

ADDENDUM THREE

Date: March 26, 2014

To: All Bidders

From: Chad Mohr, Buyer
Department of Health and Human Services

RE: Revised Terms and Conditions: GG. Invoices

Article III. GG. INVOICES is hereby amended to read as follows:

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	
			1.
NOTES/COMMENTS:			

Invoices for payments must be submitted by the contractor to the recipient agency receiving the services with sufficient detail to support payment. **In the event DHHS receives federal funding to pay for warehousing and delivery service or upon written notice by DHHS, contractor agrees to invoice DHHS instead of recipient agencies for services provided to recipient agencies until further written notice by DHHS.**

- a) The contractor shall invoice each recipient agency the firm fixed price per case for warehousing and delivery of USDA donated foods.
- b) The contractor shall invoice each recipient agency the firm fixed price per case for warehousing when the recipient agency picks up USDA donated food items at the contractor's warehouse.
- c) The contractor shall use separate accounts from or sub accounts of any commercial account the recipient agency may have with the contractor for the purpose of tracking USDA foods business separately from commercial business.
- d) The contractor must submit invoices to the recipient agency on the contractor's original descriptive business invoice form and must use a unique invoice number with each invoice submitted.

- e) The contractor will collect a FDP Administration Fee on behalf of DHHS.
- 1) DHHS will establish the amount of the Fee by written notice to the contractor.
 - 2) The Fee may range from zero (0) to seventy five (75) cents per case of USDA food delivered by contractor or picked up by recipient agency. The contractor will collect the FDP Administration Fee in addition to the firm, fixed price per case from the recipient agency.
 - 3) The number of cases of USDA food items on the monthly Manifest (less any inventory shortage of USDA foods which causes USDA food items to not be delivered or picked up) will be used by DHHS to determine the amount of the FDP Administration Fee to be collected by the contractor.
 - 4) The per case Fee will be collected by the contractor from recipient agencies per case of USDA brown box and FFS (Fee For Service) items picked up or delivered.
 - 5) The contractor will remit to DHHS the total of FDP Administration Fees assessed to recipient agencies within 45 calendar days of the last day of the month in which the FDP Administration Fees were assessed.
 - 6) The Fee shall be identified on the contractor's invoice as "FDP Administration Fee".
 - 7) The FDP Administration Fee will apply to any USDA food delivered or picked up.
 - 8) DHHS may at its discretion, waive the requirement of collecting the FDP Administration Fee for items containing substitutable USDA foods that are sold to recipient agencies on commercial accounts via any indirect discount value pass through method (VPM) as defined by the American Commodity Distribution Association (ACDA) or for any other reason as determined and communicated by DHHS.
 - 9) Upon the event of contract termination, cancellation, or expiration, the contractor shall immediately pay any and all uncollected or previously unremitted FDP Administration Fees to DHHS.

The terms and conditions included in the contractor's invoice shall be deemed to be solely for the convenience of the parties. No terms or conditions of any such invoice shall be binding upon the State, and no action by the State, including without limitation the payment of any such invoice in whole or in part, shall be construed as binding or estopping the State with respect to any such term or condition, unless the invoice term or condition has been previously agreed to by the State as an amendment to the contract.