

UNITED STATES
DEPARTMENT OF
AGRICULTURE

COMMODITY
CREDIT
CORPORATION

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ANNOUNCEMENT CMSF7

PURCHASE OF CORNMEAL / SOY-FORTIFIED CORNMEAL FOR USE IN EXPORT PROGRAMS



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**ANNOUNCEMENT CMSF7
PURCHASE OF CORNMEAL / SOY-FORTIFIED CORNMEAL
FOR USE IN EXPORT PROGRAMS**

1. GENERAL

A. Invitation for Offers

- (1) The Commodity Credit Corporation (CCC) will from time to time issue an invitation for offers under this announcement to sell cornmeal / soy-fortified cornmeal (hereinafter referred to as cornmeal, soy-fortified cornmeal or product) to CCC for use in export programs.
- (2) The invitation will specify the office to which offers are to be submitted, the closing time for receipt of offers, and provisions applicable to the proposed procurement which are in addition to or different from those set forth herein.

B. Terms and Conditions

- (1) Provisions of "General Terms and Conditions For the Procurement of Agricultural Commodities or Services," USDA-1, Revision No. 2, as amended (USDA-1), are incorporated as specified in Section 5 of this announcement.
- (2) Offerors are cautioned to read all terms and conditions of USDA-1, this announcement, the appendixes to this announcement, and the invitation.

C. Certifications, Representations, and Warranties

Appendix 1 to this announcement contains certifications, representations, and warranties that must be certified and submitted annually to CCC prior to or with an offer. In addition to an annual submission, offerors must submit an updated Appendix 1 as changes in the certifications, representations, and warranties submitted to CCC occur throughout the year.

D. Packaging and Marking Specifications

Appendix 2 to this announcement contains the detailed packaging and marking specifications, and other requirements, applicable to the product delivered under this announcement.

2. ELIGIBILITY OF OFFERORS

To be eligible to submit an offer under this announcement, the offeror must:

- A. Submit a completed "Solicitation Mailing List Application" (Standard Form 129) to the contracting officer prior to a first offer. Offeror must complete all portions of form SF-129, except Item 18, and include the following additional information for:
 - (1) Item 8. Identify all affiliates including any parent company. Provide full name and main office address. A "parent" company is one that owns or controls the activities and basic business policies of the bidder. An "affiliate" is defined on the back of the form.
 - (2) Item 10. Identify the commodities/products the offeror is interested in supplying.
 - (3) Items 19 and 20. Must be an officer of the company.
- B. Offerors must resubmit form SF-129 as necessary when the information requires updating.
- C. Affirmatively demonstrate responsibility as defined in Federal Acquisition Regulation (FAR) 9.104-1. CCC may request a pre-award survey to be conducted by the Defense Contract Management Command for the purpose of evaluating the offeror's ability to perform the contract.
- D. Meet the definitions of a dealer or manufacturer as defined below. **Brokers are ineligible to submit offers.**
 - (1) Manufacturer, means a person that owns, operates, or maintains a factory or establishment that produces on the premises the materials, supplies, articles, or equipment required under the contract and of the general character described by the specifications.
 - (2) Regular dealer, means a person that owns, operates, or maintains a store, warehouse, or other establishment in which the materials, supplies, articles, or equipment of the general character described by the specifications and required under the contract are bought, kept in stock, and sold to the public in the usual course of business.
- E. Maintain a bona fide business office in the United States for the purpose of selling to CCC the product described in this announcement. Additionally, the offeror must maintain an office, employee, or agent for service of process.
- ✓.. F. Meet the requirements of the Total Quality Systems Audit (TQSA) program. Offerors shall only be allowed to offer from plants that have been audited under TQSA and have received a score of at least 80 points. However, a result of "0" in any element of the TQSA Report Form TQ-003 would preclude participation in the commodity purchase programs until such time corrective action is implemented and verified as effective. (Element scoring: 0=one (or more) questions with a result of "0", or four or more questions with a result of "M".) Total Quality Systems Audit Suppliers Guidelines setting forth the TQSA requirements may be obtained at the Internet location www.fsa.usda.gov/daco/pdd/tqsa.htm or by contacting the appropriate Contracting Officer.

3. SUBMISSION OF OFFERS

A. How to Submit Offers

- (1) Offers, modifications, withdrawals of offers, and price adjustments must be submitted by using the Electronic Bid Entry System (EBES). **(The invitation will specify the Internet address to which offers, modifications, withdrawals of offers, and price adjustments are to be submitted).** Submission of the above by any means other than EBES will be determined nonresponsive.
- (2) CCC will not be responsible for any failure attributed to the transmission of the bid data prior to being accepted and stored on our web server including but not limited to the following:
 - (a) Any failure of the offeror's computer hardware or software.
 - (b) Availability of your Internet service provider.
 - (c) Delay in transmission due to the speed of your modem.
 - (d) Delay in transmission due to excessive volume of Internet traffic.

B. Where and When to Submit Offers

- (1) Offers, modifications, withdrawals of offers, and price adjustments must be submitted to the Kansas City Commodity Office (KCCO), EBES web page and received by the date and local time specified in the invitation for receipt of offers. In the event such date falls on a business day when KCCO is officially closed, offers must be received by the specified time on the next succeeding business day.
- (2) The time of receipt will be determined and recorded by the EBES system.

C. Late Submissions, Modifications, and Withdrawals of Bids

- (1) Any bid received by the EBES system after the designated time specified for receipt in the invitation will not be considered.
- (2) Notwithstanding paragraph C(1) above, a late modification of an otherwise successful bid that makes its terms more favorable to the Government will be considered at any time it is received and may be accepted.
- (3) Notwithstanding paragraph A(1) above, a bid may be withdrawn in person by an offeror or its authorized representative if, before the exact time set for receipt of bids, the identity of the person requesting withdrawal is established and that person signs a receipt for the bid.

D. Destination Delivery Basis

- (1) Offer prices will be quoted and delivery will be f.o.b. destination or f.a.s. vessel, as specified in the invitation.
- (2) The offeror's plant(s) which the offeror lists on the offer form will be the point(s) where delivery f.o.b. conveyance, as applicable, occurs on intermodal plant contracts.

- (3) On intermodal bridge contracts, the delivery point will be f.o.b. at the bridge port(s) specified in the offeror's offer form.

4. ACCEPTANCE OF OFFERS

- A. CCC will notify successful offerors on the date specified in the invitation. The date of acceptance by CCC will be the contract date.
- B. In addition to the price, factors considered in accepting offers will include the time of shipment, the total cost to the Government to deliver the product to the ultimate destination, and the responsibility of the offeror as demonstrated by prior contract performance.
- C. CCC may accept or reject any or all offers, or portions thereof.

5. PROVISIONS OF CONTRACT

- A. The contract consists of:
 - (1) Contractor's offer.
 - (2) CCC's acceptance.
 - (3) The applicable invitation.
 - (4) This announcement, including Appendixes 1 and 2.
 - ✓.. (5) TQSA Supplier Guidelines. ..✓
 - (6) USDA-1, except Articles 6, 7, 50, and all of Part E.
- ✓.. B. If the provisions of USDA-1, TQSA Supplier Guidelines, and this announcement are not consistent, the provisions of this announcement will prevail. If the provisions of USDA-1, TQSA Supplier Guidelines, this announcement, and the invitation are not consistent, those of the invitation will prevail. ..✓
- C. No interpretation or amendment of this announcement is valid or enforceable unless such interpretation or amendment is in writing and executed by the contracting officer.

6. NAICS CODE AND SMALL BUSINESS SIZE STANDARD

- A. The North American Industry Classification System (NAICS) code for this acquisition and the small business size standard are:

Commodity	NAICS Code	Corresponding Sic Code	Size Standard (Employees)
Cornmeal	311211	2041	500
Soy-fortified Cornmeal	311211	2041	500

- B. The small business size standard for a concern which submits an offer in its own name, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.
- C. The U.S. Small Business Administration (SBA) has implemented the Procurement Marketing and Access Network (PRO-Net), which has replaced the former Procurement Automated Source System (PASS). PRO-Net is a procurement related Internet-based electronic search engine for locating small, small disadvantaged, and women-owned small business sources. The PRO-Net Internet address (URL) is (<http://pro-net.sba.gov>). Companies that do not have access to the Internet may register for PRO-Net through your local SBA Office. The PRO-Net is a free electronic gateway to the Commerce Business Daily, government agency home pages, and other sources of procurement opportunities.

7. RESPONSES TO ILLEGAL OR IMPROPER ACTIVITY

- A. Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity

- (1) If the Government receives information that a contractor or a person has engaged in conduct constituting a violation of subsection (a), (b), (c), or (d) of Section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423) (the Act), as amended by section 4304 of the 1996 National Defense Authorization Act for Fiscal Year 1996 (Pub. L. 104-106), the Government may:
- (a) Cancel the solicitation, if the contract has not yet been awarded or issued; or
 - (b) Rescind the contract with respect to which:
 - 1) The contractor or someone acting for the contractor has been convicted for an offense where the conduct constitutes a violation of subsection 27 (a) or (b) of the Act for the purpose of either:
 - a) Exchanging the information covered by such subsections for anything of value; or
 - b) Obtaining or giving anyone a competitive advantage in the award of a Federal agency procurement contract; or

- 2) The head of the contracting activity has determined, based upon a preponderance of the evidence, that the contractor or someone acting for the contractor has engaged in conduct constituting an offense punishable under subsections 27(e)(1) of the Act.
- (2) If the Government rescinds the contract under paragraph A. (1) of this clause, the Government is entitled to recover, in addition to any penalty prescribed by law, the amount expended under the contract.
- (3) The rights and remedies of the Government specified herein are not exclusive, and are in addition to any other rights and remedies provided by law, regulation, or under this contract.

B. Price or Fee Adjustment for Illegal or Improper Activity

- (1) The Government, at its election, may reduce the price of a fixed-price type contract and the total cost and fee under a cost-type contract by the amount of profit or fee determined as set forth in paragraph B. (2) of this clause if the head of the contracting activity or designee determine that there was a violation of subsection 27 (a), (b), or (c) of the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 423), as implemented in section 3.104 of the Federal Acquisition Regulation.
- (2) The price or fee reduction referred to in paragraph B. (1) of this clause shall be:
 - (a) For cost-plus-fixed-fee contracts, the amount of the fee specified in the contract at the time of award;
 - (b) For cost-plus-incentive-fee-contracts, the target fee specified in the contract at the time of award, notwithstanding any minimum fee or “fee floor” specified in the contract;
 - (c) For cost-plus-award-fee contracts:
 - 1) The base fee established in the contract at the time of contract award;
 - 2) If no base fee is specified in the contract, 30 percent of the amount of each award fee otherwise payable to the contractor for each award fee evaluation period or at each award fee determination point.
 - (d) For fixed-price-incentive contracts, the Government may:
 - 1) Reduce the contract target price and contract target profit both by an amount equal to the initial target profit specified in the contract at the time of contract award; or
 - 2) If an immediate adjustment to the contract target price and contract target profit would have a significant adverse impact on the incentive price revision relationship under the contract, or adversely affect the contract financing provisions, the contracting officer may defer such adjustment until establishment of the total final price of the contract.

The total final prices established in accordance with the incentive price revision provisions of the contract award and such reduced price shall be the total final contract price.

- (e) For firm-fixed-price contracts, by 10 percent of the initial contract price or a profit amount determined by the contracting officer from records or documents in existence prior to the date of the contract award.
- (3) The Government may, at its election, reduce a prime contractor's price or fee in accordance with the procedures of paragraph B. (2) of this clause for violations of the Act by its subcontractors by an amount not to exceed the amount of profit or fee reflected in the subcontract at the time the subcontract was first definitively priced.
- (4) In addition to the remedies in paragraphs B. (1) and B. (3) of this clause, the Government may terminate this contract for default. The rights and remedies of the Government specified herein are not exclusive, and are in addition to any other rights and remedies provided by law or under this contract.

8. PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT

- A. The Government suspends or debar contractors to protect the Government's interests. Contractors must not enter into any subcontract equal to, or in excess of, the small purchase limitation of \$25,000 with a contractor that has been debarred, suspended, or proposed for debarment unless the acquiring agency's head or designee determines there is a compelling reason for such action (FAR 9.405).
- B. The contractor must require each proposed first-tier subcontractor, whose subcontract shall exceed the small purchase limitation of \$25,000, to disclose to the contractor, in writing, whether as of the time of award of the subcontract, the subcontractor, or its principals, is or is not debarred, suspended, or proposed for debarment by the Federal Government.
- C. A corporate officer or a designee of the contractor must notify the contracting officer, in writing, before entering into a subcontract with a party that is debarred, suspended, or proposed for debarment (See FAR 9.404 for information on the List of Parties Excluded from Federal Procurement Programs). The notice must include the following:
 - (1) The name of the subcontractor;
 - (2) The contractor's knowledge of the reasons for the subcontractor being on the List of Parties Excluded from Federal Procurement Programs;
 - (3) The compelling reason(s) for doing business with the subcontractor notwithstanding its inclusion on the List of Parties Excluded from Federal Procurement Programs;

- (4) The systems and procedures the contractor has established to ensure that it is fully protecting the Government's interests when dealing with such subcontractor in view of the specific basis for the party's debarment, suspension, or proposed debarment.

9. COMMODITY SPECIFICATIONS

A. Domestic Origin

- (1) The product delivered under this announcement must be produced in the United States from commodities produced in the United States.

- (2) For purposes of this section, the following definition applies:

"Produced in the United States" means manufactured, processed, mined, harvested, or otherwise prepared for sale or distribution, from components originating in the United States. Components originating in the United States which have been exported, and subsequently imported back into the United States, will not be considered as having been produced in the United States.

- (3) The contractor must maintain records to verify that during the contract shipping period, at the point of packaging or, in the case of bulk commodities, at the point of delivery to CCC, the product was in compliance with the domestic origin requirements of this section of the announcement. (See Article 76 of USDA-1)
- (4) CCC will randomly conduct domestic origin compliance reviews to determine if the product delivered to CCC was produced and manufactured in the U.S. from materials produced and manufactured in the U.S. Upon request, the contractor must submit documentation substantiating compliance to the contracting officer for review. This documentation may include procurement, production, inventory, delivery, and any other pertinent records. Onsite reviews may also be performed, at the discretion of CCC.
- (5) The product must conform in every respect to the provisions of the "Federal Food, Drug, and Cosmetic Act," as amended, and the regulations promulgated thereunder, including any Defect Action Level guidelines issued by the Food and Drug Administration (FDA) which may be applicable to this product. Any shipments with counts in excess of the FDA Defect Action Level guidelines will be rejected to the contractor's account in accordance with Article 60 of USDA-1.

B. Product Specifications - Cornmeal

- (1) Cornmeal delivered under this announcement must be degermed and meet the requirements of Federal Specification N-C-521E, dated March 3, 1970, as listed below, except chemical and physical requirements listed in Table 1 of this announcement will take precedence where they are different from those contained in Federal Specification N-C-521E.

✓.. **NOTE: All functions currently being performed by the Federal Grain Inspection Service (FGIS) will be the responsibility of the contractor. The announcements will be amended at a later date to change all references to FGIS. ..✓**

- (2) The degermed cornmeal will be Type II, Class B, Granulation 2, Color b, of Federal Specification N-C-521E, parts 1 through 4, except parts 2.1, 3.1.1, 3.4.1, 3.6.1.1, 4.2.3.2.1 through 4.2.3.3, 4.2.3.5 through 4.2.4, 4.2.6, and 4.3. In addition to the enrichment ingredients contained in part 3.6.1 of Federal Specification N-C-521E, calcium and Vitamin A Palmitate must be added as shown in Table 1 of this announcement.

Table 1 - Chemical and Physical Requirements

CORNMEAL

ITEM	REQUIREMENT ¹	
	MINIMUM	MAXIMUM
Moisture, %	----	13.0
Fat, %	----	1.5
Ash, % ²	----	3
Material Through a U.S. Standard No. 20 Woven-Wire-Cloth Sieve, %	99	----
Material Through a U.S. Standard No. 25 Woven-Wire-Cloth Sieve, %	90	----
Material Through a U.S. Standard No. 45 Woven-Wire-Cloth Sieve, %	30	----
Material Through a U.S. Standard No. 80 Woven-Wire-Cloth Sieve, %	----	20
✓..Vitamin A Palmitate, IU/lb. ⁴	8,800	---- ..✓
Calcium, mg/lb. ²	500	750

- ✓.. (3) The product must be not less than 95 percent of the all-trans isomer as determined by the USP assay procedure. The Vitamin A Palmitate must have storage stability such that not more than 20 percent of its original activity will be lost when stored for 21 days at 45°C in a sealed container at a level of 11,000 per pound in cornmeal or wheat flour having a moisture content in the range of 13.5 to 14.5 percent.

- (4) Flavor Stability: When used for fortifying cornmeal at the level of 8,800 IU per pound, the Vitamin A Palmitate preparation must contribute no off-flavor or odor to the dry mix, or to the cooked products prepared from the fortified cornmeal. ..✓

¹ All percentages are on the basis of weight.

² These limiting values are on a moisture-free basis.

³ For maximum ash, see Table in 9.D. of this announcement.

⁴ Vitamin A Palmitate (stabilized) must be added in encapsulated form containing 250,000 IU Vitamin A Palmitate/g. Particle size must comply with the requirement that at least 98 percent will pass through a U.S. Standard No. 50 sieve, at least 90 percent through a U.S. Standard No. 60 sieve and at least 45 percent through a U.S. Standard No. 100 sieve.

- (5) The Vitamin A must have been tested by the vitamin manufacturers in cornmeal or wheat flour having moisture content in the range 13.5 to 14.0 percent to assure stability of the vitamin.
- (6) If cornmeal is used for the stability test, the cornmeal used must be enriched degermed yellow cornmeal, fine granulation, conforming to requirements of Federal Specification N-C-521E, March 3, 1970, for Type II, Class B, Granulation 2. The cornmeal will be enriched to contain: 2.0 to 3.0 mg. thiamine per pound; 1.2 to 1.8 mg. riboflavin per pound; 16.0 to 24.0 mg. niacin or niacinamide per pound; 13.0 to 26.0 mg. iron per pound; and 500 to 750 mg. calcium per pound. Reduced iron, 325 mesh, is to be used as the iron source. Ferrous sulfate is not to be used as the iron source in any processed cereal products purchased for export assistance programs.
- (7) If wheat flour is used for the stability test the flour must be of 65 to 75 percent extraction and will be enriched to contain 2.0 to 2.5 mg. thiamine per pound; 1.2 to 1.5 mg. riboflavin per pound; 16.0 to 20.0 mg. niacin per pound; and 13.0 to 16.5 mg. iron per pound.
- ✓.. (8) The cornmeal or wheat flour must be fortified with the Vitamin A Palmitate preparation to be tested to the level of 11,000 IU per pound, first preparing a premix with the cornmeal or flour to contain about 500,000 IU per pound, blending this thoroughly, then mixing into the balance of the cornmeal or flour and blending thoroughly. The fortified cornmeal or wheat flour will be stored in 8 ounce, round glass bottles approximately 2-1/4 x 5 inches tall provided with plastic screw caps having polyvinyl liners with pulp packing. Between 110 and 120 grams of fortified cornmeal or wheat flour are placed in each bottle, leaving about one inch head space, the lids are tightened, and the upper portion of the bottle and the complete lid are coated with paraffin by inverting and dipping in a bath of melted wax to prevent moisture loss. ..✓
- (9) Bottles are stored at 45°C for 21 days, and assayed for Vitamin A, using a minimum sample size of 25 grams for each determination. Loss is determined by assaying in duplicate three bottles of cornmeal or wheat flour before and after storage.
- (10) Analysis of concentrates and of original and stored blends will be carried out by the following method: Carr-Price blue color method, "Methods of Vitamin Assay, Association of Vitamin Chemists, Inc.," Interscience Publishers, Inc., New York, (1951).
- (11) A given lot of Vitamin A does not require retesting unless its potency as determined by the USP XVII analytical procedure has fallen below the manufacturer's label claim for the product.

C. Methods of Analyses

Unless otherwise specified, the test methods for the finished product and any ingredients therein must be those of the "Official Methods of the Association of Official Analytical Chemists," the "American Association of Cereal Chemists," or the "American Oil Chemists' Society," as applicable and in effect on the date of issuance of the invitation under which the contract involved was entered into, or in accordance with methods that give equivalent results.

D. Quality Discounts

If the product to be delivered by the contractor does not meet the quality specifications of paragraph 9.B. of this announcement but falls within the discounts listed, the product may be delivered to CCC, but the purchase price will be reduced in accordance with the following schedule of discounts for each 100 pounds of commodity delivered:

Cornmeal - Discounts

Excess Moisture Percent	Excess Fat Percent	Excess Granulation Through a No. 80 Sieve
13.1 or 13.2 - 10 cents	1.6 or 1.7 - 10 cents	21 through 24 - 10 cents
13.3 or 13.4 - 20 cents	1.8 or 1.9 - 20 cents	25 through 27 - 20 cents
13.5 - 35 cents	2.0 - 35 cents	28 through 30 - 35 cents
Deficient Granulation Through a No. 20 Sieve Percent	Deficient Granulation Through a No. 25 Sieve Percent	Deficient Granulation Through a No. 45 Sieve Percent
98 - 10 cents	89 - 10 cents	29 through 26 - 10 cents
97 - 20 cents	88 - 20 cents	25 through 23 - 20 cents
96 - 35 cents	87 - 35 cents	22 through 20 - 35 cents

Cornmeal - Maximum Ash Allowable Without Discount at Specified Calcium Levels¹

Calcium Mg/lb.	Maximum Ash Percent	Calcium Mg/lb.	Maximum Ash Percent
340-358	.88	794-811	1.13
359-376	.89	812-829	1.14
377-394	.90	830-847	1.15
395-412	.91	848-866	1.16
413-430	.92	867-884	1.17
431-448	.93	885-902	1.18
449-466	.94	903-920	1.19
467-485	.95	921-938	1.20
486-503	.96	939-956	1.21
504-521	.97	957-974	1.22
522-539	.98	975-993	1.23
540-557	.99	994-1011	1.24
558-575	1.00	1012-1029	1.25
576-593	1.01	1030-1047	1.26
594-612	1.02	1048-1065	1.27
613-630	1.03	1066-1083	1.28
631-648	1.04	1084-1101	1.29
649-666	1.05	1102-1120	1.30
667-684	1.06	1121-1138	1.31
685-702	1.07	1139-1156	1.32
703-720	1.08	1157-1174	1.33
721-739	1.09	1175-1192	1.34
740-757	1.10	1193-1210	1.35
758-775	1.11	1211-1228	1.36
776-793	1.12	1229-1247	1.37

¹ Cornmeal, prior to calcium enrichment, shall not have an ash content exceeding 0.70 percent on a moisture-free basis.

Cornmeal - Discounts for Excess Ash and Deficient & Excess Calcium

Excess Ash (Percentage Points Above Maximum)	Deficient Calcium
.01 or .02 - 10 cents	499 - 440 mg/lb. - 5 cents
.03 or .04 - 20 cents	439 - 400 mg/lb. - 10 cents
.05- 35 cents	399 - 340 mg/lb. - 20 cents
Excess Calcium	
751 - 1247 mg/lb. - 0 cents	

Subject to the provisions of Articles 60 and 68 of USDA-1, product which deviates from the specifications of this contract will be rejected.

E Product Specifications - SOY-FORTIFIED CORNMEAL

- (1) In regard to aflatoxin in corn-based products, a test for aflatoxin will be conducted by the Field Management Division, Federal Grain Inspection Service, USDA (FGIS). If the aflatoxin test proves positive, then a quantitative test will be made to establish the exact level of aflatoxin. If the quantitative test shows that the aflatoxin level exceeds FDA guidelines (more than 20 p.p.b.), the product will be rejected. The fees for such tests are to be paid by the contractor.

- (2) The soy-fortified cornmeal will be a product of small particle size that is usable as a dietary supplement or as an extender to other foods, and it shall conform to the following chemical and physical requirements:

Table 2 - Chemical and Physical Requirements

SOY-FORTIFIED CORNMEAL

ITEM	REQUIREMENT ¹	
	MINIMUM	MAXIMUM
Moisture, %	----	13.0
Protein (Nx6.25), % ¹	13.0	----
Fat, % ¹	----	1.5
Crude Fiber, % ¹	----	2.0
Ash, % ¹	----	²
Material Through a U.S. Standard No. 20 Woven-Wire-Cloth Sieve, %	99	----
Material Through a U.S. Standard No. 25 Woven-Wire-Cloth Sieve, %	91	----
Material Through a U.S. Standard No. 45 Woven-Wire-Cloth Sieve, %	40	----
Material Through a U.S. Standard No. 80 Woven-Wire-Cloth Sieve, %	----	32

¹ Moisture-free basis.

² For maximum ash, see Table in paragraph 9.D.

F. Product Enrichment Requirements

The product must be blended thoroughly and homogeneously mixed with the listed enrichment ingredients in the following proportions:

Table 3 - Enrichment Ingredients

SOY-FORTIFIED CORNMEAL

ENRICHMENT INGREDIENTS	MINIMUM	MAXIMUM
Thiamine, mg/lb.	2.0	3.0
Riboflavin, mg/lb.	1.2	1.8
Niacin or niacinamide, mg/lb.	16.0	24.0
Iron (reduced iron, 325 mesh, to be used as the iron source), mg/lb. ¹	13.0	26.0
Calcium (in harmless and assimilable form), mg/lb.	500	750
Vitamin A Palmitate, IU/lb. ²	10,000	12,000

- (1) Flavor Stability: When used for fortifying soy-fortified cornmeal at the level of 10,000 to 12,000 IU per pound, the Vitamin A Palmitate preparation must contribute no off-flavor or odor to the dry mix, or to the cooked products prepared from the fortified meal.
- (2) The Vitamin A must have been tested by the vitamin manufacturers in cornmeal or wheat flour having moisture content in the range 13.5 to 14.0 percent to assure stability of the vitamin.
- (3) If cornmeal is used for the stability test, the cornmeal used will be enriched degermed yellow cornmeal, fine granulation, conforming to requirements of Federal Specification N-C-521E, March 3, 1970, for Type II, Class B, Granulation 2. The cornmeal must be enriched to contain: 2.0 to 3.0 mg. thiamine per pound; 1.2 to 1.8 mg. riboflavin per pound; 16.0 to 24.0 mg. niacin or niacinamide per pound; 13.0 to 26.0 mg. iron per pound; and 500 to 750 mg. calcium per pound.

¹ Ferrous sulfate must not be used as the iron source in any processed cereal products purchased for export assistance programs.

² Vitamin A Palmitate (stabilized) must be added in encapsulated form containing 250,000 IU Vitamin A Palmitate/g. Particle size must comply with the requirement that at least 98 percent will pass through a U.S. Standard No. 50 sieve, at least 90 percent through a U.S. Standard No. 60 sieve and at least 45 percent through a U.S. Standard No. 100 sieve. The product must be not less than 95 percent of the all-trans isomer as determined by the USP assay procedure. The Vitamin A Palmitate must have storage stability such that not more than 20 percent of its original activity will be lost when stored for 21 days at 45°C in a sealed container at a level of 10,000 to 12,000 IU per pound in cornmeal or wheat flour having a moisture content in the range of 13.5 to 14.5 percent.

- (4) If wheat flour is used for the stability test the flour must be of 65 to 75 percent extraction and must be enriched to contain 2.0 to 2.5 mg. thiamine per pound; 1.2 to 1.5 mg. riboflavin per pound; 16.0 to 20.0 mg. niacin per pound; and 13.0 to 16.5 mg. iron per pound.
- (5) The cornmeal or wheat flour must be fortified with the Vitamin A Palmitate preparation to be tested to the level of 10,000 to 12,000 IU per pound, first preparing a premix with the cornmeal or flour to contain about 500,000 IU per pound, blending this thoroughly, then mixing into the balance of the cornmeal or flour and blending thoroughly. The fortified cornmeal or wheat flour will be stored in 8 ounce, round glass bottles approximately 2-1/4 x 5 inches tall provided with plastic screw caps having polyvinyl liners with pulp packing. Between 110 and 120 grams of fortified cornmeal or wheat flour are placed in each bottle, leaving about one inch head space, the lids are tightened, and the upper portion of the bottle and the complete lid are coated with paraffin by inverting and dipping in a bath of melted wax to prevent moisture loss.
- (6) Bottles are stored at 45° C for 21 days, and assayed for Vitamin A, using a minimum sample size of 25 grams for each determination. Loss is determined by assaying in duplicate three bottles of cornmeal or wheat flour before and after storage.
- (7) Analysis of concentrates and of original and stored blends must be carried out by the following method: Carr-Price blue color method, "Methods of Vitamin Assay, Association of Vitamin Chemists, Inc.," Interscience Publishers, Inc., New York, (1951).
- (8) A given lot of Vitamin A does not require retesting unless its potency as determined by the USP XVII analytical procedure has fallen below the manufacturer's label claim for the product.

G. Methods of Analyses

Unless otherwise specified, the test methods for the product and any ingredients therein shall be those of the "Official Methods of the Association of Official Analytical Chemists," the "American Association of Cereal Chemists," or the "American Oil Chemists' Society," as applicable and in effect on the date of issuance of the invitation under which the contract involved was entered into, or in accordance with methods that give equivalent results.

H. Quality Discounts

If the product to be delivered by the contractor does not meet the quality specifications of paragraph 9.E. of this announcement but falls within the discounts listed, the product may be delivered to CCC, but the purchase price will be reduced in accordance with the following schedule of discounts for each 100 pounds of commodity delivered:

Soy-Fortified Cornmeal - Discounts

Excess Moisture Percent	Excess Fat Percent	Excess Crude Fiber Percent	Deficient Protein Percent
13.1 or 13.2 - 10 cents	1.6 or 1.7 - 10 cents	2.1 or 2.2 - 10 cents	12.9 or 12.8 - 10 cents
13.3 or 13.4 - 20 cents	1.8 or 1.9 - 20 cents	2.3 or 2.4 - 20 cents	12.7 or 12.6 - 20 cents
13.5 - 35 cents	2.0 - 35 cents	2.5 - 35 cents	12.5 - 35 cents
Deficient Granulation Through a No. 20 Sieve Percent	Deficient Granulation Through a No. 25 Sieve Percent	Deficient Granulation Through a No. 45 Sieve Percent	Excess Granulation Through a No. 80 Sieve Percent
98 or 97 - 10 cents	90 or 89 - 10 cents	39 or 38 - 10 cents	33 or 34 - 10 cents
96 or 95 - 20 cents	88 or 87 - 20 cents	37 or 36 - 20 cents	35 or 36 - 20 cents
94 or 93 - 35 cents	86 or 85 - 35 cents	35 or 34 - 35 cents	37 or 38 - 35 cents

Soy-Fortified Cornmeal - Maximum Ash Allowable Without Discount at Specified Calcium Levels¹

Calcium Mg/lb.	Maximum Ash Percent	Calcium Mg/lb.	Maximum Ash Percent
340-358	1.78	794-811	2.03
359-376	1.79	812-829	2.04
377-394	1.80	830-847	2.05
395-412	1.81	848-866	2.06
413-430	1.82	867-884	2.07
431-448	1.83	885-902	2.08
449-466	1.84	903-920	2.09
467-485	1.85	921-938	2.10
486-503	1.86	939-956	2.11
504-521	1.87	957-974	2.12
522-539	1.88	975-993	2.13
540-557	1.89	994-1011	2.14
558-575	1.90	1012-1029	2.15
576-593	1.91	1030-1047	2.16
594-612	1.92	1048-1065	2.17
613-630	1.93	1066-1083	2.18
631-648	1.94	1084-1101	2.19
649-666	1.95	1102-1120	2.20
667-684	1.96	1121-1138	2.21
685-702	1.97	1139-1156	2.22
703-720	1.98	1157-1174	2.23
721-739	1.99	1175-1192	2.24
740-757	2.00	1193-1210	2.25
758-775	2.01	1211-1228	2.26
776-793	2.02	1229-1247	2.27

¹ Soy-fortified cornmeal, prior to calcium enrichment, shall not have an ash content exceeding 1.60 percent on a moisture-free basis.

Soy-Fortified Cornmeal - Discounts for Excess Ash and Deficient & Excess Calcium

Excess Ash (Percentage Points Above Maximum)	Deficient Calcium
.01 or .02 - 10 cents	499 - 440 mg/lb. - 5 cents
.03 or .04 - 20 cents	439 - 400 mg/lb. - 10 cents
.05- 35 cents	399 - 340 mg/lb. - 20 cents
Excess Calcium	
750 - 1247 mg/lb. - 0 cents	

Subject to the provisions of Articles 60 and 68 of USDA-1, product which deviates from the specifications of this contract will be rejected.

I. Proportions

The ingredients contained in the blend must be included in the following proportions:

<u>Ingredients</u>	<u>Pounds per 2,000-lb. Batch</u>
Cornmeal, Degermed	1,700
Soy Flour, Defatted (Toasted)	<u>300</u>
TOTAL	2,000

J. Ingredient Specifications

The ingredients must meet the following individual specifications:

- (1) The cornmeal will be degermed and meet the requirements as listed under Type II, Class A, Granulation 2, Color b, of Federal Specification N-C-521E, dated March 3, 1970, paragraphs 1 through 4.3.2.2 except paragraphs 3.1.1, 3.4.1, 3.6 through 3.6.1.1, 4.2.3.2.1 through 4.2.3.3, 4.2.3.5, 4.2.3.5.1 through 4.2.4, 4.2.6, and 4.3.
- (2) The soy flour, defatted (toasted), will be the screened, finely ground product obtained from selected soybeans by cleaning, cracking, dehulling, tempering, flaking, defatting with hexane, desolventizing, deodorizing, toasting (full cook with color change to light yellow or golden buff), and cooling. In addition to the usual biological changes brought about by cooking of soybean protein products, the full cook process tends to remove undesirable volatile flavor compounds and change the color of the soy flour to a buff. The defatted soy flour (toasted) must meet the following requirements:

Table 4 - Chemical and Physical Requirements

DEFATTED SOY FLOUR (TOASTED)

ITEM	REQUIREMENT ¹	
	MINIMUM	MAXIMUM
Moisture, %	----	10.0
Protein (Nx6.25), % ¹	50.0	----
Fat, % ¹	0.6	----
Fiber, % ¹	----	3.5
Ash, % ¹	----	6.5
Material Through a U.S. Standard No. 100 Woven-Wire-Cloth Sieve, %	95	----
Nitrogen Solubility Index	10	30
Urease activity, increase in pH	0.05	0.15
Total bacteria count, per gram	----	50,000
Color	Light yellow to golden buff	
Odor	Neutral to nutty	
Taste	Pleasant, neutral to slightly nutty	
Texture	A homogeneous flour	

10. QUALITY ASSURANCE

- ✓..A. The contractor must perform the product testing and quality analysis to ensure that the product meets the specifications described in Section 9 B-J. The results must be evidenced by a Certificate of Analysis. The contractor must retain the certificates of analysis and furnish to CCC upon request. Contractors are required to notify KCCO immediately of lots that fail to meet contract requirements. Contractors must submit product samples by lot to FGIS Commodity Testing Laboratory for analysis for six months after implementation of TQSA. Fees for submitted samples will be for the account of the contractor.

- B. Contractor must not ship the product unless the containers and markings meet the Acceptable Quality Level (AQL) of the "U.S. Standards for Condition of Food Containers." Except with respect to shipments that do not meet the AQL standards, and notwithstanding Article 56(b) of USDA-1, contractor assumes all risks and liabilities that arise with respect to the failure of the shipped product to meet contract specifications. ..✓

¹ Moisture-free basis.

- C. An examination will be performed by randomly selecting and weighing a specified number of filled shipping units for each production lot. The exact number of filled shipping units to be examined shall be determined in accordance with approved FGIS sampling procedures. The average net weight of the shipping unit shall be determined by subtracting the average tare weight from the average gross weight. The average net weight of the sampled shipping units must not be less than 98 percent of the marked net weight. Failure of the lot to meet the average net weight requirement shall cause rejection of the involved lot.
- ✓.. D. TQSA program is a method of contractor verification and shall not relieve contractors of their responsibility to deliver a product which complies with all contractual and specification requirements.
- E. If contractor becomes TQSA non-compliant after contract is awarded and through execution of contract, the contracting officer may terminate contract for default. ..✓

11. SHIPMENT AND DELIVERY

- A. Shipment and delivery must be made in accordance with this announcement and Articles 56 and 64 of USDA-1.
- B. Title and risk of loss will pass to the designated steamship line, on the date of delivery, as evidenced by signed and dated consignee's receipt, warehouse receipt, dock receipt, or other similar document acceptable to CCC.
- C. The quantity of the product delivered must be evidenced by signed and dated consignee's receipt, warehouse receipt, dock receipt, or other similar document acceptable to CCC.
- D. Contractors are required to make **TWO** notifications for each shipment (See Article 56(c) of USDA-1):
 - (1) The Notify Party shown on the KC-269, "Notice to Deliver" (N/D), must be contacted prior to shipment.
 - (2) The contractor must submit form KC-366, Shipment Information Log, for each N/D, annotating on the form when the shipment is complete for each N/D. The KC-366 is to be faxed as early as possible each Tuesday and Thursday, until shipping is complete, to both the Traffic Management Division, KCCO (facsimile number 816-926-6767) and the Notify Party(s) on the N/D. Contractors must notify the contracting officer in advance if shipments will not be made by the final shipment date under the contract, in accordance with Article 67(a) of USDA-1.

12. LIQUIDATED DAMAGES

A. Compensation to Contractor for Late Issuance of Notice to Deliver

Liquidated damages for delay in shipment due to late issuance of the N/D will be payable in accordance with Article 65 of USDA-1, and will be at the rate of \$0.10 per 100 pounds (net weight) per day.

B. Compensation to CCC for Delay in Shipment

Liquidated damages for delay in shipment will be payable in accordance with Article 67 of USDA-1, and will be at the rate of \$0.10 per 100 pounds (net weight) per day.

13. INVOICES AND PAYMENT

- A. Invoicing and payment will be handled in accordance with Article 70, USDA-1. Invoices must be mailed to:

Kansas City Management Office
Commodity Financial Operations Division, SB-VIPS
P.O. Box 419205
Kansas City, MO 64141-6205

- B. Payments may be made directly to a financial banking institution. To receive payments electronically, Standard Form 1199A, Direct Deposit Sign-Up Form and Form W-9, Request for Taxpayer Identification Number and Certification, must be completed. The Debt Collection Improvement Act of 1996 amended 31 U.S.C. 3332 to require Federal agencies to convert all Federal payments from checks to electronic fund transfers no later than January 1, 1999. If you have questions or would like these forms mailed to you, contact Commodity Financial Operations Division, ICB.

- ✓.. C. If product to be delivered by the contractor fall within the quality discount tables as outlined in Section 9, Commodity Specifications, a Certificate of Analysis of the analytical results must be submitted with the invoice package, and these factors must be asterisked. ..✓

14. INQUIRIES

Inquiries pertaining to USDA-1 and this announcement should be directed to:

Kansas City Commodity Office
Export Operations Division
P.O. Box 419205
Kansas City, MO 64141-6205

Alan King
Director
Kansas City Commodity Office