

Executive Summary – Revisions to Announcement Dairy 6

Background: Announcement DAIRY 7 provides the contractual terms and conditions, and product specifications for all bulk dairy purchases acquired through the Dairy Product Price Support Program. These bulk dairy products include salted butter, block or barrel Cheddar cheese, and nonfat dry milk. This version of Announcement Dairy 7 will supersede the Announcement Dairy 6 published as of April 7, 2006.

The document is revised in accordance with the Food, Conservation, and Energy Act of 2008 (Farm Bill) along with minor updates to definitions, names and website links as described below:

The following terms and conditions to Announcement Dairy 7 have been added or updated:

1. Section 1. General, A. Delete Granular and stirred curd cheese.
Under this Announcement the Commodity Credit Corporation (CCC) will purchase, at announced prices, in accordance with the Dairy Product Price Support Program (DPPSP): bulk dairy products -- salted butter; Cheddar cheese packed in barrels or blocks, and non-fortified and fortified spray process nonfat dry milk (NDM).
2. Section 1. General, B. DEFINITIONS, (12) “Finance Office” is updated to read:

“Finance Office” means the Financial Services Center, Fund and Commodity Management Office (FSC-FCMO), as specified in this Announcement.
3. Section 1. General, B. DEFINITIONS, (14) “Offeror” is updated to read:

“Offeror”, means the person, firm, corporation or other legal entity obligated by the purchase agreement with CCC. The product must not have been sold before to another party and the offeror must be the manufacturer of the dairy product offered, or a marketing cooperative for the manufacturer.
4. Section 1. General, B. DEFINITIONS adds the following:

(16) “WBSCM” means USDA’s Web Based Supply Chain Management computer system which, upon implementation, shall be used by the contractor and the Government for applicable contract transactions, as determined by the Government. USDA will provide the system at no charge for appropriate use by the contractor. WBSCM terminology, requirements, and processes shall automatically apply to the contract, as applicable. In the event of a conflict between WBSCM and Commodity Credit Corporation (CCC) terminology, CCC terminology shall take precedence.
5. Section 1. GENERAL, E. Offered Lot Quantities

Butter is updated as follows Maximum Pounds: 148,150, Maximum Kilograms: 67,200.
Cheese is updated as follows Maximum Pounds: 160,000, Maximum Kilograms: 72,575
6. Section 2. SUBMISSION OF OFFERS adds the following:

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(3) Each prospective offeror shall register in the Central Contractor Registration (CCR) system at <http://www.ccr.gov>. The CCR requires a one-time business registration with mandatory annual updates. The CCR allows a prospective contractor to control the accuracy of its own business information. There is no fee to register in CCR. The data from registrations will be used for procurement and payment purposes.

7. Section 5. COMMODITY SPECIFICATIONS, B. Regulatory Requirements is updated to read:

The statute of butter 21 U.S.C.321a may be obtained at: <http://www.gpoaccess.gov/uscode/>

8. Section 8. SHIPMENT AND DELIVERY – TRANSFER OF TITLE is updated to read: A. KCCO will issue shipping instructions within 7 business days after date of acceptance of an offer. Offeror will deliver, as directed, the identical commodities offered within 7 business days after receipt of shipping instructions. If delivery is not made within 7 business days, Offeror must notify CCC and advise CCC of Offeror's intentions for delivery. Delivery will be directed by CCC in accordance with following provisions:

A, (1),(b) When CCC exercises its option to require delivery in-store, the Offeror shall promptly submit the invoice package and supporting documentation through the WBSCM system. Storage and in-and-out handling charges prepaid by the Offeror shall accrue to the benefit of CCC.

9. Section 8. SHIPMENT AND DELIVERY – TRANSFER OF TITLE B.(2), is updated to read: With respect to in-store deliveries, the date of delivery is the date of transfer from Commodity Vendor to CCC as shown on B/L. Forward or postdating the delivery date is a serious violation that may result in criminal prosecution.
10. Section 12. INVOICES, PAYMENTS AND PAYMENTS OF INTEREST, A., is updated to read: Invoices for payment for the commodity and inspection results must be submitted through the WBSCM system and be supported by the original (official) inspection certificate, if applicable, and either a copy of commercial bill of lading signed by the carrier's agent or, in lieu thereof, a copy of a consignee's receipt evidencing delivery. Invoices for reimbursement of transportation and protective service charges, if any, must be submitted to the Freight Settlement and Invoicing Branch, Contract Reconciliation Division, KCCO, P.O. Box 419205, Stop 8758, Kansas City, MO 64141, and must be supported by the original or a copy of carrier's receipted freight bill or invoice. If shipment is by contract carrier, the Offeror's invoice must also be supported by a copy of the contract between the Offeror and the truck or rail line showing the schedule of rates, or a copy of the motor or rail carrier's published rates.
11. Section 12. INVOICES, PAYMENTS AND PAYMENTS OF INTEREST, B., is updated to read: Invoices for payment of freight charges, billed by the transportation companies, must be submitted to the Freight Settlement and Invoicing Branch, Contract Reconciliation Division, KCCO. Invoices must contain the applicable purchase order number to be considered a proper invoice.

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12. Section 12. INVOICES, PAYMENTS AND PAYMENTS OF INTEREST, E., is updated to read: The payment is due after receipt by the Commodity Office of a properly prepared invoice with the required supporting documents: within 10 days on purchase contracts for the acquisition of dairy products OR, within 30 days on all other contracts including processing contracts where Agency-owned commodities are processed into end products.
13. Section 12. INVOICES, PAYMENTS AND PAYMENTS OF INTEREST, I. Invoices shall to be mailed to:
- Financial Services Center
Fund and Commodity Management Office
Invoice Payment Group, Beacon Facility, Stop 8578
P.O. Box 419205
Kansas City, MO 64141-6205
- For express mail:
Financial Services Center
Fund and Commodity Management Office
Invoice Payment Group, Beacon Facility, Stop 8578
9240 Troost Ave.
Kansas City, MO 64131-3055
14. Section 12. INVOICES, PAYMENTS AND PAYMENTS OF INTEREST, J. last sentence is updated to read: The Standard Form 3881 may be obtained at:
<http://www.fsa.usda.gov/FSA/webapp?area=home&subject=coop&topic=pas>
15. Section 13. INQUIRIES, is updated to read:
- Inquiries pertaining to this Announcement should be directed to:
- Kansas City Commodity Office
Domestic Procurement Division
P.O. Box 419205, Stop 8718
Kansas City, Missouri 64141-6205
16. APPENDIX, PART 1. BASIC PROVISIONS, 1.4 INQUIRIES is updated as follows:
- USDA/FSA/DACO
Commodity Operations Division,
1400 Independence Avenue, S.W., Stop 0552
Washington, D.C. 20250-0551
ATTN: Packaging Specialist
17. APPENDIX, PART 4, H. SAMPLING AND MARKING SPECIFICATIONS
The letter designation for the paragraph is changed from “F” to ”H”

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