**Glossary**

For consistency throughout this document, the below terms shall have the following meanings:

**“Awarded Contract”** is the agreement between the school food authority (SFA) and a vendor, which submitted a bid or proposal selected as the winning bid or proposal, and granted the contract to provide the school food service department with the products and services outlined in the solicitation document.

**“Allowance”** means a value per pricing unit that the manufacturer will deduct from the manufacturer’s cost to the distributor for this contract.

**“Approved Brand”** is a designation applied to products identified by manufacturer and item number, and is preapproved by the school food service department.

“**Aggregate Award”** is the process of awarding a contract by categories for like items.

**“Bid”** means an offer to provide a product or a service in accordance with the specifications and conditions as indicated by the school food service department for a stated price.

**“Bidder or Offeror”** is an entity that submits an offer in response to a solicitation. The term “Proposer” is used when referring an entity responding to a RFP.

**“Best and Final Offer”** is a tool, which can be used during the final evaluation phase of a procurement using a RFP when at least two qualified suppliers remain within a competitive range.

**“Bill of Lading”** is a vendor’s contract and receipt for goods it agrees to transport from one place to another and to deliver to a designated location.

**“CN or CNP or CND”** means Child Nutrition, Child Nutrition Programs, Child Nutrition Director, respectively.

**“Child Nutrition (CN) Labeling Program”** is a fee for service program administered by the Agricultural Marketing Service (AMS), with oversight by the Child Nutrition Division (CND) of Food and Nutrition Services (FNS) that evaluates formulations to determine the contribution a serving of a commercially prepared product makes toward the Child Nutrition Program meal pattern requirements. When approved, a label is placed on the end product that states that the product meets USDA specifications and can be credited as a component(s) of the reimbursable meal pattern requirement.

**“Child Nutrition Programs”** refers collectively to the National School Lunch Program, the School Breakfast Program, the Summer Food Service Program for Children, and the Child and Adult Care Food Program.

**“Commingle”** means to store, combine, or blend commercial food and substitutable donated food together into a single inventory at a processor’s plant.

**“Contract”** means a comprehensive collection of documents together with the solicitation document and any additions or modifications thereto, bid or proposal submitted by the winning bidder or offeror, and all related attachments. Furthermore, a contract is a formal, legally enforceable agreement between a buyer, the school food service department and a seller who is the vendor, which establishes a legally binding obligation for the vendor to furnish goods and/or services and for the school food service department to compensate the vendor. A contract must clearly and accurately describe the goods, products and/or services to be delivered or performed and the terms and conditions of the agreement.

**“Cost-Reimbursable Contract”** is a type of contract, which reimburses the vendor for costs, incurred under the contract but does not provide for any other payment to the vendor, with or without a fixed fee. In a cost-reimbursable contract, allowable costs will be paid from the non-profit school nutrition account to the vendor net of all discounts, rebates and other applicable credits accruing to or received by the vendor.

**“Cost”** means the vendor’s invoice price from the manufacturer or supplier plus inbound freight.

**“Catalog”** is an organized list of goods or services specifying the description, price, unit of measure and other attributes. A catalog may be available as a paper document or in electronic format such as an email or website listing.

**“Contract Administration”** are actions undertaken after the awarding of a contract such as contract amendment, contract closure, record retention, maintenance of the contract file, receipt of goods or services, and handling of invoicing for payment.

**“Contract Management”** is ongoing monitoring and management of the vendor's performance regarding the goods or services awarded in the contract, as well as assuring compliance with all other terms and conditions of the awarded contract, such as pricing and condition of goods or services received. It includes managing the relationship between the vendor and school food service department, the purchasing, communication to the vendor regarding its performance, as well as dispute resolution, if necessary.

**“Contract Modification”** is any written change in the terms of the awarded contract. Contract modifications only become effective when executed by both parties.

**“Contractor”** is any party to an awarded contract with the school food service department. A contractor may take various forms, including an individual person, a company (whether privately or publicly held), or a government agency.

**“Cost Estimate”** is an approximate calculation of charges or costs to supply goods or services.

**“Day(s)”** mean a calendar day during a normal work week, Monday through Friday, except established national holidays unless otherwise stated.

**“Department of Public Instruction” or “DPI”** is a state of Wisconsin governmental agency.

**“Direct Diversion”** is Bulk USDA Foods ordered by DPI, on behalf of the school food service department, to be shipped directly from a USDA distributor to a processor. These bulk USDA Foods are further processed into End Products according to the school food service department’s request, eligibility, and contract with the distributor or prime vendor. The school food service department is responsible for negotiating the delivery schedule with the distributor or prime vendor.

**“Vendor Choice”** is a designation applied to products with standards of identity or comprehensive specifications. Vendor may propose any brand of product that meets or exceeds the specifications but must commit to supplying this brand for the life of contract.

**“Diversion”** is a food shipment that has not been received (still in transit) that is rerouted to another location.

**“DoD”** means Department of Defense, who supply fresh fruits and vegetables to the school food service department.

**“Default”** is a failure by a vendor to meet one or more of its obligations under the awarded contract.

**“Delivery Time”** is the time taken to deliver goods or services from the date of awarded contract to the time when the vendor makes the goods or services available to the school food service department at the agreed place as per the delivery terms.

**“Disposal”** is the process of removing something from a location, typically the removal of scrap, surplus, excess, obsolete and waste items from the school food service department's premises.

**“End Product”** is a finished product containing any amount of donated foods that have been commercially processed.

**“Escalator/De-escalator Clause”** is a type of market-based pricing which are predetermined provisions in an awarded contract stipulating specific conditions for an increase or decrease in the fixed price.

“**Fixed-Fee”** is an agreed upon amount of money which is fixed at the inception of a cost-reimbursable contract. In a cost-reimbursable contract, the fixed fee includes the vendor’s direct and indirect administrative costs and profit allocable to the contract.

**“Fixed Price”** is a contract term, which indicates the price is set at a certain amount and is not subject to change unless the school food service department requests a change in specifications, delivery, or term. Generally, a school food service department's request for a change to specifications, delivery, or terms in a fixed price contract would only occur in response to an unexpected change in specifications or a critical circumstance that would impact the vendor's ability to fulfill the awarded contract in accordance with the original terms of the solicitation, bid or proposal, and awarded contract.

**“Food Service Management Company”** is any organization, whether commercial or non-profit, which contracts with a school food service department to manage any aspect of the school nutrition program.

**“Full and Open Competition”** means all vendors are playing on a level playing field and have the same opportunity to compete for an awarded contract. Procurement procedures must never unduly restrict or eliminate competition.

**“Free of Board (FOB) Destination”** means there are to be no freight charges to the tail of the truck delivered to the school food service department location (i.e., vendor will not charge freight cost for products delivered to school food service department site(s)). The school food service department must specify the requirement of off-loading product from the delivery vehicle.

**“Fill Rate”** is the percentage of ordered items that must be provided in full quantity without substitution or outage.

**“Force Majeure”** is a contract provision under which major (and usually uncontrollable) events may excuse a party, in whole or in part, from the performance of its contractual obligations; e.g., fire, war, or severe weather. This is a standard clause in awarded contracts of the school food service department.

**“FNS”** means the Food and Nutrition Service of the U.S. Department of Agriculture (USDA). FNS administers the nutrition assistance programs of USDA. The mission of FNS is to provide children and needy families with better access to food and a more healthful diet through its food assistance programs and comprehensive nutrition education efforts.

**“Good through Date”** indicates the length of time a price will remain unchanged.

**“USDA Foods Inventory”** is the accounting of donated food for which a DPI, school food service department, or vendor is liable or responsible. In processing, the inventory can include food in physical inventory (on hand), in finished foods, or in book inventory. Vendor who is chosen to deliver finished End Product before receiving USDA Food may encounter negative inventory. The vendor does this at his own risk and USDA is not required to make the vendor whole.

**“Handling Fee”** is the fee that vendor will charge the school food service department per product to purchase a product from a manufacturer or supplier and re-sell. This fee includes the cost of doing business for vendor. This fee must be fixed for the duration of the awarded contract.

**“Invoice”** is a document issued by a vendor to the school food service department, indicating the products and/or services delivered, quantities, and agreed prices for products, which is left with school food service department at the time of delivery.

**“Life Cycle Cost, Whole Life Cost, Total Cost of Ownership”** is the sum of all recurring and one-time (non-recurring) costs over the full life span or specified period of a good, service, structure, or system. It includes purchase price, installation cost, operating costs, maintenance and upgrade costs and remaining residual or salvage value at the end of ownership or its useful life.

**“Logistics”** is the process of planning, implementing and controlling the efficient, cost-effective flow and storage of goods and related information from point of origin to point of consumption for the purpose of conforming to customer requirements.

**“Manufacturer”** means producer of products sold to distributor for resale to the school.

“**Material Change”** is a change made to a contract after the contract has been awarded that alters the terms and conditions of the contract substantially enough, had other respondents (vendor/bidder) known of these changes in advance, they may have bid differently and more competitively.

**“MSDS”** means Material Safety Data Sheets.

**“NSLP”** means National School Lunch Program.

**“Monthly Performance Reports”** are reports submitted monthly by the processor to the vendor detailing receipts of USDA Food, sales of finished end products to school food service department, and information on the USDA Food inventory.

**“Net Case Price”** is the price of a processed End Product paid by the school food service department after the value of donated food contained in the End Product has been deducted from the gross price.

 **“Product”** means food and supplies that the school food service department has identified to be purchased; also identified as an item.

**“Solicitation Document”** means a group of documents provided by school food service department to bidders and offerors, which explains the products, and services required and how to respond to the request. These groups of documents include all:

1. Requirements as described in the solicitation document
2. Terms and Conditions as outlined in this solicitation document
3. Excel spreadsheets for pricing (paper and electronic copies)
4. Any and all addenda or special written provisions specified by school after the issuance of the solicitation document
5. Bidder’s or offeror’s certifications, which must be completed, signed by an authorized representative of bidder or offeror, and other required bidder or offeror information
6. Additional required documents
7. Addenda or other terms and conditions added to the solicitation document by bidder or offeror will not be considered a part of the awarded contract

**“Receipt of Goods, Goods Receipt Note”** is an official acknowledgement of receipt of goods

**“Remedy”** means of relief that either party can pursue to compensate for the other party's non-performance or non-compliance with an awarded contract term or condition.

**“School”** means the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (school name) which is a SFA defined in 7 CFR 210 National School Lunch Program (NLSP) to mean the governing body which is responsible for the administration of one or more schools; and has the legal authority to operate the NLSP.

**“Statement”** is the summary of invoices for product delivered to school during a specified period of time, of which the school will verify for payment.

**“Summary End Product Data Schedule” or “SEPDS”** is a compilation or summary of information contained on the end product data schedules (EPDSs).

**“Time”** is the local time at the school food service department location.

**“TCS food”** Time Temperature Control for Safety foods, formally known as Potentially Hazardous Foods, a food that is natural or synthetic and is in a form capable of supporting the rapid and progressive growth of infectious or toxigenic microorganisms, or the growth and toxin production or toxin production of clostridium botulinum. These foods include an animal food that is raw or heat-treated; a food of plant origin that is heat-treated or consists of raw seed sprouts; leafy greens; cut produce, such as melons and tomatoes; and garlic and oil mixtures.

**“U.S.”** means United States

**“USDA”** means United States Department of Agriculture or Department of Agriculture

**“USDA Foods”**, formally known as “USDA Commodities” are foods purchased by USDA and given to the School for use in Child Nutrition Programs.

**“USDA Foods, Bonus”** is a food item not charged against entitlement or against a program’s appropriated funds. These foods are acquired through the price-support operations of the Commodity Credit Corporation or surplus-removal operations of AMS.