

SAN MATEO-FOSTER CITY SCHOOL DISTRICT

1170 Chess Drive
Foster City, California 94404

**ASSIGNMENT OF USDA FOODS
Super Co-Op
SY 2019-20**

This assignment is made and entered into this 16th day of MAY, 2019, between Perris Union High School District (“Assignor”) and the San Mateo-Foster City School District, Super Co-Op Lead Agency (“Assignee”) (collectively the “parties”) to commence services July 1, 2019.

WHEREAS, Assignor is a member agency of the Super USDA Foods Cooperative (“Super Co-Op”), a California cooperative consisting of public school agency members for the purpose of obtaining USDA Foods for school meals.

WHEREAS, Assignee is the Lead Agency of the Super Co-Op with authority to contract for USDA Foods and related services on behalf of Assignor.

NOW, THEREFORE the parties agree as follows:

1. Both parties must remain eligible for receipt of United States Department of Agriculture donated commodity foods (USDA Foods) as determined by the California Department of Education, Nutrition Services Division.
2. Entitlement and “Fair Share” of USDA Foods, based on the Total Lunches Served (TLS) of the Assignor is assigned to the Assignee.
3. The Assignee is responsible for the ordering, receiving, storing and distribution of all USDA Foods, on behalf of the Assignor, according to policy and regulation as designated by the California Department of Education, Nutrition Services Division, Food Distribution Program and the USDA.
4. The Assignee will maintain an inventory management system that will fully account for all USDA Foods, including all raw food items in storage as well as raw and processed product held at a processor.
5. Should a loss of USDA Foods being held for the Assignor occur, due to/ but not limited to theft, spoilage, etc., the Assignee is responsible to the California Department of Education, Nutrition Services Division and/or the USDA for the Fair Market Value of that food item(s). Both the Assignor and Assignee shall be responsible to maintain insurance coverage or contract provisions for insurance coverage with third party vendors that move or house USDA Foods at the fair market value.

The reporting of any loss of USDA Foods is the responsibility of the Assignee.

6. Both the Assignee and Assignor are responsible for compliance with USDA and the California Department of Education, Nutrition Services Division policies and regulations.
7. The Fee to be paid by Assignor directly to the Lead Agency/Assignee will be:
 - a) First year fee shall be 0.4% of current year USDA Foods estimated entitlement.
 - b) An Annual Renewal Fee beginning the 2nd year of membership shall be 0.3% of the current year USDA Foods estimated entitlement.
 - c) \$0.90 per case/unit of USDA Foods accepted and diverted for State Administrative Fee (Assignee collects via Co-Op Administrator and pays this fee to the State of California on behalf of the Member District.)
 - d) The Governing Council may levy special assessments to cover any unexpected expenses. These fee(s) shall be based on the individual member's annual entitlement and cannot exceed 0.1% of the member's entitlement.
 - e) All fees subject to change as approved by the Super Co-Op Governing Council.
8. Member Districts agree to abide by the current Super Co-Op Governing Rules, Brown Box Storage Policy, and any additional policies as maintained by the Governing Council.
9. This assignment will remain in force until such time as written notification has been given by the Assignor to the Assignee, USDA, and California Food Distribution Division of its termination. Termination requires notice to be given by December 10 of the year prior to June 30 separation date.
10. With respect to the Assignee's performance of work under this assignment, the Assignee shall indemnify, pay for the defense of, and hold harmless the Assignor and its officers, agents and employees of and from all liabilities, claims, debts or damages of any nature or sort that may arise out of the Assignee's negligent or willful acts and/or omissions under this assignment.
11. All notices to be given by the parties hereto shall be in writing and served by depositing the same in the United States Post Office as follows:

To the Assignee:

San Mateo-Foster City School District – Lead Agency for the Super Co-Op	
Contact Person	Andrew Soliz
Contact Title	Director of Child Nutrition Services
Street Address	1170 Chess Drive
City/State/Zip	San Mateo, California 94404
Telephone	(TEL) 650-312-1968
Email	asoliz@smfcsd.net

To the Assignor:

Assignor / Recipient Agency	
District Name	PERRIS UNION HIGH SCHOOL DISTRICT
Vendor Number	04211-SN-33-PSD
Contact Name	AUDREY MITCHELL
Contact Title	DIRECTOR OF NUTRITION SERVICES
Mailing Address	155 E 4TH STREET
City/State/Zip	PERRIS, CA 92557
Delivery Address	155 E 4TH STREET
City/State/Zip	PERRIS CA 92557
Telephone	951-943-6369 EXT 80241
Fax	
Email	AUDREY.MITCHELL@PUHSD.ORG

To the California Department of Education:

California Department of Education Nutrition Services Division	
Contact Name	Marina Soto Direct Shipment and Private Cooperative Coordinator
Street Address	1430 N Street, Suite 4503
City/State/Zip	Sacramento, CA 95814-5901
Telephone	(TEL) 916-324-0577
Fax	(FAX) 916-327-4004
Email	msoto@cde.ca.gov

11. If this assignment is terminated for any reason by either party the Assignor will continue to receive their USDA Foods from the Assignee for the remainder of the school year in which the termination is made and for any food already ordered for the subsequent school year.

Termination of this assignment shall not be effective until written notice is provided by Assignee pursuant to paragraph 10.
12. The Assignee shall maintain such general liability, property damage, workers' compensation, auto insurance, and any other insurance as is required to protect the Assignee's and the Assignor's interests regarding the USDA Foods.
13. The parties may amend this assignment in writing, by mutual consent.
14. This assignment shall only be effective upon approval in writing by the Assignee's and Assignor's respective Board of Directors or designee.

By signing this, I certify that I am an authorized representative of the Member District and agree to adhere to the terms specified herein.

Assignee		Assignor	
Lead Agency	San Mateo-Foster City School District	Recipient Agency	
Name	Andrew Soliz	Name	
Title	Director of Child Nutrition Services	Title	
Signature		Signature	
Date		Date	



SUPER Co-Op

Governing Rules

I. PURPOSE

The purpose of the SUPER Co-Op is to assist Member Districts with effective USDA Foods ordering and distribution and enable its members to attain the best possible prices for processed USDA Foods and their commercial equivalents as well as for USDA Foods distribution (brown boxes).

II. MEMBERSHIP

1. All Member Districts must abide by the Governing Rules as presented.
2. Any California agency that is eligible to receive the USDA Foods may apply to become a member of the Co-Op.
 - a) The Super Co-Op Governing Council (Council) has the right to approve or disapprove of the membership's status of a co-op member.
 - b) If a USDA Foods distribution contract is in force and a new member is applying during this contract existence, its membership may require the contracted distributor's approval.
3. By signing the "Assignment of USDA Donated Food" (Appendix 1) the Agency agrees to be a member of the SUPER Co-Op and to abide by the SUPER Co-Op Governing Rules.
4. Every Member District is entitled to its "Fair Share" of all offered USDA Foods based on the previous year Total Lunches Served (TLS) and current minimum value of donated foods per lunch served as assigned by the State.
5. Member Districts can resign membership at the end of any program year with written notice received by the Lead Agency by December 10 of the preceding program year.
 - a) All USDA Foods Direct Delivery (brown box) product left in storage on June 30 shall be forfeited and offered to remaining Member Districts unless prior arrangements are made by June 1.
 - b) All unspent entitlement and processor balances on June 30 shall be forfeited.
6. It is the Member District's responsibility to inform its board of trustees about SUPER Co-Op business, including the status of any USDA Foods related bids and proposals.
7. It is every Member District's responsibility to actively manage its USDA Foods including distribution, processing, and inventories. Each Member District must maintain internet and e-mail access and is responsible to report changes to the Lead Agency and Administrator. Each Member District must use the Co-Op approved method of ordering commodities.
8. Each Member District must pay invoices from the Co-Op or an approved Co-Op agent within 30 days of the receipt of invoice.
 - a) A penalty of 5% may be assessed after 90 days if the invoice is not paid in full. An additional 2% can be assessed after 120 days.
 - b) Repeated late payments may result in cancellation of membership in the Co-Op.

9. Each Co-Op Member District is responsible to monitor their entitlement balance and other reports and announcements on the Co-Op web site.

III. GOVERNANCE

1. All of the SUPER Co-Op business and organizational decisions shall be made by the SUPER Co-Op Governing Council (Council). The Council shall be comprised of one member per regional group plus a Lead Agency representative.
 - a) Regional Group membership will be approved by the Council.
 - b) Council members will be determined by members of each Regional Group.
 - c) Each Council member is entitled to one vote on each matter submitted for a vote of the members. A Council member may give another individual in its Regional Group its proxy for voting purposes if they are unavailable to vote.
 - d) The Lead Agency representative will only cast a vote in the event of a tie.
2. The Council shall meet a minimum of once a year or as needed. The Council's decisions shall be reached by a majority of present Council members if a quorum is met.
 - a) A Council quorum is met if 51% or more Council members are present.
 - b) Council members and Lead Agency shall be reimbursed for expenses incurred to attend Council meetings from the membership fee account.
3. A Member District will act as the Lead Agency for the SUPER Co-Op.
 - a) The Lead Agency is responsible for requesting all USDA Foods Direct Delivery and diversions to processors as well as for all the USDA Food inventories at the processors' storage facilities.
 - (1) As soon as a USDA Foods shipment is delivered to an approved distributor and is assigned to an eligible member, the USDA Food is inventoried as commercial product of the eligible member (single inventory). It is each Co-Op Member District's responsibility to manage its inventory to achieve maximum benefit.
 - b) The Lead Agency is responsible for issuing, evaluating, and approving all bid documents related to the Co-Op's business. All accepted proposals and/or bids must be approved by the Lead Agency's governing body.
 - (1) It is the Member District's responsibility to have the specific contract(s) approved by the member's Board of Trustees (or other governing body as appropriate) to meet the State and Federal procurement requirements using approved award criteria.
 - c) The Lead Agency shall, in addition to other responsibilities defined elsewhere in this document, inform Council members and Member Districts of pertinent Co-Op business transactions, plan and manage annual budget for membership fee fund, review and pay state administrative fee invoices, oversee the work of the Administrator, plan and convene regular Council meetings, work with show organizer to plan annual food shows, conduct annual Member District meetings, plan additional education sessions for Member Districts, and other duties as necessary to responsibly manage the business affairs of the Co-Op.
 - d) The Lead Agency shall be compensated \$40,000 annually. Funds for this expense shall be paid from the membership fee account.

4. Membership fees will be assessed to districts using the following schedule:
 - a) New districts start-up will be 0.4% of the current year entitlement. Annual renewal fee beginning the second year of membership and continuing thereafter of 0.3% of the current year USDA Foods entitlement as projected by the State on July 1.
 - b) The Regional Group Governing Council Member District shall pay one half (50%) of the customary membership fee assessed to all Co-Op Member Districts. The Lead Agency shall pay no membership fee.
 - c) The Membership fees will be collected and deposited in a unique account by the Lead Agency and used for expenses such as the cost of Council conference calls; legal fees related to the Co-Op; ACDA conference attendance by 3-4 Council members; other expenses approved by the Council.
 - (1) A minimum reserve of 15% shall be maintained in the membership fee account to ensure adequate cash flow to enable prompt payment of state administrative fees and other expenses.
 - d) Fees may be modified as needed with a vote of simple majority of the Council and a 30-day letter of notification to Member Districts.
 - e) The Council may from time to time ask all members for a special assessment to cover any unexpected expenses. These fee(s) shall be based on the individual member's annual entitlement and cannot exceed 0.1% of the member's entitlement. *(Example: If the member's entitlement is \$100,000 the fee for that year cannot be more than \$100).*
 - f) The governance of each Regional Group is the responsibility of its Member Districts.
5. The Council shall employ a third party Administrator to assist the Co-Op with offering the fair share of USDA Foods to each member; to track each individual Member District's entitlement and USDA Foods inventories; to collect State and other applicable fees. The Administrator's specific responsibilities and service fees shall be fully outlined in a signed contract between the Lead Agency and the Administrator. The Co-Op Administrator shall be appointed by the Council based on an official RFP issued on behalf of the Co-Op by the Lead Agency.

III. ENTITLEMENT MANAGEMENT

1. USDA Foods entitlements are expected to be managed effectively and efficiently by Member Districts. Member Districts that do not utilize their funds promptly will have prorated remaining funds redistributed to Member Districts that can demonstrate the need and ability to utilize additional product. Member Districts will receive an email notice 15 days prior to the redistribution.
 - a) The Lead Agency and/or Administrator will reassign unused entitlement using the following schedule:
 - (1) January 31 – Member Districts with more than 60% remaining entitlement.
 - (2) March 30 – more than 30% remaining entitlement.
2. Proration will be computed at approximately 10% per month based on a ten month calendar from August to May. For example a Member District with a \$100,000 entitlement that uses \$40,000 by January 31 (6 months use from August to January) averaged \$6,667 per month. Assuming a ten month calendar, their projected total use to the end of the year is \$66,667 with \$33,333 excess. The excess will be removed from their entitlement and redistributed to

Member Districts that are using entitlement in excess of the 10% per month average, allocated by fair share.

3. Payment of State Administrative Fees for USDA Foods

- a) It is the responsibility of the Lead Agency to pay all State Administrative Fees for USDA Foods used by SUPER Co-Op members.
- b) The Administrator shall bill and collect State Administrative Fees from Member Districts on behalf of the Lead Agency at the current rate as issued by the State of California.
- c) USDA Foods (brown box) State Administrative Fees shall be billed at the time of receipt by the Distributor.
- d) Processed USDA Foods State Administrative Fees shall be billed on a quarterly basis.
 - (1) Member Districts shall be billed their fair share of the State Administrative Fees of USDA Foods sent to processors during the quarter, based on entitlement allocated to processing.
 - (2) DoD Fresh Produce and USDA Pilot Project for Procurement of Unprocessed Fruits and Vegetables State Administrative Fees shall be billed annually.

These governing rules can be amended at any time by a simple majority vote of all the members of the Council.

Original Adoption: June 9, 2006

Revised: November 21, 2014

Revised: June 23, 2016

Revised: November 29, 2017

Revised: April 18, 2018



USDA Foods Direct Delivery (Brown Box) Storage Policy
 Approved by the Governing Council - July 1, 2018

Per Title 7, Code of Federal Regulations (CFR), Section 250.1(c)(1), USDA Foods Direct Delivery (aka “Brown Box”) inventory may not exceed an amount needed for a six-month period. To assist Member Districts in the management of direct delivery inventory, the following policies apply to Direct Delivery USDA Foods received and stored at the Super Co-Op USDA Foods Direct Delivery Distributor (Gold Star Foods):

Direct Delivery Items with a Six Month Shelf-Life

- It is the responsibility of the Member District to schedule delivery of product as soon as possible after receipt at the Super Co-Op USDA Foods Direct Delivery Distributor (Gold Star Foods).
- At 120 days (4 months), if the item has not been scheduled by the member district for delivery, inventory is moved into the Super Co-op General Account and offered to any Member District willing to take delivery of product in 30 days or less. The originating district pays state administrative fee and their entitlement is charged. The receiving district gets the product at no charge to their entitlement and pays delivery charges.
- At 150 days (5 months), if the item has not been scheduled by the member district for delivery, the inventory is donated to a local non-profit agency (Ex: foodbank). The originating district’s entitlement is charged for the item and they pay the state administrative fee.
- Six Month Shelf Life Items:

USDA Code	Description	Pack Size
100003	CHEESE CHED YEL SHRED BAG	6/5 LB
100017	CHEESE PROCESS LVS	6/5 LB
100018	CHEESE PROCESS YEL SLC LVS	6/5 LB
100019	CHEESE PROCESS WHT SLC LVS	6/5LB
100036	CHEESE BLEND AMER YEL SLC LVS	6/5 LB
100037	CHEESE BLEND AMER SKM WHT SLC LVS	6/5LB
110394	TORTILLAS WHOLE WHEAT FZN	12/24CT
100008	CHEESE CHED RED FAT YEL	4/10LB
100006	CHEESE CHED YEL CUTS	4/10 LB
100012	CHEESE CHED RF YEL SHRED BAG	6/5 LB
100011	CHEESE CHED RED FAT WHT SHRED	6/5LB
100500	RICE BROWN LONG PARBOILED PKG	24/2 LB
100499	RICE BROWN US#1 BAG	25 LB
101031	RICE BROWN LONG PARBOILED BAG	25 LB
110396	CHEESE STRING MOZZARELLA	360/10Z
100012	CHEESE CHED RED FAT YEL SHRED	6/5LB

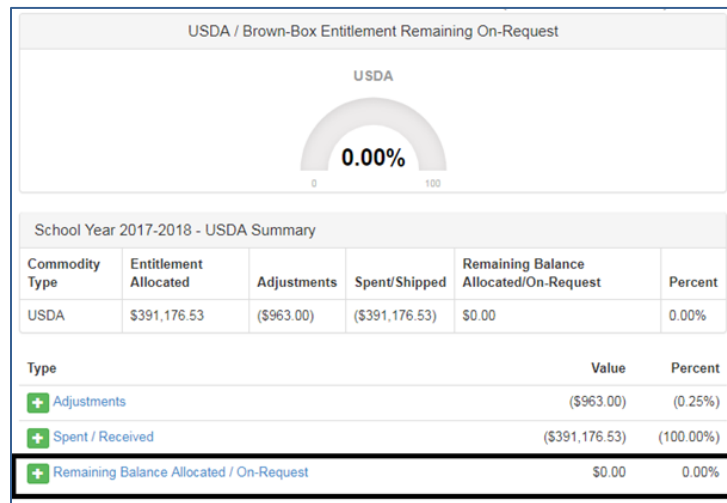
All Other Direct Delivery Items

- It is the responsibility of the Member District to schedule delivery of product as soon as possible after receipt at the Super Co-Op USDA Foods Direct Delivery Distributor (Gold Star Foods).

- At 10 months, if the item has not been scheduled by the member district for delivery, the inventory is moved to the Super Co-Op General Account and offered to any Member District willing to take delivery of the product within 30 days or less. The originating district pays state administrative fee and their entitlement is charged. The receiving district gets the product at no charge to their entitlement and pays delivery charges.
- Depending on the product expiration date, the inventory may be donated to a local non-profit agency (Ex: foodbank) just prior to expiration.

Direct Delivery Management Reports

Direct Delivery Allocations – This report provides a list of all items allocated to Member Districts that have not yet been received at Gold Star Foods. Member Districts should use this report to plan future menus utilizing direct delivery USDA Foods. Access on your Super Co-Op Dashboard at <http://www.super-coop.org/>. Click on Log-In and enter your Username and Password.



USDA Live Inventory Report – This report provides a list of all Direct Delivery items currently in Member District’s inventory at Gold Star Foods. Access on the Gold Star Foods website at <http://www.goldstarfoods.com/>. Click on Order Online and enter your Username and Password. Under the Reports tab on the left, click on USDA Live Inventory.

Item No.	Mfg. Item No.	Description	UOM	Qty on Hand	Qty on Order	Qty Avail.	Pack Size	Pack Qty	FMV	Net Weight	Item Category
500022	100365	BEANS PINTO CAN	CS	585	0	585	6#10	6	\$13.29	45.00	CNND GOODS
500038	100313	CORN WHOLE KERNEL(LIQ) CAN	CS	23	0	23	6#10	6	\$13.91	45.00	CNND GOODS
500134	100220	PEACHES CLING DICED EX LT CAN	CS	1,815	0	1,815	6#10	6	\$24.11	45.00	CNND GOODS
500136	100241	PEACH FRESHSTONE DICED FRZ CUP	CS	93	0	93	96#4 OZ	96	\$45.39	26.40	SNACKS
500138	100256	STRAWBERRY FRZ CUP	CS	521	0	521	96#5 OZ	96	\$48.00	27.00	FRZN SNCKS
500152	100225	PEARS DICED EX LT CAN	CS	1,113	0	1,113	6#10	6	\$25.86	39.50	CNND GOODS
500168	100212	MIXED FRUIT EX LT CAN	CS	9	0	9	6#10	6	\$24.43	39.70	CNND GOODS
500254	100348	CORN KERNEL FROZEN	CS	773	0	773	30LB	30	\$14.69	30.00	FRZN VEG
500453	110473	BROCCOLI FRZ CTN	CS	213	0	213	30LB	1	\$37.29	30.00	FRZN VEG

USDA Inventory by Lot Report – This report provides a list of all items currently in Member District’s inventory denoting the date of receipt and the date that Members will begin paying storage charges.

Access on the Gold Star Foods website at <http://www.goldstarfoods.com/>. Click on Order Online and enter your Username and Password. Under the Reports tab on the left, click on USDA Inventory by Lot.

Report: USDA Inventory by Lot
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Item No.	Mfg. Item No.	Description	Lot No.	Document No.	Date Recv	Storage Begin Date	UOM	Original Qty	Remaining Qty	Pack Size	Item Category	FMV	Ext. Amount
500022	100365	BEANS PINTO CAN	CAA290201	PARCPT376304	02/16/2018	03/19/2018	CS	173	33	6#10	CNND GOODS	\$13.29	\$2,299.17
500022	100365	BEANS PINTO CAN	CAA290201	FROM SURPLUS	05/05/2018	05/04/2018	CS	33	33	6#10	CNND GOODS	\$13.29	\$0.00
500022	100365	BEANS PINTO CAN	CAA290202	PARCPT379831	03/08/2018	04/07/2018	CS	117	117	6#10	CNND GOODS	\$13.29	\$1,554.93
500022	100365	BEANS PINTO CAN	CAA290202	FROM SURPLUS	05/05/2018	05/04/2018	CS	117	117	6#10	CNND GOODS	\$13.29	\$0.00
500022	100365	BEANS PINTO CAN	CAA290203	PARCPT381012	03/15/2018	04/14/2018	CS	147	147	6#10	CNND GOODS	\$13.29	\$1,953.63
500022	100365	BEANS PINTO CAN	CAA290203	FROM SURPLUS	05/05/2018	05/04/2018	CS	147	147	6#10	CNND GOODS	\$13.29	\$0.00
500022	100365	BEANS PINTO CAN	CAA290204	PARCPT383606	04/04/2018	05/04/2018	CS	288	288	6#10	CNND GOODS	\$13.29	\$3,827.52
500022	100365	BEANS PINTO CAN	CAA290204	FROM SURPLUS	05/05/2018	05/04/2018	CS	288	288	6#10	CNND GOODS	\$13.29	\$0.00
500038	100313	CORN WHOLE KERNEL(LIQ) CAN	CAA290270	FROM SURPLUS	05/05/2018	05/04/2018	CS	14	14	6#10	CNND GOODS	\$13.91	\$0.00
500038	100313	CORN WHOLE KERNEL(LIQ) CAN	CAA290270	PARCPT381207	03/19/2018	04/15/2018	CS	14	14	6#10	CNND GOODS	\$13.91	\$194.74
500038	100313	CORN WHOLE KERNEL(LIQ) CAN	CAA290271	PARCPT383517	04/03/2018	05/03/2018	CS	9	9	6#10	CNND GOODS	\$13.91	\$125.19
500038	100313	CORN WHOLE KERNEL(LIQ) CAN	CAA290271	FROM SURPLUS	05/05/2018	05/04/2018	CS	9	9	6#10	CNND GOODS	\$13.91	\$0.00
500134	100220	PEACHES CLING DICED EX LT CAN	CAA290314	FROM SURPLUS	05/05/2018	05/04/2018	CS	110	110	6#10	CNND GOODS	\$24.11	\$0.00
500134	100220	PEACHES CLING DICED EX LT CAN	CAA290314	PARCPT375405	02/13/2018	03/15/2018	CS	232	110	6#10	CNND GOODS	\$24.11	\$5,593.52

Super Co-Op 2018-19 Fee Structure



Please remit all fees promptly when billed.

Type	Billing Agency	Amount	Frequency	Notes
Membership Fee	Santa Clarita Valley School Food Service Agency (Co-Op Lead Agency)	0.4% of Entitlement 0.3% of Entitlement	First membership year Subsequent membership years.	
			Bill sent to Member Districts July 1 annually.	
State Administrative Fees	Administrator (Gold Star Foods)	Brown box \$.90/case Processed \$.90/case DOD Produce \$.10/case \$1.74/case	On receipt at Distributor Quarterly based on % of entitlement designated for processing Annually @ end of year	Administrator forwards state fees to Lead Agency for remittance to state.
Delivery, direct delivery (brown box)	Distributor (Gold Star Foods)	single drop @ district \$1.48/case pick-up Additional charge (\$0.77) for multiple site delivery	On receipt at Member District	Notice of arrival on distributor (Gold Star Foods) website. Minimum 25 case delivery per site.
Delivery, processed	Distributor as selected by Member District Processor direct	Varies by distributor Varies by processor	As ordered by Member District As ordered by Member District	
Delivery, DOD Produce	Distributor	Varies by distributor	As ordered by Member District	
Storage, brown box	Distributor (Gold Star Foods)	\$0.61/case/month after first 30 days following delivery to Gold Star Foods	As ordered by Member District	\$10 minimum/month per lot

Subject to change for SY2019-20