned. All samples shall be produced subsequent to the date of release of this Invitation to Bid. Samples may be analytically tested. Any variations between the samples and the products being delivered that are due to manufacturer changes may be acceptable and shall require prior written approval from DAS. Variations on product delivered during the term of any contract issued pursuant to this bid without prior written approval from DAS will be considered as an event of default.

EVALUATION: Bids will be evaluated in accordance with Article I-5 of the "Instructions to Bidders". For evaluation purposes, it is estimated that 21.3% of the USDA commodity chicken will be processed into chicken strips, 34.6% of the USDA commodity chicken will be processed into chicken nuggets, 27.5% of the USDA commodity chicken will be processed into chicken patties, 9.3% of the USDA commodity chicken will be processed into spicy chicken strips and 7.3% of the USDA commodity chicken will be processed into spicy chicken patties. The fee per pound for processing offered by the bidder for each end product will be multiplied by the minimum yield per truckload of USDA commodity and then multiplied by the number of truckloads estimated to be processed annually to obtain an extended line item total. The extended line item totals shall be added to obtain a lot total.

There will be a taste test of the samples submitted to determine acceptability. There will be, at a minimum, a five (5) member panel composed of members of the Ohio Advisory Committee made up of food service professionals from across the state of Ohio. Samples will be evaluated for appearance, color, aroma, flavor (taste), and texture. If product sample is deemed unacceptable as a result of the taste test, no further consideration for award shall be given. If the product sample submitted for the taste test exceeds the specifications, as stated in the bid and is presented as being the end product for the entire contract, then the sample shall be the standard for the entire contract with anticipated yields as projected and costs as stated.

CONTRACT AWARD: The contract will be awarded to the lowest responsive and responsible bidder by low lot total. Lot total will be determined as specified in the 'Evaluation' paragraph above. Failure to bid all items may result in the bidder being deemed not responsive.

ANNUAL PRICE ADJUSTMENT: The Consumer Price Index (CPI) from the Bureau of Labor Statistics for the Cleveland-Akron area will be utilized on an annual basis to determine the percentage of price increase/decrease for all items awarded on any contract issued pursuant to this bid. The statistic listed for the month of May shall be used each year to determine the price change, which shall be effective each year beginning July 1, 2010. The bid prices shall be used as the basis and the CPI percentage increase/decrease will be applied to the bid price annually. The Office of State Purchasing will issue contract amendments annually to notify of price changes. Should the term contract be renewed beyond the June 30, 2012 expiration date, the annual price adjustment clause shall be utilized during the contract renewal.

QUALITY CONTROL: The contractor shall make available, at the request of the Department of Education, Office for Safety, Health, and Nutrition, independent laboratory test results for each processed item produced from USDA commodity chicken. Samples shall be randomly drawn by the Office for Safety, Health, and Nutrition from a current production lot or shall be a reference sample maintained by the processor.

For the purpose of this requirement, the following definitions shall apply:

Batch of Bulk Chilled Chicken: One (1) 36,000 lb. truckload of bulk chilled chicken

Tests shall include, but not be limited to, *listeria monocytogenes*, *staphylococcus*, *E. coli 0157:H7*, *salmonella*, any extraneous matter, and undercooking. All costs for testing shall be the responsibility of the contractor. Failure to meet the specification requirements will invalidate the awarded contract and will result in the contractor being liable for any financial losses incurred by the state of Ohio.

* USAGE REPORTS: Every six (6) months the contractor must submit a report (written or on disk) indicating sales generated by this contract. The report shall list usage by customer, by line item, showing the quantities/dollars generated by this contract. The report shall be forwarded to the Office of State Purchasing, 4200 Surface Road, Columbus, Ohio 43228-1395, Attn: Senthana Mahendrarasa.

** Labeling of products shall be in compliance with all guidelines as specified by the U. S. Food and Drug Administration regulations 21 CFR 101 and 9 CFR 317 Subpart B; The Food Allergen Labeling and Consumer Protection Act of 2004 (Public Law 108-282, Title II); and the State of Ohio Rule 3717-1-03.5(C), (the administrative rule adopted under Ohio Revised Code 3717.53).

** Labeling of products containing the major food allergens - milk, egg, fish (e.g., bass, flounder, or cod), Crustacean shellfish (e.g., crab, lobster, or shrimp), tree nuts (e.g., almonds, pecans, or walnuts), wheat, peanuts, and soybeans - shall be in compliance with the Food Allergen Labeling and Consumer Protection Act of 2004 (Public Law 108-282, Title II) and the State of Ohio Rule 3717-1-03.5(C), (the administrative rule adopted under Ohio Revised Code 3717.53).

* Denotes change in contract analyst

** To indicate additional Special Terms and Conditions added by mutual agreement with amendment 2.

SPECIFICATION

I. SCOPE AND CLASSIFICATION

A. Scope

The purpose of this bid is to obtain a contractor to process USDA commodity chicken into chicken strips, chicken nuggets, chicken patties, spicy chicken strips and spicy chicken patties for the Ohio Department of Education (ODE), Office for Safety, Health, and Nutrition (OSHN). It is anticipated that approximately 5,400,000 pounds of chilled bulk chicken will be made available by the USDA to the state of Ohio annually, if market conditions warrant. It is anticipated that product will become available July 1, 2009. The state of Ohio is not obligated to request processing in this or any other amount. The USDA will deliver the commodity chicken to the contractor and the contractor shall deliver processed product to the three (3) cold storage facilities listed herein. Bid pricing (fee for processing per pound of finished product) shall include all transportation charges for delivery of processed product to the cold storage facilities, the cost of USDA certification service and any other costs associated with providing the specified products. The term of any contract issued pursuant to this bid shall be for three (3) years, from July 1, 2009 through June 30, 2012.

B. Classification

1. Chicken Strips, White/Dark Meat, Battered, Breaded, Precooked, Frozen
2. Chicken Nuggets, White/Dark Meat, Battered, Breaded, Precooked, Frozen
3. Chicken Patties, White/Dark Meat, Battered, Breaded, Precooked, Frozen
4. Chicken Strips, Spicy, White/Dark Meat, Battered, Breaded, Precooked, Frozen
5. Chicken Patties, Spicy, White/Dark Meat, Battered, Breaded, Precooked, Frozen

II. REQUIREMENTS

A. USDA Commodity Description

1. Commodity "B" chicken, Bulk pack
 - a. Class: Broiler/Fryer
 - b. Style: Whole, fresh chilled, ready-to-cook, non-basted
 - c. Neck and Giblets: Without neck and giblets
 - d. Weight Range: 3-3/4 pounds to 6 pounds weight without neck and giblets, with wings
 - e. U.S. Grade: Product must meet all applicable USDA specifications for commodity code A522, large bulk chilled chicken
 - f. Type: Type I, fresh, chilled, ready-to-cook
 - g. The ready-to-cook chickens are to be delivered to the processing plant at an internal temperature of not higher than 40 degrees F (4.4 degrees C) and not lower than 28 degrees F (-2.2 degrees C). Destination temperature will be taken in the breast or thigh.

SPECIFICATION (Cont'd.)

B. End Product Description

1. Chicken Strips, White/Dark Meat, Battered, Breaded, Precooked, Frozen
2. Chicken Nuggets, White/Dark Meat, Battered, Breaded, Precooked, Frozen
3. Chicken Patties, White/Dark Meat, Battered, Breaded, Precooked, Frozen
4. Chicken Strips, Spicy, White/Dark Meat, Battered, Breaded, Precooked, Frozen
5. Chicken Patties, Spicy, White/Dark Meat, Battered, Breaded, Precooked, Frozen

a. Formulation

1. Ingredients

Formulation

White Meat	42.50% minimum
Thigh Meat	51.00% maximum
Skin	3.50% maximum
Water	3.00% maximum
Salt	0.4750% maximum
Sodium Tripolyphosphate	0.3325% maximum

2. The nuggets, patties, and strips shall be prepared from USDA supplied commodity bulk chilled (never frozen) chickens according to the above formula.
3. Finished products shall be processed from whole bird WOG's with wings.
4. White meat shall be limited to skinless, boneless breast and rib meat when attached to the breast portions.
5. Dark meat may consist of thigh meat, combination of drumstick and thigh meat in natural proportion, as removed from the carcass, or when formulated, drumstick meat may replace a maximum of 45% of the thigh meat used in the formula.
6. No mechanically deboned (comminuted) or hydra-flaked meat is permitted in this product. All white and dark meat shall be hand deboned from the WOG.
7. The product must be fabricated within five (5) days of deboning.
8. The white meat must be reduced in size through a plate with openings that are not less than 0.75 inch in the smallest dimension.
9. Thigh meat and drumstick meat must be reduced through openings that are not greater than 0.38 inch in the smallest dimension.
10. Skin must be emulsified or may be ground through a plate with holes no larger than 0.125 inch in diameter prior to blending with meat or other ingredients.
11. A proportional amount of salt and sodium phosphate solution may be added to the skin during emulsification.
12. Water may only be used as a carrier for the salt and sodium tripolyphosphate.
13. Water and phosphate are to be thoroughly mixed prior to addition of salt to the solution. Water, salt and phosphate are to be incorporated as a solution to the meat. No dry blending is permitted.
14. Minimum yield of nuggets, patties, and strips shall be not less than 58% for each 36,000 pounds of raw weight of commodity chicken received.

SPECIFICATION (Cont'd.)

15. The product shall be cooked to a minimum internal temperature of 165° F. by any of the following combination methods. The battered, breaded chicken nuggets, patties, and strips shall be oil-set in an approved vegetable oil containing an antioxidant(s) which complies with 9 CFR 381. The cooking shall include a combination of the following methods:
 1. Frying - The battered, breaded chicken nuggets, patties and strips may be cooked in vegetable oil, according to Poultry Products Inspection Requirements, sufficient to set the coating only. Deep fat frying shall be with vegetable oils only (coconut, peanut, or palm oils are not acceptable) containing approved antioxidants, and only for a sufficient period to set the batter/breading to the nuggets, patties, and strips. The oil shall be filtered continuously during cooking. Frying equipment shall be cleaned on a daily basis.
 2. Microwave - Following battering, breading and frying, cooking may be completed by using microwave as an energy source. Internal temperature of product must reach minimum 165° F.
 3. Oven - Following battering, breading and frying, cooking may be completed in an oven in accordance with Poultry Products Inspection Requirements. Internal temperature of the product must reach minimum 165° F.
16. Portion Weight
 - a. The cooked battered, breaded nuggets shall weigh 0.75 ounces, plus or minus 0.075 ounces (2 grams).
 - b. The cooked batter/breaded patties shall weigh 3.72 ounces, plus or minus 0.12 ounces.
 - c. The cooked batter/breaded strip-shaped patties shall weight 0.85 ounces, plus or minus 0.03 ounces.

Finished products shall be sampled and test weighted in accordance with USDA, Poultry Division procedures and instructions.
17. The maximum amount of battering/breading permitted shall be 28 percent, with target pick up of 25%, of the total finished weight (based on the average pickup of the number and kind of the portions equal to a whole carcass).
18. Tolerance for batter/breading defects, (for example, excess ridges, bumps and areas with missing breading), will be according to Poultry Division on-line acceptable quality level (AQC) procedures and instructions.
19. The batter shall consist of an enriched flour-type base with other ingredients, spices and seasonings as needed to produce the desired texture, flavor and color.
20. The breading shall be a modified precooked crumb style breading designed for extended hold times. Ingredients shall include iodized salt added to a level not to exceed 9 percent by weight of the dry batter and breading combined.
21. Seasonings (other than iodized salt) may not exceed 3 percent by weight of the dry batter and breading combined.
22. Food additives and ingredients shall be used in accordance with 9 CFR 381.
23. Sodium phosphates may be used only as a leavening agent(s) in the batter/breading.
24. The liquid batter slurry and breading shall not be held over and reused in the following days' production.
25. The finished product shall be uniformly covered (to the extent possible) with batter and breading.
26. The finished product shall have no scorched or burnt areas.

SPECIFICATION (Cont'd.)

27. The individual pieces shall not exhibit overcooking or have undue flaking of the batter/breading or separation of the meat and shall not be soggy, oily, or dry.
28. The nuggets, patties, and strips shall be free of rancidity and from metallic, overcooked, burnt, scorched, bitter and other tastes or odors foreign to properly prepared and cooked product.
29. The finished product shall have a uniform brown color in accordance with the guidelines contained in the color control breaded chicken samples as prepared by the USDA, Poultry Division.
30. No monosodium glutamate may be used in the processing of these products.
31. All five (5) end products specified herein shall be processed from the same meat block formulation.
32. Spices shall be added to the batter/breading only to create the chicken patties and strips.
33. The spice profile for breaded chicken patties and strips shall be similar to the spice profile used for these items in the commercial marketplace when purchased at a fast food restaurant.

C. Preparation and Processing

1. All preparation and processing described herein shall occur subsequent to the date of award. The product shall be produced, processed and stored in plants regularly operating under the Poultry Inspection Regulations. Quality assurance and specification requirements for the specified item(s) shall be determined by the USDA, AMS, Poultry Division in accordance with USDA procedures.
2. Boned meat used in the preparation of further processed items shall be examined prior to blending or cooking. The boned meat shall be free of bruises, tendons, cartilage, and blood clots exceeding 0.3 inches in any dimension.
3. In addition, bone and hard tendons less than 0.3 inches may not exceed the tolerances listed in Sample Plan II of the Poultry Grader's Handbook. Sample size shall be as specified in Sample Plan II for the above listed attributes.
4. Commodity chicken shall be processed by contractor as soon as possible from time of receipt from USDA, in accordance with USDA guidelines.
5. The end product shall be frozen to a temperature of 0° F. or lower within seventy-two (72) hours of the beginning of the freezing process and shall be in accordance with USDA grading procedures.

* D. Wing Credit

Finished chicken products shall consist of battered/breaded chicken nuggets, patties and strips. The sale of any byproduct shall accrue to the benefit of the state of Ohio. No wing meat will be processed into battered/breaded chicken nuggets, patties and strips. Wings will be credited to the Ohio Department of Education, Office for Safety, Health and Nutrition as documentation becomes available from the USDA. Invoice shall show a credit of the prevailing Urner Barry Price-Current market price for wings on the date of processing.

E. Guaranteed Minimum Return

All bid responses shall utilize guaranteed minimum return. No bid response offering standard yield processing of chicken will be deemed acceptable.

F. USDA Certification

1. As part of Option 2 coverage, the USDA, AMS, Poultry Division grader shall continuously monitor the processing and fabrication procedures. Product shall be processed under continuous USDA supervision.

* Denotes revision

SPECIFICATION (Cont'd.)

2. All product must be examined and accepted by a USDA, AMS, Poultry Division grader prior to delivery. The contractor shall arrange and pay for the necessary USDA service.
3. A USDA, AMS, Poultry Division grading certificate shall accompany each shipment of product, showing that the product was produced under continuous USDA supervision, is in sound condition, and meets the specification requirements.
4. Each case shall be stamped with the USDA contract compliance stamp and the certificate number. Product not identified with the contract compliance stamp or not accompanied by a grading certificate will be rejected, shall remain the property of the contractor, and shall be returned at contractor's expense.
5. All further processed products, prior to final packaging, shall be examined by a metal detector device capable of detecting metals that may be present. Sensitivity levels and testing for acceptable operation shall be as specified in procedures established by the USDA, AMS, Poultry Division.

G. Packaging

1. All packaging and packing materials must be new and clean, and must not impart objectionable odors or flavors to the product.
2. Bags shall be securely closed. Metal wire ties, metal clips, paper-coated wire ties, or staples shall not be used for sealing plastic-film bags.
3. Staples shall not be used as a final case closure. Case closure shall be accomplished by taping, strapping, or gluing. All boxes within the delivery unit of an individual product shall be of a uniform size and weight.
4. Boxes shall be full telescope RSC design. Fiberboard shall be testing not less than 250 lbs. No holes in boxes are permitted.
5. Products shall be packed in cartons containing a net weight of thirty (30) pounds of finished product. The thirty (30) pound case shall contain three (3) ten (10) pound or six (6) five (5) pound plastic bags of the finished product. No alternate packs are acceptable.

H. Labeling

1. The contribution value of a serving to the NSLP pattern, the nutritional analysis, and the reheating and serving size information shall be printed on the outside of the master case or may be included as an insert in each master case.
2. Each container shall bear the USDA contract compliance stamp and certificate number.
3. Printed, stamped, and stenciled labeling and marking information on shipping containers must be water-fast, non-smearing, of a contrasting color, clear and readable.
4. Label shall meet the requirements of the Food Allergy & Consumer Protection Act (FALCPA) of 2004. Any of the eight (8) protein allergens shall be identified if used in the production process. It may be necessary to identify other allergens than the eight (8) protein allergens, as required by the Act.
5. Reheating Instructions: Reheating instructions shall be sent to the Ohio Department of Education, Office for Safety, Health, and Nutrition prior to initial shipment of all products.

I. Palletizing

Shipments may be requested as palletized deliveries; and if requested, shall conform to the following:

1. Manufacturers standard 40" x 48" partial 4-way shipping pallets are acceptable.
2. Maximum height: 7'6" (including pallet).

SPECIFICATION (Cont'd.)

3. Maximum weight: 3500 pounds (including pallet).
4. Pallets are to be securely banded or shrink wrapped.
5. The cost of palletizing must be included in the unit price.

Pallet exchange is satisfactory with all warehouses.

J. General Information

1. The delivered product shall comply with all applicable federal and state mandatory requirements and regulations relating to the preparation, packaging, labeling, storage, distribution and sales of the product within the commercial marketplace.
2. All commodities and services to be furnished hereunder shall conform to the specifications as noted herein. All product shall be processed in the United States.
3. If laboratory analysis is done in accordance with Article S-15 of the Supplemental Contract Terms and Conditions, the laboratory analysis will be predicated upon the formulation specified herein.
4. Guaranty: By the signature affixed on page 1 of this bid, contractor guarantees that, as of the date of delivery to the state or the state's agent, the product(s) offered is (are) not adulterated or misbranded within the meaning of the Poultry Products Act.

III. CONTRACTOR'S RESPONSIBILITIES

In addition to those responsibilities specified above, the contractor shall be responsible for the following:

A. Receiving Information:

The contractor shall be responsible for:

1. Completing and filing with the Department of Education, Office for Safety, Health, and Nutrition overage, shortage and damage reports.
2. Obtaining signed receipts (original bills of lading) from carriers of commodity foods.
3. Mailing all deli very receipts and receiving reports to the OSHN no later than the following business day after receipt.

B. Prime Contractor Responsibilities: The prime contractor will be required to assume responsibility for all contractual activities offered in this agreement, whether or not that contractor performs them. Further, the state will consider the prime contractor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated contract. If any part of the work is to be subcontracted, the contractor shall provide a list of subcontractors, including firm name and address, contact person, complete description of work to be subcontracted and descriptive information concerning subcontractor's organizational abilities. The state reserves the right to approve subcontractors and to require the primary contractor to replace subcontractors found to be unacceptable. The contractor is totally responsible for adherence by the subcontractor to all provisions of the contract. Any changes in subcontractors must be approved by the state, in writing, prior to such change.

C. Accounting Records: The contractor and all subcontractors shall maintain all pertinent financial and accounting records and evidence pertaining to the contract in accordance with generally accepted principles of accounting and other procedures specified by the state of Ohio. Financial and accounting records shall be made available upon request to the state of Ohio, its designees or the Ohio Auditor of State at any time during the contract period and any extension thereof, and for three (3) years from expiration date and final payment on the contract or extension thereof.

PRICE SCHEDULE

OAKS ITEM ID NUMBER	PRODUCT	CASE PACK	USDA COMMODITY TL WEIGHT	MINIMUM YIELD PER 36,000 LBS. OF USDA COMMODITY CHICKEN	FEE FOR PROCESSING (PER LB. OF FINISHED PRODUCT
15982	Chicken Strips, White/Dark Meat, Battered, Breaded, Precooked, Frozen	6/5 lb.	36,000 lbs.	20,880 lbs.	\$ 0.983 per lb. *
15983	Chicken Nuggets, White/Dark Meat, Battered, Breaded, Precooked, Frozen	6/5 lb.	36,000 lbs.	20,880 lbs.	\$ 0.983 per lb. *
15984	Chicken Patties, White/Dark Meat, Battered, Breaded, Precooked, Frozen	6/5 lb.	36,000 lbs.	20,880 lbs.	\$ 0.983 per lb. *
15985	Chicken Strips, Spicy, White/Dark Meat, Battered, Breaded, Precooked, Frozen	6/5 lb.	36,000 lbs.	20,880 lbs.	\$ 0.983 per lb. *
15986	Chicken Patties, Spicy, White/Dark Meat, Battered, Breaded, Precooked, Frozen	6/5 lb.	36,000 lbs.	20,880 lbs.	\$ 0.983 per lb. *

Credit for unused parts: Wing credit based on Urner-Barry's market report for the date of processing less \$0.05 per pound

*Price increase effective on 08/27/12

CONTRACTOR, TERMS AND DELIVERY:

145647
Pilgrim's Pride Corp.
244 Perimeter Center Parkway, NE
Atlanta, GA 30346

Remit To:

P.O. Box 915259
Dallas, TX 75391

CONTRACTOR'S CONTACT: Mr. Everett Kuglar

BID/CONTRACT NO.: OT900710-1 (06/30/13) *

DELIVERY: As specified on page 3, paragraph
'Delivery and Acceptance'

TERMS: Net 60 Days

Toll Free: (800) 241-3972
Telephone: (770) 393-5513
Fax: (770) 393-5148
Email: everett.kuglar@pilgrimspride.corp

*To indicate renewal of the contract for another year.

SUMMARY OF AMENDMENTS

Amendment Number	Revision Date	Description
3	08/27/12	This amendment is issued to notify price increase effective 08/27/12.
2	07/01/12	Renew the subject contract an additional twelve (12) months, effective 07/01/12 through 06/30/13 and note new analyst contact. Addition of Special Terms and Conditions added by mutual agreement.
1	07/01/09	To notify of clarification of paragraph II.D., page 9, retroactive to July 1, 2009 by mutual agreement of the state and the contractor and to add a Summary of Amendments