

**Solicitation Number: RFP #040522****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and US Foods, Inc., 9399 W. Higgins Road, Suite 100, Rosemont, IL 60018 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Food Products and Distribution (other than School Food Authorities) with Related Supplies, Technology, and Services from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

**1. TERM OF CONTRACT**

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires June 3, 2026, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.
- C. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

**2. EQUIPMENT, PRODUCTS, OR SERVICES**

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. **WARRANTY.** Supplier warrants that it possesses the expertise and all of the necessary resources with respect to warehousing, order taking, procurement, transportation, accounting/payment, logistical support, personnel, and facilities required to provide the level of service as agreed under this Contract. Further, Supplier covenants and warrants that the services and activities as set forth in this Contract will be performed by trained and qualified personnel and in a professional and workmanlike manner. Supplier will use commercially reasonable efforts to obtain representations and warranties from manufacturers that the products conform to certain product specifications and comply with applicable law. By accepting a purchase order as set forth herein Supplier warrants and represents that it requires manufacturers from whom it purchases products to guarantee that all merchandise comprising each shipment or other delivery made to or on the order of US Foods will be: (a) not adulterated or misbranded within the meaning of the Federal Food Drug and Cosmetic Act the Food Additives Amendment and all other revisions and amendments thereto (the "FDA Act") all regulations issued under the FDA Act and any other applicable federal state or local laws rules or regulations; and (b) not an article of food drug device or cosmetic which may not under the provisions of Sections 404 or 505 of the FDA Act be introduced into interstate commerce.

Any manufacturer's warranty on non-food equipment or products furnished by Supplier will be passed on to the Participating Entity.

THE REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN THIS SECTION CONSTITUTE THE ONLY REPRESENTATIONS AND WARRANTIES MADE BY ANY PARTY WITH RESPECT TO OR ARISING IN CONNECTION WITH THIS CONTRACT OR THE PRODUCTS. EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION, EACH PARTY DISCLAIMS ANY AND ALL EXPRESS AND IMPLIED WARRANTIES (WHETHER ARISING BY OPERATION OF LAW OR OTHERWISE) INCLUDING ANY WARRANTY OF MERCHANTABILITY NON-INFRINGEMENT AND FITNESS FOR A PARTICULAR PURPOSE.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this

Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

### 3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. SHIPPING AND SHIPPING COSTS. All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. All product returns by a Participating Entity will conform to Supplier's then-current Food Safety and Quality Assurance Return Policy and Recall Process..

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

#### **4. PRODUCT AND PRICING CHANGE REQUESTS**

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

#### **5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS**

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

To access this Contract, a Participating Entity may be required by Supplier to commit to a minimum percentage of food purchase from Supplier and/or to be declared the primary food vendor for the Participating Entity's foodservice needs. Supplier may also, in its sole discretion, decline to provide service to any Participating Entity.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

## **6. PARTICIPATING ENTITY USE AND PURCHASING**

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum; the terms of which will be negotiated directly between the Participating Entity and the Supplier. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-

commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcwell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. **TERMINATION OF ORDERS.** Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. **GOVERNING LAW AND VENUE.** The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

## **7. CUSTOMER SERVICE**

A. **PRIMARY ACCOUNT REPRESENTATIVE.** Supplier will assign an Account Representative to Sourcwell for this Contract and must provide prompt notice to Sourcwell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcwell and Participating Entity inquiries; and
- Business reviews to Sourcwell and Participating Entities, if applicable.

B. **BUSINESS REVIEWS.** Supplier must perform a minimum of one business review with Sourcwell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, supply issues, customer issues, and any other necessary information.

## **8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT**

A. **CONTRACT SALES ACTIVITY REPORT.** Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcwell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcwell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcwell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcwell, the Supplier will pay an administrative fee to Sourcwell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcwell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcwell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcwell's banking institution per Sourcwell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcwell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcwell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

## **9. AUTHORIZED REPRESENTATIVE**

Sourcwell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

#### **10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE**

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. Participating Entity audit rights will be determined under additional terms and conditions adopted by the Participating Entity and Supplier under Section 6. B. above, or as otherwise agreed.

B. **ASSIGNMENT.** Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. **WAIVER.** Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. **CONTRACT COMPLETE.** This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

#### **11. INDEMNITY AND HOLD HARMLESS**

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any negligence or intentional misconduct, whether by act or omission, in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to



person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

## 12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Supplier under this Contract.

## 13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

### A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
  - a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
  - b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.
2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.
3. *Use; Quality Control.*
  - a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.
  - b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.
4. As applicable, Supplier agrees to indemnify and hold harmless Sourcewell and its Participating Entities against any and all suits, claims, judgments, and costs instituted or recovered against Sourcewell or Participating Entities by any person on account of the use

of any Equipment or Products by Sourcewell or its Participating Entities supplied by Supplier in violation of applicable patent or copyright laws.

*5. Termination.* Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. **ENDORSEMENT.** The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

#### **14. GOVERNING LAW, JURISDICTION, AND VENUE**

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

#### **15. FORCE MAJEURE**

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

#### **16. SEVERABILITY**

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

## 17. PERFORMANCE, DEFAULT, AND REMEDIES

A. **PERFORMANCE.** During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. **DEFAULT AND REMEDIES.** Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

## 18. INSURANCE

A. **REQUIREMENTS.** At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*  
Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for Products-Completed operations

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance.* During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Network Security and Privacy Liability Insurance.* During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence  
\$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

## 19. COMPLIANCE

A. **LAWS AND REGULATIONS.** All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. **LICENSES.** Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

## 20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

## 21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing

regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

B. DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148). When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).



H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier not use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by an Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

## **22. CANCELLATION**

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

\*\*\* Remainder of page intentionally left blank \*\*\*

Sourcewell

US Foods, Inc.

DocuSigned by:  
*Jeremy Schwartz*  
By: C0FD2A139D06489...  
Jeremy Schwartz  
Title: Chief Procurement Officer  
Date: 5/27/2022 | 3:58 PM CDT

DocuSigned by:  
*Steven Guberman*  
By: D2D5F447029741A...  
Steven Guberman  
Title: EVP Nationally Managed Business  
Date: 6/9/2022 | 12:52 PM PDT

Approved:

DocuSigned by:  
*Chad Coquette*  
By: 7E42B8F817A64CC...  
Chad Coquette  
Title: Executive Director/CEO  
Date: 6/9/2022 | 2:55 PM CDT

# RFP 040522 - Food Products and Distribution (other than School Food Authorities) with Related Supplies, Technology, and Services

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## Vendor Details

Company Name: US Foods, Inc.  
Does your company conduct business under any other name? If yes, please state: US Foods  
Address: 9399 W. Higgins R.  
Suite 100  
Rosemont, IL 60018  
Contact: Paula Bruck  
Email: paula.bruck@usfoods.com  
Phone: 815-674-1646  
HST#: 36-3642294

## Submission Details

Created On: Wednesday February 16, 2022 13:44:28  
Submitted On: Monday April 04, 2022 12:38:47  
Submitted By: Paula Bruck  
Email: paula.bruck@usfoods.com  
Transaction #: 43d00eec-8023-4fb1-9f2b-2bc8fa544495  
Submitter's IP Address: 165.225.62.20

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## Specifications

**Table 1: Proposer Identity & Authorized Representatives**

**General Instructions** (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	US Foods, Inc.
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	NA
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	US Foods, Inc. US Foods
4	Provide your CAGE code or Unique Entity Identifier (SAM):	DUNS #795140433 and Cage Code #33BA4 for US FOODS, Inc - Corporate
5	Proposer Physical Address:	9399 W. Higgins Rd., Suite 100, Rosemont, IL 60018*
6	Proposer website address (or addresses):	www.usfoods.com
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Steven Guberman, EVP Nationally Managed Business, 9399 W. Higgins Rd., Suite 100, Rosemont, IL 60018, steve.guberman@usfoods.com, (847)720-8046
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Paula Bruck, Director of Govt & Education, Vizient, 9399 W. Higgins Rd., Suite 100, Rosemont, IL 60018, paula.bruck@usfoods.com, 815-674-1646
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Theresa Madden VP National Sales, Vizient, 9399 W. Higgins Rd., Suite 100, Rosemont, IL 60018, theresa.madden@usfoods.com, 804-938-652

**Table 2: Company Information and Financial Strength**

Line Item	Question	Response *
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10	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	<p>US Foods, Inc., Rosemont, IL is one of country's leading distributors of food and food related products, offering a broad range of products and services. On May 26, 2016, US Foods Holding Corp. ("US Foods") began trading on the New York Stock Exchange under ticker symbol USFD. US Foods is headquartered in Rosemont, Illinois.</p> <p>We are among America's great food companies and leading foodservice distributors. Built through organic growth and acquisitions, we trace our roots back over 150 years to a number of heritage companies with rich legacies in food innovation and customer service. We strive to inspire and empower chefs and foodservice operators to bring great food experiences to consumers. This mission is supported by our strategy: We Help you Make It, which is centered on providing customers with the innovative products business support and technology solutions they need to operate their businesses profitably. We operate as one business with standardized business processes, shared systems infrastructure, and an organizational model that optimizes national scale with local execution, allowing us to manage the business as a single operating segment. We have centralized activities where scale matters and our local field structure focuses on customer facing activities. We supply approximately 300,000 customer locations nationwide that include government and educational institutions, healthcare and hospitality entities and independent and multi-unit restaurants.</p> <p>We provide more than 400,000 fresh, frozen, and dry food stock-keeping units, or SKUs, as well as non-food items, sourced from approximately 6,000 suppliers. Approximately 3,000 sales associates manage customer relationships at local, regional, and national levels. Our sales associates are supported by sophisticated marketing and category management capabilities, as well as a sales support team that includes world-class chefs and restaurant operations consultants, new business development managers and others that help us provide more comprehensive service to our customers. Our extensive network of approximately 70 distribution facilities and fleet of approximately 6,500 trucks, along with nearly 80 cash and carry locations, allow us to operate efficiently and provide high levels of customer service. The year over year consistency of our operating model allows us to continue to leverage our nationwide scale and footprint while executing locally to support customers in a way that no other competitors have matched.</p> <ul style="list-style-type: none"> <li>• Customer Success</li> </ul> <p>We ensure our customers' success and satisfaction by anticipating their needs and being the easiest company to do business within the foodservice industry.</p> <ul style="list-style-type: none"> <li>• Innovation</li> </ul> <p>We embrace change and develop relevant, effective and meaningful solutions for customers by continuously improving our products and services.</p> <ul style="list-style-type: none"> <li>• Integrity</li> </ul> <p>We conduct business in a highly ethical manner and maintain an unwavering commitment to operational excellence, safety and environmental responsibility.</p> <ul style="list-style-type: none"> <li>• Leadership centralized</li> </ul> <p>US Foods is guided by strong, decisive leaders dedicated to the core values of customer success, integrity, innovation and teamwork and who share a passion for all things food.</p> <ul style="list-style-type: none"> <li>• Resources</li> </ul> <p>We combine global support with local market solutions. We offer the best support of a national distribution program with an emphasis on local service ingenuity.</p>	*
11	What are your company's expectations in the event of an award?	<p>Included in this RFP response, we have detailed marketing and service support, along with industry leading value-added solutions, focused on your members' goals. We are committed to a continued partnership with SOURCEWELL and your members; focused on success, as demonstrated continued growth. US Foods understands SOURCEWELL will award this RFP to the suppliers that offer best overall value, as determined through a comprehensive review process including a weighted award decision tool that considers financial and other evaluation factors. Based upon our proven Value Proposition to SOURCEWELL members and upon the results of this process, US Foods is excited and looks forward to earning a new agreement for food service distribution and procurement services to SOURCEWELL members.</p>	*
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	<p>US Food's financial information is available at:  <a href="https://www.sec.gov/edgar/searchedgar/companysearch.html">https://www.sec.gov/edgar/searchedgar/companysearch.html</a></p>	*
13	What is your US market share for the solutions that you are proposing?	<p>With net sales of \$22 billion in the fiscal year ended December 31, 2020, US Foods enjoyed a 2020 total foodservice market share of approximately 8%.</p>	*
14	What is your Canadian market share for the solutions that you are proposing?	<p>US Foods does not currently provide foodservice distribution in Canada.</p>	*

15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	US Foods, Inc. has never and is not currently the subject of a bankruptcy action.	*
16	<p>How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization.</p> <p>a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned?</p> <p>b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?</p>	<p>a) US Foods, Inc. is one of country's leading distributors of food and food related products, offering thousands of food products from industry leading food manufacturers. We are licensed to do business in 49 states and are not required to have any specific licensing from the food manufacturers that we distribute. Our delivery drivers, customer service and all other support are US Foods' associates, and we do not utilize a dealer network or any third parties to deliver products or support our customers on a regular basis. US Foods Dunn &amp; Bradstreet No: 79-514-0433</p> <p>b) not applicable</p>	*
17	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	US Foods is licensed to do business in 49 states and DC, and US Foods does not use third parties or subcontractors to provide service to customers. US Foods currently provides service to the contiguous United States and Alaska. Where necessary we hold specific city, county, or state licenses to meet local requirements and make them available upon member request.	*
18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	US Foods is not suspended or disbarred from participating in public procurements.	*

**Table 3: Industry Recognition & Marketplace Success**

Line Item	Question	Response *
19	Describe any relevant industry awards or recognition that your company has received in the past five years	<p>US Foods has been honored to be recognized by a variety of industry leading organizations for best in-class business practices and customer focused solutions and innovation. These are just a few:</p> <p>2021 In Chicago Tribune top 30 of Chicago's Top Workplaces for 2021  2021 Fast Company's inaugural "Brands That Matter" list  2019 Refrigerated &amp; Frozen Foods Magazine-Foodservice Distributor of the Year  2019 Vizient Overall Distributor of the Year  2019 Vizient Support Services Distributor of the Year  2019 OMNIA Partners Public Sector Supplier of the Year  2017 Vizient National Account Manager of the Year  2017 KKR Eco-Innovation Award Recipient</p> <ul style="list-style-type: none"> <li>• US Foods won the award for its Serve Good product line, comprised of sustainable food and non-food products that are responsibly sourced or contribute to waste reduction.</li> <li>• Launched in 2016, KKR's Eco-Innovation Award recognizes a current project by one of KKR's portfolio companies that is an innovative, environmentally beneficial solution creating business value. The award builds on KKR's Green Solutions Platform (GSP) – a global effort to support KKR portfolio companies that are driving meaningful business and environmental benefits – in which US Foods has participated since 2008.</li> </ul> <p>2017 International Foodservice Manufacturers Association (IFMA) Excellence in Distribution Award. This award recognizes a corporate or independent distribution organization that has demonstrated excellence in the categories of management and leadership, customer relations, supplier relations and industry/community contributions.  2017 Top 500 Forbes America's Best Employer  2017 Fortune Magazine's top 500 nation's largest companies  2016 US Foods received Group Buy Supplier of the Year award from Vizient.</p>
20	What percentage of your sales are to the governmental sector in the past three years	We consider sales by segment to be proprietary information.
21	What percentage of your sales are to the education sector in the past three years	We consider sales by segment to be proprietary information.
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	SOURCEWELL is currently the only national cooperative food contract awarded to US Foods
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	At this time, US Foods does not hold and current active GSA contracts.

**Table 4: References/Testimonials**

**Line Item 24.** Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *
State of Missouri	Melissa Sackett, Procurement Analyst	573-526-2716
State of Minnesota	Jennifer Bartle, Buyer	651-201-2452
State of Nevada	Gideon Davis, Purchasing Officer III	775-515-5173



**Table 5: Top Five Government or Education Customers**

**Line Item 25.** Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *
State of Missouri	Government	Missouri - MO	Foodservice distribution primary supplier to state facilities	\$150,000/week	24,000,000 total in three years
State of Minnesota	Government	Minnesota - MN	Foodservice distribution primary supplier to state facilities	\$9600/week	\$15,000,000 total in three years
Dept. Human Services	Government	Colorado - CO	Foodservice distribution primary supplier to state facilities	67,000/week	\$10,500,000 total in three years
K12 Coop #1	Education	Indiana - IN	Foodservice distribution primary supplier to school districts in the coop	\$600,000/week	\$45,000,000 total in three years
k12 Coop #2	Education	Indiana - IN	Foodservice distribution primary supplier to school districts in the coop	\$325,000/week	\$40,000,000 total in three years

**Table 6: Ability to Sell and Deliver Service**

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *
26	Sales force.	US Foods currently employs approximately 26,000 associates, with 3000 Sales Associates company wide, and approximately 300 in our National Sales department. This contract is supported by our National Sales team which is centrally managed by our corporate National Sales leadership to provide consistent communication and execution across all distribution centers. Our National Sales field organization is comprised of four regions and 30 areas. Within each region, there are 7-9 Areas, and there are 1-3 Markets and distribution centers within each area.
27	Dealer network or other distribution methods.	US Foods Sales Associates are located in each of the 72 distribution centers noted on the map included as an attachment with our response. All facilities are owned and operated by US Foods, including our delivery fleet and drivers. US Foods operates all distribution centers on one computer platform to ensure ease of use for both our associates and our customers and provide consistent, accurate and timely reporting. See attachment #27 for map and details.
28	Service force.	Our team of subject matter experts, contracting resources, and management will assist SOURCEWELL members with the implementation of this agreement in order to maximize value. US Foods will provide SOURCEWELL customers with a comprehensive key contact list for each US Foods distribution center. This contact list will identify the assigned Account Representative and Customer Service representatives who are available to either directly provide answers or to route to the best source for prompt resolution. This key contact list will provide contact information for after-hour emergencies, as well as direct contact information for division leadership including sales, operations, procurement, and tech support. Our teams will assist as well as route to the best source for prompt resolution. US Foods does not utilize dealers or sub-contractors.

29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	<p>US Foods Online – Industry Leading E-Commerce Platform for Customers</p> <p>Customers will place their orders directly with US Foods via US Foods online web/internet based direct order entry system and is our customers' preferred method of placing orders directly with their US Foods servicing division. The order entry system is a user-friendly system for on-line ordering and more. Easy every step of the way. US Foods Online provides real time contract pricing, world-class product search with product and nutritional information, and pictures. It is easy for customers to make instant price comparisons; receive instant order confirmations; create customized shopping lists. Integrated programs such as Where's My Truck, Proof of Delivery, and Easy Online Payment tools improve efficiencies in day-to-day operations. US Foods Online provides a variety of reports and relevant data in real time with Business Analytics, Online Inventory, Contract Utilization, and Menu Profit Pro. The Mobile application enables customers to manage their operation at any time from their phone or tablet. US Foods Online integrates with many third-party software management programs and standard 3rd party punch out platforms. In the event that a customer is unable to place their order via our website, we have Customer Service available 8-5 M-F, and select hours on Sunday to take orders by phone, fax, or email when necessary. US Foods does not utilize dealers or dealer networks for ordering or any other functions of our business.</p>
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30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	<p>US Foods' Team-Based Sales and Service Model:  Our organization utilizes a team-based sales and service approach. As a National Sales customer, each SOURCEWELL member account will be assigned a National Sales Account Representative who will be responsible for overseeing the customer satisfaction and service needs within the parameters of the SOURCEWELL contract. Our sales and service teams are supported by corporate program directors ensuring uniform national program on-boarding and program execution. Our teams are also supported by local division chefs, product specialists, and customer service representatives in a seamless and team-based manner. We offer a portfolio of value-added business solutions that help our customers meet their goals. Together, this team provides cohesive support including menu planning, recipe ideas, product selection, marketing strategies, and program value maximization. We believe this approach is unique in our industry. At many competitors' sales associates view themselves as independent sales representatives managing their own book of business. Our sales associates, in contrast, represent the entire US Foods brand, giving local touch, while bringing the expertise of our entire organization. We believe this concerted effort results in Better Value and Satisfaction for our customers. US Foods Customer Service: US Foods divisions provide a dedicated National Sales Customer Service department Monday – Friday from 8:00 am - 5:00 pm staffed by US foods employees. The customer service representative will have your immediate access to account information, and at a minimum, be able to assist with:</p> <ul style="list-style-type: none"> <li>• Questions about order placement and status of pending orders</li> <li>• Status and resolution of backorders</li> <li>• Status of all pertinent account information, including DSO</li> <li>• Suggested substitutions for out of stock products</li> <li>• Advanced notification of delivery issues</li> </ul> <p>Together Our Entire US Foods Service Team Will:</p> <ul style="list-style-type: none"> <li>• Understand your goals and priorities</li> <li>• Coordinate our resources to help you achieve your goals</li> <li>• Provide professional and knowledgeable service at all times</li> <li>• Insure timeliness of deliveries and assist with product needs</li> <li>• Build trust at the operations and executive levels</li> <li>• Earn your business everyday</li> </ul> <p>Quality Service Process, QSP, is a unique differentiator. Communication between all stakeholders is key to facilitating a smooth implementation, and assigning the proper resources with the right process will assist in a successful effort. As a result of years of practice over the last decade, US Foods has created, embraced and refined the industry's leading Quality Service Process offering the highest customer service capabilities to our customers. At US Foods, quality service is more than a promise. It's a proven process that has been revered by others in the foodservice distribution industry. Customer relationships are our most valued assets. That's why when it comes to managing those relationships, we leave nothing to chance. Our 9-step Quality Service Process is designed to ensure reliable execution, from new account set up to ongoing business reviews. All customers of US Foods who are accessing this proposal will use QSP.</p> <p>Business Relationship Development – These steps ensure that as the business relationship matures the key elements of understanding your needs continue to be a focus:</p> <ul style="list-style-type: none"> <li>• Dedicated National Sales Account Representative</li> <li>• Satisfaction Review</li> <li>• Customer Business Review</li> <li>• Ongoing Consultation</li> <li>• Red Flag Plan</li> </ul>	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	This agreement applies to the contiguous United States and Alaska.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	US Foods does not currently provide foodservice distribution services in Canada.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	This agreement applies to the contiguous United States and Alaska. The following locations are not included in this proposal: Canada, Puerto Rico, Virgin Islands, Hawaii, Guam, Commonwealth of Norther Mariana Islands, and American Somoa.	*

34	Identify any Sourcwell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	US Foods does not have any limits to service in any sectors or markets in the lower 48 states or Alaska, but reserves the right to decline service at our sole discretion to any Participating Entity.	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	Alaska Participating entities will receive pricing based on the guidelines in this proposal with the addition of Ocean and Outbound Freight as follows: Delivered cost includes Ocean Freight which is all inclusive for shipment from Seattle to Anchorage including ocean fuel surcharges, and Outbound Freight delivered to the customer locations via the US Foods Anchorage Distribution Center. These rates are subject to general rate and fuel surcharge changes as mandated by Ocean Carriers. Rates are subject change based off published General Rate Increases and Ocean Fuel Surcharge changes.	*

**Table 7: Marketing Plan**

Line Item	Question	Response *
36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	US Foods has a dedicated marketing team for National Sales, and extensive library of marketing material customized for various classes of trade. Specific to the SOURCEWELL food contract, we are presenting our continued development of our SOURCEWELL Marketing Strategy Plan in an attached document which includes: US Foods Marketing strategy and action plan US Foods-Sourcewell Customer Flyer In addition, with our in-house Marketing Department, we can create flyers customized for State awards to US Foods through the Sourcewell award and have customized Power Point presentations for internal training and Customer presentations to describe and outline the features of the program. See attachment 36 Marketing Strategy
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	US Foods will continue to work with SOURCEWELL to develop internal and external internet-based awareness of the awarded food contract. Our extensive public website offers tools and resources at your fingertips, focused on insights and trends with videos and recipes only one click away! In addition to our state-of-the-art e-commerce site (ordering and customer information site), US Foods makes use of social media both internally with our associates, and externally to the general public to share our message and exciting value that US Foods brings to the foodservice community. Going forward, we would like to create more linkage between our US Foods website resources and the Sourcewell landing page to make access to this information easier and faster for members to access. You can view the attached links for a sampling of our social media available on our website: www.usfoods.comHungry for Better: <a href="https://www.usfoods.com/why-us-foods/local-sustainable-wellbeing.html#">https://www.usfoods.com/why-us-foods/local-sustainable-wellbeing.html#</a>  Our Brands: <a href="https://www.usfoods.com/about-us-foods/our-brands.html#">https://www.usfoods.com/about-us-foods/our-brands.html#</a> Food Fanatics: <a href="https://www.usfoods.com/great-food/food-fanatics.html#">https://www.usfoods.com/great-food/food-fanatics.html#</a>
38	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	US Foods looks forward to continuing to partnering with SOURCEWELL's marketing team for development of marketing communication and promotions. We will work with SOURCEWELL to provide the appropriate logos, licenses and approvals for the use of our logos. However, we reserve the right to review and approve any materials designed for external publication and use. SOURCEWELL education and networking forums are important events for SOURCEWELL to speak directly to USF sellers. As part of our comprehensive marketing and training plan, US Foods welcomes opportunities for SOURCEWELL leaders to engage US Foods leaders and sellers. • US Foods will provide SOURCEWELL with one point of contact with our dedicated Education & Government Directors that SOURCEWELL can work to share information, build business, and target opportunities across the country. • US Foods will follow up on and develop leads generated by the SOURCEWELL website customer list and contacts. • US Foods will continue to work with SOURCEWELL and to identify and target K12 customers for the food contract awarded to US Foods by SOURCEWELL. • US Foods key sellers will continue to attend SOURCEWELL Sales Accelerator events, Sourcewell University education and networking forums. • Select US Foods leaders will continue to participate in SOURCEWELL's annual supplier forum – H20.
39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	US Foods is the only national distributor that operates on one consistent computer platform across all distribution centers, with a centralized National Sales management structure which enables and facilitates consistent communication and program execution. US Foods provides a powerful state-of-the-art full service; online, secure web/internet based direct order entry system, usfoods.com, that is our customers' preferred method of placing orders directly with their US Foods servicing division and is currently utilized by most of our education and government customers. In addition, some governmental agencies utilize a "roundtrip catalog", or "punch out" concept to manage their purchasing process, and US Foods can integrate with most of the popular software companies in this space. The usfoods.com site is available consistently from every division across the country as of 3/31/22 (including former FSA facilities) with 24/7 availability and technical support from our Tempe support office staffed by US Foods associates. Our ordering site has the functionality to operate in 10 languages to support and accommodate our customers. *See attached #39 document outlining our online ordering, reporting and payment platform for our customers.

**Table 8: Value-Added Attributes**

Line Item	Question	Response *
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40	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	<p>ServSafe and Other Food Safety Training and Certification:  US Foods is a proud supporter of the National Restaurant Association Educational Foundation's ServSafe Food Safety Training and Certification program, as well as other nationally recognized and accepted food safety training programs. These are considered the leading industry program of its kind, and the one most widely accepted by health departments that require food-safety training and/or certification. We offer full access to our extensive food-safety knowledge and expertise whenever you have a question. US Foods divisions hold ServSafe, and/or other nationally approved food safety certification classes as needed in specific markets. Courses require a minimal fee to cover the cost of materials and certification.</p>
41	Describe any technological advances that your proposed products or services offer.	<p>US Foods is leading the industry in customer facing technology for ordering, reporting, order tracking, food safety and product recalls, centralized management and operating on one nationwide platform. Our competition is racing to emulate the tools and technology that we have been offering and continue to enhance in order to improve our customer experience. Both Customer facing technology and operational technology are some of the things we do best, and in addition to our state-of-the-art website described in question 39, we offer many other tools at no cost to participating members including: Master List Management (formerly Central Order Guide Management) Master List Management (MLM) is a powerful, easy-to-use tool that puts customers with group responsibilities in control of the products their locations order. Customers managing groups gain direct, real-time management of their Order Guide. Master List Management allows customers to:</p> <ul style="list-style-type: none"> <li>o Make instant changes: Add or delete Master Shopping List products and allow locations to see the changes instantly</li> <li>o Flexibly: Create a Suggested Shopping List or restrict users to a Master List</li> <li>o Make decisions based on Business Intelligence: Robust features that help customers track purchases system-wide. Through Master List Management, customers managing groups can control what their managers see on the order guide and monitor substitutions or allow specific products. Using this powerful tool is intuitive and simple, with a user- friendly web interface that makes managing customer order guides easy. Master List Management is available to US Foods customers at no additional cost.</li> </ul> <p>Recipes on Demand®  Recipes on Demand® is an easy to use online recipe database featuring 13,480+ recipes that offers the ability to search, view, print and save. This recipe database provides the ability to quantify recipes according to your needs, view nutritional information for each recipe and print recipe nutritional information as a nutrition-facts label as well. Recipes on Demand® is available to US Foods customers at no additional charge.</p> <p>Menu Profit Builder Pro  A free value-added tool that interfaces directly with the US Foods product catalog and gives our customers instant access to data such as cost per pound, cost per ounce, yield and more. Now you can calculate the cost of each recipe you use – as well as the true cost of every item on your menu.</p> <ul style="list-style-type: none"> <li>o Rebuild your menu with alternate items and quantities to lower your cost.</li> <li>o Manage and control your inventory more efficiently.</li> <li>o All items purchased from US Foods are pre-loaded into the program.</li> <li>o Non-US Foods items can easily be added.</li> <li>o Menu Profitbuilder is available to US Foods customers at no additional cost.</li> </ul> <p>Trendview®  Exclusive online tool with 24/7 access- for corporate leadership with numerous reporting capabilities to make business decisions.  IMPRINTS Foodservice Safety and Training Modules  A New Digital Library of in-service modules geared toward training your team on various foodservice topics to help improve safety and operational efficiencies. Available at no charge online at <a href="http://www.usfoods.com/imprints">www.usfoods.com/imprints</a>. These are hands-on employee activities and reproduceable handouts making staff training easy and compliant. Created by RDs and foodservice professionals nationwide, this tool consists of 24 detailed lesson plans for 20-minute in-service training covering key topics:</p> <ul style="list-style-type: none"> <li>o Sanitation</li> <li>o Food Safety</li> <li>o Customer Service</li> <li>o Nutrition and Wellness</li> <li>o Employee Relations</li> </ul> <p>IT Integrations with 3rd Parties  o An important element for K12 and government agencies, and we have the ability to interface our system with hundreds of the most popular systems.</p> <p>Disaster Management and Recovery  o US Foods' focus is on disaster avoidance. We have two main data centers (Phoenix and Rosemont). In both data centers we have the following in place for fault-tolerance:  o Power. We have a very robust emergency power backup system that consists of two diesel generators that activate within 10 seconds of power loss. In the event of a power outage, back-up batteries support the data centers, until the diesel generators activate. Each</p>

		<p>of the diesel generators is capable of supporting the data center in its own.</p> <ul style="list-style-type: none"> <li>o Network. We have dual connections into the data center that connects back to the local exchange carrier.</li> </ul> <p>In addition, we maintain dual network connections (both AT&amp;T and Sprint) to each of our distribution centers.</p> <ul style="list-style-type: none"> <li>o Servers. Critical Unix and Intel servers have hot-failover systems in place. Our ASYS mainframe is based on HP Nonstop technology that can survive any single point of failure and is used in such business as ATM systems and Stock Exchanges.</li> <li>o In the event of a disaster, we have contracts with both IBM and SunGard to provide recovery of all applications necessary to run our business. These include Sales and Order Processing, Warehousing, Procurement, Financial, H/R Payroll, E-Commerce, and other related systems. Tapes for recovery and documentation are stored offsite.</li> </ul> <p><b>Food Safety</b></p> <ul style="list-style-type: none"> <li>o We have developed a best-in-class procedure for notification of potential recalls and product holds. All product recalls are generated by the US Foods quality and assurance department. The facility has a coordinator on site with two back-ups. The facility follows all Federal Government guidelines pertaining to the level of product recall. US Foods policy requires that all facilities respond to the recall within one (1) hour.</li> </ul> <p><b>Proof of Delivery (POD) system</b></p> <ul style="list-style-type: none"> <li>o The US Foods POD system revolutionizes the delivery process with state-of-the-art technology that ensures an exact match between the items delivered and your invoice. The POD system makes deliveries easy and efficient, and saves you time by:</li> <li>o Ensuring that you get invoiced for exactly what was delivered</li> <li>o Allowing drivers to scan each case to confirm accurate delivery</li> <li>o Allowing receipt of accurate invoice at time of delivery</li> <li>o Saving you time from having to track credit memos or having to reconcile invoices</li> <li>o Instantly adjusting invoices for missing, damaged or refused items</li> </ul> <p><b>Where's My Truck</b></p> <ul style="list-style-type: none"> <li>o Customers have an option to view the delivery status of their order from USFoods.com View Orders screen. On the day of the delivery, a link called "Available" will appear in the Tracking column, which will allow viewing the tracking information.</li> </ul> <p><b>WIMS – Warehouse Inventory Management System</b></p> <ul style="list-style-type: none"> <li>o Improves accuracy, product quality, and controls costs.</li> </ul> <p><b>VOXWARE – Warehouse Voice Order Picking</b></p> <ul style="list-style-type: none"> <li>o Reduces turnover and errors while increasing productivity.</li> <li>o Elimination of the use of labels</li> <li>o Reeducation of training time to achieve standard picking rates</li> <li>o Overall reduction of order picking time</li> <li>o Provide real time information on productivity and order status</li> </ul> <p><b>TIPS – Transportation in Bound Planning System</b></p> <ul style="list-style-type: none"> <li>o Reduces lead times, ensures freshness and availability</li> </ul> <p><b>Truck Builder – Aligns the pallets on the truck for efficiency</b></p> <ul style="list-style-type: none"> <li>o Reduces damage, delays, and not founds Omni Tracs On-board Computer System for delivery vehicles</li> <li>o Omni Tracs has the route plan sent to it from the Roadnet system. Information includes driver, stops, cases and weight. US Foods will use this detailed data and analyze and monitor delivery times on an ongoing basis to ensure we are meeting delivery windows and optimizing routing efficiency.</li> </ul> <p><b>OBC (On Board Computer)</b></p> <ul style="list-style-type: none"> <li>o US Foods uses new and improved OBC (On Board Computer) system which is a tablet computer-based application that tracks hours of service, creates electronic driver logs and DVIRs and provides a fast, reliable LTE solution for our drivers and transportation personnel. This flexible system is based on cutting edge technology and will evolve with HOS regulations and US Foods requirements.</li> </ul> <p><b>MENU PROGRAMS:</b></p> <p>We partner with a third-party provider that has low-cost menu program tools available to interested School Districts.</p>
42	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	<p><b>Sustainability at US Foods</b></p> <p><a href="https://www.usfoods.com/content/usfoods-dce/en/why-us-foods/local-sustainable-wellbeing.html/">https://www.usfoods.com/content/usfoods-dce/en/why-us-foods/local-sustainable-wellbeing.html/</a></p> <p>US Foods is committed to improving the health of our communities and recognize the importance of meeting human needs while preserving our natural environment. Our collective commitment to sustainability is woven into the fabric of our enterprises and the way we do business. From forming governmental partnerships (EPA) to ensuring that our facilities and trucking fleet reduce their carbon footprint, to seeking out sustainable products, to making sustainability a matter of compliance for our suppliers, we have truly forged a path of environmental leadership. We also know that good environmental</p>

decisions are typically good business decisions. We face significant sustainability challenges and opportunities ahead of us and are committed to enriching community engagement where we work and live, reducing our impact on the environment.

US Foods provides an annual Corporate and Social Responsibility report outlining our activities and focus in the wide array of topics and categories related to “green initiatives.” This extensive report for 2020 can be found on our public website at: [https://www.usfoods.com/content/dam/usf/pdf/dce/supporting\\_materials/CSR-2020-Report.pdf](https://www.usfoods.com/content/dam/usf/pdf/dce/supporting_materials/CSR-2020-Report.pdf)

2020 HIGHLIGHTS of Corporate and Social Responsibility report:

People:

\$43M in food and supplies donated

\$1B+ spent with 1800+ small businesses across the U.S. (1)

\$385M spent with 435+ diverse suppliers

\$650K in scholarship funding offered since 2017

1000 Women have participated in Women’s Foodservice Forum since 2010 200 leaders are trained to facilitate Allyship and Anti-Racism workshops Planet:

6.9% reduction since 2015 in gallons of fuel used per case delivered (2,3)

7.3% reduction in scope 1 and scope 2 emissions since 2015(3,4,5)

13M KWH of electricity generated from 6 solar installations each year 1M+ square feet of LEED-Certified buildings 200M KWH cumulative energy savings since 2005 54 CNG trucks emit 22-29% fewer greenhouse gas emissions

Products:

900+ Serve Good® and Progress Check® products

270+ Responsible disposable products

100% of Harbor Banks® seafood products meet Progress Check or Serve Good standards

100% of palm oil used in our exclusive brands is certified sustainable

1000+ exclusive brands products meet our Unpronounceables List™ initiative

1.Figures include trade and indirect spend with Tier I suppliers. 2.Broadline business only.

3.Includes the Food Group of Companies, acquired in September 2019, and reflects transportation inefficiencies with reduced volumes caused by the COVID-19 pandemic.

4.Emissions intensity measured as pounds of CO2e per case delivered.

5.Includes Smart Foodservice Warehouse Stores, acquired in April 2020.

Third Party Certifications

US Foods works with thousands of suppliers in the food and foodservice industry. We request that these

vendor partners self-declare any industry attributes or designations that their products have qualified under so

that we can maintain a robust database of information that we make available to customers via our usfoods.com customer site. US Foods is collecting several Third-Party Certifications as well as USDA/FDA Label Claims sustainability claims to continually update our Product Master database. Any data that is collected and validated will be passed on to us and uploaded into the product master records. With the powerful business analytics tools available on our site, customers can track their purchases as needed or desired that are linked to these attributes.

US Foods Commitment to Sustainability and Corporate Responsibility Highlights

FEEDING AMERICA. US Foods donated a total of \$43 million in fresh, frozen and dry

products and other

supplies throughout 2020 to feed vulnerable populations and supports 60 Feeding America food banks across

the country.

Marine Stewardship Council (MSC) Certified Distributor. US Foods is proud to be the first and only broadline

distributor in the US to have all our distribution centers Marine Stewardship Council (MSC) certified. US Foods look forward to working with the customer to evaluate and partner with the customer to “close the chain” with a MSC certification. For more information, go to <https://www.msc.org/newsroom/news/partner-release-us-foods-named-first-nationwide-foodservice-distributor-to-achieve-marine-stewardship-council-msc-certification/>

In 2019, the Marine Stewardship Council (MSC) awarded US Foods the US Ocean Champion Award. This award is reserved for MSC partners in the United States who are helping to ensure an ocean full of life now and in the future. Award recipients are recognized for going above and beyond MSC commitments by demonstrating a dedication to healthy oceans and transparent supply chain operations.

Sustainable Products

Our commitment to high-sourcing standards begins with our Responsible Sourcing Policy, which sets forth principles our suppliers must meet in key areas, including legal compliance, food safety, human rights, physical safety and the environment. The standards in the policy are informed by the United Nations Universal

Declaration of Human Rights, the International Labor Organization Conventions and Recommendations, the United Nations Guiding Principles on Business and Human Rights and related internationally recognized standards. We ask that suppliers train their associates to understand and comply with these standards.

We have made a strong commitment to stock many environmentally preferable products in our distribution center. We continue to review new products that become available and we listen to what our customers are looking for with regard to environmentally preferable products to have in stock. In addition, we train our sales force on these items so that they are well informed when talking to customers in the marketplace. We are receptive to



developing relationships with other local vendors that we do not currently buy from. US Foods is a proud member of the following industry groups, engaging with them on evolving industry-wide food safety and quality considerations:

- Beef Industry Food Safety Council
- Global Sustainable Seafood Initiative
- National Fisheries Institute
- National Restaurant Association
- North American Meat Institute
- Produce Marketing Association
- Sustainable Fisheries Partnership
- United Fresh Produce Association
- U.S. Roundtable for Sustainable Beef
- Organic Products: we created a Serve Good® category, which we've named Agricultural Practices, to include organic food, non-GMO foods, Fair Trade Certified™ and Rainforest Alliance Certified™ items.
- Rainforest Alliance Certified Coffee

We offer Rituals Estate®, which carries the Rainforest Alliance seal and ensures the coffee is from a farm that operates in compliance with sustainability guidelines to protect the environment, wildlife, employees and local communities.

- GSSI Sustainable Seafood

US Foods is the first broadline distributor to offer products carrying the Marine Stewardship Council eco-label and Certified Sustainable Farm-Raised Seafood under the Global Aquaculture Alliance Certified Best Aquaculture Practices® (BAP) program. US Foods is a proud member of the Global Sustainable Seafood initiative (GSSI). GSSI aligns global efforts and resources to address the latest seafood sustainability challenges. GSSI promotes sector-wide collaboration to drive more sustainable seafood for everyone.

- US Roundtable of Sustainable Beef (USRSB)

In 2020, US Foods became a member and active participant of the U.S. Roundtable of Sustainable Beef (USRSB), a multi-stakeholder initiative developed to advance, support and communicate continuous improvement in sustainability of the U.S. beef value chain.

- Sustainable Disposables

Serve Good Responsible Disposables such as cups, plates, napkins, cutlery, containers and more, come with at

least one third-party verification classified as responsibly sourced or compostable.

Responsibly sourced verifications include USDA BioPreferred certified, Forest Stewardship Council® certified or Sustainable Forestry

Initiative certified. Compostable verifications include BPI compostable, OK Compost Certified, Cedar Grove Certified or other comparable certifications.

- Serve Local Produce

In 2018, we launched our Serve Local program in select markets to better connect our customers with their local farmers, producers and/or manufacturers. Serve Local enables a higher level of transparency, so our operators can better understand the story behind how products are grown, raised or caught. Products offered through Serve Local are sourced within 400 miles from where they ship, or within the state from where they ship.

- Clean Label: In 2017, US Foods® introduced the Unpronounceables List™ initiative in response to growing diner demand for products with simpler, more recognizable ingredients. All Metro Deli®, Rykoff Sexton®, Chef's Line® and Stock Yards®\* Exclusive Brands products are produced with clean label profiles by avoiding, removing or replacing certain ingredients and food additives found on our Unpronounceables List. We offer more than 1,000 products that meet our Unpronounceables List initiative guidelines\*\*.

- Serve® Good offers a portfolio of products that are developed with suppliers that are committed to responsible practices, and many items come with the reassurance of verification by third-party certifiers.

- Progress Check® program in support of our growing portfolio of Serve Good products. Progress Check recognizes seafood partners and vendors that have made significant progress toward meeting our Serve Good standards.

- Upcycled Food Association: In 2020, we became a member of the Upcycled Food Association (UFA), a nonprofit focused on reducing food waste by growing the upcycled food economy. Upcycled food helps reduce food waste by creating new, high-quality products from otherwise wasted — but perfectly nutritious— ingredients.

We are currently working with UFA to assess future upcycled product innovation and certification opportunities.

- MENUS OF CHANGE UNIVERSITY RESEARCH COLLABORATIVE (MCURC): US Foods recently became

a sponsor and active contributor to the MCURC, a nationwide network of colleges and universities using campus dining halls as living laboratories for behavior change.

<p>43</p>	<p>Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.</p>	<p>In addition to initiatives outlined in question 42, we apply a continuous improvement mindset to our sustainability efforts, consistently identifying opportunities across the business to reduce energy use and improve fleet efficiency. By optimizing our building operations, investing in renewable energy and building facilities to Leadership in Energy and Environmental Design (LEED) standards, we're reducing the energy intensity of our facilities. By improving our routing to reduce miles driven and testing new technology, we're increasing the efficiency of our fleet.</p> <p>Solid waste. Throughout 2020, we diverted nearly 14,000 tons of waste from landfills. That's the equivalent of saving nearly 600,000 gallons of fuel.</p> <p>Green building. US Foods® currently operates three Leadership in Energy and Environmental Design (LEED) Silver-certified facilities, with two additional locations in progress in Marrero, Louisiana, and Sacramento, California.</p> <p>Emission Reduction. US Foods assessed the environmental impact of operations and focused on reducing vehicle emissions and increasing energy efficiency at our distribution centers. By implementing a variety of strategies like reducing idle times, routing deliveries more efficiently and installing energy-efficient, high-intensity fluorescent lights, US Foods has saved more than \$22 million in energy and fuel costs. The company also improved fleet efficiency by 5 percent and increased distribution centers' energy efficiency by 15 percent.</p> <p>American Natural Gas (ANG) is US Foods' CNG truck partner, helping us manage and grow our fleet of CNG trucks. Their vision is to help accelerate the conversion of every heavy-duty diesel truck to clean, 100% renewable natural gas.</p>
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44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	<p>US Foods is a publicly traded company on the NYSE and works with thousands of suppliers in the food and foodservice industry. \$1B+ spent with 1800+ small businesses across the U.S., and \$385M+ spent with 435+ suppliers that are owned and operated by a diverse spectrum of people, consisting of women, minorities, veterans, LGBT+ and individuals with disabilities. (these figures include trade and indirect spend with Tier 1 suppliers)</p> <p>US FOODS Supplier Diversity: We strive to source our products from a competitive and diverse supplier base. These efforts are driven by a dedicated supplier diversity lead who collaborates with subject matter experts across the business to develop supplier sourcing strategies and secure data to make informed choices. We also maintain strategic partnerships to support and grow our efforts. This work is enhanced by our US Foods® Supplier Diversity Council, a cross functional team within the organization that works to increase the diversity of our supplier base. Currently, we work with a wide range of diverse suppliers and are increasing our diverse supplier network through memberships with organizations like the National Minority Supplier Development Council and the LGBT Chamber of Commerce of Illinois. US Foods is also represented on the board of the Food and Beverage Industry Group.</p> <p>In 2021, we added an additional membership to the Women's Business Development Center to continue to build upon our current diverse supplier database. US Foods uses a third-party provider to review its supplier diversity data. This supplier is minority owned and certified through the National Minority Supplier Development Council. Data on current diversity status for each of US Foods' vendors is reviewed semiannually.</p> <p>As a part of its vendor set-up process, US Foods seeks to identify and track purchases of both certified and self-identified diverse suppliers. Upon request, US Foods is able to report out on the utilization of diverse vendors in customer purchase history.</p> <p>Among the attributes we report are: WMBE SBE Disadvantage Business Disabled Veteran Owned Veteran Owned Disabled Business</p> <p>US FOODS TIER I PROGRAM: US Foods has a commitment to diversity and is continuing to build a supplier diversity program that enhances our network of vendor partnerships with companies that are owned and operated by a diverse spectrum of people, including women, minorities, veterans and individuals with disabilities. US Foods is proud to be a corporate member of the National Minority Supplier Development Council (NMSDC). As a part of our supplier set-up process, US Foods seeks to identify and track purchases of both certified and self-identified diverse suppliers. Upon request, US Foods can provide a report of its utilization of diverse vendors in a customer's purchase history.</p> <p>US FOODS TIER II PROGRAM: We are in the process of building out our TIER II program at this time. While it is not a requirement, we are moving forward with efforts identify and track at the TIER II level.</p>
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45	<p>What unique attributes does your company, your products, or your services offer to Sourcwell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcwell participating entities?</p>	<p>US Foods values and appreciates the partnership that we have developed with SOURCEWELL through the previous contract award and believe that we can continue to provide the best overall value in our RFP response. We can deliver unique and unmatched value built on a solid foundation that makes US Foods stand out among our competitors.</p> <ul style="list-style-type: none"> <li>• Consistency: First and foremost, US Foods is the only national distributor that operates on one consistent computer platform across all distribution centers, with a centralized sales management structure which enables and facilitates consistent communication and program execution. With one turnkey solution for your members, we make it easy to do business! Since our acquisition of FSA in the northwest, we now have more complete national coverage in the contiguous United States and now include Alaska.</li> <li>• Program Value: Our program offers ongoing savings opportunity to your members with the largest food portfolio and the strongest pricing accuracy and transparency available in the industry. The BEST industry leading technology with the fastest, most responsive, and comprehensive system available, and a variety of Value-Added Solutions to meet the needs of your diverse membership. Details of this value are described in the appropriate sections of this response.</li> <li>• Demonstrated Performance: In support of the current contract award, US Foods is committed to a continued partnership with SOURCEWELL and your members; focused on success, as demonstrated by year over year double digit sales growth. (with the exception of 2020 due to COVID)</li> <li>• Product Availability and Innovation: Complete with one of the largest selections of Food Products, Supplies and Equipment, Chemicals, and Paper Products in the industry, we also developed and provide cutting edge product innovation with product development focused on operator solutions and consumer demands for on trend products and labor-saving selections in response to the foodservice industry needs.</li> </ul>
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**Table 9A: Warranty**

**Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.**

Line Item	Question	Response *
46	<p>Do your warranties cover all products, parts, and labor?</p>	<p>US Foods agrees that any services performed by US Foods to or for the benefits of the Sourcwell Members shall be performed in a professional and workmanlike manner in conformity with all applicable federal, states and local laws, rules and regulations and in accordance with the commercially reasonable standards of quality in the industry. US Foods agrees to use commercially reasonable efforts to obtain representations and warranties from contractors from whom it purchases products to guarantee that all merchandise comprising each shipment or other delivery made to, or on the order of US Foods will be (i) not adulterated or misbranded within the meaning of the Federal Food, Drug, and Cosmetic Act, the Food Additives Amendment, and all other revisions and amendments thereto (the "FDA Act"), all regulations issued under the FDA Act and any other applicable federal, state, or local laws, rules or regulations, and (ii) not an article of food, drug, device, or cosmetic which may not, under the provisions of Sections 404 or 505 of the FDA Act, be introduced into interstate commerce.</p> <p>US Foods further warrants and agrees that the food products it provides shall be: (i) fit for human consumption; (ii) free from defect, including bacterial contamination; and (iii) properly prepared, packaged, and distributed.</p> <p>THE REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN THIS SECTION CONSTITUTE THE ONLY REPRESENTATIONS AND WARRANTIES MADE BY ANY PARTY WITH RESPECT TO, OR ARISING IN CONNECTION WITH, THIS AGREEMENT OR THE PRODUCTS. EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION, EACH PARTY DISCLAIMS ANY AND ALL EXPRESS AND IMPLIED WARRANTIES (WHETHER ARISING BY OPERATION OF LAW OR OTHERWISE), INCLUDING ANY WARRANTY OF MERCHANTABILITY, NON-INFRINGEMENT, AND FITNESS FOR A PARTICULAR PURPOSE.</p>
47	<p>Do your warranties impose usage restrictions or other limitations that adversely affect coverage?</p>	<p>This request is not applicable to US Foods and this RFP response.</p>

48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	This request is not applicable to US Foods and this RFP response.	*
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	This request is not applicable to US Foods and this RFP response.	*
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	This request is not applicable to US Foods and this RFP response.	*
51	What are your proposed exchange and return programs and policies?	<p>US Foods understands that from time to time customers may wish to return product to US Foods due to product damage, defective merchandise, quality issues, shipping the wrong product, an unwanted product, out-of-date product, or an order error. To comply with food safety regulations, and to ensure product safety, quality and packaging integrity; and to minimize temperature shock exposure, the following policy is in place:</p> <ul style="list-style-type: none"> <li>• Refused Product – credits at the time of delivery: It is essential that customers check-in all orders to verify the accuracy and completeness of the invoice. From time to time it may be necessary to refuse product at the time of delivery.</li> <li>• Product Returns – pick-up and credit requests: Should a product pick-up be necessary, the customer should notify US Foods customer service or your local representative immediately. Returned merchandise must be in resalable condition and must be packed in its original carton, unless an authorization is made to return merchandise for quality inspection. All returns must have the original warehouse pick label affixed to them.</li> <li>• Dry grocery and nonfood items — return within seven days of receipt of merchandise.</li> <li>• Refrigerated items — return during delivery only.</li> <li>• Refrigerated items delivered by key drop or honor drop: Customer should notify U.S. Foods upon checking in its order on either the delivery day, or by the close of business the same day, in order to request a product return authorization. The product should then be picked up at the customer location on its next delivery day. In certain cases, when returning certain special order Equipment and Supplies, not carried in the local distribution center, there could be a restocking fee for picking up such product and returning it to the manufacturer's plant. The restocking fee is determined by the manufacturer, not US Foods.</li> </ul> <p>Included in our comprehensive QSP on-boarding package, we provide each customer with a copy of our Food Safety and Quality Assurance Return Policy and Recall Process.</p> <p>This policy is subject to change as needed to accommodate changing food safety and handling regulations and business needs as appropriate.</p>	*
52	Describe any service contract options for the items included in your proposal.	This request is not applicable to US Foods and this RFP response.	*

**Table 9B: Performance Standards or Guarantees**

Describe in detail your performance standards or guarantees, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your performance materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *
53	Describe any performance standards or guarantees that apply to your services	<p>Substitution Process:  US Foods offers the following substitution process to assure that the procedure for approval and acceptance of substitutions is maintained and offers Members the opportunity to recover damages for substitutions if US Foods fails to follow the substitution policy. However, the decision to substitute a product will remain with the Member at the time that the order is placed. Should a product be unavailable the Member can choose to select a substitute or wait for the original item to become available. If the Member does choose to select a substitute, it will be priced in accordance with the pricing formula contained in this RFP. US Foods may make no automatic product substitutions without prior approval from the Member. If US Foods fails to have a product on hand at when the product is ordered and the Member has provided written or electronic pre-approval to automatically substitute another product for such product, US Foods shall automatically make the approved substitution ("automatic product substitution" or "auto-sub"). Further, the Member may upon being notified of the out-of-stock condition, authorize an alternate product be substituted. Automatic product substitutions should be of equal or better quality to the product originally ordered. Auto-sub and authorized-sub products shall be priced at delivered price plus the distribution fees.</p> <p>Substitution Guarantee: The Member may ask US Foods to pay damages for Non-Compliance with the Product Substitution Provision. Failure to comply with the Product Substitution provision will result in US Foods being required to pay damages as shown in the table below.</p> <p>First occurrence -written notice  Second occurrence - \$125 damages  Third occurrence -\$250 damages  Fourth and each successive occurrence \$1,000</p>
54	Describe any service standards or guarantees that apply to your services (policies, metrics, KPIs, etc.)	<p>Service Guarantee:  US Foods offers the following service guarantee to assure that the fill-rate is maintained, and offers Members the opportunity to recover damages if their fill-rate falls below 98% according to the following:</p> <p>Fill-Rate Guarantee: US Foods will compensate the customer for failure to provide service at the guaranteed level. The Customer may request that US Foods conduct a service-level audit within 15 days of the closing of the month. Upon receipt of the request, US Foods will audit the prior month's fill rate record and provide a review of the service record within 15 working days. Should the fill-rate audit reveal a one-month fill-rate below 98 %, US Foods will pay, credit, or by mutual agreement otherwise compensate the Member for the difference between actual fill-rate and the guaranteed fill-rate according to the following formula:</p> <p>(fill-rate guarantee) - (actual service level) x (total participating customer purchases from US Foods less credits, rebates, discounts, returns, allowances, and other adjustments paid to or credited to customer for the one-month period) x 10%.</p> <p>Fill-rate damages = (.98 - .90) x (\$100,000) x (10%) = \$800</p> <p>Product fill rate is defined as the percentile representation of cases filled, on the first scheduled delivery following order placement for a participating member during a one-month period, divided by total cases ordered by that participating member for that same period. Line items filled do not include authorized or unauthorized substituted products. US Food's inability to deliver due to a force majeure event, crop shortage, manufacturer allocations, inventory shortage, pandemic, strike, and other uncontrollable factors caused by the participating member's unusual demand (greater than 110 percent of prior month average order for each item), and/or special orders (items not included in the member's regular order guide) will not be included in fill rate calculations.</p>

**Table 10: Payment Terms and Financing Options**

Line Item	Question	Response *
55	Describe your payment terms and accepted payment methods.	<p>Payment terms will be assigned by US Foods based on a fully completed and executed credit application or credit information (for public agencies) and US Foods' good-faith analysis of member's credit and financial status. Publicly owned and operated schools, school districts and government agencies are required to provide proof of public ownership and contact information for their payables office and personnel. Payment terms may range from COD to Net 30 days. In addition, US Foods offers SOURCEWELL members a Prompt Pay off invoice incentive. This incentive can be applied off invoice in the form of a line-item deduction off the total invoice or can be paid in the form of a credit memo upon request. The payments incentives listed below would be applied as a percentage to each invoice as earned and are re-evaluated on a quarterly basis. A program upcharge for DSO performance of 31 days+ would be reflected as an increase in the applicable program fee per case schedule.</p> <p>Incentive:            Prepayment incentive= -.60%            0-10 day DSO = -.30%            11-15 day DSO = -.25%            16-20 day DSO = .-10%            21-30 day DSO = 0%</p> <p>Upcharge:            31-45 day DSO= .25%            46-60 day DSO= .50%</p> <p>US Foods offers a variety of invoice and payment options, including P-cards and Credit cards. Other convenient payment processes are:</p> <ul style="list-style-type: none"> <li>• ETF Electronic Fund Transfer - Money is wire transferred</li> <li>• On Line Bill Pay incorporated into US Foods Online</li> <li>• ACH - Electronic payment on demand</li> <li>• Auto deduct -Routine and automatic bank acct deduction</li> <li>• Electronic Statements and Invoices are available</li> </ul>
56	Describe any leasing or financing options available for use by educational or governmental entities.	This request is not applicable to US Foods and this RFP response. *
57	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	See attachments for: 57. Govt Agency Credit/payment information 57. Non-Govt Agency Credit application
58	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	US Foods offers a variety of invoice and payment options, including P-cards and Credit cards. SOURCEWELL members electing to pay via credit card method will be charged in accordance with US Foods' current standard credit and convenience fee policy. Government agencies and publicly operated schools are not subject to a credit card fee according to the current policy. US Foods reserves the right to revise payment policies and processes as needed.

**Table 11: Pricing and Delivery**

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *
59	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal.	<p>US Foods' Pricing Model:            US Foods uses a Delivered Price Plus Markup Methodology (commonly referred to as Cost Plus % markup or fee/cs). All products purchased by participating SOURCEWELL member are covered by a firm markup by category. US Foods calculates the price at which we sell each product under this RFP to</p>

Upload your pricing materials (if applicable) in the document upload section of your response.

SOURCEWELL members, with either a fee per case or a percentage mark up, using the following definitions and calculations.

**Sell Price:**

Sell Price is the price at which we will sell products to SOURCEWELL members. US Foods' customers are responsible for all applicable customs, duties, fees, taxes or other payment for such products.

The sell price of each product priced under this agreement will equal (a) the delivered price of such product, plus (b) the percentage markup or fee per case markup on the Distribution Markup Schedule for the product category, less (c) off-invoice discounts or off-invoice allowances. For those SOURCEWELL members that require a fee per case mark up, the Sell Price is calculated as follows:  $\text{Sell Price} = \text{Delivered Price} + \text{fee per case}$ . For those SOURCEWELL members that require a percentage mark up, the Sell Price is calculated as follows:  $\text{Sell Price} = \text{Delivered Price} \times (1 + \text{Mark-Up})$ .

**Example Markup per Case Sell Price:**

Distributor delivered price:	31.00	
Mfr. agreement discount		- 6.20
Distributor discounted delivered price	24.80	
Markup 7.55% (cost x 1.0755)	1.87	
Member Invoiced Sell Price	26.67	

The price to participating members for all products sold under this agreement (the "Sell Price") will be calculated on the basis of delivered price to US Foods. For the purposes of this agreement, "delivered price" to US Foods is defined as follows:

- In the case of contract products, the amount provided in the applicable supplier agreement as the national or regional contract price to be billed to members without the subtraction for cash discounts allowed by suppliers for prompt payment and prior to the addition of the markup.
- In the case of non-contract products, the manufacturer's (supplier, packer or any other vendor) delivered price on the manufacturer's invoice, if available from manufacturer, or unit price FOB manufacturer's dock plus standard freight (as hereinafter defined) to USF's distribution center, less off-invoice discounts or off-invoice allowances (to mean manufacturer-generated discounts or allowances on particular items for set periods of time, which are specifically reflected on the invoice).
- Where a participating member, or USF on behalf of a participating member, has determined a price for any product directly with its supplier, the delivered price for all such products shall be that determined price.

Standard freight, in those cases where the invoice cost to the delivering primary ordering location is not a delivered price, means a reasonable freight charge to transport a product from the supplier to the primary ordering location based on market tariff conditions. Freight charges may include common or contract carrier charges imposed by the manufacturer (supplier, packer or any other vendor) or a carrier or charges billed by USF's freight management service. Standard freight for any product will not exceed (a) the manufacturer freight price normally payable by the Authorized Distributor distribution center for inbound shipments of regular quantity requirements of such products for such distribution center that would have been paid had freight not been managed by USF or its affiliates; or (b) if there is no manufacturer price, an average price based on market conditions for freight in the same market for the same type of freight service for like products, shipping methods and quantities, which may include consideration of standard tariff rates. Alaska Participating entities will receive pricing based on the guidelines in this proposal with the addition of Ocean and Outbound Freight as follows: Delivered cost includes Ocean Freight which is all inclusive for shipment from Seattle to Anchorage including ocean fuel surcharges, and Outbound Freight delivered to the customer locations via the US Foods Anchorage Distribution Center. These rates are subject to general rate and fuel surcharge changes as mandated by Ocean Carriers. Rates are subject change based off



published General Rate Increases and Ocean Fuel Surcharge changes.

We also earn income and profit from value-added services we provide, such as regional and national marketing, freight management, procurement leverage, consolidated warehousing, quality assurance, and performance-based product marketing. We also receive income and make a profit from the sale of our Exclusive Brand Products, from our Suppliers through promotional allowances, cash discounts, prompt pay discounts, growth programs, and from other transactional payments and our management of competitive conditions. All of this income and profit is referred to as "Earned Income." We may negotiate or set the invoice price and amount of earned income we receive from our Suppliers. The Sell Price is not adjusted for Earned Income.

Due to the added handling and damage costs associated with handling less than full cases of the product, a special handling charge of 1 percent will be added to the markup of all products sold by individual container or in less than full cases. This special handling charge will be applied to the markup as defined above.

**Delivered Price:**

The Delivered Price refers to our Supplier's invoice or quote, which may include a transportation fee for inbound shipment to our distribution center. For purposes here of, "Supplier" means manufacturers, vendors, suppliers, packers, brokers, redistributors, consolidators, transaction service providers and USF business units and affiliates. When our Supplier's invoice or quote does not include a fee for transporting products, Delivered Price will include compensation to us for inbound shipment to our distribution centers and, in such situations, the transportation fee will not exceed the average market freight price, for comparable products, shipping methods and quantities. We may use our logistics expertise to manage freight and consolidate orders and may earn income and profit from those freight management activities; provided that Delivered Price will not exceed the f.o.b. origin unit price plus the transportation fee for inbound shipments to our distribution center that would have been payable at the quantities ordered had we not managed freight.

For products sold under trademarks owned and licensed by us ("Exclusive Brand Products"), Delivered Price may be calculated based on our published price list plus any applicable service charge. If there is a national agreement between us and a Supplier that specifies the price we must charge our customers for certain products, the Sell Price, which is the price at which we will sell products to you, will be governed by such national agreements. Delivered Price will include any duties, taxes or fees we are charged by a Supplier. All manufacturer's discounts on the face of the invoice or that are otherwise designated by a Supplier to be passed on to you will be applied when determining the Sell Price. Delivered Price is a price, not an actual product cost, and may include Earned Income. "Earned Income" is the income and profit we make from value-added services we provide, such as regional and national marketing, freight management, procurement leverage, consolidated warehousing, quality assurance, and performance-based product marketing. We also receive income and make a profit from the sale of our Exclusive Brand Products, from our Suppliers through promotional allowances, cash discounts, prompt pay discounts, growth programs, and from other transactional payments and our management of competitive conditions. All of this income and profit is referred to as "Earned Income." We may negotiate or set the invoice price and amount of earned income we receive from our Suppliers. The Sell Price is not adjusted for Earned Income.

**Changes in Cost Indices:**

For customers requiring a fee per case mark up, the fee will be reviewed on an annual basis and will be adjusted to reflect changes in the Consumer Price Index (CPI-U). We understand and will comply with the SOURCEWELL guidelines for price change communication.

**Price Change Frequency:**

US Foods will provide all customers with an order guide listing

		<p>current prices for products at the beginning of each month during the term of the awarded contract. The price for each product will be determined based on the above formula at the time the order guide is prepared and sent to customers and will be subject to weekly updates in the product categories listed below.</p> <p>Weekly: Beef, veal, cheese, coffee, dairy, shell eggs, flour, rice, sugar, lamb, specialty meats, mayonnaise, oil and shortenings, orange juice, pork, poultry, produce, seafood.</p> <p>Monthly: Disposables, dry goods, refrigerated items, foodservice chemicals, frozen goods, frozen juice, nutritional items, smallwares, equipment</p> <p>Stock Keeping Units:</p> <p>US Foods provides approximately 400,000 fresh, frozen, and dry food stock-keeping units, or SKUs, as well as non-food items, sourced from over 5,000 suppliers, which are available for review on usfoods.com to customers based on the servicing division. Due to the number of items we make available to customers, our ability to provide these items within the context of this response is not possible.</p>
60	<p>Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.</p>	<p>US Foods' pricing model is not based on a discount from MSRP/published list. As stated above in question 59, our price model is cost plus percentage markup for non-K12 agencies. Through this proposal, members will have access to 310+ manufacturer agreements with average discounts of 20% which is over 50,000 individual line items or sku's with negotiated program pricing that is reflected in our final price to the customer.</p>
61	<p>Describe any quantity or volume discounts or rebate programs that you offer.</p>	<p>Our proposal offers several incentives and rebate programs, enabling members to further maximize program value based on total spend, operational efficiencies and product selection.</p> <p>1) Operational Incentives for non K12 Operational incentives for Volume, Drop Size and Payment are applied off-invoice as a line item deduction off the total invoice. This means this incentive is instant and there is no waiting period to receive your incentive. Volume, Drop size and Payment incentives can be paid as a quarterly credit memo upon request.</p> <p>Volume Incentive: This incentive may be earned by individual customers with annual spend of \$1M or greater. Districts and multi-unit customers who make purchasing decisions as a group are considered one entity and may earn volume incentive based on group, district, or system total annual spend. Volume Incentive for K-12 and Early Learning determines their mark-up schedule and are reflected in the schedule.</p> <p>Annual Volume \$1-\$2M= -.25% Annual Volume \$2-\$3M= -.40% Annual Volume \$3-\$5M= -.60% Annual Volume \$5M+ = -.75%</p> <p>Prompt Pay Incentive: US Foods offers SOURCEWELL members a Prompt Pay off invoice incentive. This incentive can be applied off invoice in the form of a line-item deduction off the total invoice or can be paid in the form of a credit memo upon request. The payments incentives listed below would be applied as a percentage to each invoice as earned and are re-evaluated on a quarterly basis. A program upcharge for DSO performance of 31 days+ would be reflected as an increase in the applicable program fee per case schedule.</p> <p>Incentive: Prepayment incentive= -.60% 0-10 day DSO= -.30% 11-15 day DSO= -.25% 16-20 day DSO= . -10%</p>

21-30 day DSO= 0%  
Upcharge:  
31-45 day DSO= .25%  
46-60 day DSO= .50%

Average Delivery Size: This incentive is calculated using each delivery location's average delivery size over a period of one quarter, based on purchasing practices for the previous quarter. This incentive can be applied off invoice in the form of a line-item deduction off the total invoice or can be paid in the form of a quarterly credit memo upon request.

Avg delivery size \$3000-\$3499= -.15%  
Avg delivery size \$3500-\$3999= -.25%  
Avg delivery size \$4000-\$5499= -.35%  
Avg delivery size \$5500-\$6999= -.50%  
Avg delivery size \$7000-\$10999= -.65%  
Avg delivery size \$11000-\$15999= -.95%

2) New Member Rebate:

US Foods offers a rebate to any new member of SOURCEWELL that elects to transition from another distributor to US Foods under the terms and conditions of an awarded agreement. The New Member Rebate will be calculated at .85% of total purchases for the first twelve (12) months starting from the date of the first delivery. This is paid as a credit memo or a check in two 6-month intervals.

3) US Food Exclusive Brand (EB) Product Rebate:

Rebate of 1% on all USF exclusive brands that are not VMA contracted, paid directly to members bi-annually as a credit memo on each customer number.

4) Fuel Surcharges:

Currently US Foods does not have a fuel surcharge. If at any time during the agreement term the national average "weekly retail on highway diesel" increases to

\$5.00, then US Foods may propose the terms of an Extraordinary Fuel Hardship Relief Program that could require Sourcewell members to pay a fuel surcharge.

US Foods will communicate the fuel surcharge fee to Sourcewell members in advance of the increase taking and it will be reflected on the customer's invoice as a separate line item.

62	Propose a method of facilitating “sourced” products or related services, which may be referred to as “open market” items or “nonstandard options”. For example, you may supply such items “at cost” or “at cost plus a percentage,” or you may supply a quote for each such request.	<p>US Foods understands that our customers may need to order products that are not currently in inventory and may want to special order. US Foods is able to special order products from all of our current manufacturers. There is no additional charge for special order products distributed through the distribution center. Special Order products will be priced at delivered price plus the distribution fee per case or percentage mark-up according to the applicable pricing tier and product category, as outlined in our definition of delivered price and sell above in question 59.</p> <p>Special Order Process:</p> <ul style="list-style-type: none"> <li>• Customers can work with their US Foods Account Representative to identify products during the onboarding process. Once the items are brought into stock, (average lead time of 4-6 weeks), you will be notified by US Foods, and the items will be delivered within the next delivery day after they arrive at the US Foods distribution center.</li> <li>• We utilize a Special Order or Direct Shipment (SODS) tool, which allows US Foods to start the process online and which provides the customer with an easy tracking system of the progress.</li> </ul> <p>US Foods Direct Introduced in 2020, this process is our solution to many of the commonly special order items of our customers across the country. With US Foods Direct, you have access to tens of thousands of items, shipped directly to you via FedEx and UPS via the US Foods online and mobile ordering platform. Shipping is included in the price you see and will be priced according to the program markups outlined in this proposal, tracking information is sent to your online account, products arrive within five days, no returns, and no special paperwork required. This system operates in a manner similar to ordering from other online websites but allows customers the convenience to access these items via their current program and billing process with US Foods. These items are identified on the order site as DIRECT".</p>	
63	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	This question does not apply to US Foods, as our pricing model includes all costs of acquisition.	
64	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	Stocked and Special Order purchases from US Foods include freight, as outlined in our definition of delivered price and sell above in question 59. The exception to this may be foodservice equipment shipped directly from the manufacturer. If a SOURCEWELL member wants to order foodservice equipment, shipped directly from the manufacturer, US Foods will provide a quotation to the customer which identifies any additional freight fees. Freight fees are determined by the shipping manufacturer.	
65	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Alaska Participating entities will receive pricing based on the guidelines in this proposal with the addition of Ocean and Outbound Freight as follows: Delivered cost includes Ocean Freight which is all inclusive for shipment from Seattle to Anchorage including ocean fuel surcharges, and Outbound Freight delivered to the customer locations via the US Foods Anchorage Distribution Center. These rates are subject to general rate and fuel surcharge changes as mandated by Ocean Carriers. Rates are subject change based off published General Rate Increases and Ocean Fuel Surcharge changes. Hawaii and other offshore locations are not currently included in our service area.	

66	Describe any unique distribution and/or delivery methods or options offered in your proposal.	<p>US Foods provides direct ship programs designed to broaden the unique product offerings that customers can access in addition to the stocked and special-order products available in each Division.</p> <p>US Foods Direct Introduced in 2020, this process is our solution to many of the commonly special order items of our customers across the country. With US Foods Direct, you have access to tens of thousands of items, shipped directly to you via FedEx and UPS via the US Foods online and mobile ordering platform. Shipping is included in the price you see, and will be priced according to your program, tracking information is sent to your online account, products arrive within five days, no returns, and no special paperwork required. This system operates in a manner similar to ordering from other online websites but allows customers the convenience to access these items via their current program, and billing process with US Foods.</p> <p>US Foods Culinary Equipment &amp; Supply CES offers a variety of equipment and small wares which are available via the internet on <a href="http://www.usfood.com">www.usfood.com</a> and <a href="http://USFood.com">USFood.com</a>, including product descriptions, specs and pictures, pricing and ordering via US Foods Culinary and Equipment and Supplies (CES). Products are delivered via FedEx to your door. <a href="http://USFoods.com/equipmentandsupplies.com">USFoods.com/equipmentandsupplies.com</a>. Many items are in stock in our Distribution warehouses and can be delivered with customer regular food orders, a larger selection of smallwares and small equipment and kitchen items are available to order online and ship from our CES warehouses, and large items are available via a quote process at customer request. All items shipped under this program are included in the program markup structure provided in this proposal.</p>
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**Table 12: Pricing Offered**

Line Item	The Pricing Offered in this Proposal is: *	Comments
67	b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	<p>Our proposal utilizes Vizient's Authorized Distributor Agreement #FD91220 as the program and pricing base agreement providing maximum savings and enhanced qualitative offerings. Upon award, Sourcewell members that have been rostered will have the ability to purchase food and food related products from US Foods under Sourcewell's cooperative food contract awarded to US Foods.</p> <p>There are no fees or volume commitments required to participate in this program. Members will have access to the country's largest, most competitive, and extensive manufacturer contract portfolio. which leverages more than \$150 Billion in customer purchasing power. Our program not only factors in the volume of Sourcewell members but adds that to national volume scale optimizing pricing, as well as access to many exclusive value-added tools and solutions, focused on quality, service and Customer satisfaction.</p>

**Table 13: Audit and Administrative Fee**

Line Item	Question	Response *
68	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	<p>US Foods is committed to integrity and transparency. The following processes are in place to ensure consistent and accurate contract execution with reliable and trusted on-going management and service.</p> <p>US Foods Pricing Reliability and Transparency</p> <p>US Foods maintains a high integrity execution and maintenance process. Central management of your contract and documented pricing accuracy to customers will be provided through centralized pricing functions and monthly cycle audits. This will result in standardization, control, efficiency, effectiveness and ultimately improved service to you and to your members.</p> <p>Contract Pricing Management Process (Audit/Control)</p> <p>Pricing for all US Foods National Sales Customers is managed by one central group, the US Foods National Accounts Contract Administration Group, located in Tempe, AZ. Specifically, this group manages:</p> <ul style="list-style-type: none"> <li>• Distribution Agreement contractual mark-ups (fee per case and markup % by category) as outlined in the</li> </ul>

SOURCEWELL/USF agreement, and

- All National-Level customer/supplier price agreements. Manufacturer Agreement Pricing

All supplier/manufacture national agreements (VMAs) are sent to a dedicated US Foods associate. The US Foods associate is responsible for coding of the item with the corresponding US Foods item number as well as the entry of the specific pricing into our system. An independent auditor from the US Foods Audit Group compares all pricing from the manufacturer agreement with the new pricing entered into the system for accuracy. Each qualifying SOURCEWELL member with a member id is then "linked" or "attached" to the applicable contractual pricing. This process is managed and maintained by the US Foods National Sales Maintenance Group. Entry of both distribution agreement information and manufacturer agreement pricing is entered and maintained into the mainframe system. Should an error in pricing be identified, it is corrected for all customers that were affected by the error.

Benefits of National Execution:

Consistent system employed across the company to manage contracts and contractual pricing, Reduces the likelihood of keying errors as multiple keystrokes have been eliminated, Tightly structured, controlled system to manage pricing, Improved pricing integrity to our members, and Verifying accuracy, an audit process is implemented comparing all pricing from the supplier agreement with the new pricing entered into the contract system.

Member Audit Rights

Ultimately customers using the Sourcewell/USF contract have audit rights as provided by our national agreement. SOURCEWELL members have audit rights following these guidelines, ensuring a timely, fair, and accurate processes and review:

The member must request a price audit in writing at least 30 business days prior to the suggested date of the price audit. This request must identify up to 30 items to be verified with one price point verification per item.

The audit period shall be the 13 weeks immediately preceding such audit.

The date and time of the audit must be to the mutual agreement of both parties.

The audit will be conducted at the US Foods office servicing the participating customer or virtual.

If the 30-item audit reveals an error ratio greater than 10 percent, the member has the right to request an expanded audit of 100 items, following the process cited above.

If the 100-item audit reveals an error ratio greater than 10 percent, the member has the right to request an audit of all purchases for the 13 weeks preceding such audit.

Quarterly SOURCEWELL Sales Reporting and Audit:

Reporting Relationships As the current awarded distributor for Sourcewell's food contract, US

Foods is honored to respond to this RFP. Our proposal utilizes the USF/Vizient Distributor Agreement between US Foods and Vizient as the

program and pricing base agreement. Sourcewell members that have been provided a Vizient access ID, will have the ability to purchase food and food related products from US Foods under the Sourcewell food contract awarded to US Foods resulting from this RFP. OMNIA Partners is Vizient's channel partner for the public sector segment. US Foods' sales generated from customers using the Sourcewell food contract are reported to Vizient, and therefore to OMNIA Partners. OMNIA Partners will be responsible for providing US Foods sales quarterly to Sourcewell, using the following process.

- When a qualifying agency requests to utilize the SOURCEWELL/USF Contract, OMNIA Partners will create a Vizient access id with an indicator identifying SOURCEWELL contract access.
- US Foods will follow US Foods' standard customer set up process including linking the agency's USF customer number

		<p>to the appropriate SOURCEWELL/USF Contract pricing.</p> <ul style="list-style-type: none"> <li>• As part of US Foods' comprehensive set up process, US Foods will audit the account for contract linkage and applicable program incentives prior to the first order the SOURCEWELL/USF Contract.</li> <li>• US Foods provides monthly sales reporting by customer to OMNIA Partners via Vizient.</li> <li>• US Foods and OMNIA Partners will conduct a quarterly review of sales activity prior to OMNIA Partners providing sales reporting to SOURCEWELL.</li> <li>• US Foods will conduct business reviews with SOURCEWELL, at a frequency and format determined by SOURCEWELL. The purpose is to review contract activity, results, member value, and continuous development of strategic growth plans, ensuring we are together aligned with mutual goals.</li> </ul>
69	<p>If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.</p>	<p>US Foods has assigned dedicated Sales Associates to support the growth and maintenance of the members using the Sourcewell food contract. As such, our success is a reflection of the success of this program, and our goals are aligned to build and keep the business. To ensure that as the business relationship matures with Sourcewell and with each Member, we focus on these key elements to stay connected and track success.</p> <ul style="list-style-type: none"> <li>• Dedicated National Sales Account Representative</li> <li>• Customer Business Review</li> <li>• Ongoing Consultation</li> <li>• Red Flag Plan</li> <li>• Sales reporting</li> <li>• Product opportunity reports</li> </ul> <p>Please review item #69 which is a portion of the information provided in our most recent business review conducted with Sourcewell which contains the most relevant metrics to our contract growth. We will conduct these reviews at a frequency determined by you, the customer, and add additional information as requested or as circumstances evolve. With our transparent approach to your business, we do provide the detail to support the metrics provided upon request.</p>
70	<p>Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)</p>	<p>To support this proposal utilizing the Vizient Distributor Agreements through OMNIA Partners, OMNIA Partners agrees to pay Sourcewell a portion of the administrative fees generated and received attributable to the Sourcewell participants products purchased. Upon contract award, Sourcewell and OMNIA Partners will confirm and finalize the payment details, including timing and reporting.</p>



**Table 14A: Depth and Breadth of Offered Equipment Products and Services**

Line Item	Question	Response *
71	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	<p>Products and Equipment: US Foods, Inc. is one of country's leading distributors of food and food related products, offering a broad range of products and services to foodservice operations of all types. We provide approximately 400,000 fresh, frozen, and dry food stock-keeping units, or SKUs, as well as non-food items and kitchen equipment, sourced from over 5,000 suppliers. Our Prime Vendor proposal utilizes Vizient's Authorized Distributor Agreement #FD91220 awarded to US Foods, providing maximum savings and enhanced qualitative offerings. Upon award, Sourcewell members that have been rostered will have the ability to purchase food and food related products from US Foods under Sourcewell's cooperative food contract awarded to US Foods. There are no fees or volume commitment to be rostered in this program. In order to offer the value that this program provides, members are required to utilize US Foods as their Primary Supplier for their foodservice product needs for approximately 80% of their food purchases and meet a minimum order requirement of \$600. Members will have access to the country's largest, most competitive, and extensive manufacturer contract portfolio which leverages more than \$150 Billion in customer purchasing power. Our program not only factors in the volume of Sourcewell members but adds that to national volume scale optimizing pricing, as well as access to many exclusive value-added tools and solutions, focused on quality, service and Customer satisfaction.</p> <p>Services: US Foods delivers food and foodservice products on our dedicated fleet of temperature controlled vehicles to assure that the quality and safety of the food chain is maintained throughout the process. The delivery drivers are US Foods employees and receive ongoing training in the latest methods and handling procedures to provide customers with the best possible experience with each delivery. We work with customers to determine a mutually agreeable delivery schedule based on overall purchase volume, geography and routing efficiency. Additional services provided are outlined in this response describing our Sales and Customer Service support, Chefs and Specialists, Technology, and broad and innovative product selection.</p>
72	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	<p>The following sub-categories are distributed by US Foods:</p> <ul style="list-style-type: none"> <li>Boxed Meats</li> <li>Coffee</li> <li>Dairy</li> <li>Disposable Cutlery</li> <li>Disposables</li> <li>Dry/Refrig Food Goods</li> <li>Foam Trays</li> <li>Foodservice Chemicals</li> <li>Fresh/Frozen Poultry, Seafood, Beef, Pork, Deli Meats (excludes boxed beef)</li> <li>Frozen Food Goods</li> <li>Frozen Juice</li> <li>Frozen Potatoes</li> <li>Portion Control condiments</li> <li>Produce</li> <li>Frozen Vegetables</li> <li>Shell Eggs</li> <li>Processed Eggs (refrigerated and frozen)</li> <li>Smallwares/Equipment</li> </ul> <p>US Foods offers a wide variety of product options. Customers are in control of selecting products that best fit their individual operations and satisfaction needs. US Foods has "Good, Better, Best" tier strategy for products based on price and quality. The Good tier features our value brands, which offer a wide variety of lower cost products for customers who demand consistent quality and superior value. Our Better tier features brands that are equivalent to or higher quality than comparable manufacturer brand products. Our Best tier features our exclusive, differentiated brands.</p>

**Table 14B: Depth and Breadth of Offered Equipment Products and Services**

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
73	Food products: Grocery – Dry, Refrigerated, Frozen; Beverages; Dairy; Meat/Poultry; and, Fresh Produce	<input checked="" type="radio"/> Yes <input type="radio"/> No	Full line of frozen and refrigerated products including fresh milk, and frozen sliced bread.
74	Related supplies: Paper products and disposables; janitorial and chemical supplies, small wares, serving equipment and tabletop items; and, kitchen equipment	<input checked="" type="radio"/> Yes <input type="radio"/> No	Full line of non-food disposable and equipment items commonly required for foodservice and school feeding operations are included in this program.
75	Related technology and services: Food service-related software or technology solutions and services	<input checked="" type="radio"/> Yes <input type="radio"/> No	US Foods web-based order and information platform is available to participating members at no cost and provides extensive product information, reporting, and invoicing copies and details in and easy to use format.

**Table 15: Industry Specific Questions**

Line Item	Question	Response *
76	Describe your out-of-stock/backorder, special orders, and product substitution policies.	<p>At the time of order our system notifies customers of any products that are unavailable. US Foods customers have the ability to choose their substitutions online. If a SOURCEWELL member orders a product that is out of stock, they will often be prompted with a product option that has been best matched by description and price for the item in question. Otherwise, our customers can search the product catalog for an alternative product. If the customer wishes that we check their orders for out of stocks instead, our customer service department can look for acceptable substitutions and contact the appropriate person in the foodservice department to verify that the alternative is acceptable. All such approved products will then be listed on our invoices upon delivery.</p> <p>US Foods will make no product substitutions without prior approval from the customer. If US Foods does not have a product on hand at the distribution center when the product is ordered, and the member has provided written or electronic preapproval to substitute another product for it, US Foods will automatically make the approved substitution (“automatic product substitution” or “auto-sub”). Further, the customer may, upon being notified of the out-of-stock condition, authorize an alternative product be substituted (“authorized substitution” or “authorized-sub”). Automatic product substitutions should be of equal or better quality to the product originally ordered. Auto-sub and authorized-sub products shall be priced at delivered price plus the distribution fees.</p> <p>US Foods does not backorder products.</p>

77	Describe your product recall policies and processes.	<p>Food Safety is a CORE Value at US Foods. To that end, we utilize Best-in-Class Tracking and Recall Programs.</p> <p>As an active member of Global Food Safety Initiative (GFSI) and GLOBALG.A.P (Good Agricultural Practices), US Foods contributes to the implementation of internationally recognized food safety standards, including a best-in-class recall and recovery program that quickly contacts customers with accurate information about a recall and initiates product recovery. Affected customers are contacted within 24-hours upon notification from suppliers. Count on US Foods to keep SOURCEWELL members informed and to keep recalled product out of their operations. Recall notices are also logged and available on US Foods Online.</p> <p>Recall Process: We have developed a best-in-class procedure for notification of potential recalls and product holds. All product recalls are generated by the US Foods quality and assurance department. The facility has a coordinator on site with two back-ups. The facility follows all Federal Government guidelines pertaining to the level of product recall. US Foods policy requires that all facilities respond to the recall within one (1) hour.</p> <p>The Process</p> <ul style="list-style-type: none"> <li>• US Foods receives notice from vendor/supplier regarding product to be recovered. The corporate recall coordinator (CRC) gathers specific details regarding the recalled product from the vendor.</li> <li>• CRC contacts each Recall Coordinator at the affected divisions.</li> <li>• The CRC communicates specific product information to each affected division to ensure that only the affected product is being recalled.</li> <li>• Divisions take action and recovery becomes main priority. Actions vary on classification/severity of the product recovery.</li> <li>• Depending on the classification of the recall, (Class I Health Hazard, Class II Remote Probability of a Health Hazard) our customers are notified via telephone and/or certified mail.</li> <li>• Product is removed from sale and segregated.</li> <li>• Product is then either destroyed or returned to the Vendor.</li> <li>• CRC works with facilities regularly to ensure current contacts are accurate and up to date.</li> </ul> <p>Food Safety Facility Audits: In addition to food safety audits conducted by the FAA, FDA or other federal, state, and local government agencies, US Foods uses a 3rd party food safety audit contractor, NSF International, to provide independent auditing of our systems, policies and controls. We are also subject to announced and random inspections by food safety auditors from our customers. NSF International provides US Foods yearly inspection and auditing services of our facilities to provide a second layer of food safety assurance. NSF International also provides unannounced audits semiannually randomly selecting a department to be audited. Audits are designed by department and cover all aspects of the operations within the department. Audits include:</p> <ul style="list-style-type: none"> <li>• Food Safety</li> <li>• Receiving, Storage, and Shipping</li> <li>• Pest Control</li> <li>• Employee Practices</li> <li>• Building and Equipment Condition</li> <li>• Building and Equipment Cleanliness</li> <li>• Security</li> </ul>
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78	Describe your company's capabilities with fresh produce. How are local produce sources identified?	<p>At US Foods, we are committed to working with our growers to bring you the best-quality produce year-round under our Cross Valley Farms label. We understand that fresh produce is a key driver in many operations and can offer exciting, new ideas when presenting the freshest, seasonal products at every US Foods distribution center. We have a passion for produce and strongly believe that not all produce is created equal. We work with growers, repackers and suppliers to provide only the highest quality produce to represent our Cross Valley Farms brand, ensuring that our quality standards are maintained from the field to the customer. Knowing the importance of produce quality and safety, we require that all of our growers follow Good Agricultural Practices (GAP), Good Manufacturing Practices (GMP), and are SQF (Safe Quality Food) 2000 and GFSI (Global Food Safety Initiative) certified suppliers. From selecting the freshest and best produce available to maintaining industry-leading control over quality, we take the extra steps that other may not. Buying Local produce reduces the environmental impact and transportation costs which provides farmers with maximum return on their investment and means that money spent stays within the community supporting the local economy. US Foods is committed to providing opportunities for local suppliers and presenting these options to our customers on behalf of our suppliers with a three point local strategy:</p> <ul style="list-style-type: none"> <li>• Providing education on the benefits of purchasing local and regional products</li> <li>• Creating visibility for local and regional food sources</li> <li>• Marketing and supporting local and regional foods.</li> </ul> <p>Local and regional products can be identified at <a href="http://www.usfoods.com">www.usfoods.com</a> which features a "local" icon at the end of qualifying product descriptions. You can conduct searches to display only local items, click on the product number to view product information, including where the grower/manufacturer is located, and how for the grower/manufacturer is from your US Foods distribution center.</p>
79	Describe how your company will handle a participating entity that has manufacturer agreements in place.	<p>US Foods is committed to insuring the best financial value possible for SOURCEWELL members. If a SOURCEWELL member has negotiated a price for a product directly with manufacturer that is stocked at US Foods, we will support that agreement so long as the manufacturer sends the appropriate documentation at least twenty days prior to the effective date and manages updates as necessary.</p>

80	Describe how participating entities will access nutritional and product information, inventory, and product ordering.	<p>US Foods Online e-commerce platform website publishes nutritional information, product ingredients and pictures, including allergen and marketing claims of manufacturers. We require manufacturers to submit this information to us at the time of initial product set up. The website also provides detailed product information including extended product descriptions, ingredient statements, nutritionals, allergens, marketing claims, and pictures.</p> <ul style="list-style-type: none"> <li>• Nutritional information - available online while ordering or searching for products.</li> <li>• Easily share information - download all search results with nutritional and allergen information.</li> </ul> <p>With the nutritional claims filter, users can search on Child Nutrition Certification, Cholesterol Free, Fat Free, Low Fat, MSG Free, No Sugar Added and Trans Fat Free. You can also filter product searches by additional Nutritional Claims, Allergens and Marketing Claims which include Crustacean, Eggs, Fish, Gluten, Lactose, Milk, Mustard, Peanut, Soy, Tree Nut Free and Wheat Free.</p> <ul style="list-style-type: none"> <li>• CN labels are available when manufacturers have provided to USF.</li> <li>• CN products can be searched by "CN or Child Nutrition" in US Foods Online catalogs.</li> <li>• Product Formulation Statements are available for customers to source directly from manufacturers' website. US Foods can also provide upon request.</li> </ul> <p>Product Allergen Information: Product information is provided by manufacturers/suppliers, including information from the Global Data Synchronization Network (GDSN). We know that allergen information is important to many customers, so we are providing product information from the manufacturers/suppliers for the 8 most common allergens identified by the FDA, along with mustard, gluten, and lactose. This information may not cover potential cross-contact risks or alternate forms of the allergen(s). Please see allergen category descriptions below. Product formulations are subject to change and nutritional values can vary due to production, seasonal and other changes. Please always review the ingredients, allergens, nutrition information and other product information on the product packaging delivered to your location. US Foods does not assume any legal liability and makes no warranty or guaranty, express or implied, regarding the completeness or accuracy of this information.</p> <p>Allergen Code C= Contains-which means substance is intentionally included in the product. Allergen Code MC=May Contain-which means the substance is not intentionally included, but due to shared production facilities or other reasons, the product may contain the allergen. Allergen Code NII=Substance Not Intentionally Included-which means the substance is not intentionally nor inherently included in the product, however because it is assessed to not require a cross contact declaration, product testing may not always be conducted for confirmation (for example milk not inherently containing shellfish or peanuts or cheese sticks with not declaration of shellfish) Allergen Code NK-Not Known/Undeclared-which means that data is not provided by the manufacturer/supplier or is not included in the categories listed above.</p>
81	Describe your company's experience with multiple delivery locations for the same entity.	<p>US Foods currently supports thousands of customers with multiple delivery locations for the same entity such as States with facilities spread across their geography, school districts with multiple school sites, national chain business with locations that stretch across the country. We do this by giving each delivery site a unique customer number in our system tied to the delivery address, and then are able to manage each location independently while syncing them all together under their respective group such as State, Coop, District, Chain, hospital system, etc.</p>

### Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcwell have been incorporated into the contract text.

## Documents

### Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."
  - [Pricing](#) - 59 Pricing Model and Definition of Pricing and Markup.pdf - Friday April 01, 2022 17:44:00
  - [Financial Strength and Stability](#) - US Foods Financial Information.pdf - Monday March 28, 2022 20:14:45
  - [Marketing Plan/Samples](#) - 36 US Foods Marketing Strategy.pdf - Monday March 28, 2022 20:11:25
  - WMBE/MBE/SBE or Related Certificates (optional)
  - Warranty Information (optional)
  - [Standard Transaction Document Samples](#) - 57 Standard transaction docs.zip - Monday March 28, 2022 20:13:12
  - [Upload Additional Document](#) - Additional Documents.zip - Monday March 28, 2022 20:16:50

## Addenda, Terms and Conditions

### PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
  1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
  2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
  3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Paula Bruck, Director of Education & Govt, Vizient, US Foods

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

Yes  No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
<b>Addendum_2_Food_Products_Distribution_(other than SFA)_RFP_040522</b> Fri February 18 2022 04:43 PM	<input checked="" type="checkbox"/>	1
<b>Addendum_1_Food_Products_Distribution_(other than SFA)_RFP_040522</b> Tue February 15 2022 10:21 AM	<input checked="" type="checkbox"/>	2